



Attachment to Resolution No.
42/VII/2026 of the Supervisory Board
of TAURON Polska Energia S.A.
dated 30 March 2026

Report of the Supervisory Board
of TAURON Polska Energia S.A.
for the financial year 2025

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1. Introduction

Acting pursuant to Article 382 § 3 point 3) of the Commercial Companies Code (hereinafter: the CCC), § 20 section 1 point 3) of the Articles of Association of TAURON Polska Energia S.A. (hereinafter: TAURON or the Company), and the Best Practices for GPW Listed Companies 2021 (hereinafter: the Best Practice), the Supervisory Board of TAURON Polska Energia S.A. (hereinafter: the Supervisory Board) hereby presents to the Annual General Meeting of the Company this Supervisory Board Report of TAURON Polska Energia S.A. for the financial year 2025 (hereinafter: the Report) and requests its approval.

The Report presents a summary of the activities of the Supervisory Board and its committees in the financial year 2025, as well as the results of the assessment of the following reports and selected aspects of the Company's operations, as referred to in Article 382 § 31 of the CCC and the Best Practice:

1. the Company's financial statements and the consolidated financial statements of the TAURON Group, as well as the Management Board's report on the activities of the Company and the TAURON Group for the financial year 2025, including sustainability reporting, in terms
2. of their compliance with the accounting records, source documents and the actual state of affairs, as well as the Management Board's proposal regarding the distribution of net profit,
3. the Company's situation on a consolidated basis, including the adequacy and effectiveness of internal control systems, risk management, compliance, and the internal audit function,
4. the Company's application of corporate governance principles and the manner in which it fulfils its disclosure obligations as specified in the Rules of the Warsaw Stock Exchange (hereinafter: the Exchange) and in regulations governing current and periodic information disclosed by issuers of securities,
5. the justification of expenditures incurred by the Company and the TAURON Group on supporting culture, sport, charitable institutions, media, social organisations, trade unions, etc.,
6. the Management Board's fulfilment of its disclosure obligations referred to in Article 380¹ of the CCC,
7. the manner in which the Management Board prepares or provides the Supervisory Board with information, documents, reports or explanations requested pursuant to Article 382 § 4 of the CCC.

2. Information on the Term of Office, Composition and Functions Held, as well as Changes in the Composition of the Supervisory Board during the Financial Year

In 2025, the seventh term of office of the Supervisory Board of the Company, which commenced on 3 April 2024, was ongoing. In accordance with the Company's Articles of Association, the term of office of the Supervisory Board is joint and lasts three full financial years.

Pursuant to the Company's Articles of Association, the Supervisory Board consists of 5 to 9 Members.

During the reporting year, the Supervisory Board comprised from 7 to 9 Members, including from 3 to 5 Members appointed by the Minister of State Assets exercising rights attached to shares held by the State Treasury pursuant to § 23 section 1 point 3) of the Company's Articles of Association. The remaining Members of the Supervisory Board were appointed by resolutions of the General Meeting pursuant to § 23 section 1 of the Company's Articles of Association.

The table below presents the composition of the Supervisory Board as at 31 December 2025 and as at the date of preparation of this Report.

Table 1. Composition of the Supervisory Board as at 31 December 2025 and as at the date of preparation of this Report

Composition of the Company's Supervisory Board as at 31 December 2025	Composition of the Company's Supervisory Board as at the date of preparation of this Report
Ilona Malik	Ilona Malik
Chair of the Supervisory Board	Chair of the Supervisory Board

Composition of the Company's Supervisory Board as at 31 December 2025		Composition of the Company's Supervisory Board as at the date of preparation of this Report	
Natalia Klima-Piotrowska	Deputy Chair of the Supervisory Board	Natalia Klima-Piotrowska	Deputy Chair of the Supervisory Board
Tomasz Majka	Secretary of the Supervisory Board	Tomasz Majka	Secretary of the Supervisory Board
Mariusz Bąbol	Member of the Supervisory Board	Mariusz Bąbol	Member of the Supervisory Board
Michał Hulbój	Member of the Supervisory Board	Michał Hulbój	Member of the Supervisory Board
Arkadiusz Jówko	Member of the Supervisory Board	Arkadiusz Jówko	Member of the Supervisory Board
Beata Kisielewska	Member of the Supervisory Board	Beata Kisielewska	Member of the Supervisory Board
Leszek Koziorowski	Member of the Supervisory Board	Leszek Koziorowski	Member of the Supervisory Board
Krzysztof Zawadzki	Member of the Supervisory Board		

As of 1 January 2025, the Supervisory Board of the Company consisted of the following persons: Sławomir Smyczek (Chair of the Supervisory Board), Natalia Klima-Piotrowska (Vice-Chair of the Supervisory Board), Piotr Kołodziej (Secretary of the

Supervisory Board), Mariusz Bąbol (Member of the Supervisory Board), Michał Hulbój (Member of the Supervisory Board), Beata Kisielewska (Member of the Supervisory Board), Leszek Koziorowski (Member of the Supervisory Board).

The table below presents changes in the composition of the Supervisory Board during the financial year 2025 and until the date of preparation of this Report.

Table 2. Changes in the composition of the Supervisory Board and functions held during the financial year 2025 and until the date of preparation of this Report

Date	Changes in the composition of the Supervisory Board and the functions held
17 February 2025	The Minister of State Assets, acting pursuant to § 23 section 1 point 3) of the Company's Articles of Association: – appointed Arkadiusz Jówko to the Supervisory Board of the Company.
13 November 2025	The Minister of State Assets, acting pursuant to § 23 section 1 point 3) of the Company's Articles of Association: – dismissed Sławomir Smyczek and Piotr Kołodziej from the Supervisory Board of the Company, – appointed Ilona Malik, Tomasz Majka and Krzysztof Zawadzki to the Supervisory Board of the Company.
17 November 2025	The Supervisory Board of the Company elected: – Ilona Malik as Chair of the Supervisory Board, – Tomasz Majka as Secretary of the Supervisory Board.

Events after the balance sheet date:

1 January 2026	On 17 December 2025, the Supervisory Board of the Company resolved to delegate, as of 1 January 2026, Krzysztof Zawadzki, a Member of the Supervisory Board, to temporarily perform the duties of a Member of the Management Board, entrusting him with the responsibilities of Vice-President of the Management Board for Trade, for a period not exceeding three months from the date of delegation. The above delegation period ended on 24 March 2026.
24 March 2026	In connection with his appointment to the Management Board of the Company as Vice-President of the Management Board for Trade, Krzysztof Zawadzki resigned from membership of the Supervisory Board of the Company with effect as of 24 March 2026, including from performing the function of Vice-President of the Management Board for Trade under the above-mentioned temporary delegation.

3. Information on the fulfilment by Members of the Supervisory Board of independence criteria and on their relationships with a shareholder holding at least 5% of the total number of votes in the Company

Pursuant to the Company's Articles of Association and Principle 2.3 of the Best Practice, at least two Members of the Supervisory Board should meet the independence criteria set out in the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, and should not have any actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company.

Prior to their appointment to the Supervisory Board, in accordance with Principle 4.9.2 of the Best Practice, Members of the Supervisory Board of the Company submit written statements regarding their compliance with the requirements for members of the audit committee specified in the above-mentioned Act, as well as regarding the existence of any actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company.

In the event of circumstances resulting in a change to the above-mentioned requirements or relationships with a shareholder, a Member of the Supervisory Board is obliged to immediately notify the Company thereof.

Information on the fulfilment by Members of the Supervisory Board of the Company of the independence criteria is published on the Company's website at:

<https://www.tauron.pl/tauron/o-tauronie/wladze-spolki>

After the balance sheet date, in order to update information on the fulfilment by Members of the Supervisory Board of the independence criteria, as well as on the existence or absence of actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company, the Members of the Supervisory Board submitted updated statements on independence and relationships.

The table below presents information on the fulfilment by Members of the Supervisory Board of the independence criteria and the absence of actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company, as referred to in the Best Practice, for 2024 and up to the date of preparation of this report.

Table 3. Fulfilment by Members of the Supervisory Board of the Company of independence criteria and absence of actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company

No.	Name and surname	Period of holding office on the Supervisory Board in 2025 and until the date of preparation of this report	Fulfilment of independence criteria and absence of actual and material relationships with a shareholder holding at least 5% of the total number of votes in the Company
1.	Ilona Malik	from 13.11.2025 to present	Meets
2.	Natalia Klima-Piotrowska	from 01.01.2025 to present	Meets
3.	Tomasz Majka	from 13.11.2025 to present	Meets
4.	Mariusz Bąbol	from 01.01.2025 to present	Meets
5.	Michał Hulbój	from 01.01.2025 to present	Meets
6.	Arkadiusz Jówko	from 17.02.2025 to 14.01.2026	Did not meet
		from 15.01.2026 to present	Meets
7.	Beata Kisielewska	from 01.01.2025 to present	Meets
8.	Leszek Koziorowski	from 01.01.2025 to present	Meets
9.	Krzysztof Zawadzki	from 13.11.2025 to 31.12.2025 ¹	Met
10.	Sławomir Smyczek	from 01.01.2025 to 13.11.2025	Met
11.	Piotr Kołodziej	from 01.01.2025 to 13.11.2025	Met

¹The Supervisory Board of the Company, on 17 December 2025, adopted a resolution to delegate, as of 1 January 2026, a member of the Supervisory Board, Krzysztof Zawadzki, to temporarily perform the duties of a member of the Management Board of the Company, entrusting him with the responsibilities of Vice-President of the Management Board for Trade for a period not exceeding three months from the date of delegation.

The above delegation period ended on 24 March 2026 in connection with his resignation from membership of the Supervisory Board of the Company and his appointment to the Management Board of the Company as Vice-President of the Management Board for Trade.

As at 31 December 2025, 88.89% of the Members of the Supervisory Board met the independence criteria and had no relationships with a shareholder as defined in Principle 2.3 of the Best Practices. As

at the date of preparation of this report, 100% of the Members of the Supervisory Board met these criteria.

Information on the composition of the Supervisory Board in the context of diversity

With regard to the Members of the Supervisory Board, the Members of the Supervisory Board of the Company are appointed by the General Meeting of the Company or by the minister competent to exercise rights attached to shares held by the State Treasury, within the scope of the statutory powers vested in the State Treasury.

The Rules of the General Meeting of the Company include provisions recommending that persons making decisions on the appointment of Members of the Supervisory Board ensure the diversity of the body by appointing individuals who contribute to its diversity, in order, inter alia, to achieve the target minimum share of the underrepresented gender set at no less than 30%, in accordance with the objectives set out in the diversity policy adopted by the Company.

As at 31 December 2025, the proportion of women and men on the Supervisory Board of the Company was 1:2 (33.3% women and 66.7% men). As at the date of preparation of this report, the proportion of women and men on the Supervisory Board of the Company was 3:5 (37.5% women and 62.5% men).

This proportion increased compared to 2024. As at 31 December 2024, the proportion of women and men on the Supervisory Board of the Company was 2:5 (28.57% women and 71.43% men).

As at 31 December 2025 and as at the date of preparation of this report, the composition of the Supervisory Board of the Company ensured diversity in terms of age, field of education, specialised knowledge and professional experience.

4. Information on the number of meetings held and resolutions adopted, attendance, and key matters addressed by the Supervisory Board during the financial year

The Supervisory Board performs its duties on the basis of the powers conferred by the Commercial Companies Code, the Company's Articles of Association, the Rules of the Supervisory Board of TAURON Polska Energia S.A., as well as the corporate governance principles set out in the Best Practices.

In the financial year 2025, the Supervisory Board of the Company held a total of 11 meetings and adopted 96 resolutions.

All Members of the Supervisory Board of the Company were present at 7 meetings. At 4 meetings, 1 Member of the Supervisory Board of the Company was absent. The absences of Members of the Supervisory Board were duly justified by appropriate resolutions of the Supervisory Board.

The attendance of Members of the Supervisory Board at meetings in 2025 was 95.7%.

Members of the Supervisory Board demonstrate a high level of professional expertise and possess appropriate qualifications necessary to perform their functions.

Members of the Supervisory Board exercise due diligence in the performance of their duties, making full and committed use of their knowledge and experience in managing and supervising commercial companies. Owing to the high competence and commitment of individual Members of the Supervisory Board, as well as efficient organisation, the Supervisory Board effectively performs its statutory duties, acting in the best interest of the Company.

In order to enable the provision of substantive responses to any questions raised during the Annual General Meeting of the Company held on 25 June 2025, representatives of the Supervisory Board, including the Chair of the Supervisory Board and the Chairpersons of the Supervisory Board Committees, participated in the proceedings of the General Meeting.

In exercising its competences, the Supervisory Board maintained ongoing supervision over the Company's activities in all areas of its operations, in particular over the Company's and the TAURON Group's economic and financial performance, as well as the implementation of the operating and financial plan, the execution of investment projects

within the TAURON Group companies, including compliance with their implementation schedules, and the correctness and efficiency of the expenditure of funds related to investment projects carried out by the Management Board of the Company.

Within the scope of its activities, the Supervisory Board actively supported the Management Board in the implementation of the Company's strategic

objectives, considered Management Board motions on matters requiring the Supervisory Board's consent, and reviewed other matters submitted by the Management Board.

The Supervisory Board raised no objections to the expenditure of funds related to investment projects carried out by the Management Board of the Company in the financial year 2025, including the acquisition of non-current assets.

Table 4. Key matters addressed by the Supervisory Board during its meetings in 2025

Within the scope of its advisory and assessment competences, the Supervisory Board:

- 1) assessed the financial statements of TAURON and the consolidated financial statements of the TAURON Group for 2024 in terms of their compliance with the accounting records and source documents as well as with the actual state of affairs, and assessed the Management Board's motion to the General Meeting of the Company regarding the distribution of net profit for the financial year 2024,
- 2) assessed the *Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2024*, including sustainability reporting of the TAURON Group,
- 3) issued a positive opinion on the report of TAURON Polska Energia S.A. on representation expenses, expenditure on legal services, marketing services, public relations and communication services, and management consulting services incurred in 2024,
- 4) issued a positive opinion on the annual report on the implementation of the TAURON Group's sponsorship activities plan for 2024, the amended sponsorship activities plan of the TAURON Group for 2025, as well as the new sponsorship activities plan of the TAURON Group for 2026,
- 5) issued a positive opinion on the results of the double materiality assessment in the TAURON Group for the purposes of sustainability reporting for 2025,
- 6) issued a positive opinion on the *Sponsorship, Promotion and CSR Strategy of the TAURON Group for 2025–2035*

Within the scope of its decision-making competences, the Supervisory Board:

- 1) adopted the *Supervisory Board Report of TAURON Polska Energia S.A. for 2024*,
- 2) adopted the *Remuneration Report of the Members of the Management Board and the Supervisory Board of TAURON Polska Energia S.A. for 2024* and submitted it to the General Meeting for its opinion,
- 3) approved the *operating and financial plan of the TAURON Group for 2025 and the operating and financial plan of TAURON Polska Energia S.A. for 2025*,
- 4) selected the audit firm to perform assurance of the sustainability reporting of the TAURON Group for the years 2025–2027,
- 5) approved the revised *Rules of Organisation of TAURON Polska Energia S.A.*,
- 6) approved the *Digital Transformation Plan of the TAURON Group*,
- 7) granted consent for the conclusion of agreements for legal services, marketing services, public relations and communication services, and management consulting services, where the total remuneration provided for such services under a given agreement or other agreements concluded with the same entity exceeded PLN 500 thousand net on an annual basis,
- 8) determined the manner of exercising voting rights at General Meetings / Meetings of Shareholders of companies in respect of which TAURON Polska Energia S.A. is the parent undertaking within the meaning of Article 4 point 3 of the *Act of 16 February 2007 on Competition and Consumer Protection*, in matters concerning: amendments to statutes/articles of association/founding deeds aimed at aligning them with the amended Commercial Companies Code, mergers, acquisition of non-current assets, remuneration of members of corporate bodies, and increases in share capital,
- 9) monitored the ongoing and annual activities of the Supervisory Board Committees and supplemented their composition.

Within the scope of supervision over the ongoing activities of the Company and the TAURON Group, the Supervisory Board:

- 1) analysed the current economic and financial situation of the Company and the TAURON Group, including the implementation of the operating and financial plan, indebtedness, utilisation of generation capacity, projected revenues and profits in individual areas of activity, and financing processes within the TAURON Group,
- 2) discussed key corporate and specific risks within the TAURON Group,
- 3) granted consent for TAURON to incur contingent liabilities in the form of a surety for the obligations of its subsidiary TAURON Sprzedaż sp. z o.o. towards Polska Spółka Gazownictwa sp. z o.o., as well as in the form of bank guarantees issued under guarantee line agreements,
- 4) discussed the assurance report on the sustainability reporting of the Company and the TAURON Group for the financial year 2024,
- 5) discussed the opinion of the Social Council of the TAURON Group concerning material information for employees on sustainability and the methods of its acquisition and verification,
- 6) discussed the report on the implementation within the TAURON Group of guidelines supporting the professional development of women in the context of the implementation of Directive (EU) 2022/2381 (the so-called "Women on Boards" Directive),
- 7) reviewed the *Gender Balance, Diversity, Equal Opportunities and Inclusion Policy of TAURON Polska Energia S.A. and the TAURON Group*,

- 8) reviewed information on the amount of funds disbursed under the KPO loan allocated to financing investments in electricity networks and other distribution assets, including, in particular, the status of implementation of individual investments and their sources of financing,
- 9) discussed information concerning the transformation of TAURON Wytwarzanie S.A.,
- 10) discussed the results of audit and investigative activities carried out within the TAURON Group.

Within the scope of competences relating to the Management Board, the Supervisory Board:

- 1) set detailed joint Management Objectives for the Members of the Management Board of the Company for the seventh joint term of office to be achieved in 2025, and defined the weightings of these objectives as well as objective criteria for their achievement and evaluation,
- 2) adopted motions to the Annual General Meeting of TAURON regarding the discharge of duties of the Members of the Management Board of the Company,
- 3) assessed the achievement of the Management Objectives in 2024 and determined the amount of Variable Remuneration payable to the Members of the Management Board of the Company,
- 4) dismissed the Vice-President of the Management Board for Trade from the Management Board of TAURON in its seventh joint term of office, delegated a Member of the Supervisory Board to temporarily perform the duties of the Vice-President of the Management Board for Trade, and determined the terms and amount of remuneration for the delegated person.

Within the scope of supervision over the correctness and efficiency of the expenditure of funds related to investment activities carried out by the Management Board of the Company, including the acquisition of non-current assets, the Supervisory Board:

- 1) approved the *Management Board Report of TAURON Polska Energia S.A. on the supervision of the implementation of investment projects in the TAURON Group in 2024*, and adopted the *Supervisory Board Report of TAURON Polska Energia S.A. on the supervision of the implementation by the Management Board of investments, including the acquisition of non-current assets, in 2024*, raising no objections to the expenditure of funds related to investment activities in 2024,
- 2) reviewed ongoing information on the status of implementation by subsidiaries of strategic investment projects, including investments in renewable energy sources, the construction of battery energy storage facilities and gas peaking units.

Activities of the Supervisory Board in the area of sustainability (ESG)

In the performance of its assigned responsibilities related to ESG reporting, in 2025 the Supervisory Board:

- 1) reviewed the opinion of the Social Council of the TAURON Group concerning material information for employees on sustainability and the methods of its acquisition and verification,
- 2) met with the auditors performing the assurance of the sustainability reporting of the Company and the TAURON Group for the financial year 2024 and discussed the assurance report,
- 3) issued a positive assessment of the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2024, including sustainability reporting of the TAURON Group,
- 4) selected the audit firm to perform assurance of the sustainability reporting of the TAURON Group for the years 2025–2027,
- 5) issued a positive opinion on the results of the double materiality assessment in the TAURON Group for the purposes of sustainability reporting for 2025, including material sub-topics identified on the basis of the assessment of impacts, risks and opportunities (IRO),
- 6) supervised the implementation of the objectives set out in the TAURON Group Strategy for 2025–2035, with particular emphasis on sustainability reporting.

5. Activities of the Supervisory Board Committees

In accordance with the principles set out in the Best Practice, in the financial year 2025 the activities of the Supervisory Board were supported by the following Committees:

- the Audit Committee,
- the Nomination and Remuneration Committee,
- the Strategy Committee.

The Supervisory Board Committees are advisory and consultative bodies which operate on a collegial basis and perform supporting and advisory functions for the Supervisory Board. The tasks of the Supervisory Board Committees are carried out through the submission to the Supervisory Board of motions, recommendations, opinions and reports within the scope of their responsibilities.

The table below presents the tasks and competences of the Supervisory Board Committees of the Company.

Table 5. Tasks and competences of the Supervisory Board Committees

Tasks and competences of the Supervisory Board Committees

Audit Committee

- 1) monitoring the financial reporting process in the Company and the sustainability reporting of the Group, including compliance with the requirements for electronic reporting referred to in Article 63zc of the Act of 29 September 1994 on Accounting, as well as the process by which the Company identifies information disclosed in accordance with the sustainability reporting standards referred to in the above-mentioned Act; monitoring the effectiveness of internal control systems, risk management, compliance and internal audit, in particular in relation to financial reporting and sustainability reporting of the Group; monitoring the performance of statutory audit activities, in particular the audit of financial statements or the assurance of sustainability reporting carried out by the audit firm, taking into account all conclusions and findings of the Polish Audit Oversight Agency resulting from inspections conducted at the audit firm,
- 2) controlling and monitoring the independence of the statutory auditor and the audit firm, in particular where the audit firm provides services to the Company other than the audit of financial statements and the assurance of sustainability reporting,
- 3) assessing the independence of the statutory auditor and granting consent for the provision by the statutory auditor of permitted non-audit and non-assurance services to the Company,
- 4) developing a policy for the selection of the audit firm to carry out the audit of financial statements,
- 5) developing a policy on the provision by the audit firm conducting the audit, its related entities and members of its network, of permitted non-audit services,
- 6) determining the procedure for the selection of the audit firm by the Company,
- 7) developing a policy for the selection of the audit firm to perform the assurance of sustainability reporting,
- 8) developing a policy on the provision by the audit firm conducting the assurance of sustainability reporting, its related entities and members of its network, of permitted services other than the assurance of sustainability reporting,
- 9) submitting to the Supervisory Board, for the purposes of selecting the audit firm to carry out the statutory audit or review of financial statements, the recommendation referred to in Article 130 sections 2 and 3 of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight and in Article 16(2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audits of public-interest entities (...), in accordance with the policies referred to in points 4 and 5 above,
- 10) informing the Supervisory Board of the results of the audit of financial statements or the assurance of sustainability reporting, and explaining how such audit contributed to the integrity of financial reporting in the Company and sustainability reporting of the Group, as well as the role of the Audit Committee in the audit or assurance process, as applicable,
- 11) submitting recommendations aimed at ensuring the integrity of the financial reporting process and sustainability reporting of the Group in the Company,
- 12) performing other activities assigned to audit committees under the laws and regulation referred to in point 9 above, as well as the Act of 29 September 1994 on Accounting.

Nomination and Remuneration Committee

- 1) recommending to the Supervisory Board the procedure for conducting selection processes for positions of Members of the Management Board of the Company,
- 2) assessing candidates for Members of the Management Board and presenting opinions to the Supervisory Board in this regard,
- 3) recommending to the Supervisory Board the form and content of contracts concluded with Members of the Management Board,
- 4) recommending to the Supervisory Board the remuneration and incentive system for Members of the Management Board,
- 5) recommending to the Supervisory Board the suspension of a Member of the Management Board for important reasons,
- 6) recommending to the Supervisory Board the delegation of a Member of the Supervisory Board to temporarily perform the duties of Members of the Management Board who are unable to perform their duties, together with a proposal for remuneration.

Strategy Committee

- 1) assessing the Strategy of the Company and the TAURON Group and presenting the results of this assessment to the Supervisory Board,
- 2) recommending to the Supervisory Board the scope and timing for the submission by the Management Board of multi-annual strategic plans,
- 3) assessing the impact of planned and undertaken strategic investments on the structure of the Company's assets,
- 4) monitoring the implementation of strategic investment projects,
- 5) assessing actions relating to the management of the Company's material assets,
- 6) issuing opinions on strategic documents submitted to the Supervisory Board by the Management Board.

In accordance with the Rules of the Committees: the Audit Committee consists of 3 to 5 Members, the Nomination and Remuneration Committee consists of 3 to 6 Members, and the Strategy Committee consists of 3 to 7 Members.

The Members of the respective Supervisory Board Committees elected Chairpersons from among their members, who directed the work of the respective Committees and supervised the preparation of meeting agendas, the preparation and circulation of

documents to other Committee members, and the preparation of minutes of meetings.

In 2025, the composition of the Audit Committee complied with the statutory requirements set out in the Act on Statutory Auditors. The Members of the Audit Committee submitted the relevant statements (responsibility statements) confirming compliance with the independence criteria and statutory requirements regarding their knowledge and skills in the field of accounting and auditing of financial

statements, as well as in the sector in which the Company operates.

The majority of the Members of the Audit Committee, including its Chairperson, met the statutory independence requirements. In addition, at least one member of the Audit Committee possessed knowledge and skills in the field of accounting or auditing of financial statements, and at least one member of the Audit Committee

possessed knowledge and skills relevant to the sector in which the Company operates.

The qualifications of the Members of the Audit Committee in the field of accounting or auditing of financial statements, as well as in the sector in which the Company operates, result from their education, as well as the skills and experience held by the Members of the Audit Committee.

The table below presents the composition of the Supervisory Board as at 31 December 2025 and as at the date of preparation of this Report.

Table 6. Composition of the Supervisory Board Committees as at 31 December 2025

No.	Name and surname	Audit Committee	Nomination and Remuneration Committee	Strategy Committee
1.	Ilona Malik	-	Chair	Member
2.	Natalia Klima-Piotrowska	Member	Member	Chair
3.	Tomasz Majka	-	-	-
4.	Mariusz Bąbol	-	Member	-
5.	Michał Hulbój	Member	-	Member
6.	Arkadiusz Jówko	-	Member	-
7.	Beata Kisielewska	Member	-	-
8.	Leszek Koziorowski	-	Member	-
9.	Krzysztof Zawadzki	Chair	-	-

The table below presents the composition of the individual Supervisory Board Committees as at the date of preparation of this Report.

Table 7. Composition of the Supervisory Board Committees as at the date of preparation of this Report

No.	Name and surname	Audit Committee	Nomination and Remuneration Committee	Strategy Committee
1.	Ilona Malik	-	Chair	Member
2.	Natalia Klima-Piotrowska	-	Member	Chair
3.	Tomasz Majka	Member	-	-
4.	Mariusz Bąbol	-	-	Member
5.	Michał Hulbój	Member	-	Member
6.	Arkadiusz Jówko	-	Member	-
7.	Beata Kisielewska	Chair	-	-
8.	Leszek Koziorowski	-	Member	-
9.	Krzysztof Zawadzki	Member	-	-

In the financial year 2025:

- the Audit Committee held a total of 7 meetings, all of which were attended by all Members of the Audit Committee, and adopted 16 resolutions,
- the Nomination and Remuneration Committee held a total of 7 meetings and adopted 10 resolutions. All Members of the Nomination and Remuneration Committee attended 4 meetings, while at 3 meetings individual Members were absent; such absences were duly justified by appropriate resolutions,
- the Strategy Committee held a total of 4 meetings, all of which were attended by all Members of the Strategy Committee, and adopted 4 resolutions.

Table 8. Key matters addressed by the Committees of the Supervisory Board during their meetings in 2025**Key matters addressed by the Committees of the Supervisory Board during their meetings in 2025****Audit Committee:**

- 1) monitored the financial reporting process, including an analysis of the reliability of financial information presented by the Company in terms of its compliance with the accounting records and source documents as well as with the actual state of affairs, and submitted to the Supervisory Board its recommendation based on the assessment of information contained in the following documents: the financial statements of TAURON and the consolidated financial statements of the TAURON Group for the financial year ended 31 December 2024, the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2024, including sustainability reporting of the TAURON Group, the Management Board's motion to the General Meeting regarding the distribution of net profit for the financial year 2024, as well as the extended consolidated reports: quarterly reports of the TAURON Group for the first quarter of 2025 and the third quarter of 2025, and the semi-annual report of the TAURON Group for the first half of 2025,
- 2) cooperated with the statutory auditor in relation to: the audit of the financial statements of TAURON and the consolidated financial statements of the TAURON Group for the financial year 2024, the review of the condensed interim financial statements of the Company and the consolidated financial statements of the TAURON Group for the first half of 2025, the audit process of the financial statements of TAURON and the consolidated financial statements of the TAURON Group for the financial year 2025, the assessment of the risk of the audit firm losing its authorisation to perform statutory audit activities, and the position regarding the recognition of provisions for onerous contracts in the financial statements of companies of the TAURON Group,
- 3) cooperated with auditors performing the assurance of sustainability reporting, including discussing key matters related to the assurance of sustainability reporting for 2024 and reviewing the results of such assurance,
- 4) discussed and adopted the policy for the selection of the audit firm to perform assurance of sustainability reporting, as well as the policy on the provision to the TAURON Group by the audit firm performing such assurance, its related entities and members of its network, of permitted services other than the assurance of sustainability reporting,
- 5) adopted a recommendation for the Supervisory Board regarding the selection of the audit firm to perform assurance of sustainability reporting, based on the procurement procedure carried out, as well as a report containing conclusions from the procedure for selecting the audit firm to perform audits and reviews of the financial statements and consolidated financial statements of TAURON Polska Energia S.A. for the years 2025–2027,
- 6) assessed threats to, and safeguards of, the independence of the statutory auditor and reviewed information on the implementation of procedures ensuring compliance within the TAURON Group with the requirement for independence of the audit firm performing audits and reviews of the financial statements and consolidated financial statements of TAURON,
- 7) adopted and submitted to the Supervisory Board an assessment of the financial statements, the Management Board's Report on the activities of the Company and the TAURON Group for 2024, including sustainability reporting, and the Management Board's motion regarding the distribution of net profit for the financial year 2024, as well as an assessment of the Company's situation, taking into account the adequacy and effectiveness of internal control systems, risk management, compliance and internal audit,
- 8) analysed the financial results of the Company and the TAURON Group for 2024, the first quarter of 2025, the first half of 2025 and the third quarter of 2025,
- 9) reviewed and assessed the revised Accounting Policy of the TAURON Polska Energia S.A. Group,
- 10) monitored matters within the Internal Audit area, including: reviewing the implementation of the audit plan in the TAURON Group in 2024, including conclusions and observations as well as issued audit recommendations and post-audit actions, reviewing the audit and control plan for 2025, and the results of the Internal Control System assessment report for 2024; issued an opinion on the Internal Audit Strategy in the TAURON Group together with the self-assessment of the Internal Audit function, and regularly analysed current information on audit activities performed by the Internal Audit area,
- 11) monitored matters relating to key corporate and specific risks, as well as sustainability reporting processes within the TAURON Group,
- 12) monitored compliance of the TAURON Group's activities, including aspects related to sustainability, and analysed information on the results of investigations conducted in connection with reports of potential irregularities received by the Company,
- 13) reviewed the TAURON Compliance Report for 2024 and the TAURON Group Compliance Plan for 2025,
- 14) discussed and submitted to the Supervisory Board reports on the periodic assessment of transactions with related parties for the periods from 1 July 2024 to 31 December 2024 and from 1 January 2025 to 30 June 2025,
- 15) reviewed quarterly information from the Procurement area regarding the awarding of contracts in TAURON Group companies within the scope of its competences relating to monitoring the effectiveness of the internal control system, and discussed the results of analyses concerning the correctness and duration of individual stages of procurement procedures in TAURON Group companies, together with information on newly implemented procurement procedures,
- 16) monitored the process of expenditure of funds obtained under the KPO for the implementation of investment projects, including reviewing information on the control systems and safeguards applied in supervising the proper use of such funds and the performance by TAURON Dystrybucja of obligations related to their settlement,
- 17) discussed the receivables collection process, reviewed current data on the indebtedness of customers of the TAURON Group and proposals for improving this process,
- 18) adopted and submitted to the Supervisory Board a report on its activities in 2024 and adopted its work plan for 2025.

Nomination and Remuneration Committee:

- 1) recommended to the Supervisory Board the determination of detailed joint Management Objectives for the Members of the Management Board of the Company to be achieved in 2025, including the specification of the weightings of these objectives and objective and measurable criteria for their achievement and evaluation,

- 2) recommended to the Supervisory Board the assessment of the achievement in 2024 of the Management Objectives set for the Members of the Management Board of the seventh joint term of office, as well as the determination of the amount of Variable Remuneration payable to the Members of the Management Board of the Company and the amount of Variable Remuneration payable to the Members of the Management Board of the sixth term of office who held their positions in 2023,
- 3) recommended to the Supervisory Board the dismissal of the Vice-President of the Management Board for Trade and the delegation of a Member of the Supervisory Board to temporarily perform the duties of the dismissed Member of the Management Board, as well as the determination of the terms and amount of remuneration for the delegated person,
- 4) adopted and submitted to the Supervisory Board a report on its activities in 2024.

Strategy Committee:

- 1) adopted and submitted to the Supervisory Board: the approved Management Board Report on the supervision of the implementation of investment projects in the TAURON Group in 2024 and the Supervisory Board Report on the supervision of the implementation by the Management Board of investments, including the acquisition of non-current assets, in 2024,
- 2) monitored the progress of digital transformation initiatives, including, inter alia: analysing the digital maturity assessment of the TAURON Group; reviewing the portfolio of digital initiatives and projects implementing the Group's Strategy for 2025–2035; and reviewing issues related to the development of IT infrastructure, IT system security, and planned programmes aimed at further digital transformation of the TAURON Group,
- 3) analysed the operation of the Wholesale Trading BU, including, in particular, reviewing its organisational structure, functions and scope of responsibilities, sales volumes, financial performance, market and regulatory environment, the role of the BU in value creation for the Group and in market risk management, as well as its importance in the TAURON Group's transition towards renewable energy sources,
- 4) monitored the activities of the Sales BU, including, in particular, reviewing the implementation of the operating and financial plan, financial performance forecasts and the achievement of key performance indicators; reviewed the impact of market and regulatory conditions on sales activities and monitored the status of the CSIRE implementation,
- 5) monitored the progress of key investment projects, including, in particular: projects financed under the KPO in TAURON Dystrybucja S.A., with particular emphasis on the deployment of smart meters, and reviewed the implementation of the Energy Storage Project – Rożnów II Pumped Storage Power Plant, including technical, scheduling, communication, financial and financing model aspects, as well as cooperation with equity partners,
- 6) analysed research and development activities within the TAURON Group, including, inter alia, reviewing the portfolio of ongoing R&D projects, the level and sources of funding for R&D activities, as well as the concept for the establishment and operation of a Research and Development Centre within the Group, including tax aspects and potential funding opportunities,
- 7) reviewed the role and tasks of Shared Services Centres (SSCs) providing services to companies of the TAURON Group, as well as the characteristics of the area responsible for direct customer relations, in particular with regard to: comprehensive customer service relating to the sale of electricity and related services, after-sales service, and the development of customer-dedicated IT tools; monitoring of IT systems and services within the TAURON Group to ensure cybersecurity; telecommunications services within the fibre-optic network; the activities of SSC IT, SSC Accounting and the HR Centre; and the level of achievement of strategic objectives and key performance indicators by the Customer Service BU and SSCs,
- 8) reviewed the operation of key assets and the related technical and organisational infrastructure, including site visits to: workplaces within the Trading Division of TAURON Polska Energia S.A., the Piotrków wind farm with a capacity of 30 MW, the Rożnów Hydropower Plant, the site of the planned pumped storage power plant, and the data centre of TAURON Obsługa Klienta sp. z o.o.,
- 9) adopted and submitted to the Supervisory Board a report on its activities in 2024 and adopted its work plan for 2025.

6. Results of the assessment of the financial statements of the Company and the TAURON Group, the Management Board's reports on the activities of the Company and the TAURON Group, and the Management Board's motion regarding the distribution of net profit

Acting pursuant to Article 382 § 31 point 1) of the Commercial Companies Code and § 20 section 1 point 3) letter a) of the Articles of Association of TAURON, the Supervisory Board, having reviewed the *Audit Committee Report to the Supervisory Board on the assessment of the financial statements, the Management Board's report on the activities of the Company and the TAURON Group, and the assessment of the Company's situation, taking into account the adequacy and effectiveness*

of the internal control systems, risk management, compliance and internal audit applied in the Company, assessed the following documents:

1. the separate financial statements of TAURON Polska Energia S.A., prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,
2. the consolidated financial statements of the TAURON Polska Energia S.A. Group, prepared in accordance with the International Financial

Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,

3. the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting of the TAURON Group,
4. the Management Board's motion regarding the distribution of net profit for the financial year 2025.

The audit of the above-mentioned financial statements was carried out by the audit firm

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyty sp.k. (hereinafter: the statutory auditor, the auditor), which was selected by the Supervisory Board to audit the separate and consolidated financial statements of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2025.

The mandatory assurance of sustainability reporting was carried out by the audit firm PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyty sp.k., which was selected by the Supervisory Board.

6.1. Assessment of the separate financial statements of TAURON Polska Energia S.A., prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025

The Supervisory Board of TAURON assessed the separate financial statements of TAURON Polska Energia S.A., prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025, comprising:

1. the statement of comprehensive income for the year ended 31 December 2025, showing total comprehensive income of PLN 3,121 million and net profit for the financial year 2025 of PLN 3,307 million,
2. the statement of financial position as at 31 December 2025, showing total assets and total liabilities of PLN 30,764 million,
3. the statement of changes in equity for the year ended 31 December 2025, showing an increase in equity of PLN 3,122 million,
4. the statement of cash flows for the year ended 31 December 2025, showing a decrease in net cash and cash equivalents of PLN 117 million,
5. the accounting policies and additional explanatory notes.

The Supervisory Board positively assessed the above-mentioned separate financial statements of TAURON in terms of their compliance with the

accounting records and source documents, as well as with the actual state of affairs.

The basis for the Supervisory Board's positive assessment was the independent auditor's report on the audit, according to which the above separate financial statements of TAURON Polska Energia S.A.:

- 1) present a true and fair view of the separate financial position of TAURON Polska Energia S.A. as at 31 December 2025, and of its separate financial performance and separate cash flows for the financial year then ended, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting policies,
- 2) are compliant, in terms of form and content, with the laws applicable to the Company and its Articles of Association,
- 3) have been prepared on the basis of properly maintained accounting records, in accordance with the provisions of Chapter 2 of the Act of 29 September 1994 on Accounting (hereinafter: the Accounting Act).

6.2. Assessment of the consolidated financial statements of the TAURON Polska Energia S.A. Group, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025

The Supervisory Board of TAURON assessed the consolidated financial statements of the TAURON Polska Energia S.A. Group, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025, comprising:

1. the consolidated statement of comprehensive income for the year ended 31 December 2025, showing total comprehensive income of PLN 3,068 million and net profit for the financial year 2025 of PLN 3,315 million,
2. the consolidated statement of financial position as at 31 December 2025, showing total assets and total liabilities of PLN 48,717 million,
3. the consolidated statement of changes in equity for the year ended 31 December 2025, showing an increase in equity of PLN 3,032 million,
4. the consolidated statement of cash flows for the year ended 31 December 2025, showing a decrease in net cash and cash equivalents of PLN 237 million,
5. the accounting policies and additional explanatory notes.

The Supervisory Board positively assessed the above-mentioned consolidated financial statements of the TAURON Group for the financial year 2025 in terms of their compliance with the accounting records and source documents, as well as with the actual state of affairs.

The basis for the Supervisory Board's positive assessment was the independent auditor's report on the audit, according to which the above consolidated financial statements of the TAURON Group:

- 1) present a true and fair view of the consolidated financial position of TAURON Polska Energia S.A. and its subsidiaries as at 31 December 2025, and of the consolidated financial performance and consolidated cash flows of the Group for the financial year then ended, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting policies,
- 2) are compliant, in terms of form and content, with the laws applicable to the Group and the Articles of Association of the parent entity.

6.3. Assessment of the Management Board's motion to the General Meeting regarding the distribution of net profit for the financial year 2025

The Supervisory Board assessed the Management Board's motion to the General Meeting regarding the distribution of the net profit of TAURON Polska Energia S.A. for the financial year 2025, covering the period from 1 January 2025 to 31 December 2025, in the amount of PLN 3,307,275,149.43 (in words: three billion three hundred and seven million two hundred and seventy-five thousand one hundred and forty-nine zloty and 43/100), as follows:

- an amount of PLN 350,509,878.80 (in words: three hundred and fifty million five hundred and nine thousand eight hundred and seventy-eight zloty and 80/100) to be allocated for the payment of dividends to the Company's shareholders, which corresponds to a dividend of PLN 0.20 (in words: twenty grosz) per share,
- an amount of PLN 2,956,765,270.63 (in words: two billion nine hundred and fifty-six million seven hundred and sixty-five thousand two hundred and seventy zloty and 63/100) to be allocated to the Company's supplementary capital, which amounted to PLN 2,948,858,237.92 as at 31 December 2025.

The proposed dividend record date is 17 June 2026.
The proposed dividend payment date is 2 July 2026.

The Supervisory Board took into account the Company's liquidity position, which remains stable, and the level of available cash and available financing limits ensures the ability to meet the TAURON Group's current liabilities in a timely manner and to implement the planned investment expenditures. The available cash allows the TAURON Group to maintain financial liquidity also after the dividend payment in the recommended amount.

The recommended profit distribution is consistent with the TAURON Group Strategy for 2024–2035, which provides for the implementation of a significant investment programme, involving capital expenditures of approximately PLN 100 billion, of which 60% is allocated to the Distribution segment and 30% to the development of renewable energy sources and electricity storage facilities.

At the same time, the Supervisory Board notes that the proposed profit distribution takes into account the need to maintain a stable financial position of the Company, as confirmed by the current rating assigned by Fitch in October 2025, in which the Company's long-term rating was maintained at BBB-, while the rating outlook was changed from stable to positive.

In the opinion of the Supervisory Board, allocating the majority of net profit to supplementary capital, while at the same time distributing part of the profit in the form of dividends, constitutes a solution that supports the further strengthening of the Company's capital structure, limits the need to obtain external

financing in conditions of market volatility, and takes into account the scale of the investment programme being implemented, the need to maintain prudent debt ratios and the necessity to ensure stable sources of financing for the energy transition.

6.4. Assessment of the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting of the TAURON Group

Having reviewed the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting, the Supervisory Board positively assesses this report in terms of its compliance with the accounting records and source documents, as well as with the actual state of affairs. The report presents, in a true and fair manner, the financial position, economic and financial performance, development, and sustainability matters of TAURON Polska Energia S.A. and the TAURON Group, and its completeness and compliance with respect to the information disclosed therein have been confirmed by the statutory auditor.

Pursuant to Article 63r of the Act of 29 September 1994 on Accounting, TAURON Polska Energia S.A. presented the TAURON Group Sustainability Report for 2025, which constitutes a separate part of the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025. The report was prepared in

accordance with the following guidelines and regulations:

1. the Act of 29 September 1994 on Accounting (Journal of Laws of 2024, item 1863) – the Act transposes the provisions of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting,
2. Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards,
3. 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.

6.5. Summary of the assessment

The Supervisory Board of TAURON Polska Energia S.A. carried out a positive assessment of the following documents presented by the Management Board of the Company and concluded that they are consistent with the accounting records, source documents and the actual state of affairs:

1. the separate financial statements of TAURON Polska Energia S.A., prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,
2. the consolidated financial statements of the TAURON Polska Energia S.A. Group, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,
3. the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting of the TAURON Group,
4. the Management Board's motion regarding the distribution of net profit for the financial year 2025.

In assessing the above financial statements of TAURON Polska Energia S.A. and the TAURON Group, as well as the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group, including sustainability reporting, the Supervisory Board reviewed the recommendations of the Audit Committee of the Supervisory Board of TAURON Polska Energia S.A., which, in performing its duties under the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, supervised the financial reporting and sustainability reporting processes, the effectiveness of internal control systems, risk management systems and internal audit, and carried out tasks aimed at ensuring the integrity of financial reporting and sustainability reporting.

The basis for the Supervisory Board's positive assessment of the separate financial statements of TAURON Polska Energia S.A. and the consolidated financial statements of the TAURON Polska Energia S.A. Group for the financial year 2025 were the independent auditor's reports on the audit of those statements.

The above financial statements were prepared within the time limits prescribed by law and are compliant with the International Financial Reporting Standards as adopted by the European Union. The correctness of the preparation of these financial statements, in terms of their compliance with the accounting records, source documents and the actual state of affairs, raises no reservations and is confirmed by the information contained in the independent auditor's reports on the audit of those statements.

In accordance with the independent auditor's reports on the audit of the above statements:

- 1) the financial statements present a true and fair view of the financial position of TAURON Polska Energia S.A. and the TAURON Group as at 31 December 2025, and of their financial performance for the financial year from 1 January 2025 to 31 December 2025, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting policies,
- 2) the financial statements of TAURON Polska Energia S.A. for the year ended 31 December 2025 were prepared on the basis of properly maintained accounting records,
- 3) the financial statements are compliant, in terms of form and content, with the laws applicable to TAURON Polska Energia S.A. and the TAURON Group and with the Articles of Association of TAURON Polska Energia S.A.

The Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting, was prepared in accordance with the applicable provisions of the Act of 29 September 1994 on Accounting and 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 under the laws of a non-Member State.

In the opinion of the statutory auditor, the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2025 was prepared in accordance with the applicable laws and is consistent with the financial statements of TAURON Polska Energia S.A. for the year ended 31 December 2025 and with the consolidated financial statements of the TAURON Group for the year ended 31 December 2025.

The assurance providers presented to the Supervisory Board the independent auditor's assurance report on sustainability reporting for 2025, providing limited assurance, according to which, based on the assurance procedures performed and the evidence obtained, nothing has come to the auditors' attention that would cause them to believe that:

- 1) the sustainability reporting is not in compliance, in all material respects, with the requirements of Chapter 6c of the Act of 29 September 1994 on Accounting, including the European Sustainability Reporting Standards (ESRS),
- 2) the materiality assessment process carried out by the TAURON Group to identify information disclosed in the sustainability reporting is not in compliance, in all material respects, with the ESRS,
- 3) the sustainability reporting is not in compliance, in all material respects, with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, amending Regulation (EU) 2019/2088.

In view of the positive assessment of the reports, the Supervisory Board recommends that the Annual General Meeting approve:

the separate financial statements of TAURON Polska Energia S.A., prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,

- the consolidated financial statements of the TAURON Polska Energia S.A. Group, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, for the year ended 31 December 2025,

– the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for 2025, including sustainability reporting of the TAURON Group.

At the same time, the Supervisory Board positively assessed the Management Board's motion to the Annual General Meeting of TAURON regarding the distribution of net profit for the financial year 2025, covering the period from 1 January 2025 to 31 December 2025, in the amount of PLN 3,307,275,149.43,

to be allocated as follows: PLN 350,509,878.80 for the payment of dividends to shareholders and PLN 2,956,765,270.63 to the Company's supplementary capital.

7. Assessment of the Company's situation on a consolidated basis

7.1. Assessment of the situation of Tauron Polska Energia S.A.

TAURON Polska Energia S.A., as the parent entity of the TAURON Group, performs in particular management and consolidation functions.

As a result of the implementation of the Business Model and the centralisation of functions, the Company has concentrated a number of competences relating to the operation of the companies of the TAURON Group and currently conducts activities, inter alia, in the areas of wholesale trading in electricity, gas and related products, in particular in the field of commercial services for Group companies, trading in CO₂

emission allowances, guarantees of origin for energy, and energy efficiency certificates. Corporate management includes oversight of procurement, financial management, asset management, corporate risk management, IT, coordination of legal services, and coordination of activities in the area of accounting and tax advisory.

The Company's main sources of income are dividends received from subsidiaries and revenues from the sale of electricity, gas, property rights to guarantees of origin for electricity, CO₂ emission allowances, and trading services.

Table 9. Performance of the Company

PLN million	2025	2024	Change (2025/2024)	Change (2025-2024)
Sales revenue	18 795	22 849	82%	(4 054)
EBITDA	479	822	58%	(343)
Net profit (loss)	3 307	510	648%	2 797

It should be noted that despite the decrease in sales revenue resulting from declining market prices, the operating results achieved by the Company confirm its stable financial and economic position.

In the reporting period ended 31 December 2025, TAURON Polska Energia S.A. generated sales revenue 18% lower compared to the figures recorded in 2024, which resulted from the following factors:

- a 19% decrease in revenue from the sale of electricity, driven by a 17% decline in electricity selling prices accompanied by a 3% decrease in sales volume,
- a decrease in revenue from the sale of CO₂ emission allowances, resulting from a 10% lower volume of allowances sold in 2025 for compliance purposes of TAURON Group companies (relating to emissions for 2023 and 2024), despite a 3% increase in the prices of those allowances,
- a 34% decrease in revenue from gas sales, caused by a 17% decline in gas prices, accompanied by a 21% decrease in sales

volume. Gas sales were carried out primarily to hedge contracts concluded by TAURON Sprzedaż and to generate a positive margin on trading activities.

The 42% decrease in EBITDA in 2025 compared to the previous year resulted from a lower margin achieved on the sale of:

- electricity and gas, mainly due to a lower unit margin and lower sales volumes,
- CO₂ emission allowances, primarily as a result of a lower unit margin, driven by the stabilisation of the euro exchange rate at which allowances were acquired for compliance purposes by the Group's generation companies, combined with a lower volume resulting from reduced demand from Group companies.

The gross profit achieved in 2025, higher by PLN 2,734 million compared to the previous year, was influenced by a number of factors affecting its level. The most significant of these include:

- an increase in dividend income, mainly due to the recognition of dividends received from the subsidiary TAURON Dystrybucja S.A.,
- an increase resulting from the revaluation of loans, following an upward adjustment in the valuation of a loan granted to TAURON Wytwarzanie S.A., based on analyses of financing provided to subsidiaries, taking into account expected future cash flows.
- a lower loss on derivative instruments, resulting from the strengthening of the Polish zloty and the decrease in the valuation of foreign currency derivatives,
- a decrease in interest income on loans, mainly due to lower income from the loan granted to TAURON Wytwarzanie S.A., resulting from a reduction in the carrying amount of the loan forming the basis for interest calculation, following cash flow analyses performed as at 30 June 2024. In addition, lower interest income resulted from a lower average annual level of external financing utilisation and an overall decline in interest rates,
- a lower level of income from the revaluation of shares and interests, resulting from the fact that in 2025 a partial reversal of the impairment loss on shares in TAURON Ciepło sp. z o.o. was recognised in an amount lower than in 2024. The reversal of the impairment in both years was a consequence of positive results of impairment tests performed.

As at 31 December 2025, the Company's total assets amounted to PLN 30,764 million, representing an increase of 6% compared to 31 December 2024. Non-current assets accounted for the largest share of total assets, at 86%. The main components were investments in shares and interests and the value of bonds and loans granted, accounting for 55% and 30% of total assets, respectively.

As at 31 December 2025 and 31 December 2024, equity accounted for 49% and 41% of total liabilities and equity, respectively. The most significant component of liabilities was interest-bearing debt, which accounted for 45% of total liabilities and equity as at the end of 2025, compared to 52% at the end of 2024.

The change in cash and cash equivalents reported in the statement of cash flows for the financial year ended 31 December 2025 was negative and amounted to PLN 117 million. The balance of cash and cash equivalents as at 31 December 2025 was positive and amounted to PLN 16 million. The amount of cash and cash equivalents presented in the Company's Statement of Financial Position totalled PLN 181 million; the difference results from adjustments to cash balances arising from loan balances granted and received under cash pooling arrangements, as they do not constitute cash flows from investing or financing activities and are primarily used for current liquidity management.

7.2. Assessment of the situation of the TAURON Group

In 2025, the TAURON Group conducted activities in the areas of generation, distribution and sale of electricity and heat, as well as other energy market products, excluding electricity transmission, which falls exclusively within the competence of the Transmission System Operator.

The analysis based on EBITDA and the Net debt/EBITDA ratio, which in the opinion of the Supervisory Board constitute the most significant parameters for assessing the financial position on a consolidated basis, confirms the stable position of the TAURON Group.

EBITDA amounted to PLN 7,511 million and was therefore higher than the result achieved in 2024. The Net debt/EBITDA ratio reached 1.4x, thus remaining below the covenant level specified in the financing agreements (3.5x).

In light of the above indicators, it can be concluded that the TAURON Group maintains a stable market position and that its level of indebtedness does not give rise to a current risk to liquidity.

The stable financial position of the Company is also confirmed by the current rating assigned by Fitch on 29 September 2025, in which the rating was maintained at BBB- and the rating outlook was revised from stable to positive, taking into account the dominant share of the regulated and predictable electricity distribution segment in the TAURON Group's business profile, its strong market position, and the forecast level of financial leverage below the threshold indicated as a negative rating sensitivity.

The rating agency emphasizes the strong market position of the Tauron Group as the largest distributor of electricity in Poland, covering the southern, densely populated regions of Poland. The high share of the regulated Distribution segment in the EBITDA of the Tauron Group allows the Company to achieve predictable and stable results.

Table 10. Financial performance of the Group

PLN million	2025	2024	Change (2025/2024)	Change (2025-2024)
Sales revenue	33 277	32 535	102%	742
EBITDA	7 511	6 470	116%	1 041
Net profit (loss)	3 315	590	562%	2 725
CAPEX	5 641	5 127	110%	514
Net debt / EBITDA	1.4x	1.7x	82%	(0.3)x

Sales revenue in the analysed period increased year on year, mainly as a result of higher revenue from distribution and trading services, driven by an increase in distribution and transmission tariffs following tariff changes, as well as higher revenue from the sale of heat, related to higher sales volumes during the heating season.

However, the growth in revenue was partially offset by a decrease in revenue from the sale of electricity and gas. In the case of electricity, the decline in revenue resulted primarily from a 5% decrease in the average selling price, despite a 3% increase in the volume of electricity sold compared to the

previous year. In the gas segment, the decrease in revenue was a consequence of both an 11% decline in the average selling price and a 26% decrease in sales volume.

The change in EBITDA in 2025 compared to 2024 reflects the consistent implementation of the operational strategy and the Group's adaptation to changing market and regulatory conditions. At the segment level, EBITDA growth was achieved primarily in the Distribution, Generation, and Sales and Wholesale Trading segments, while performance in the Renewables and Heat segment deteriorated.

Table 11. EBITDA of TAURON Group segments and key operating data

PLN million	2025	2024 (restated)	Change (2025/2024)	Change (2025-2024)
Distribution	4 788	3 963	121%	825
Renewables	572	684	84%	(112)
Heat	296	302	98%	(6)
Sales and Wholesale Trading	662	545	121%	117
Generation	948	746	127%	202
Other activities	406	412	99%	(6)
Unallocated items	(161)	(182)	88%	21
Total EBITDA	7 511	6 470	116%	1 041
Electricity distribution	52.05	51.67	101%	0.38
Electricity generation from renewable sources	1.72	1.63	106%	0.09
Electricity generation from non-renewable sources	9.52	8.93	107%	0.59
Heat production	11.39	10.27	111%	1.12
Retail electricity sales	25.17	26.71	94%	(1.54)

The highest increase in EBITDA was recorded in the Distribution segment, driven by:

- an increase in the Regulatory Asset Base to PLN 24.6 billion,
- an increase in the weighted average cost of capital (WACC) to 10.8%,
- a positive impact of the regulatory account settlement.

The increase in EBITDA in the Generation segment resulted primarily from an 18% increase in the volume of electricity sold. The result was also positively impacted by higher capacity market revenues.

The increase in EBITDA in the Sales and Wholesale Trading segment was mainly driven by an improvement in the margin on electricity sales as a result of the introduction of new products. Additionally, in the second half of 2025, the margin on electricity sales deteriorated due to a reduction in tariff G.

The increases in performance in the above segments were partially offset by lower results in the Renewables and Heat segments.

In the Renewables segment, the decrease in performance resulted mainly from a decline in the margin on electricity sales, driven by lower market prices. The deterioration in the Heat segment was due to a decrease in the margin on electricity sales (as a consequence of declining market prices).

Among the most significant investments carried out in 2025 were:

- 1) in the Distribution segment: construction of new connections (PLN 1,620 million), modernisation and replacement of network assets (PLN 1,429 million), AMI Plus (PLN 333 million), IT connectivity (PLN 81 million),
- 2) in the Renewables segment: Miejska Górka wind farm 190.8 MW (PLN 376 million), Sieradz wind farm 23.8 MW (PLN 175 million), Bałków PV 54 MW (PLN 91 million), Postomino PV 90 MW (PLN 62 million), construction of battery energy storage facilities (PLN 41 million), modernisation of hydropower plants (PLN 35 million) and Nowa Brzeźnica wind farm 19.6 MW (PLN 15 million),
- 3) in the Heat segment: expenditures related to maintaining generation units and district heating networks (PLN 52 million), connection of new facilities (PLN 29 million), construction of peak and backup boiler houses at ZW Bielsko-Biała EC2 (PLN 16 million), construction of a 140 MWt gas-fired boiler at ZW Katowice (PLN 13 million),

- 4) in the Generation segment: replacement and modernisation expenditures at the Łagisza Power Plant (PLN 200 million), restoration and remedial programme for the 910 MW unit in Jaworzno (PLN 65 million);
- 5) in the Sales, New Services, Customer Service, SSCs and Other segments: IT investments at TAURON Obsługa Klienta (PLN 201 million), street lighting at TAURON Nowe Technologie (PLN 72 million), construction of a fibre-optic network (PLN 55 million), CSIRE for the sales area (PLN 24 million).

As at the end of December 2025, non-current assets constituted the largest component of total assets, accounting for 86% of the balance sheet total. Compared to the end of 2024, the value of non-current assets increased by PLN 4,044 million, i.e. by 11%, while the value of current assets decreased by PLN 1,041 million, i.e. by 14%.

The decrease in current assets was mainly due to a decline in other financial assets, the value of guarantees of origin for energy and CO₂ emission allowances held for compliance purposes, inventories, and cash and cash equivalents. Decreases were also recorded in derivatives, income tax receivables, other non-financial assets and trade receivables.

In 2025, equity accounted for 43% of total liabilities and equity, representing an increase of 4 percentage points compared to the share as at 31 December 2024. A significant source of financing of assets was also external capital in the form of interest-bearing liabilities, whose share in total liabilities and equity amounted to 27% as at 31 December 2025, representing a decrease of 5 percentage points compared to the end of 2024. Total interest-bearing liabilities amounted to PLN 13,118 million and decreased by 10% compared to 2024.

The value of the TAURON Group's non-current liabilities increased by PLN 586 million, mainly due to an increase in accruals and government grants, as well as higher provisions for employee benefits and provisions for decommissioning of property, plant and equipment and land reclamation. This increase was partially offset by a decrease in interest-bearing liabilities, investment liabilities and deferred income tax liabilities.

The value of the TAURON Group's current liabilities decreased by PLN 615 million, mainly due to a decrease in interest-bearing liabilities, other financial liabilities and accruals and government grants, as well as lower liabilities related to other taxes and charges, derivatives and trade payables. This decrease was partially offset by an increase in

investment liabilities, other provisions and income tax liabilities.

As at 31 December 2025, the statement of financial position of the TAURON Group showed a balance sheet total higher by 7% compared to the end of 2024.

In the statement of cash flows for 2025, the TAURON Group reported positive cash flows from operating activities of PLN 6,981 million (88% of the

level recorded in 2024), negative cash flows from investing activities of PLN (5,830) million (126% of the level recorded in 2024), and negative cash flows from financing activities of PLN (1,388) million (36% of the level recorded in 2024).

The net change in cash and cash equivalents reported in the consolidated statement of cash flows of the TAURON Group was negative and amounted to PLN (237) million. It was higher than that reported in 2024 by PLN 254 million.

Information on the activities of the Supervisory Board undertaken to assess the financial position of the Company and the TAURON Group

In the financial year 2025, the Supervisory Board of TAURON Polska Energia S.A. reviewed, on a semi-annual basis (and, in the case of the Audit Committee, on a quarterly basis), the current results of the TAURON Group and the Company in relation to the approved business and financial plans of both entities, as well as to the results for the corresponding period of the previous year. On each occasion, the key operating indicators of individual business segments were discussed, including the volume of electricity distribution, retail electricity sales, electricity generation from conventional and renewable sources, and heat production.

In addition, the Supervisory Board reviewed the Net debt/EBITDA ratio, EBITDA and capital

expenditures incurred. The periodic assessment of the above financial indicators was carried out in view of their material importance for evaluating the financial and economic position of the Company and the Group.

In addition to analysing the above indicators, the Supervisory Board also reviewed the performance of individual business segments, together with a cause-and-effect analysis of variances between reported results and the values assumed in the approved business and financial plan, as well as the results achieved in the corresponding period of the previous year.

8. Assessment of the effectiveness of internal control, risk management, compliance and the internal audit function

8.1. Introduction

In fulfilling the obligation arising from Article 382 § 3¹ point 2) of the Commercial Companies Code, and taking into account the “Best Practices for GPW Listed Companies 2021” (hereinafter referred to as the “Best Practice”), the Supervisory Board assessed the effectiveness of the internal control system, risk management, compliance and the internal audit function, including all significant control mechanisms, in particular those relating to financial reporting and operational activities.

In accordance with Principle 3.2 of the Best Practice, the organisational units responsible for the above-mentioned systems and functions have been separated. Furthermore, in line with Principle 3.6 of the Best Practice, the internal audit unit, headed by the Executive Director for Internal Audit, is

positioned within the Company’s organisational structure under the direct supervision of the President of the Management Board. The Company complies with the Best Practices requirements regarding the functional reporting line of the Head of Internal Audit to the Audit Committee of the Supervisory Board of TAURON Polska Energia S.A. In order to ensure independence, objectivity and the proper performance of the internal audit function, the Head of Internal Audit has been granted the ability to report periodically to the Audit Committee and the Supervisory Board of the Company. The Company also applies Principle 3.5 of the Best Practices by placing the Executive Director for Risk and the Compliance Officer within its organisational structure under the direct supervision of the President of the Management Board, while

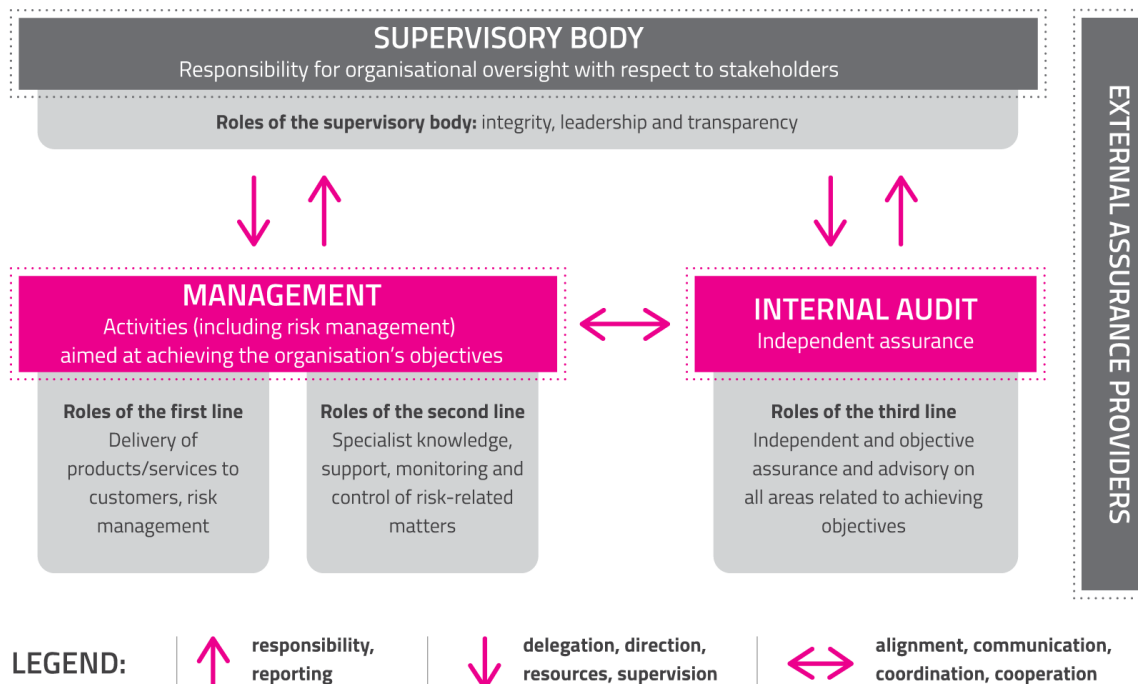
additionally ensuring their ability to report directly to the Supervisory Board and the Audit Committee.

The Audit Committee of the Supervisory Board of TAURON Polska Energia S.A. is a standing committee operating within the structure of the Company’s Supervisory Board, established to oversee the Company’s financial reporting as well as the internal control system, risk management, compliance and internal audit.

To ensure security, the TAURON Group operates a “three lines model”. Within the first line, business units are responsible for performing functional controls within the business processes they execute (risk owners). The second line is responsible for preventive activities within the organisation by overseeing compliance with internal regulations and improving internal systems in the areas of risk management, compliance and security (including information security and technical security). A key

characteristic of the third line is its independence from management. The third line ensures the performance of internal controls within the organisation and the execution of other audit activities of a verification and advisory nature. Within the framework of the three lines model, the Supervisory Board, the Management Board and the Internal Audit function have distinct responsibilities, and their activities are aligned with the objectives of the organisation.

Figure 1. Three lines model



8.2. First line –Internal control systems

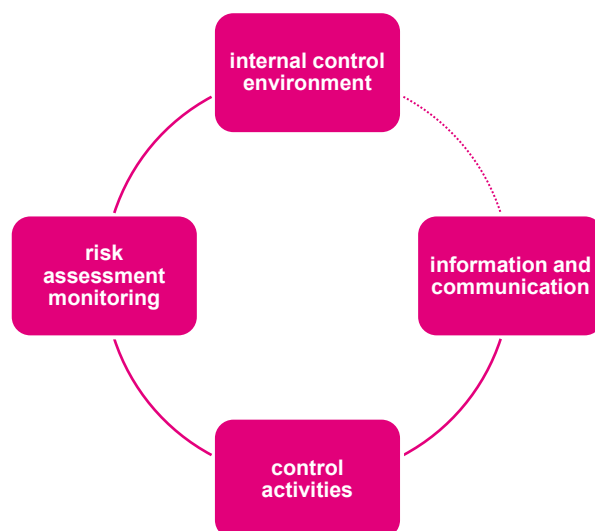
Description of the implemented control systems

The internal control system in place at TAURON Polska Energia S.A. covers all processes carried out within the Company as well as activities undertaken by the Management Board, the Supervisory Board and all employees, and is designed to provide reasonable assurance with regard to:

- the effectiveness and efficiency of operations,
- the reliability of financial reporting,
- compliance of the organisation with applicable laws and regulations,
- internal and intra-group regulations.

The components of the Company's internal control system are presented below.

Figure 2. Components of internal control



The principles and procedures governing the operation of the internal control system in the Company are set out in detail in internal and intra-group normative acts issued by Members of the Management Board of the Company.

In addition to the above-mentioned elements, the Internal Control System takes into account the risks faced by the organisation as well as its business objectives, providing reasonable assurance with regard to:

- the effectiveness and efficiency of operations,
- the reliability of financial reporting,

- compliance of the organisation with applicable laws and internal regulations.

Reasonable assurance takes into account the inherent limitations of the Internal Control System arising from unforeseeable events, uncertainty and risks associated with the achievement of objectives.

Internal control assessment mechanisms

The TAURON Group operates a model for the periodic assessment of the Internal Control System. The model, developed at the initiative of the Audit Committee, has been designed as an autonomous tool aimed at providing the Management Board of TAURON Polska Energia S.A. and the Company's Supervisory Board with independent and objective information on the functioning of the Internal Control System within business processes.

The Internal Control System assessment process is carried out based on a methodology whose provisions are based on the COSO framework, which constitutes a global standard and benchmark for internal control systems.

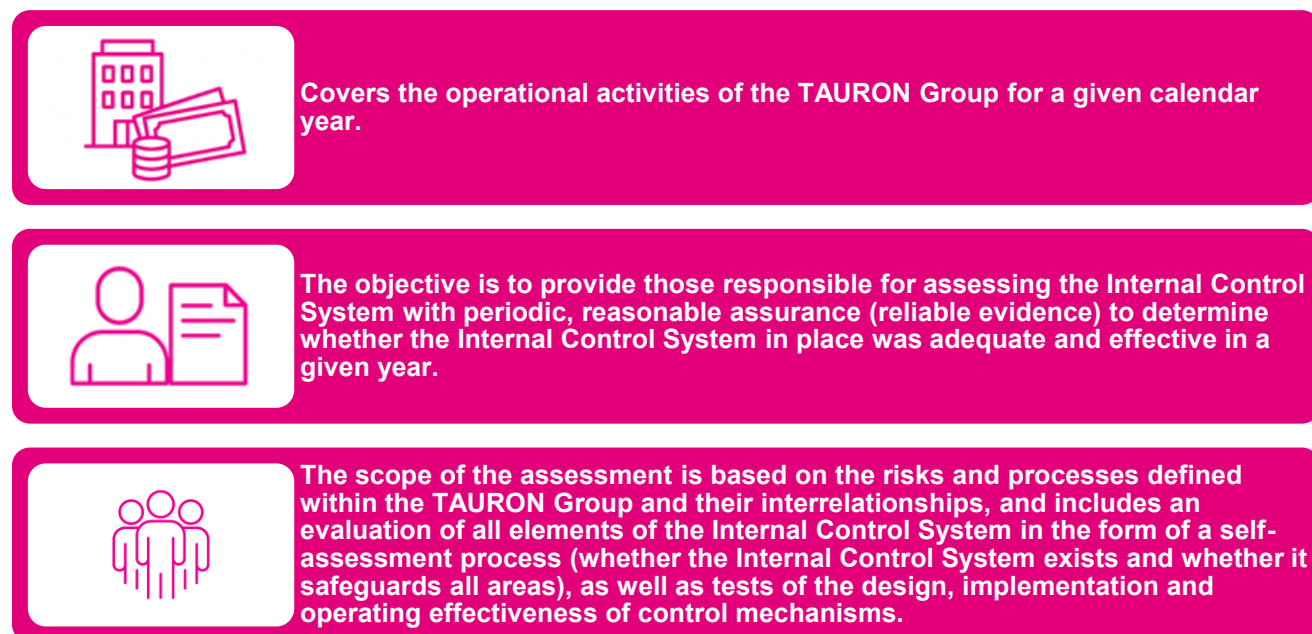
As part of the above process, an assessment of the Internal Control System in the TAURON Group for 2025 was conducted, which included self-assessment as well as tests of the design adequacy, implementation and operating effectiveness of selected control mechanisms linked to risks assessed as material to the Internal Control System. In the opinion of the Supervisory Board, conducting the assessment in the above scope contributes positively to the effective exercise of oversight over all areas of the Company's operations.

The functioning model for the periodic assessment of the Internal Control System enables:

- identification of areas where weaknesses in control mechanisms have been identified,
- adaptation to a changing environment,
- collection of data and comparison of assessment results across individual years.

The model supports compliance with the requirements of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, as well as adherence to the principles arising from the Best Practices for companies listed on the Warsaw Stock Exchange.

Figure 3. Assessment of the Internal Control System in accordance with the adopted methodology



In the opinion of the Supervisory Board, a systematic approach to the assessment of the Internal Control System contributes to the development of the internal control framework and enhances the operational effectiveness of the Company.

The Report on the Assessment of the Internal Control System for 2025 was presented to the Audit Committee by the Internal Audit function. The results of the assessment indicated that no significant weaknesses were identified in the effectiveness of the Internal Control System that would affect the ability to achieve the defined objectives. With respect to the identified weaknesses, recommendations were formulated to implement remedial actions.

Assessment of the adequacy and effectiveness of internal control systems

In assessing the adequacy and effectiveness of internal control systems, the Audit Committee reviewed the following:

- results of audit engagements conducted in 2025,
- monitoring of the effectiveness of the implementation of post-audit recommendations,
- results of the Internal Control System assessment process referred to above.

Based on the above, no significant weaknesses were identified in the effectiveness of the internal control system that would affect the ability to achieve the defined objectives. Where gaps were identified within the reviewed processes relating to the operation of the internal control system, recommendations and corrective actions were formulated to eliminate them. Nevertheless, the issues identified during audit engagements and in the course of the Internal Control System assessment process indicate the need for continuous strengthening and improvement of the effectiveness of the Internal Control System.

8.3. Second line

Risk management

The TAURON Group, in pursuing the objectives of the TAURON Group Strategy, has implemented a comprehensive corporate risk management system (hereinafter referred to as the “ERM System”) and conducts a risk management process (hereinafter referred to as the “ERM Process”) with respect to risks arising in its operations. The primary objective

of risk management is to ensure the broadly understood security of the TAURON Group’s activities, aimed at increasing the predictability of achieving strategic objectives, ensuring stable financial performance, protecting the current economic value of the Group, and supporting decision-making processes.

Description of the risk management system applied

The ERM System operating at the level of the TAURON Group constitutes a set of principles, standards and tools enabling the achievement of the primary objective of risk management, namely the broadly understood assurance of the secure operation of the TAURON Group.

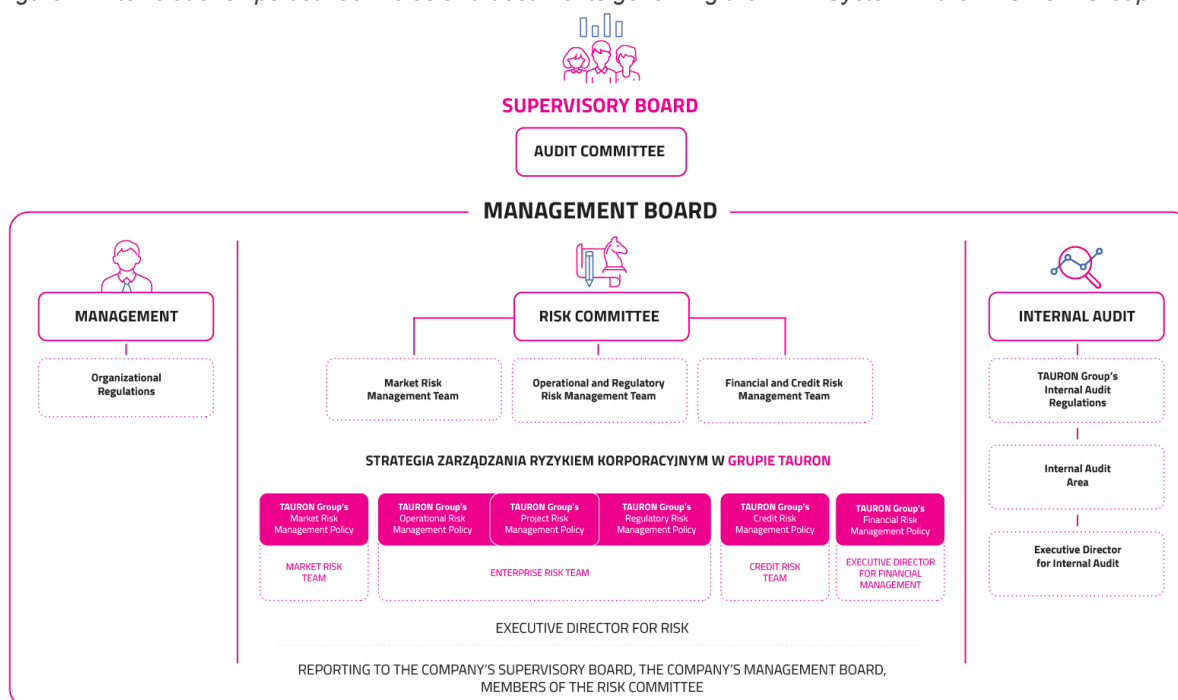
This system is governed by the document entitled “Corporate Risk Management Strategy in the TAURON Group”, which defines the framework and principles of corporate risk management within the TAURON Group. The Strategy is intended to ensure consistency in the management of individual risk categories, which are further specified in separate regulations tailored to the specific nature of particular groups of risks.

A key assumption of the ERM System is a clear and precise allocation of tasks and responsibilities, ensuring the avoidance of conflicts of interest. In particular, the system ensures the independence of the risk-taking function from its control and monitoring. This is achieved through the centralisation of the control function at the level of

the parent company, with organisational and functional separation from the risk-taking function. Within the ERM System, the roles and responsibilities of all participants in the risk management system of the TAURON Group are defined in detail.

Within the risk management process operating in the TAURON Group, a key role is played by the Risk Committee, which, as an expert body, continuously oversees the functioning of the risk management system within the TAURON Group. The Risk Committee comprises individuals with appropriate knowledge of the Company and its environment, as well as the necessary qualifications and authority. The role of the Risk Committee is to establish risk management standards and policies within the TAURON Group and to oversee the effectiveness of the risk management process. Within the Risk Committee, three separate sub-teams have been established: for the area of trading risk, for the area of financial and credit risk, and for the management of operational and regulatory risk.

Figure 4. Interrelationships between roles and documents governing the ERM System in the TAURON Group



As part of the ERM Process in operation, the TAURON Group has adopted risk control and monitoring principles aimed at limiting the Group's exposure to factors that may adversely affect its operations. The primary risk control tool is the Risk Appetite approved by the Management Board of the Company, which defines the fundamental framework applied within the TAURON Group for the purposes of risk management. In accordance with the adopted approach, the priority of the TAURON

Group is to maintain the highest possible level of security while enabling the achievement of its strategic objectives.

Based on the Risk Appetite, the Risk Tolerance is approved, defining the maximum acceptable level of risk exposure within the TAURON Group, taking into account, in particular, the nature and scope of its activities. The level of Risk Tolerance is expressed as a set of metrics and boundary conditions limiting

risk exposure. Risk Tolerance constitutes a practical implementation of the Risk Appetite, taking into account the division into key categories of specific risks and the related global limits.

An additional tool for risk monitoring and control is the Early Warning System, based on a catalogue of Key Risk Indicators (KRI) and Early Warning Indicators (EWI). The purpose of the Early Warning System is to ensure the timely identification of threats through monitoring the drivers of individual risks. At the same time, the system enables proactive mitigation measures to be taken before the actual materialisation of individual risks.

The principles of the ERM System are implemented across all key processes, covering all elements of

the TAURON Group's value chain. This enables comprehensive and sufficiently early identification of risks in individual areas of the TAURON Group and, consequently, allows for proactive and effective responses to risk.

The risk management system operating within the TAURON Group is described in detail in the Management Board's Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2025, including sustainability reporting, together with an indication of the main risk factors in individual business segments, as well as a description of the main categories and subcategories of risks, an assessment of their materiality, and the actions undertaken in response to risk.

Description of the TAURON Group's risk exposure and actions undertaken in 2025

The year 2025 continued to be characterised by government measures aimed at limiting increases in energy prices for end customers, which affected the level of revenues and costs generated by TAURON Group companies, particularly in the Sales area.

The past calendar year was marked by moderate inflation, while interest rates were gradually reduced, resulting in a limited impact on financing costs, also due to the proactive interest rate risk management policy applied.

Further dynamic development of renewable energy technologies and their significant share in meeting electricity demand also continued, leading to the displacement of the Group's conventional generation units and the need to adjust the operation of these assets to the variability of renewable energy production. The increasing share of electricity generated from renewable sources in the energy mix also impacted the energy market, resulting in higher imbalance and profile costs.

Taking into account market, economic and geopolitical conditions, the organisation undertook both operational and strategic responses aimed at minimising the adverse effects of identified risk factors, both from a business perspective and in terms of maintaining business continuity.

Among the actions undertaken in response to risk within TAURON Polska Energia S.A. and the TAURON Group in 2025, the following should be highlighted in particular:

- discussion and directional approval by the Risk Committee of proposed updates to the Risk Appetite and Risk Tolerance within the TAURON Group,
- ongoing monitoring and control of risks arising from the volatility of the market and economic environment, as well as risks of key importance to the functioning of the Group,

- updating and adapting the strategy for hedging trading positions to commercial plans and market and regulatory conditions,
- monitoring of the regulatory environment and taking actions related to the preparation of impact analyses of draft legislation affecting the TAURON Group, participation in industry consultations, and preparation of regulatory positions,
- monitoring the risk of breach of financing covenants,
- supporting the Investment Committee in the process of identifying and measuring risk exposure related to key investment projects within the TAURON Group,
- monitoring the payment discipline of the TAURON Group's customers,
- implementation and continuous improvement of the Business Continuity Management System to ensure the protection and resilience of critical business processes,
- carrying out activities related to the identification and assessment of risks, opportunities and impacts (IRO) in the context of sustainability (ESG).

At the same time, in order to ensure the adequacy of the risk management system, ongoing adjustments were made to the processes, internal regulations and tools applied, so as to align them with the changing market, regulatory and macroeconomic environment. The Supervisory Board periodically received information prepared by the Executive Director for Risk on identified risks, as well as on actions undertaken in response to those risks.

The development of the risk control indicator system operating within the TAURON Group was consistently continued, with particular emphasis on early warning indicators. An annual review and update of risk registers within the TAURON Group were also carried out in order to identify new risk

factors and to review and implement mitigation measures. The Risk function also participated in the identification of material risks, impacts and opportunities (IRO). In 2025, a dedicated IT system supporting risk management processes within the TAURON Group was used.

Assessment of the adequacy and effectiveness of risk management

Based on ongoing monitoring, analysis of applicable internal regulations, and periodic reports and information received from the Executive Director for Risk regarding risks identified at the level of the TAURON Group, as well as mitigation actions undertaken in response to individual threats, the Audit Committee assesses that risk management within the TAURON Group:

- is based on a risk management process that ensures comprehensive and consistent principles - it is a continuous process encompassing risk identification, risk assessment, planning of risk responses, implementation of risk responses, and communication among process participants,
- covers all elements of the value chain,
- ensures centralisation of risk measurement, monitoring and control functions, as well as the ability to assess the full risk profile of the organisation and apply consistent risk management principles,
- ensures independence between the risk-taking function and risk control and monitoring,
- ensures a clear allocation of competences and responsibilities, in particular through the introduction of risk ownership,
- is overseen by the Risk Committee as an expert body that continuously initiates, analyses,

monitors, controls and supports the functioning of the risk management system within the TAURON Group,

- is a proactive process focused on the timely identification of threats, enabling preventive actions to be taken,
- is a systematic and continuously improved process, allowing for ongoing adaptation to the specific nature and organisational structure of the TAURON Group, as well as to the changing environment,
- places emphasis on building awareness, training and encouraging employees to use knowledge of risks
- in their day-to-day activities,
- forms part of the internal control system within the TAURON Group, constituting, alongside compliance and security management functions, an element of the three lines model,
- uses tools enabling effective implementation of the process, such as risk cards, risk registers, risk response plans, volatility models, scoring models and risk limits,
- is based on a risk model that ensures a consistent classification of risks, enabling their uniform and comprehensive identification across the entire TAURON Group.

In view of the above, as well as based on the assessment of the situation in 2025 and the evaluation of the effectiveness of actions undertaken by the TAURON Group and the Executive Director for Risk, the Audit Committee positively assesses the corporate risk management system implemented within the TAURON Group.

In the opinion of the Supervisory Board, the Company maintains and operates an effective ERM System, with a dedicated organisational unit responsible for risk management. The tools for risk identification, measurement, reporting and control enable the proactive development and implementation of responses to emerging threats and, consequently, the achievement of the TAURON Group's business and strategic objectives, while ensuring an appropriate level of security. The Company ensured adequate resources for the effective operation of the risk management and control system, commensurate with its size and the nature and scale of its activities. In accordance with

the Best Practices for GPW Listed Companies, the remuneration of the Executive Director for Risk was linked to the achievement of assigned objectives rather than the Company's short-term performance. The risk management process is aligned with market best practices and regulatory requirements, and the organisation of the process ensures the independence of control functions from business activities. The Executive Director for Risk periodically prepared and submitted reports and information to both the Management Board, as well as to the Audit Committee and the Supervisory Board, concerning risks identified at the level of the TAURON Group and the mitigation actions undertaken.

8.4. Compliance

Characteristics of the adopted Compliance Management System

The Compliance Management System in place within the TAURON Group is designed to ensure that the Group's operations comply with applicable laws, supervisory guidelines, internal regulations, and ethical standards.

The Compliance Management System covers the activities of all organisational units within the TAURON Group and is tailored to the nature, risk profile and scale of the Group's operations.

The primary internal corporate regulation defining the framework for the functioning of the Compliance Management System is the TAURON Group Compliance Policy.

The system is based on guidelines resulting from ISO 37301 Compliance Management Systems, applicable legal regulations (including, inter alia, the Act of 14 June 2024 on the Protection of Whistleblowers), recommended standards for anti-corruption measures, and the Best Practices for GPW Listed Companies 2021, published by the Warsaw Stock Exchange.

The development and maintenance of the Compliance Management System within the TAURON Group is the responsibility of the Executive Director for Compliance, who performs these duties with the support of Compliance Coordinators in the TAURON Group companies.

The Executive Director for Compliance reports directly to the President of the Management Board of TAURON Polska Energia S.A. and is granted the ability to report directly to the Supervisory Board of TAURON Polska Energia S.A. Within the Compliance Management System, the following stages are distinguished:

1. Planning – involving the definition of priorities and a schedule of future activities necessary to ensure the proper functioning of the Compliance Management System within the TAURON Group Compliance Plan;
2. Regulatory monitoring – involving the monitoring of compliance with applicable laws, internal regulations and ethical standards;
3. Ensuring compliance – involving the implementation of activities aimed at preventing, detecting and analysing cases of non-compliance;
4. Reporting – involving the preparation of periodic reports on activities performed by the Compliance function for the Audit Committee of the Supervisory Board and the Supervisory Board of TAURON Polska Energia S.A.

Supervision over the proper functioning of the adopted Compliance Management System within the TAURON Group is exercised by the Supervisory Board of TAURON Polska Energia S.A.

Assessment of the adequacy and effectiveness of Compliance

In 2025, the activities of the Compliance Function focused primarily on the further development of the Compliance Management System and the compliance culture within the TAURON Group.

A review was conducted of TAURON Polska Energia S.A.'s application of the principles set out in the Best Practices for GPW (Warsaw Stock Exchange) Listed Companies 2021, and actions were taken resulting in the application of an additional principle, i.e. Principle 3.7 of the Best Practices for GPW Listed Companies 2021.

As part of educational initiatives aimed at further strengthening the compliance culture, in 2025 a series of training sessions titled "Compliance Interface Academy" was conducted, addressed to employees of the TAURON Group's Business Units, covering, inter alia, issues relating to conflicts of interest, anti-corruption practices, the development of compliance culture, conflict of interest management, obligations in the area of S and G (ESG), contractor due diligence (taking into account

the specifics of the RES area), and the prevention of manipulation on the wholesale energy market.

Information campaigns were also conducted on anti-corruption measures, reporting irregularities, and the protection of whistleblowers. Training (in the form of e-learning, online and in-person sessions) was provided to all employees of the TAURON Group, in particular to areas and functions most exposed to corruption risk.

The Supervisory Board concludes that the Compliance Management System implemented within the TAURON Group ensures the proper execution of tasks and objectives essential for the proper functioning and further development of the TAURON Group in the area of compliance. The Compliance Management System is subject to evaluation and continuous improvement in accordance with the PDCA (Plan - Do - Check - Act) cycle.

Furthermore, the assessment of the solutions adopted to ensure the adequacy and effectiveness of the Compliance Management System was carried out through:

- ongoing supervision over the tasks performed by the Executive Director for Compliance at TAURON Polska Energia S.A. and Compliance Coordinators in the TAURON Group companies;
- periodic reporting to the Audit Committee of the Supervisory Board of TAURON Polska Energia S.A. on the performance of compliance-related tasks;
- reports submitted to the Supervisory Board of TAURON Polska Energia S.A. on compliance activities carried out within the TAURON Group;
- the TAURON Group Compliance Report containing information on the functioning of the

Compliance Management System within the TAURON Group.

With regard to the adequacy of the Compliance Management System within the TAURON Group, it should be stated that the organisational framework and the principles of its operation, as set out in the TAURON Group Compliance Policy, are appropriate, proportionate and commensurate with the scale and scope of the TAURON Group's activities. The measures undertaken to improve the system and procedures should be assessed as a continuous effort to enhance them.

In light of the above, it may be concluded that the range of measures, tools and activities carried out by the Compliance Function was comprehensive and ensured the proper performance of tasks within the Compliance Management System in the TAURON Group.

8.5. Third line – Internal audit

Description of the Internal Audit Functioning

The internal audit function within the TAURON Group is performed by the Internal Audit Function at TAURON Polska Energia S.A. and is organised in a manner that ensures the broadly understood operational security of the TAURON Group, while supporting the achievement of the Strategy's objectives. As part of audit activities, the TAURON Group seeks to enhance the predictability of achieving its strategic objectives, including the stable delivery of the planned financial results, while also focusing on potential risks that may threaten the value drivers key to the implementation of the Strategy.

The key objectives of the Internal Audit Function at TAURON Polska Energia S.A. include the planning and execution of audit engagements across the TAURON Group, the development and coordination of the principles governing the internal audit function within the TAURON Group, and supporting the organisation in maintaining an effective internal control system.

Internal audit activities are carried out by the Strategic Audit Team and the Operational Audit Team within the Internal Audit Function of TAURON Polska Energia S.A. The Internal Audit Function performs both planned and ad hoc audit engagements at TAURON Polska Energia S.A. and across the TAURON Group companies. The Internal Audit Function operates on the basis of an Annual Audit Plan for a given calendar year, performing process-based audit engagements and assessing the current level of individual risks and the effectiveness of their management.

As part of audit activities, the correctness of the processes under review, as well as the adequacy and implementation of control mechanisms within those processes, are also verified. Where irregularities are identified, auditors recommend appropriate remedial actions. The implementation of recommendations is the responsibility of the management of audited units, and the degree of implementation of audit recommendations is continuously monitored using a dedicated application - the Audit Recommendations Monitoring (MRA) system.

Assessment of the adequacy and effectiveness of the Internal Audit Function

The organisation of the Internal Audit Function within the organisational structure of TAURON Polska Energia S.A. is designed to ensure that the entire scope of the organisation's activities is covered by audit engagements, both from the perspective of the TAURON Group and individual companies. The direct organisational reporting line to the President of the Management Board,

combined with functional reporting to the Audit Committee, enables the Function to maintain the independence and objectivity necessary for the effective performance of its duties.

The internal audit function is subject to oversight by the Audit Committee of the Supervisory Board, which includes, inter alia:

- consulting the Audit Committee on the content of the Internal Audit Charter;
- agreeing with the Audit Committee on the internal audit plan for a given year;
- consulting the Audit Committee on staffing changes concerning the head of internal audit;
- the Audit Committee posing questions to management and the head of internal audit in order to determine whether there are any undesirable limitations on scope or resources;
- the Audit Committee requesting information from the Executive Director for Internal Audit on internal audit activities in relation to the plan and other matters.

The Executive Director for Internal Audit is also provided with the ability to report directly to the Audit Committee on a periodic basis. This entitlement is embedded in the Company's Internal Rules of Procedure. Furthermore, the updated Internal Audit

Charter provides for the Audit Committee's approval of the annual budget of the internal audit unit.

In the opinion of the Supervisory Board, the solutions implemented as described above are adequate and enable the Function to operate effectively and efficiently. The Audit Committee further confirms that the internal audit function within the TAURON Group is performed effectively and constitutes a significant element of risk management with respect to the operation of control mechanisms within the Company. The independent and objective information on the internal control system, risk management, compliance, as well as the analysis of business and operational processes within the TAURON Group provided by internal audit, constitutes added value and contributes to the operational improvement of the organisation, in the opinion of the Supervisory Board.

8.6. Conclusions of the Assessment

Following an analysis of the control, security, risk management, compliance and audit systems in place within the Company under the three lines model, and taking into account the assessment of the adequacy and effectiveness of these areas, the Supervisory Board positively assesses the effectiveness of the internal control, risk management, compliance and internal audit systems, while recommending the continued implementation of improvements to the existing mechanisms ensuring the proper and efficient functioning of TAURON Polska Energia S.A.

The Supervisory Board of TAURON Polska Energia S.A. considers the model in place within the Company to be comprehensive, as well as appropriate to the Company's risk profile and size, and to constitute adequate protection against the occurrence of undesirable events. The measures undertaken enable the adoption of the most effective mitigating actions aimed at preventing adverse impacts, in particular on the Company's operations and its financial performance.

9. Assessment of the Company's application of corporate governance principles and the manner of fulfilling disclosure obligations in this respect

In 2025, the Company was subject to the corporate governance principles set out in the Best Practices of WSE (Warsaw Stock Exchange) Listed Companies 2021, introduced by Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange dated 29 March 2021, which have been in force since 1 July 2021.

Pursuant to § 29(3) and (3a) of the Exchange Rules, the Company continuously monitored its compliance with corporate governance principles in order to identify any circumstances justifying a change in the content of explanations regarding non-compliance or the manner of application of such principles.

With a view to applying the broadest possible scope of the Best Practices, in 2025 the Company commenced the application of Principle 3.7 concerning reporting lines and the remuneration of persons responsible for risk management and compliance, as well as the head of internal audit in companies of the TAURON Group of material significance to its operations.

Updated information on the Company's application of the principles set out in the Best Practices 2021 was published on the Company's website on 15 December 2025.

As at the date of preparation of this Report, the Company did not apply the following principles:

- 1) 1.4.2. - the principle concerning the disclosure of the pay equality ratio for employees, calculated as the percentage difference between the average monthly remuneration of women and men for the last year, together with information on measures taken to eliminate any inequalities in this respect, including the presentation of related risks and the time horizon within which equality is intended to be achieved.
 - 2) 2.1. - the principle concerning the adoption of a diversity policy for the Management Board and the Supervisory Board, adopted respectively by the Supervisory Board or the General Meeting, specifying diversity objectives and criteria, inter alia, with respect to gender, field of education, specialist knowledge, age and professional experience, as well as indicating the timeframe and method for monitoring the achievement of these objectives. With regard to gender diversity, ensuring diversity of corporate bodies requires that the representation of the minority gender in a given body is not less than 30%.
 - 3) 2.2. - the principle stipulating that persons making decisions regarding the appointment of members of the Management Board or the Supervisory Board should ensure the diversity of these bodies by selecting individuals who contribute to such diversity, thereby enabling, inter alia, the achievement of the target minimum representation of the minority gender at a level not lower than 30%, in line with the objectives set out in the diversity policy referred to in Principle 2.1 of the Best Practices.
 - 4) 4.1. - the principle concerning enabling shareholders to participate in the General Meeting by means of electronic communication, The Company complied in 2025 with the obligations relating to the application of corporate governance principles set out in § 29 of the Exchange Rules and in § 27 (7)(5) of the Regulation of the Minister of Finance of 6 June 2025 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent information required under the laws of a non-Member State.
- where justified by shareholders' expectations communicated to the Company, provided that the Company is able to ensure the technical infrastructure necessary for holding such a General Meeting.
- 5) 6.2. - the principle concerning the design of incentive programmes so that, inter alia, the level of remuneration of members of the Management Board and key managers depends on the Company's actual long-term performance, including both financial and non-financial results, as well as long-term shareholder value creation, sustainable development and the stability of the Company's operations.
 - 6) 6.3. - the principle stipulating that where a managerial stock option programme forms part of the incentive schemes, its execution should be conditional upon the beneficiaries meeting predefined, realistic and Company-appropriate financial and non-financial targets, including sustainable development targets, over a period of at least three years, and that the exercise price or settlement value of the options should not deviate from the share price at the time the programme was adopted.
 - 7) 6.4. - the principle stipulating that the Supervisory Board performs its duties on a continuous basis; therefore, the remuneration of its members should not depend on the number of meetings held. The remuneration of committee members, in particular members of the Audit Committee, should take into account the additional workload associated with their committee duties.
- to which the Company was subject, the place where the text of those principles was publicly available, as well as identifying the provisions of the corporate governance principles that were not applied by the Company.

In 2025, the Company did not record any instances of non-compliance with the Best Practices.

Having regard to the requirements of § 72 (7)(5) of the aforementioned Regulation, the Management Board Report on the activities of TAURON Polska Energia S.A. and the TAURON Group for the financial year 2024, including sustainability reporting, contained a corporate governance statement as a separate section of that report, indicating the set of corporate governance principles

In the opinion of the Supervisory Board, in 2025 the Company properly applied corporate governance principles and duly fulfilled its disclosure obligations relating to their application, as specified in the Exchange Rules and in the regulations governing current and periodic information provided by issuers of securities. In the Supervisory Board's view, the explanations and comments published by the Company in relation to the set of corporate governance principles present, in a reliable and transparent manner, the functioning of the Company's governing bodies.

10. Assessment of the Justification of Expenditure Incurred by the Company and the TAURON Group on Supporting Culture, Sport, Charitable Institutions, Media, Social Organisations, Trade Unions, etc.

In 2025, the TAURON Group carried out activities in the areas of sponsorship, promotion and CSR, supporting the objectives of the Group's Strategy and strengthening the TAURON brand and its recognition. These activities focused on building a positive brand image, enhancing stakeholder trust and fostering long-term relationships with customers, which constitutes an important element of the Group's development and confirms its position as a reliable business partner.

Sponsorship, promotional and CSR activities were conducted in accordance with applicable corporate regulations, including:

1. TAURON Brand Strategy for 2022–2030,
2. TAURON Group Sponsorship, Promotion and CSR Strategy for 2025–2035,
3. TAURON Group Communication Strategy for 2018–2025,

4. TAURON Group Sponsorship Policy,
5. TAURON Group Promotion Policy,
6. TAURON Group CSR Project Management Policy.

The above documents precisely define the manner and objectives of expenditure, as well as the principles for assessing the effectiveness of undertaken activities, ensuring transparency of processes and enabling their measurable evaluation.

The TAURON Group attaches particular importance to its role as a responsible participant in social life. Social projects are implemented on a broad scale, taking into account the needs of local communities and the areas in which the Company has a significant impact.

The table below presents the TAURON Group's expenditure on supporting culture, sport, charitable institutions, media, social organisations and trade unions in 2025.

Table 12. TAURON Group expenditure on supporting culture, sport, charitable institutions, media, social organisations and trade unions in 2025

No.	Category	Tauron Group Expenditure in 2025 (PLN million) ¹
1.	Sport	13.4
2.	Culture and Arts	10.1
3.	TAURON Foundation	1.9
4.	Community Organizations/Charitable Institutions	1.7
5.	Education	1.5

¹Expenditure includes the costs of sponsorship, promotional and CSR activities, as well as donations made by companies of the TAURON Group to foundations, social organisations, etc.

Culture and Sport

In 2025, the TAURON Group continued its strategic sponsorship activities in the areas of sport and culture, focusing on projects with wide reach and strong brand-building impact.

In the sports category, the key project remained the partnership with the Polish Volleyball League, carried out since 2020. Under title and strategic

sponsorship arrangements, TAURON supports the top volleyball leagues in Poland. Title sponsorship covers the TAURON Liga and the Polish Cup for women and men, while strategic sponsorship includes the PlusLiga and the Polish Super Cup for women and men. The project ensures extensive brand exposure in one of the most popular and highly regarded sports in Poland.

In 2025, TAURON also became a sponsor of the Polish Ice Hockey League for a period of three years, covering title sponsorship of the leagues as well as the Metropolia Silesia team competing in the European Women's Hockey League.

The Company also decided to continue its cooperation as title sponsor of the GTK Gliwice basketball club, supporting sports activities across all age groups, as well as local initiatives aimed at children and young people.

Among the projects of particular significance is TAURON Arena Kraków – the largest indoor arena in Poland – for which TAURON remains the title sponsor until 2028. The venue hosts events of both national and international scale each year, including sports competitions in multiple disciplines, concerts and cultural events.

A new facility supported by the Company is TAURON Park Śląski – the largest urban park in Europe, visited annually by over 3 million people and constituting a key recreational space for the region's residents.

In 2025, TAURON also became a patron of Książ Castle, one of the most recognisable historic landmarks in Poland. Under this cooperation, the

Education

As part of educational projects, in 2025 TAURON continued its cooperation with the Wawel Royal Castle, acting as a patron of the multimedia show The Glow of History – Experience the Royal Story.

CSR

One of the key areas of CSR activities at TAURON remains its long-standing cooperation with the SIEMACHA Association, which supports more than 2,500 children and young people. As part of this cooperation, initiatives such as the TAURON Sports Games and the TAURON Music Star competition are organised, with the winners participating in the recording of a Christmas album. For seven years, TAURON has also supported the Guardian Angels' House (Dom Aniołów Stróżów), which provides assistance to children and young people from post-industrial districts in Silesia. The support includes both financial assistance and annual employee volunteering activities, including the "Pomagamy do Kwadratu" campaign and participation in the TAURON "Run for Angels" charity run.

An important element of CSR activities remains cyclical projects integrating employees through

Company provided title sponsorship for key cultural events, including the TAURON Summer Festival of Secrets, TAURON Gardens of Light and TAURON Eco-Education.

Cooperation was also continued in the organisation of the TAURON Nowa Muzyka festival, for which TAURON has been the title sponsor for 17 years. The jubilee 20th edition attracted approximately 20–25 thousand participants, presenting a wide spectrum of electronic, jazz and rock music. In 2025, TAURON also supported the On Music On Air Music Awards event, during which the most popular hits were presented and leading artists of the domestic music scene were awarded.

In 2025, TAURON expanded its activities in the field of film culture by supporting two new festivals: TAURON Young Horizons, aimed at young audiences and attended by nearly 70 thousand participants, and the TAURON American Film Festival, one of the most important events showcasing independent American cinema, attracting over 50 thousand viewers. TAURON was also present at the "New Year's Eve with TVP2" event in Katowice (Spodek Arena), acting as the main sponsor of the event and the SMS lottery.

The Company was also involved in the promotion of science in the region, supporting the Lower Silesian Science Festival and the Silesian Science Festival, whose objective is to disseminate knowledge and inspire young audiences to take an interest in science.

sport, including the TAURON Employees' Alpine Skiing Championships and volleyball tournaments. In parallel, initiatives aimed at strengthening social competencies and safety are carried out, including training with the Mountain Volunteer Rescue Service (GOPR) in first aid and safe movement in mountainous areas.

TAURON also develops employee volunteering, engaging teams in social initiatives. In 2025, cooperation with the Sherpas of Hope Foundation was expanded, under which employees participated in training on supporting persons with disabilities and took part in mountain expeditions together with the Foundation's beneficiaries, combining assistance with the development of empathy and integration.

TAURON Foundation

The TAURON Group includes the TAURON Foundation, operating as an independent public benefit organisation and financed by companies of the Group.

In 2025, the Foundation focused its activities on supporting individuals and institutions in difficult circumstances, providing assistance to employees of the TAURON Group and their families, as well as to educational, medical and rehabilitation

institutions. It also implemented educational and sports projects aligned with its statutory objectives.

In 2025, the Foundation organised the "New Energy World" competition, addressed to beneficiaries of care and educational institutions. The initiative promoted creativity and pro-environmental attitudes, encouraging participants to create works related to environmental themes. The authors of the best entries received financial awards, while also providing additional support to the institutions.

Sponsorship activities within the TAURON Group in 2025 were conducted on the basis of a sponsorship plan positively reviewed by the Supervisory Board. The Supervisory Board granted its consent to the conclusion of sponsorship agreements exceeding PLN 500,000. Following the closing of the 2024 financial year, the Supervisory Board positively reviewed the *Annual Report on the implementation of the TAURON Group Sponsorship Plan for 2024*.

In 2025, the sponsorship equivalency ratio amounted to 24.73, meaning that each zloty spent on sponsorship activities generated PLN 24.73 in advertising value equivalent..

In the opinion of the Supervisory Board, the expenditure of the TAURON Group on supporting sport, culture, education and charitable organisations is fully justified, as it has a significant impact on building the brand image and fostering positive relations with stakeholders. These activities are positively perceived by shareholders and customers of the TAURON Group and support the sales of the Group's products. This is confirmed by research conducted by independent research agencies, including the Sponsoring Insight – Annual Report on TAURON Group Sponsorship Activities for 2025 and the ARC Rynek i Opinia Sponsorship Monitor 2025.

11. Assessment of the Management Board's Performance of Its Obligations Towards the Supervisory Board as Set Forth in Article 380¹ and Article 382 § 4 of the CCC

The application of Article 380¹ §1 and 2 of the CCC has been excluded by the Articles of Association of TAURON, as TAURON, being a public company, fulfils its disclosure obligations in accordance with 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, as well as Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.

In the performance of the above disclosure obligations and in line with the application of the Best Practices, during the period covered by this report the Management Board provided the Supervisory Board and its Committees with periodic reports (quarterly, semi-annual and annual) containing detailed information on the Company's situation, including its assets, as well as on material circumstances relating to the conduct of the Company's affairs, in particular in the operational, investment and HR areas, progress in the implementation of the designated directions for the Company's development (including explanations of any deviations from previously defined directions),

transactions and other events or circumstances that materially affected or could have affected the Company's financial position, including its profitability or liquidity, as well as changes to information previously provided to the Supervisory Board where such changes materially affected or could have affected the Company's situation.

At the same time, the Management Board provided information concerning subsidiaries and related companies forming part of the TAURON Group.

Irrespective of the above, information on resolutions adopted by the Management Board during the period since the previous meeting of the Supervisory Board, together with their subject matter, was submitted for each meeting of the Supervisory Board.

In connection with the obligations arising from Article 382 § 4 of the CCC, during the reporting year the Supervisory Board received information, documents and reports both specified in the framework work plan adopted by the Supervisory Board and explanations requested by the Supervisory Board, its Committees or its Members during the reporting period.

The Management Board did not restrict the Supervisory Board Members' access to the requested information, documents, reports or

explanations, including those concerning subsidiaries and related companies.

12. Information on the total remuneration due from the Company for examinations commissioned by the Supervisory Board to advisors pursuant to Article 382¹ of the CCC

Pursuant to Article 382¹ of the CCC, in the reporting year no order was placed for the Supervisory Board to have a specific matter concerning the Company's activities or its assets examined at the Company's expense by an appointed advisor.

30 March 2026

Signatures of the Members of the Supervisory Board:

Chair of the Supervisory Board - Ilona Malik

Vice Chair of the Supervisory Board - Natalia Klima-Piotrowska

Secretary of the Supervisory Board - Tomasz Majka

Member of the Supervisory Board - Michał Hulbój

Member of the Supervisory Board - Arkadiusz Jówko

Member of the Supervisory Board - Beata Kisielewska

Member of the Supervisory Board - Leszek Koziorowski