



GENDER EQUALITY POLICY

IN THE GOVERNING BODIES OF LUBELSKI WĘGIEL “BOGDANKA” S.A.

Preamble

Lubelski Węgiel “Bogdanka” S.A. recognises competence, experience, professionalism, diversity of perspectives and equal opportunities as key factors affecting the quality of the Company’s management and supervision, as well as the effective achievement of long-term business objectives, including those relating to transformation, safety, environmental and social responsibility, and corporate governance.

The Gender Balance Policy in the governing bodies of Lubelski Węgiel “Bogdanka” S.A. (the “Policy”) defines the framework for measures designed to fulfil the obligations of the Company regarding the achievement of gender balance in the Management Board and the Supervisory Board of the Company, and to promote equal opportunities for women and men in accessing senior management and supervisory positions, including through professional development and human resource management initiatives.

This policy has been drawn up to implement the provisions of Chapter 4aa of the Act of 29 July 2005 on public offering and the conditions governing the introduction of financial instruments to the organised trading and on public companies (the “Public Offering Act”), transposing Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures (“the Women on Boards Directive”).

This policy remains consistent with the principles of respect for human rights, diversity, equal treatment, anti-discrimination and human resource management in force in the Lubelski Węgiel “Bogdanka” Group, adopted in the *“Policy on Respect for Human Rights and Diversity in the Lubelski Węgiel “Bogdanka” Group”* of 13 November 2024.

Gender balance is ensured whilst maintaining the qualification requirements specific to the role concerned and does not imply the automatic selection of a person of particular gender. The selection of members for the Management Board and the Supervisory Board of the Company is based on the candidates’ qualifications and objective criteria relevant to the role concerned, using lawful mechanisms designed to ensure gender balance.

§ 1 Purpose and scope of the Policy

1. The purpose of the Policy is to define transparent, objective and non-discriminatory principles designed to achieve, and subsequently maintain, gender balance in the Management Board and the Supervisory Board of Lubelski Węgiel “Bogdanka” S.A. (hereinafter: Company bodies).
2. The Policy sets out, in particular: the rules governing the selection process for members of the Company bodies; the rules for nominating candidates; the rules for the comparative assessment of qualifications; career development programmes for women and men; the strategic directions of human resource management supporting gender balance; as well as the rules on accountability, monitoring, reporting and reviewing the application of gender balance principles.

3. The Policy also aims to expand the pool of individuals with the skills and experience required to take on managerial positions, including through the development of internal talent, succession planning and active measures to increase the representation of the under-represented gender on the Company bodies.
4. The term “under-represented gender in the Company bodies” refers to the gender whose representatives hold no more than 49% of the total number of positions in the Company bodies.
5. The provisions of this Policy shall be applied in accordance with generally applicable laws, the Company’s Articles of Association, the Regulations of the General Meeting, the Regulations of the Supervisory Board, regulations governing the recruitment procedures as well as the specific rights of employees, shareholders and the State Treasury.

§ 2 Conditions for fulfilling the obligation to ensure gender balance in the Company bodies

1. The Company is obliged to ensure gender balance in the Company bodies in accordance with the applicable legal regulations.
2. The obligation referred to in subparagraph 1 shall be deemed fulfilled if
 - 1) the number of positions in the Company bodies held by persons belonging to the under-represented gender is no less than the figure closest to 33% of all positions in the Company bodies,;and
 - 2) persons belonging to the under-represented gender hold positions in each of the Company bodies.
3. The number of positions in the Company bodies required to ensure gender balance is determined on a case-by-case basis, taking into account the current number of positions in the Company bodies, in accordance with the applicable legal regulations.
4. Where the Company has ensured adequate gender representation within its governing bodies in accordance with subparagraph 2 above, the exemption provided for in Article 90gh of the Public Offering Act shall apply, and the Company shall take the measures set out in § 4(1)-(8) to maintain gender balance.
5. The obligation to ensure gender balance is taken into account in each selection process for a position in a Company body, regardless of whether it is carried out in connection with the appointment of members to the Company bodies for a subsequent term of office, filling of vacancies, or an increase in the number of members of a Company body concerned.

§ 3

Scope of application of the Policy

1. This Policy applies to the process of selecting a person for a particular position in the Company bodies, including the nomination of candidates for such a position, taking into account the powers of individual governing bodies and entities involved in this process resulting from legal regulations and the Company’s Articles of Association.
2. This Policy is applied, in particular, by the General Meeting in the exercise of its powers relating to the composition of the Supervisory Board of the Company and by the Supervisory Board in the scope of shaping the composition of the Management Board of Lubelski Węgiel “Bogdanka” S.A., including conducting of qualification procedures.
3. The Management Board and the senior management of the Company, within the scope of their responsibilities, ensure the organisational and operational implementation of the assumptions of the Policy when drawing up and applying internal regulations, including development programmes, human resource policy, monitoring and reporting.
4. This Policy applies to own employees of LW “Bogdanka” S.A. in respect of their statutory and constitutional powers to select candidates to the Supervisory Board, whilst ensuring the freedom of vote.

§ 4
Rules for the selection and nomination of
candidates for positions in the Company
bodies

1. The key criteria for selecting individuals to serve on the Company bodies include, in particular, their qualifications, knowledge, professional experience, managerial or supervisory skills, as well as other skills and qualifications relevant to the performance of the role concerned.
2. The process of selecting a candidate for a specific position within the Company bodies is carried out in accordance with the principles of equal treatment, prevention of discrimination, transparency, objectivity, comparability of assessments, confidentiality of candidates' data, and adequate recording of the process and decisions.
3. The selection criteria are formulated in a gender-neutral manner, clearly and unambiguously and determined before the commencement of any selection process for a specific position in the Company bodies. The criteria take into account the candidates' qualifications and the need to ensure gender balance, and are applied in a non-discriminatory manner at every stage of the process. Job advertisements for positions in the Company bodies are formulated in a gender-neutral manner.
4. The process of selecting a candidate for the specific position in the Company bodies takes into account the needs of the Company and the Company body concerned; this means that the profile of the candidate sought, the selection criteria and the manner in which the process is conducted are determined with particular regard to the Company strategy, key risks and business objectives, transformation challenges, business profiles, stages of the organisation development, and the appropriate and complementary set of competence within the Company body concerned. No disproportionate requirements shall be imposed which are not justified by the nature of the role and which could lead to restrictions on access for persons of a particular gender.
5. Measures aimed at increasing the representation of the under-represented gender in the Company bodies must not result in reducing the eligibility requirements for the position concerned.
6. Members of the Company bodies are appointed in accordance with the generally applicable legal regulations, the Company's Articles of Association and other internal regulations, in accordance with the powers of the bodies authorised to participate in these processes.
7. In the processes where the Company or the Supervisory Board has an impact on the identification or selection of candidates, efforts are undertaken to ensure a sufficiently broad and gender-diverse pool of individuals who meet the requirements for the position concerned.
8. Where one gender is under-represented, measures may be taken to increase the share of adequately qualified candidates of that gender in the pool of applicants, whilst maintaining the same eligibility criteria, in particular by actively encouraging them to take part in the selection process.
9. Appointment of individuals to a position in the Company bodies takes place on the basis of the comparative assessment of the candidates' qualifications for such a position. This assessment is performed objectively and without discrimination, using uniform selection criteria laid down before the selection process starts.
10. If the Company fails to meet the conditions set out in § 2(2) of the Policy, and in the process of selecting a person for a specific position in the Company bodies a choice shall be made between candidates with equivalent qualifications, preference shall be granted to a person belonging to the under-represented gender, unless, in exceptional cases, other significant principles relating to diversity, as set out in the statutory provisions and based on objective, non-discriminatory criteria that take into account that person's specific circumstances, justify the selection of a person belonging to the opposite gender.
11. The process of selecting a candidate for a position in the Company body, including the criteria applied, the results of the comparative assessment of qualifications and the reasons for the selection made, must be documented to the extent required by law.
12. In the cases and to the extent specified by law, at the request of a candidate for a position in the Company body, the Company shall provide him or her, in writing or in the form of an electronic

document, with information regarding the selection criteria applied in the process of selecting a person for a particular position, the comparative assessment of candidates together with the reasons, and, in the event of a decision to reject the appointment of a candidate belonging to an under-represented gender, the reasons for such decision and the qualifications of the candidate selected for the position concerned.

§ 5 Principles of gender balance in the appointment of the Supervisory Board members

1. Members of the Supervisory Board are appointed in accordance with the legal regulations and the Company's Articles of Association, taking into account the specific rules concerning members elected by the Company employees and the member appointed by the State Treasury.
2. With regard to candidates for membership of the Supervisory Board appointed by the General Meeting in accordance with general rules, the provisions of this Policy shall apply whilst respecting the rights of shareholders to nominate candidates and the powers of the General Meeting. When making its selection, the General Meeting takes into account the objective of gender balance and the applicable regulations governing the selection of candidates.
3. With regard to the selection of candidates to the Supervisory Board by employees, the Company ensures that persons authorised to take part in the elections have an access to information concerning the objective of gender balance, the relevant legal provisions and the associated sanctions, whilst respecting the principles of employee elections and the freedom to stand as a candidate and to vote.
4. With regard to a member of the Supervisory Board appointed in exercise of the specific powers of the State Treasury arising from the Company's Articles of Association, the Company shall provide the entity exercising that power with information on the current level of gender representation in the Company bodies, on the gender balance target arising from the applicable legal regulations, and on this Policy.

§ 6 Career development programmes and human resource management strategy

1. As part of its human resource management strategy, the Company takes into consideration the principles of equal treatment and equal opportunities for men and women, particularly in the areas of recruitment, professional development, promotion and remuneration. These processes are carried out on the basis of objective and non-discriminatory criteria, taking into account the qualifications, competence and requirements relevant to the position concerned, as well as the specific nature of the Company operations.
2. The Company ensures that women and men have equal opportunities for professional development and access to activities that enable them to acquire knowledge, experience and professional skills, in particular managerial skills, and support their career development.
3. Career development programmes may include, in particular, training and other forms of qualification enhancement, development and mentoring programmes, the assignment of tasks designed to develop managerial skills, and activities relating to talent identification and succession planning.
4. Where it is found that one gender is under-represented in management positions or amongst the pool of individuals with necessary competence to stand for election to positions in the Company bodies in the future, the Company may take proportionate measures to support the professional development of individuals of that gender, whilst upholding the principle of equal treatment and applying objective criteria for participation in development programmes.
5. The detailed rules and procedures for implementing career development programmes are defined in separate regulations, programmes and plans relating to human resource management in force within the Company.

§ 7 Responsibility for the Policy implementation

1. The General Meeting adopts the Policy by way of a resolution as well as applies its provisions in the exercise of its powers relating to the composition of the Supervisory Board of the Company.
2. The Supervisory Board applies the Policy in the exercise of its powers relating to the composition of the Management Board of the Company.
3. The Management Board, with the assistance of the relevant organisational units within the Company, ensures the implementation of the Policy within the Company's remit, in particular in the areas of career development programmes, human resource management, and the fulfilment of disclosure and reporting obligations arising from legal regulations.

§ 8 Monitoring and reporting

1. The Company monitors the representation of women and men in its governing bodies to the extent necessary to assess progress towards the gender balance target and to fulfil its reporting obligations arising from the generally applicable regulations.
2. The Management Board draws up a report on the representation of each gender in the Company bodies and on the measures taken to ensure gender balance on an annual basis, unless the fulfilment of this obligation is assigned to the Supervisory Board pursuant to Article 90gi(3) of the Public Offering Act.
3. The report contains the information required by law, including information on the number of women and men holding specific positions in the Company bodies, the measures taken to ensure gender balance in the Company bodies and, where the required level of representation has not been achieved, an explanation of the reasons and the measures taken and planned to achieve it.
4. The Company publishes the report on its website and submits it to the competent governmental administration body within the timeframe and in accordance with the procedures laid down by law.

§ 9 Final provisions

1. In matters not settled in this Policy, the generally applicable legal regulations, the Company's Articles of Association and the relevant internal regulations of the Company shall apply.
2. The Management Board and the Supervisory Board, each within the scope of their respective remits, shall review the Policy at least on an annual basis to ensure that it is applied correctly and that its objectives are met. The Policy is also reviewed in the event of any amendments to legal regulations, the Company's Articles of Association or other circumstances that have a significant impact on the principles governing gender balance in the Company's bodies.
3. The amendments to the Policy require the adoption by the General Meeting by way of a resolution.
4. The Policy comes into force on the date of adoption of a resolution on its approval by the General Meeting.
5. The Company makes the current version of the Policy available on its website, including the information required by law regarding the applicable legal regulations on gender balance and the sanctions provided for in this regard.