The gender balance policy on the boards of PGE Polska Grupa Energetyczna S.A.



TABLE OF CONTENTS

PREAMBLE 3
1. Purpose and scope of the Policy 4
2. The rules governing the selection process for candidates for the Company's boards 4
3. The rules governing the nomination of candidates for the Company's boards 5
4. Career development programmes for women and men 5
5. Human resources management strategy 5
6. Accountability, monitoring and reporting 6
7. Final provisions 6

PREAMBLE

Bearing in mind the provisions of European Union law and Polish law concerning gender balance on company boards, including the legislation implementing the Women on Boards Directive, the applicable Good Practices of Companies Listed on the Warsaw Stock Exchange as well as the guidelines and recommendations of the relevant public authorities in this regard, PGE Polska Grupa Energetyczna S.A. hereby adopts this Policy.

A balanced gender representation on the boards of PGE S.A. supports the quality of decision-making, the complementarity of competences and the creation of long-term value. This objective is achieved through transparent and non-discriminatory selection processes and the systematic development of a diverse pool of candidates eligible for positions within the boards of PGE S.A.

1. Purpose and scope of the Policy

1.1 This Policy sets out the principles for ensuring gender balance on the Management Board and Supervisory Board of PGE Polska Grupa Energetyczna S.A., hereinafter referred to as "PGE S.A." or "the Company".

1.2 Whenever reference is made in the Policy to the Company's boards, this is understood to mean the Management Board and the Supervisory Board of PGE S.A.

1.3 The Policy covers:

a. the rules governing the selection process for candidates for the Company's boards;
b. the rules for nominating candidates for these boards;
c. career development programmes for women and men;
d. the principles of the human resources management strategy supporting the achievement of the gender balance objective.

1.4 An underrepresented sex is defined as the sex whose representatives hold no more than 49% of the total number of positions on the Company's boards. This definition serves to determine to which gender the measures set out in the Policy apply; it does not specify a target proportion for that gender within the Company's boards.

1.5 The gender balance target at PGE S.A. is achieved if, in total:

a. the number of positions on the Company's boards held by the members of the underrepresented sex is no less than the figure closest to 33% of all positions on those boards, and
b. the members of the underrepresented sex hold positions in each of the Company's boards.

2. The rules governing the selection process for candidates for the Company's boards

2.1 At every stage of the selection process for candidates for positions on the Company's boards, clear and unambiguous criteria are applied, formulated in a neutral and non-discriminatory manner, taking into account the candidates' qualifications and the need to ensure gender balance.

2.2 The selection criteria are defined before the process begins. They may include, in particular, requirements arising from legislation and internal corporate regulations.

2.3 Candidates for positions on the Company's boards are selected on the basis of a comparative assessment of their respective qualifications.

2.4 Where a choice has to be made between candidates with equivalent qualifications, priority is given to the candidate belonging to the underrepresented sex.

2.5 The rule set out in item 2.4 may be waived only in exceptional circumstances, where other relevant rules concerning diversity, as laid down in legislation and based on objective, non-discriminatory criteria that take account of the candidate's particular circumstances, justify the selection of a candidate of the opposite sex. The reasons for such waiver must be documented.

2.6 At the request of a candidate, the Company provides them, in writing or in electronic form, with information regarding:

a. the criteria for selecting candidates used in the process;
b. the comparative assessment and its justification;
c. the reasons for not selecting a candidate belonging to the underrepresented sex and the qualifications of the person selected for a given position – if such circumstances take place.

3. The rules governing the nomination of candidates for the Company's boards

3.1 Entities authorised to nominate candidates are required to take into account the need to achieve and maintain gender balance, whilst respecting their rights and applicable legislation.

4. Career development programmes for women and men

4.1 PGE S.A. supports the professional development of both women and men by ensuring equal access to initiatives designed to develop employees' competences and prepare them to take on roles with increasing levels of responsibility.

4.2 Career development programmes for women and men may include, in particular: talent and leadership programmes, training, mentoring, participation in projects of strategic importance, and initiatives to prepare individuals for managerial positions and functions on company boards.

4.3 When designing and implementing career development programmes for women and men, consideration is given to the need to increase the participation of the underrepresented sex and to create a diverse pool of individuals prepared to take on leadership, managerial and supervisory roles.

5. Human resources management strategy

5.1 The human resources management strategy supports the achievement of the objectives of this Policy and is based on transparent, objective and non-discriminatory principles, ensuring that women and men have equal opportunities for career development.

5.2 The strategy is implemented, in particular, through:

a. the application of transparent and non-discriminatory criteria for development, assessment, promotion and succession, regardless of gender;
b. the use of recruitment practices that promote diversity and gender balance;
c. the ensuring and monitoring of equal access for women and men to: recruitment, training, mentoring, career development programmes, projects, promotions and succession processes;
d. the implementation of programmes designed to prepare employees for managerial, executive and supervisory roles, regardless of gender;

e. the organisation of internal educational and communication initiatives to promote gender balance, diversity and inclusivity;
f. the support of employees' return to work after parental leave and measures to facilitate a healthy work-life balance;
g. the strengthening of an organisational culture based on respect, equal opportunities, diversity and inclusion.

6. Accountability, monitoring and reporting

6.1 The Management Board of PGE S.A. draws up an annual report on the representation of each gender on the Company's boards and the measures taken to ensure gender balance.

6.2 Such a report contains at least the following:

a. the number of people holding positions on the Company's boards during the reporting period, specifying their gender and the type of position held;
b. information on the measures taken to ensure the required representation of the underrepresented sex;
c. if the target is not met – an explanation of the reasons for this and a comprehensive description of the measures taken and planned to achieve it.

6.3 The report may constitute a separate section of the management report referred to in Article 49(1) of the Accounting Act.

6.4 PGE S.A. publishes the report on its website as soon as it has been drawn up.

6.5 The report for the previous year is to be submitted to the government administration body responsible for implementing the principle of equal treatment:

a. by 30 June each year, or
b. within six months of the end of the financial year, if the report forms a separate part of the management report.

7. Final provisions

7.1 The Policy has been adopted by a resolution of the General Meeting of PGE S.A. and comes into force on the date specified in that resolution.