

Toya Spółka Akcyjna

Information on the company's application of the principles contained in the Code of Best Practice for WSE Listed Companies 2021

According to the current state of application of the Best Practice, the Company does not apply 19 principles: 1.3.1., 1.3.2., 1.4., 1.4.1., 1.4.2., 1.5., 1.6., 2.1., 2.2., 2.7., 2.11.5., 2.11.6., 3.3., 3.6., 3.10., 4.3., 4.8., 4.9.1., 4.14.

1. INFORMATION POLICY AND COMMUNICATION WITH INVESTORS

In the interest of all market participants and in own interest, a listed company ensures proper communication with stakeholders by pursuing a transparent and reliable information policy.

- 1.1. The company maintains efficient communication with capital market participants, providing reliable information on matters concerning it. For this purpose, the company uses a variety of tools and forms of communication, including primarily a corporate website where it publishes all information relevant to investors.
The principle is applied.
- 1.2. The company makes it possible to get acquainted with its financial results included in the periodic report as soon as possible after the end of the reporting period, and if it is not possible for justified reasons, it publishes as soon as possible at least the preliminary estimated financial results.
The principle is applied.
- 1.3. In its business strategy, the company also considers the subject of ESG, including:
 - 1.3.1. environmental issues, including measures and risks related to climate change and sustainable development issues.
The principle is not applied.
Company comment: *In its business strategy, the Issuer does not include ESG topics covering environmental issues, including measures and risks related to climate change and sustainable development issues. The Issuer is aware of the growing importance of non-financial reporting as well as the subject of ESG, therefore, to meet the expectations of various stakeholder groups, it will consider taking steps to implement and apply this rule.*
 - 1.3.2. social and employee matters, concerning e.g., actions taken and planned to ensure gender equality, proper working conditions, respect for employee rights, dialogue with local communities, customer relations.
The principle is not applied.
Company comment: *The Issuer does not include ESG issues in its business strategy, including social and employee matters, concerning, among others, actions taken and planned to ensure gender equality, appropriate working conditions, respect for employee rights, dialogue with local communities, customer relations. The Issuer is aware of the growing importance of non-financial reporting as well as the subject of ESG in the scope indicated in this rule, therefore, to meet the expectations of various stakeholder groups, it will consider taking steps to implement and apply this rule. However, the Issuer as well as the entire TOYA S.A. Capital Group pays special attention to issues related to the core values to which this principle applies.*
- 1.4. To ensure proper communication with stakeholders, within the scope of the adopted business strategy, the company publishes on its website information on the assumptions of its strategy, measurable goals, including long-term goals, planned activities and progress in its implementation, determined by means of metrics, financial and non-financial. Information on the strategy in the area of ESG should i.e.:
The principle is not applied.
Company comment: *The Issuer presents the Strategy as part of periodic reports. This information does not contain all the elements cited in this principle. In the case of a formally adopted Strategy document and its disclosure in accordance with applicable regulations, it will be made available to stakeholders on the website. The Issuer is aware of the growing importance of non-financial reporting as well as ESG topics, therefore, meeting the expectations of various stakeholder groups, it will consider taking steps to include the ESG strategy.*
 - 1.4.1. explain how the decision-making processes in the company and its group entities consider issues related to climate change, pointing to the resulting risks.
The principle is not applied.

Company comment: The current Strategy of the Issuer does not consider the subject of ESG. The Issuer is aware of the growing importance of non-financial reporting as well as the subject of ESG, therefore, to meet the expectations of various stakeholder groups, it will consider taking steps to implement and apply this rule.

- 1.4.2. present the value of the equal pay index paid to its employees, calculated as a percentage difference between the average monthly remuneration (including bonuses, awards and other allowances) of women and men for the last year, and provide information on actions taken to eliminate possible inequalities in this respect, together with the presentation of the related risks and the time horizon in which it is planned to achieve equality.

The principle is not applied.

Company comment: The Strategy presented by the Issuer in its periodic reports does not refer to the issues raised in this rule. The Issuer pursues an active policy in terms of working conditions and remuneration of employees, providing the Company with staff that contributes to the organic growth of the organization.

- 1.5. At least once a year, the company discloses expenses incurred by it and its group to support culture, sports, charity institutions, media, social organizations, trade unions, etc. If in the year covered by the report, the company or its group incurred expenses for this type of purpose, the information includes a summary of these expenses.

The principle is not applied.

Company comment: The Issuer does not disclose the expenses incurred by him and his group to support culture, sports, charity institutions, the media, social organizations, trade unions, etc. The reason for this is the marginal scale of such expenses from the point of view of the Company's financial situation.

- 1.6. In the case of a company included in the WIG20, mWIG40 or sWIG80 index, once a quarter, and in the case of other companies, at least once a year, the company organizes a meeting for investors, inviting shareholders, analysts, industry experts and media representatives. During the meeting, the company's management board presents and comments on the adopted strategy and its implementation, financial results of the company and its group, as well as the most notable events affecting the operations of the company and its group, achieved results and prospects for the future. During the organized meetings, the management board of the company publicly provides answers and explanations to the questions asked.

The principle is not applied.

Company comment: The Issuer enables investors, analysts, shareholders, media representatives to ask questions and obtain explanations on topics of interest to these persons, provided that the applicable law provides for such a possibility. The implementation of this principle takes place in the form of direct meetings with the above-mentioned entities, stakeholders or answers to questions in electronic form.

- 1.7. If an investor requests information about the company, the company responds immediately, but not later than within 14 days.

The principle is applied.

2. MANAGEMENT BOARD AND SUPERVISORY BOARD

To achieve the highest standards in terms of the company's management board and supervisory board performing their duties and fulfilling them in an effective manner, only persons with appropriate competences, skills and experience are appointed to the management board and supervisory board.

Members of the management board act in the interest of the company and are responsible for its activities. The management board is responsible for leadership in the company, involvement in setting its strategic goals and their implementation, and ensuring the company's efficiency and safety.

Members of the supervisory board in the scope of their functions and duties in the supervisory board are guided in their conduct, including decision-making, by the independence of their own opinions and judgments, acting in the interest of the company.

The supervisory board works in a culture of debate, analyzing the company's situation against the background of the industry and market, based on materials provided to it by the company's management board and internal systems and functions of the company, as well as obtained from outside it, using the results of the work of its committees. The supervisory board gives opinions on the company's strategy and verifies the work of the management board in terms of achieving the established strategic goals and monitors the results achieved by the company.

- 2.1. The company should have a diversity policy towards the management board and the supervisory board, adopted by the supervisory board or the general meeting, respectively. The diversity policy defines the goals and criteria of diversity, e.g., in such areas as gender, field of education, specialist knowledge, age and professional experience, and indicates the date and method of monitoring the implementation of these goals. In terms of gender diversity, the condition for ensuring the diversity of the company's governing bodies is the minority share in each governing body at a level not lower than 30%.

The principle is not applied.

Company comment: The Issuer does not have a diversity policy towards the Management Board and the Supervisory Board adopted by the Supervisory Board or the General Meeting, respectively. Nevertheless, the principle of diversity among its governing bodies is close to the Issuer and is an added value to the organization. The Issuer ensures that the governing bodies include persons with the widest possible scope of competence and qualifications. The members of the Supervisory Board are selected by the General Meeting, while the Management Board is appointed by the Supervisory Board. Despite the lack of a diversity policy, the Issuer is deeply convinced that the General Meeting and the Supervisory Board, when selecting the Supervisory Board and the Management Board, are primarily guided by the Issuer's interest and needs in terms of ensuring a diverse pool of talents necessary to meet the challenges faced by the Issuer. The above can be confirmed by the current composition of the Supervisory Board and the Management Board, which ensures diversity in terms of education, specialist knowledge and age.

- 2.2. Persons making decisions on the selection of members of the company's management board or supervisory board should ensure the versatility of these bodies by selecting persons to ensure diversity, enabling, among others, achieving the target rate of the minimum share of minorities set at a level not lower than 30%, in accordance with the objectives set out in the adopted diversity policy referred to in principle 2.1.
The principle is not applied.
Company comment: The members of the Supervisory Board are selected by the General Meeting, while the Management Board is appointed by the Supervisory Board. Despite the lack of a diversity policy, the Issuer is deeply convinced that the General Meeting and the Supervisory Board, when selecting the Supervisory Board and the Management Board, are primarily guided by the Issuer's interest and needs in terms of ensuring a diverse pool of talents necessary to meet the challenges faced by the Issuer. The above can be confirmed by the current composition of the Supervisory Board and the Management Board, which ensures diversity in terms of education, specialist knowledge and age.
- 2.3. At least two members of the Supervisory Board meet the independence criteria set out in the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision, and have no real and significant connections with a shareholder holding at least 5% of the total number of votes in the company.
The principle is applied.
- 2.4. The voting of the supervisory board and the management board are open, unless otherwise provided for by law.
The principle is applied.
- 2.5. Members of the supervisory board and the management board who vote against the resolution may submit a dissenting opinion to the minutes.
The principle is applied.
- 2.6. Performing functions on the company's management board is the main area of professional activity of a management board member. A member of the management board should not take up additional professional activity if the time devoted to such activity prevents him from performing his duties in the company reliably.
The principle is applied.
- 2.7. The performance of functions by members of the company's management board in bodies of entities outside the company's group requires the consent of the supervisory board.
The principle is not applied.
Company comment: A member of the Management Board may not, without the consent of the General Meeting, deal with competitive interests or participate in a competitive company as a partner in a civil law partnership, partnership or as a member of a body of a capital company or participate in another competitive legal person as a member of a body. This prohibition also applies to participation in a competitive capital company if a member of the Management Board holds at least 10% of shares or stocks or the right to appoint at least one member of the Management Board. The ban does not apply to holding functions in entities that are part of the Company's capital group.
- 2.8. Members of the supervisory board should be able to devote the necessary amount of time to perform their duties.
The principle is applied.
- 2.9. The chairperson of the supervisory board should not combine his function with managing the work of the audit committee operating within the board.
The principle is applied.
- 2.10. The company, adequately to its size and financial situation, delegates administrative and financial resources necessary to ensure the efficient functioning of the supervisory board.
The principle is applied.
- 2.11. In addition to activities resulting from the provisions of law, once a year the supervisory board prepares and submits to the ordinary general meeting for approval an annual report. The report referred to above contains at least:
- 2.11.1. information on the composition of the board and its committees, indicating which of the board members meet the independence criteria set out in the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, and which of them have no real and significant connections with a shareholder holding at least 5% of the total number of votes in the company, as well as information on the composition of the supervisory board in the context of its diversity;
The principle is applied.
- 2.11.2. summary of the activities of the council and its committees;
The principle is applied.
- 2.11.3. assessment of the company's situation on a consolidated basis, including the assessment of internal control systems, risk management, compliance, and the internal audit function, along with information on the actions taken by the supervisory board to make this assessment; this assessment covers all significant control mechanisms, including those related to reporting and operational activities;

The principle is applied.

- 2.11.4. assessment of the company's application of corporate governance rules and the manner of fulfilling the disclosure obligations regarding their application set out in the Stock Exchange Regulations and the regulations on current and periodic information provided by issuers of securities, along with information on the actions taken by the supervisory board to make this assessment;
The principle is applied.
- 2.11.5. assessment of the legitimacy of the expenses referred to in principle 1.5;
The principle is not applied.
Company comment: The Issuer does not disclose the expenses incurred by him and his group to support culture, sports, charity institutions, media, social organizations, trade unions, etc. The reason for this is the marginal scale of such expenses from the point of view of the Company's financial standing.
- 2.11.6. information on the degree of implementation of the diversity policy in relation to the management board and the supervisory board, including the implementation of the objectives referred to in principle 2.1.
The principle is not applied.
Company comment : Due to the fact that the Issuer does not have a diversity policy towards the Management Board and the Supervisory Board adopted respectively by the Supervisory Board or the General Meeting (the entire justification see rule 2.1.), the annual report of the Supervisory Board referred to in rule 2.11 does not contain the information referred to in principle 2.11.6.

3. INTERNAL SYSTEMS AND FUNCTIONS

Efficiently functioning systems and internal functions are an indispensable tool for exercising supervision over the company.

The systems cover the company and all areas of its group's operations that have a significant impact on the company's situation.

- 3.1. A listed company maintains effective internal control, risk management and compliance systems, as well as an effective internal audit function, appropriate to the size of the company and the type and scale of its operations, for which the management board is responsible.
The principle is applied.
- 3.2. The company separates in its structure units responsible for the tasks of individual systems or functions unless it is not justified due to the size of the company or the type of its activity.
The principle is applied.
- 3.3. A company belonging to the WIG20, mWIG40 or sWIG80 index appoints an internal auditor who heads the internal audit function, acting in accordance with recognized international standards of professional practice of internal auditing. In other companies where an internal auditor meeting the above requirements has not been appointed, requirements, the audit committee (or the supervisory board if it acts as an audit committee) annually assesses whether there is a need to appoint such a person.
The principle is not applied.
Company comment: As at the date of publication of this statement, the Issuer has not appointed an internal auditor to head the internal audit function. The Issuer, the Audit Committee, on an ongoing basis, assesses the legitimacy of separating the organizational internal audit and if there is a need for such separating, the Issuer will consider appointing such an auditor.
- 3.4. Remuneration of persons responsible for risk and compliance management and the head of internal audit should depend on the performance of assigned tasks, and not on the short-term results of the company.
The principle is applied.
- 3.5. Persons responsible for risk management and compliance report directly to the president or another member of the management board.
The principle is applied.
- 3.6. The head of the internal audit reports organizationally to the president of the management board, and functionally to the chairperson of the audit committee or the chairperson of the supervisory board, if the board performs the function of the audit committee.
The principle is not applied.
Company comment: The principle is not applied because the company has not appointed a person in charge of the internal audit. The Issuer monitors the need to audit areas of the Company's operations on an ongoing basis.
- 3.7. Principles 3.4 - 3.6 also apply to entities from the company's group that are significant for its operations, if they have appointed persons to perform these tasks.
The principle is applied.
- 3.8. At least once a year, the person responsible for the internal audit, and in the absence of a separate function in the company, the company's management board, presents to the supervisory board an assessment of the effectiveness of the functioning of the systems and functions referred to in principle 3.1, together with an appropriate report.

The principle is applied.

- 3.9. The supervisory board monitors the effectiveness of the systems and functions referred to in principle 3.1, based, inter alia, on reports periodically provided directly to it by persons responsible for these functions and the company's management board, as well as performs an annual assessment of the effectiveness of these systems and functions, in accordance with the principle 2.11.3. If the company has an audit committee, it monitors the effectiveness of the systems and functions referred to in principle 3.1, however, this does not release the supervisory board from making an annual assessment of the effectiveness of these systems and functions.

The principle is applied.

- 3.10. At least once every five years in a company included in the WIG20, mWIG40 or sWIG80 index, the internal audit function is reviewed by an independent auditor selected with the participation of the audit committee.

The principle is not applied.

Company comment: The principle is not applied, as so far, the Issuer has not separated the internal audit unit and has not separated the position of the person managing the internal audit function

4. GENERAL MEETING AND RELATIONS WITH SHAREHOLDERS

The management board of a listed company and its supervisory board should encourage shareholders to get involved in the company's affairs, primarily through active, personal or proxy participation in the general meeting.

The general meeting should proceed with respect for the rights of all shareholders and strive to ensure that the adopted resolutions do not violate the legitimate interests of individual groups of shareholders.

Shareholders participating in the general meeting exercise their rights in a manner that does not violate good manners. Participants of the general meeting should come to the general meeting prepared.

- 4.1. The company should enable shareholders to participate in the general meeting using electronic means of communication (e-general meeting), if it is justified due to the shareholders' expectations reported to the company, provided that it is able to provide the technical infrastructure necessary to conduct such a general meeting.

The principle is applied.

- 4.2. The company determines the place and date, as well as the form of the general meeting in a way that allows the largest possible number of shareholders to participate in the meeting. To this end, the company also makes every effort to ensure that the general meeting is canceled, rescheduled, or adjourned only in justified cases and that it does not prevent or limit the shareholders' right to participate in the general meeting.

The principle is applied.

- 4.3. The company provides publicly available transmission of general meetings in real time.

The principle is not applied.

Company comment: The Issuer does not provide publicly available broadcasts of general meetings in real time. The Issuer will monitor the demand of potential stakeholders for access to real-time broadcasts of general meetings.

- 4.4. Representatives of the media shall be allowed to attend general meetings.

The principle is applied.

- 4.5. If the management board receives information about convening a general meeting pursuant to Art. 399 § 2 - 4 of the Code of Commercial Companies, the management board shall immediately perform the actions it is obliged to perform in connection with the organization and conduct of the general meeting. The principle also applies in the case of convening a general meeting on the basis of an authorization issued by the registry court in accordance with Art. 400 § 3 of the Code of Commercial Companies.

The principle is applied.

- 4.6. To make it easier for shareholders participating in the general meeting to vote on resolutions with due discernment, draft resolutions of the general meeting concerning issues and decisions other than those of a procedural nature should contain a justification, unless it results from the documentation presented to the general meeting. If a given issue is included in the agenda of the general meeting at the request of a shareholder or shareholders, the management board requests the presentation of the justification for the proposed resolution, unless the shareholder or shareholders have previously presented it.

The principle is applied.

- 4.7. The supervisory board gives its opinion on draft resolutions introduced by the management board to the agenda of the general meeting.

The principle is applied.

- 4.8. Draft resolutions of the general meeting on matters included in the agenda of the general meeting should be submitted by the shareholders no later than 3 days before the general meeting.
The principle is not applied.
Company comment: The Issuer encourages shareholders to submit draft resolutions of the general meeting on issues included in the agenda of the general meeting within a time limit for getting acquainted with them, however, the Company's internal regulations do not provide for the time limit referred to in this rule.
- 4.9. If the general meeting is to discuss appointment to the supervisory board or the appointment of a supervisory board for a new term:
- 4.9.1. candidatures for members of the board should be submitted in a timely manner enabling the shareholders present at the general meeting to make informed decisions, but not later than 3 days before the general meeting; candidacies, together with a complete set of materials concerning them, should be immediately published on the company's website;
The principle is not applied.
Company comment: The Issuer encourages the shareholders to submit candidates for the Supervisory Board in a timely manner enabling them to familiarize themselves with their professional experience and competences, however, the Company's internal regulations do not provide for a deadline for submitting candidates. However, the rule is applied in the scope of immediate publication by the Issuer of candidatures along with a complete set of materials concerning them on the company's website, provided that the candidatures are submitted within the time limit indicated in the said rule.
- 4.9.2. a candidate for a member of the supervisory board submits declarations on meeting the requirements for members of the audit committee set out in the Act of 11 May 2017 on statutory auditors, audit firms and public supervision, as well as on the existence of real and significant links between the candidate and a shareholder holding at least 5% of the total number of votes in the company.
The principle is applied.
- 4.10. The exercise of shareholders' rights and the way they exercise their rights may not hinder the proper functioning of the company's governing bodies.
The principle is applied.
- 4.11. Members of the management board and the supervisory board participate in the general meeting, in the place of the meeting or via means of two-way electronic communication in real time, in a composition that allows them to comment on the matters being discussed at the general meeting and provide substantive answers to questions asked during the general meeting. The Management Board presents the participants of the ordinary general meeting with the company's financial results and other significant information, including non-financial information, contained in the financial statements subject to approval by the general meeting. The Management Board discusses significant events related to the past fiscal year, compares the presented data with previous years and indicates the degree of implementation of plans for the past year.
The principle is applied.
- 4.12. A resolution of the general meeting on the issue of shares with pre-emptive rights should specify the issue price or the mechanism for determining it, or oblige the body authorized to do so to determine it before the pre-emptive right date, within a time limit enabling the investment decision to be made.
The principle is applied.
- 4.13. A resolution on a new issue of shares with the exclusion of pre-emptive rights, which at the same time grants the pre-emptive right to subscribe for the new issue shares to selected shareholders or other entities, may be adopted if at least the following conditions are met:
- a) the company has a rational, economically justified need to urgently raise capital, or the issue of shares is related to rational, economically justified transactions, e.g., such as a merger with another company or its acquisition, or the shares are to be taken up under the incentive program adopted by the company;
 - b) the persons who will have the right of priority will be determined according to objective general criteria;
 - c) the share subscription price will remain in a reasonable relation to the current quotations of the company's shares or will be determined as a result of the book-building market process.
- The principle is applied.
- 4.14. The company should strive to distribute profits by paying dividends. Leaving the entire profit in the company is possible if any of the following reasons occur:
- a) the amount of this profit is minimal and, consequently, the dividend would be insignificant in relation to the value of the shares;
 - b) the company shows uncovered losses from previous years, and the profit is allocated to their reduction;
 - c) the company will justify that allocating the profit for investments will bring measurable benefits to the shareholders;
 - d) the company did not generate cash to pay dividends;
 - e) the payment of the dividend would significantly increase the risk of breaching the covenants resulting from the loan agreements binding the company or the conditions of the bond issue;
 - f) leaving the profit in the company is in accordance with the recommendation of the institution supervising the company since it conducts a specific type of activity.
- The principle is not applied.
Company comment: The intention of the principle is close to the Issuer. The Issuer's Management Board each time, in its application to the General Meeting, as to the method of profit distribution for a given fiscal year, presents its recommendations together with justification, which may include, among others, current and expected financial situation of the Company and its capital group, strategy for further development, including investment plans. The Issuer shall immediately disclose the information in question to the public and the above-mentioned the application is assessed by the Supervisory Board. The final decision, considering the Issuer's essential needs, the catalog of which may go beyond the premises indicated in the rule in question, is made by the Issuer's General Meeting.

5. CONFLICTS OF INTEREST AND TRANSACTIONS WITH AFFILIATED ENTITY

For the purposes of this chapter, an affiliated entity is an affiliated entity within the meaning of international accounting standards adopted based on Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, on the application of international accounting standards.

The company and its group should have transparent procedures for managing conflicts of interest and concluding transactions with affiliated entities in the conditions of the possibility of a conflict of interest. The procedures should provide for ways of identifying such situations, disclosing them and how to deal with them.

A member of the management board or supervisory board should avoid undertaking professional or non-professional activities that could lead to a conflict of interest or have a negative impact on his or her reputation as a member of the company's governing body and should a conflict of interest arise immediately disclose it.

- 5.1. A member of the management board or the supervisory board shall inform the management board or the supervisory board, respectively, about the existing conflict of interest or the possibility of its occurrence and shall not participate in the consideration of a case in which a conflict of interest may arise in relation to him/her.
The principle is applied.
- 5.2. If a member of the management board or the supervisory board finds that a decision of the management board or the supervisory board, respectively, is contrary to the interest of the company, he or she should request that his or her dissenting opinion on the matter be entered in the minutes of the meeting of the management board or supervisory board.
The principle is applied.
- 5.3. No shareholder should be privileged over other shareholders in affiliated entity transactions. This also applies to the transactions of the company's shareholders concluded with entities belonging to its group.
The principle is applied.
- 5.4. The company may purchase its own shares (buy-back) only in a manner that respects the rights of all shareholders.
The principle is applied.
- 5.5. If the company's transaction with a affiliated entity requires the consent of the supervisory board, before adopting a resolution on granting consent, the supervisory board assesses whether there is a need to first seek the opinion of an external entity that will carry out a valuation of the transaction and an analysis of its economic effects.
The principle is applied.
- 5.6. If the conclusion of a transaction with a affiliated entity requires the consent of the general meeting, the supervisory board shall prepare an opinion on the legitimacy of concluding such a transaction. In such a case, the board assesses the need to obtain the opinion of an external entity, referred to in principle 5.5.
The principle is applied.
- 5.7. If the decision on the conclusion by the company of a significant transaction with a affiliated entity is made by the general meeting, before taking such a decision, the company shall provide all shareholders with access to information necessary to assess the impact of this transaction on the company's interest, including presenting the opinion of the supervisory board referred to in principle 5.6.
The principle is applied.

6. REMUNERATION

The company and its group care for the stability of the management staff, including through transparent, fair, consistent, and non-discriminatory remuneration rules, manifested, among others, with: equal pay for women and men.

The remuneration policy adopted in the company for members of the company's governing bodies and its key managers defines the form, structure, method of determining and paying remuneration.

- 6.1. Remuneration of members of the management board and supervisory board, as well as key managers, should be

sufficient to attract, retain and motivate people with competences necessary for proper management and supervision of the company. The amount of remuneration should be adequate to the tasks and duties performed by individual persons and the related responsibilities.

The principle is applied.

- 6.2. Incentive programs should be structured in such a way that, among other things, they make the level of remuneration of members of the company's management board and its key managers dependent on the actual, long-term situation of the company in terms of financial and non-financial results and long-term increase in value for shareholders and sustainable development, as well as the stability of the company's operations.

The principle is applied.

- 6.3. If one of the company's incentive programs is a managerial option program, then the implementation of the option program should be conditional on the eligible persons meeting, within at least 3 years, financial and non-financial and sustainable development goals set in advance, realistic and appropriate for the company, and the purchase price of the shares by the entitled persons or the settlement of the options may not differ from the value of the shares from the period when the program was adopted.

The principle is applied.

Company comment: *The Company currently does not have a management stock option plan.*

- 6.4. The supervisory board performs its tasks on a continuous basis; therefore, the remuneration of board members cannot depend on the number of meetings held. Remuneration of committee members, of the audit committee, should consider the additional workload related to work in these committees.

The principle is applied.

- 6.5. The remuneration of supervisory board members should not depend on the company's short-term performance.

The principle is applied.