

Integrated Report

GRENEVIA GROUP 2023

The logo for Grenevia, featuring a stylized white 'G' icon followed by the word 'Grenevia' in a bold, white, sans-serif font.

Your link to green transition



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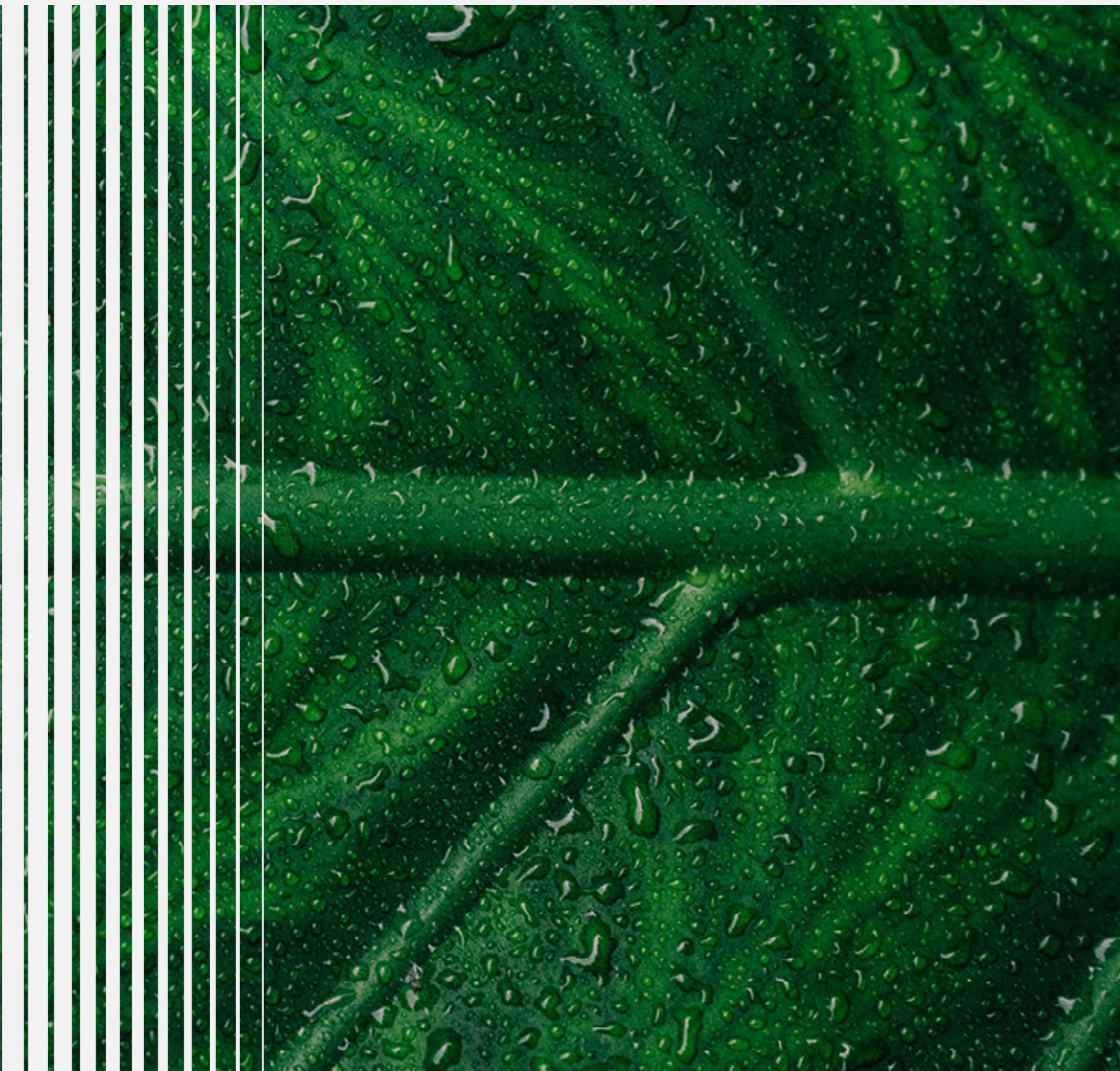
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2023 summary



Grenevia Group's key financial metrics

KEY FINANCIAL METRICS (PLN MILLION)	12 months to 31 December		Change [%]
	2023	2022	
Revenue	1 644	1 296	+27%
EBITDA	414	406	+2%
Net profit/(loss) from continuing operations	144	192	-25%
Net profit/(loss), of which:	144	120	+20%
■ attributable to owners of the Parent	212	158	+34%
Cash flows from operating activities	622	-8	n/a
AS % OF REVENUE			
EBITDA	25%	31%	-6 p.p.
Net profit/(loss)	9%	9%	- p.p.
as at			
	31 Dec 2023	31 Dec 2022	
Net debt (PLN million)	372	127	
Net debt/EBITDA	0.9x	0.3x	

 PLN **1,644** million

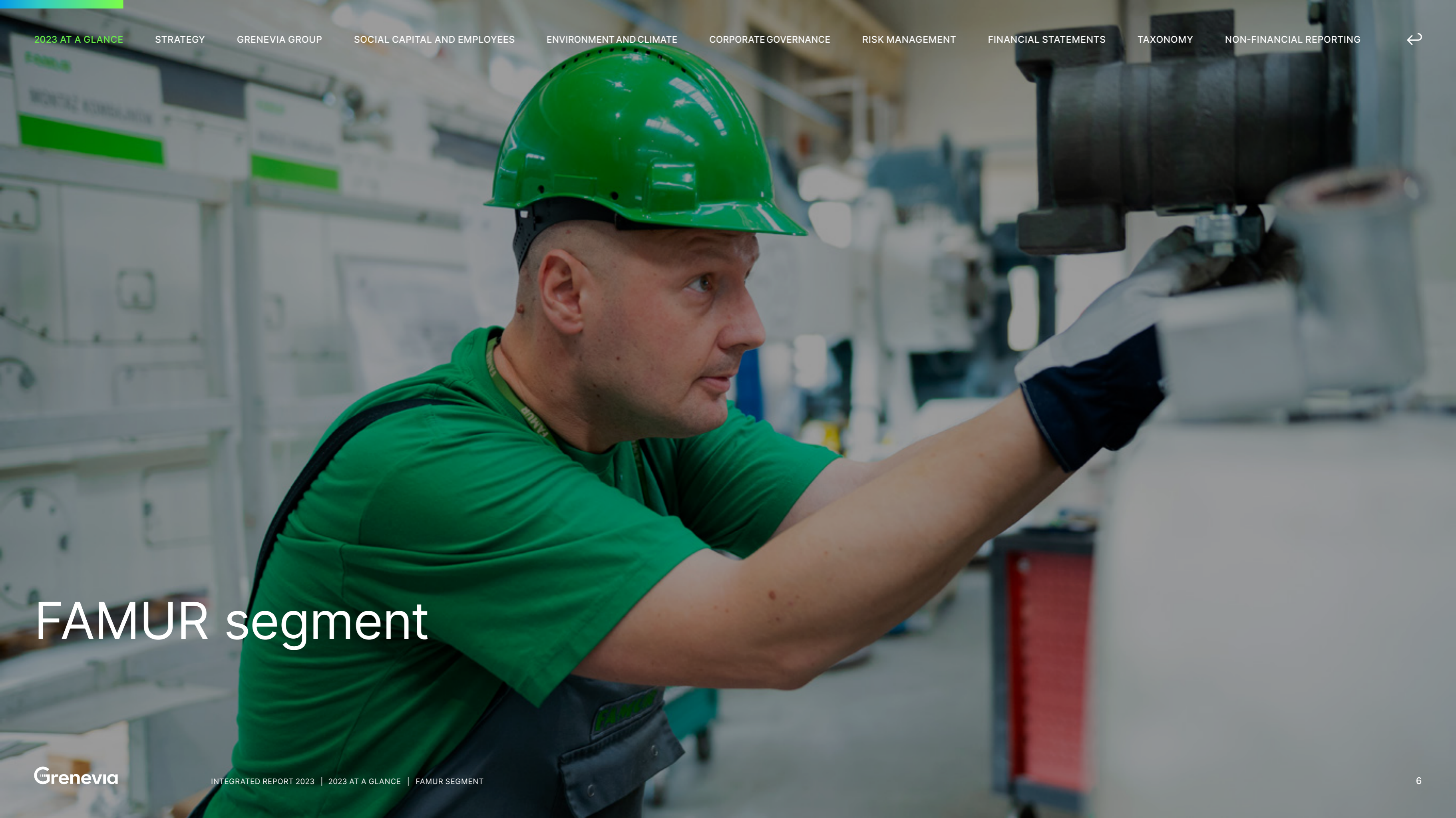
REVENUE

 PLN **414** million

EBITDA

 PLN **144** million

NET PROFIT



FAMUR segment

FAMUR segment



Solutions for the mining
and wind power sectors

FAMUR

Key developments in 2023

PLN **1,114** million

REVENUE FROM EXTERNAL CUSTOMERS FOR 2023
(BROADLY UNCHANGED YEAR ON YEAR)

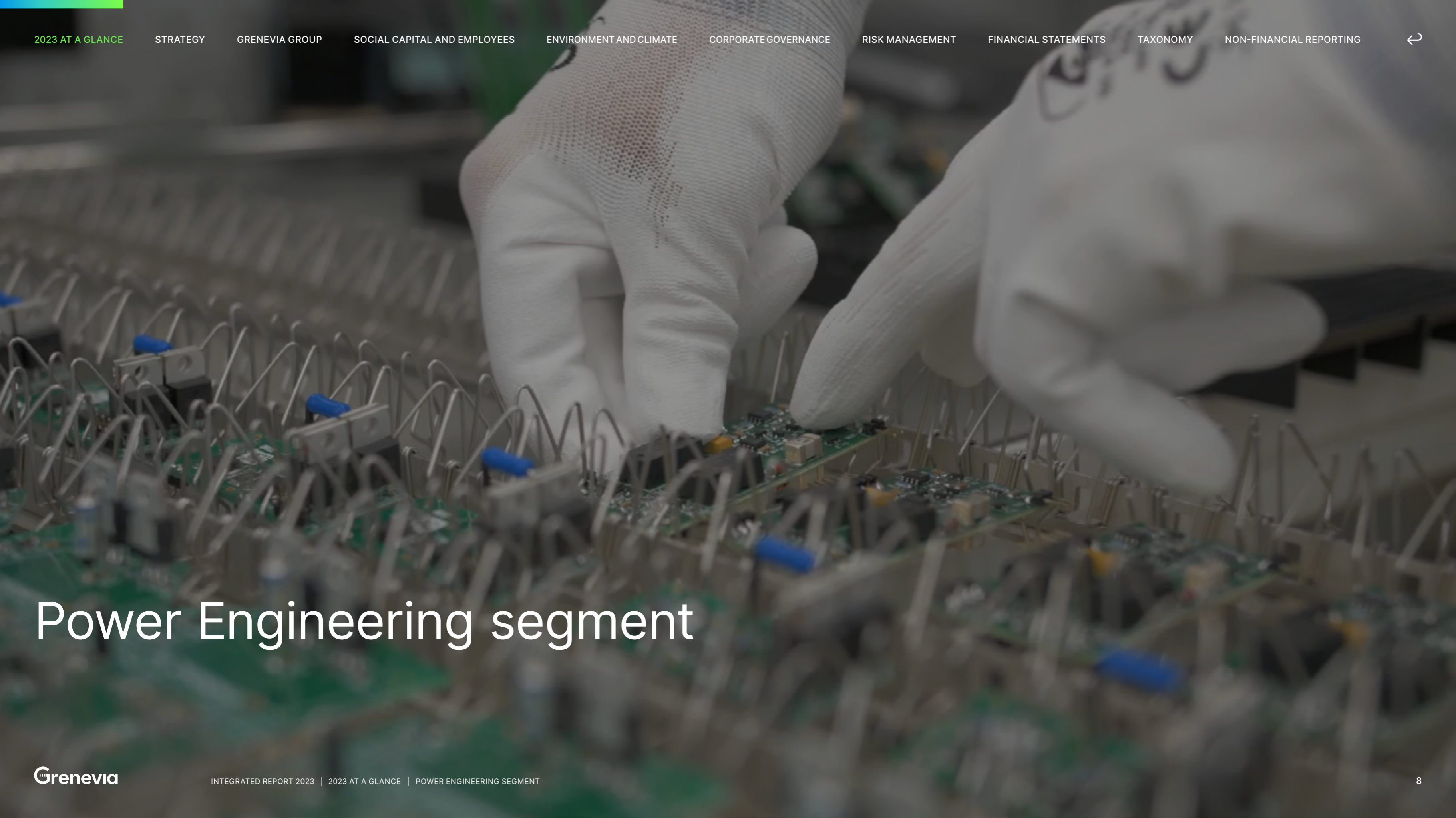
PLN **730** million

BACKLOG AT THE END OF 2023 (SUPPLY OF MACHINERY AND
EQUIPMENT AND LEASES AS PER EFFECTIVE CONTRACTS)

PLN **498** million

EBITDA FOR 2023

- ✓ No net debt outstanding at the end of December 2023
- ✓ Acquisition of a 75% ownership interest in Total Wind PL Sp. z o.o. on 20 July 2023 to step up expansion in the wind power sector and establish a dedicated branch



Power Engineering segment

Power Engineering segment



Power distribution solutions

ELGÓR+HANSEN

Key developments in 2023

PLN **162** million

REVENUE FOR 2023, INCLUDING PLN 110 MILLION FROM EXTERNAL CUSTOMERS

PLN **129** million

BACKLOG AT THE END OF 2023, INCLUDING PLN 66 MILLION UNDER CONTRACTS WITH EXTERNAL CUSTOMERS

PLN **35** million

EBITDA FOR 2023

PLN **26** million

EXCESS CASH OVER NET DEBT AS AT YEAR-END 2023



PV Segmen

PV Segmen



Utility-scale solar PV projects

* Due to the diversification of the segment's activities into areas such as wind energy and energy storage, its name will be changed to Utility-Scale PV, Wind Power and Energy Storage segment ("Renewable Energy segment").

Key developments in 2023

PLN **78** million

REVENUE FOR 2023, MAINLY FROM SALE OF ELECTRICITY

PLN **-56** million

EBITDA FOR 2023

PLN **1,143** million

NET DEBT AS AT YEAR-END 2023
(GROSS DEBT AT PLN 1,269 MILLION, INCLUDING PLN 824 MILLION UNDER FINANCING ADVANCED BY GRENEVIA)

- ✓ Nearly PLN 200 million of external project finance raised in 2023.
- ✓ 210 MW of PV farm capacity connected to the power grid as at 31 December 2023.
- ✓ ~4.7 GW of total estimated capacity of the entire project portfolio, comprising projects at different stages of development, as at 31 December 2023, including over 0.5 GW of projects under development in Germany.
- ✓ More than 1.2 GW of total capacity of PV, energy storage and wind projects with secured connection permits.
- ✓ Growth strategy for 2023–2027 adopted in May 2023.
- ✓ Preliminary agreement signed in September 2023 with KGHM Polska Miedź SA to sell shares in 4 project companies holding a portfolio of nearly 50 MW of PV projects – the transaction closed and settled in the first quarter of 2024.



 team
technik
PRODUCTION TECHNOLOGY

 **IMPACT**

E-mobility segment



E-mobility segment



• **IMPACT**

Battery systems for e-mobility and energy storage

Key developments in 2023

PLN **335** million

REVENUE FOR 2023

PLN **-23** million

EBITDA FOR 2023

PLN **74** million

NET DEBT OUTSTANDING AS AT 31 DECEMBER 2023, FINANCING ADVANCED BY IMPACT SHAREHOLDERS (INCLUDING GRENEVIA SA) FULLY REPAID IN THE FOURTH QUARTER OF 2023

- ✓ Continued business relationship with Solaris Bus & Coach sp. z o.o., and expanded scope of business with Alexander Dennis Limited.
- ✓ Discussions initiated with potential suppliers to ensure multiple sourcing (agreement with LG Energy Solution Wrocław sp. z o.o. and Freyr Battery Norway AS).
- ✓ Execution of two factoring agreements with a limit of up to PLN 60 million, and a facilities agreement comprising a working capital facility of up to PLN 75 million and an investment facility of up to EUR 22 million.
- ✓ ~PLN 87 million in total expenditure on the GigafactoryX project in the 12 months ended 31 December 2023.



Letter from the President

Beata Zawiszowska

PRESIDENT OF THE MANAGEMENT BOARD OF GRENEVIA SA

Dear Shareholders,

2023 marked another successful phase in Grenevia SA's journey to turn into a holding company that invests in the green transition.

The strategic directions set forth in 2021 kept propelling us forward, with a focus on enhancing the value of our green segments, i.e. the segments of solar photovoltaics (PV) and e-mobility, and concurrent pursuit of new initiatives in our traditional business areas related to the mining industry, aiming to bolster their foothold in renewable energy sectors.

Early in the year, we embraced a sustainable development strategy for the period spanning 2023 to 2030, aligning our business objectives with Environmental, Social, and Governance (ESG) principles. The new structure and business model of the Group was reflected in the decision to change its brand name. In February 2023, the Extraordinary General Meeting resolved to change the Company's name from FAMUR Spółka Akcyjna to Grenevia Spółka Akcyjna.

FINANCIAL PERFORMANCE IN 2023

In 2023, the Grenevia Group's revenue reached PLN 1,644 million, an increase of 27% year on year, driven by the consolidation of full-year figures of the electric mobility segment and higher revenue in the Power Engineering and PV segments, with stable revenue delivered by the FAMUR segment. EBITDA stood at PLN 414 million, reflecting a profitability margin of 25%, with net profit of PLN 144 million. At the close of 2023, our net debt amounted to PLN 372 million, translating into net debt/EBITDA ratio of 0.9x. As part of ongoing efforts to optimise our financing structure, in December 2023 we successfully executed the early redemption (call option) of Series B notes with a nominal value of PLN 200 million.

OPERATING PERFORMANCE IN 2023 ACROSS BUSINESS SEGMENTS

Let me provide an overview of our operating results for 2023 across the business lines starting with the FAMUR segment. In the business of machinery for the mining industry, we encountered persistent challenges stemming from aggressive competition by Chinese manufacturers in international

markets. It was accompanied by a dwindling investment demand from mines, largely attributed to a decline in coal prices, which regressed to levels recorded before the war in Ukraine. In the case of Polish mines, an increase was mainly seen in investments to replace and secure existing assets. Both domestically and abroad, demand was predominantly focused on aftermarket services, maintenance, delivery of spare parts, repair of machinery and equipment, and leases of shearer loaders/roadheaders, driving up the segment's recurring revenue. In response to geopolitical developments, particularly the imposition of economic sanctions, we made a decision to cease operations in Russian and Belarusian markets. In March 2023, we initiated a process to divest our assets held in Russia, culminating in the sale of 100% of shares in the subsidiary OOO Famur in January 2024.

To boost the FAMUR segment's expansion in the wind power sector, in July 2023 Grenevia SA acquired a 75.24% equity interest in Total Wind PL

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Sp. z o.o. for approximately EUR 4.5 million. This acquisition aims to augment the FAMUR segment's capabilities in delivering solutions and services for the wind power sector, while allowing it to diversify manufacturing operations.

Anticipated revenue synergies will significantly expedite business upscaling in this sector, complementing the evolving portfolio of gearbox repair and maintenance, monitoring and technical consultancy services through the addition of wind turbine installations, including major component replacements and maintenance work. At the outset of 2024, we made a decision to establish Famur Gearo as a separate organisational unit of the FAMUR segment overseeing the development of our wind energy business.

In 2023, the FAMUR segment generated PLN 1,114 million in revenue from external customers, and its total backlog (supplies of machinery and equipment and leases in accordance with the effective terms of the contracts) at the year-end amounted to approximately PLN 730 million.

In 2023, the Power Engineering segment was focused on retaining its position as the preferred business partner for the mining sector, further developing its electricity distribution solutions, in particular for renewable energy. The available range of aftermarket services offered to the mining industry was expanded, and revenue from the industrial sector included the supply of electrical switchgears and industrial machinery control systems. Within the renewable energy domain, containerised substations for solar PV farms were delivered to Projekt Solartechnik SA to exploit synergies within the Grenevia Group, and to other operators outside the Group. Additionally, contracts were secured with new customers, for whom production commenced towards the end of 2023 and will extend into 2024. To efficiently manage the growing backlog volume, the segment's workforce was bolstered and a new substation manufacturing line was launched in Zabrze.

In 2023, the Power Engineering segment recorded PLN 162 million in revenue, of which PLN 52 million was generated through synergies within the Grenevia Group, i.e. sales to the FAMUR and PV segments. As at the end of 2023, the segment's

total backlog was PLN 129 million, including PLN 63 million attributable to orders from the FAMUR and PV segments.

The primary focus of the PV segment revolved around vigorous expansion of its project portfolio, involving the construction of further solar PV farms and diversification of the portfolio to include more wind and energy storage projects. It continued the process to market completed PV project portfolios while selling electricity from completed PV farms under PPAs/cPPAs. In September 2023, a preliminary agreement was reached with KGHM Polska Miedź SA for the sale of shares in four project companies, holding a portfolio of PV projects with a combined capacity of nearly 50 MW. The transaction was finally closed and settled in February 2024. In 2023, the segment successfully raised close to PLN 200 million in project finance.

By the end of 2023, the total capacity of its PV project portfolio (encompassing farms at different stages of development) increased to some 4.7 GW, including over 0.5 GW attributable to projects under development in Germany. The grid-connected PV farms achieved a total capacity of 210 MW, with

a further 239 MW of PV projects under construction. At the same time, the PV, energy storage and wind projects with secured connection permits totalled over 1.2 GW in capacity.

In May 2023, the Management Board of Projekt Solartechnik SA endorsed a development strategy for the PV segment to be executed over the years 2023–2027, as detailed in the 'Segment of utility-scale solar PV projects (PV segment)' section.

In 2023, the PV segment generated PLN 78 million in revenue. As at the end of 2023, its outstanding debt amounted to PLN 1,269 million (including PLN 824 million under financing advanced by Grenevia), with net debt standing at PLN 1,143 million.

In 2023, the E-mobility segment generated PLN 335 million in revenue. During this period, Impact Clean Power Technology SA, the e-mobility sector player, focused on securing new framework agreements and contracts spanning the years 2024–2026, particularly for the supply of e-bus battery systems. This strategic focus led

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to continuation of the business partnership with Solaris Bus & Coach Sp. z o.o. and a higher volume of orders from Alexander Dennis Limited. To fortify the stability of the segment's supply chain for essential components, contracts were executed with LG Energy Solution Wrocław Sp. z o.o. and Freyr Battery Norway AS to ensure multiple sourcing and supplies sourced from China were further diversified. The GigafactoryX project is progressing as scheduled, with the assembly of the manufacturing line, its last milestone, slated for the first and second quarters of 2024. Total expenditure incurred on this project in 2023 was around PLN 87 million. In the fourth quarter of 2023, two factoring agreements with a limit of up to PLN 60 million, and a facilities agreement comprising a working capital facility of up to PLN 75 million and an investment facility of up to EUR 22 million, were finalised enabling the repayment of working capital and investment loans advanced by the company's shareholders (including Grenevia).

PURSUIT OF THE SUSTAINABILITY STRATEGY

At the Grenevia Group, we are steadfast in our commitment to being a socially responsible organisation, striving to develop our business sustainably while prioritising the interests of all stakeholders. This commitment is embodied in the Grenevia Group's Sustainability Strategy for 2023–2030, unveiled in January 2023. To spearhead its effective delivery, a Steering Committee, led by the President of the Grenevia SA Management Board, was established. Subsequent steps included the adoption of a supplier sustainability code, identification of key suppliers across segments, and implementation of an enterprise risk management policy, as well as uniform social policies and corporate procedures across the Group. Our rooftop solar panel systems at the Group's facilities have been consistently expanded, reinforcing our dedication to renewable energy solutions. Moreover, we are actively cultivating an organisational culture that promotes equality and diversity. One notable initiative is the Roses of the Wind project, designed to support women in professional and personal development. Furthermore, the expansion of our PV and e-mobility operations helps avoid CO₂ emissions, thereby contributing

to environmental sustainability. For more detailed insights into our Environmental, Social, and Governance (ESG) activities, refer to the Non-Financial Report for 2023.

GRENEVIA GROUP'S PLANS FOR 2024

Our focus in 2024 will remain centred on continued development and rapid upscaling of our business within the E-mobility and PV segments. In our traditional business domains, comprising the FAMUR and Power Engineering segments, we are committed to parallel initiatives aimed at expanding their presence on the markets of, respectively, solutions for the wind power sector and PV farm substations. Across all segments, we will uphold a flexible operating model and rigorous cost control measures. Furthermore, we will persist in optimising our financing structure, ensuring that our debt levels remain within safe thresholds to sustain stable development of the Group.



Beata Zawiszowska

PRESIDENT OF THE MANAGEMENT BOARD OF GRENEVIA SA



Strategy

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Business strategy underpinned by sustainability



OUR

Mission

Grenevia has been founded with the aim of responsibly and actively contributing to the advancement of a sustainable and low-carbon economy.



OUR

Vision

By consciously transforming our business model, we are investing in promising green transition projects to enhance their value for the benefit of the global community as a whole.



BUSINESS

Model

The Grenevia Group's business model stems from the strategy we have consistently implemented since it was first announced in May 2021. The strategy aims to transform the Group from a leading manufacturer of mining machinery and equipment into a company actively investing in the energy transition.



Business strategy underpinned by sustainability

Grenevia SA continues to actively invest in companies with disruptive products and technologies that can transform the industry and economy.

Our intention is to consistently strengthen our foothold in the sector of new low-carbon technologies by developing a diverse portfolio of green transition projects.

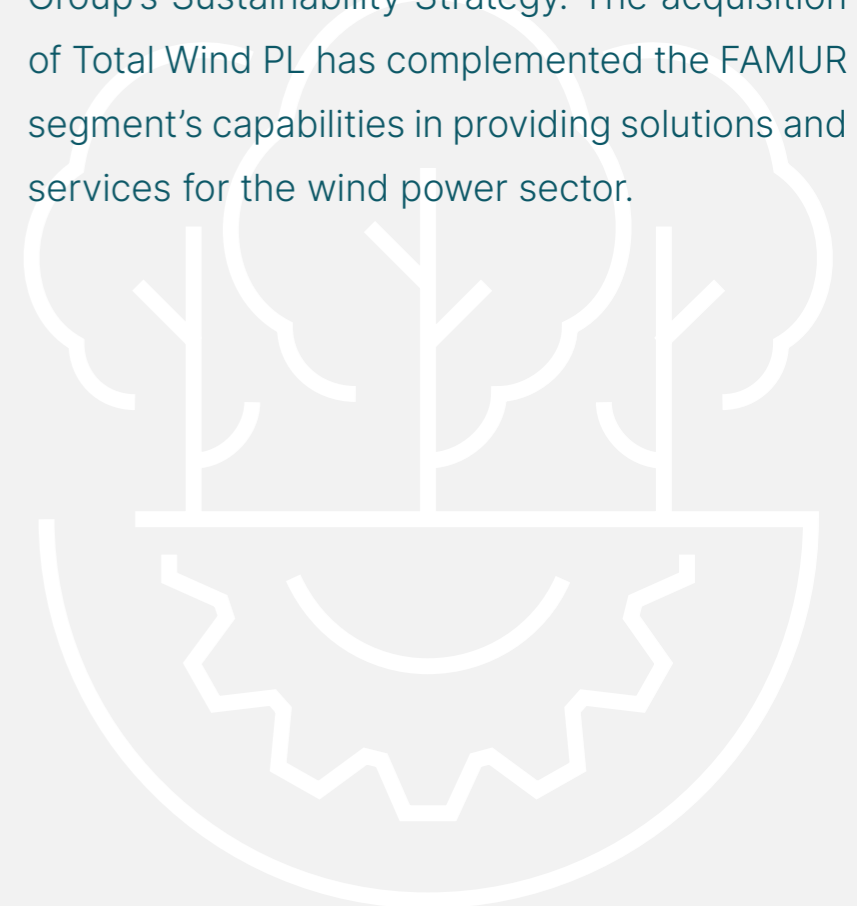
Over the past three years, the Grenevia Group has undergone a profound transformation, evolving from a manufacturer of machinery for industrial applications into a holding organisation that invests in the green transition. This journey

began with the adoption of new strategic directions in 2021, and the first step was to enter the sector of utility-scale solar projects and B2B PV solutions. In 2022, Grenevia SA secured a foothold in the wind energy market, building on its long track-record and capabilities in designing and building industrial equipment. In the same year, the Group invested in another promising renewable energy segment: battery, electromobility, and energy storage systems produced by

Impact Clean Power Technology SA 2022 also saw Elgór+Hansen SA diversify its business into energy distribution solutions, including substations designed for renewable energy sources. A multi-business organisation was formed in the process, which necessitated a redefinition of the organisational framework.

Throughout 2023, the Grenevia Group focused on scaling up the operations of its energy transition segments, i.e. those engaged in e-mobility and utility-scale solar PV projects, as well as consistent growth in the wind power sector, which allows for expansion of the FAMUR segment's manufacturing capacities and, at the same time,

remains a key element in the delivery of the Group's Sustainability Strategy. The acquisition of Total Wind PL has complemented the FAMUR segment's capabilities in providing solutions and services for the wind power sector.


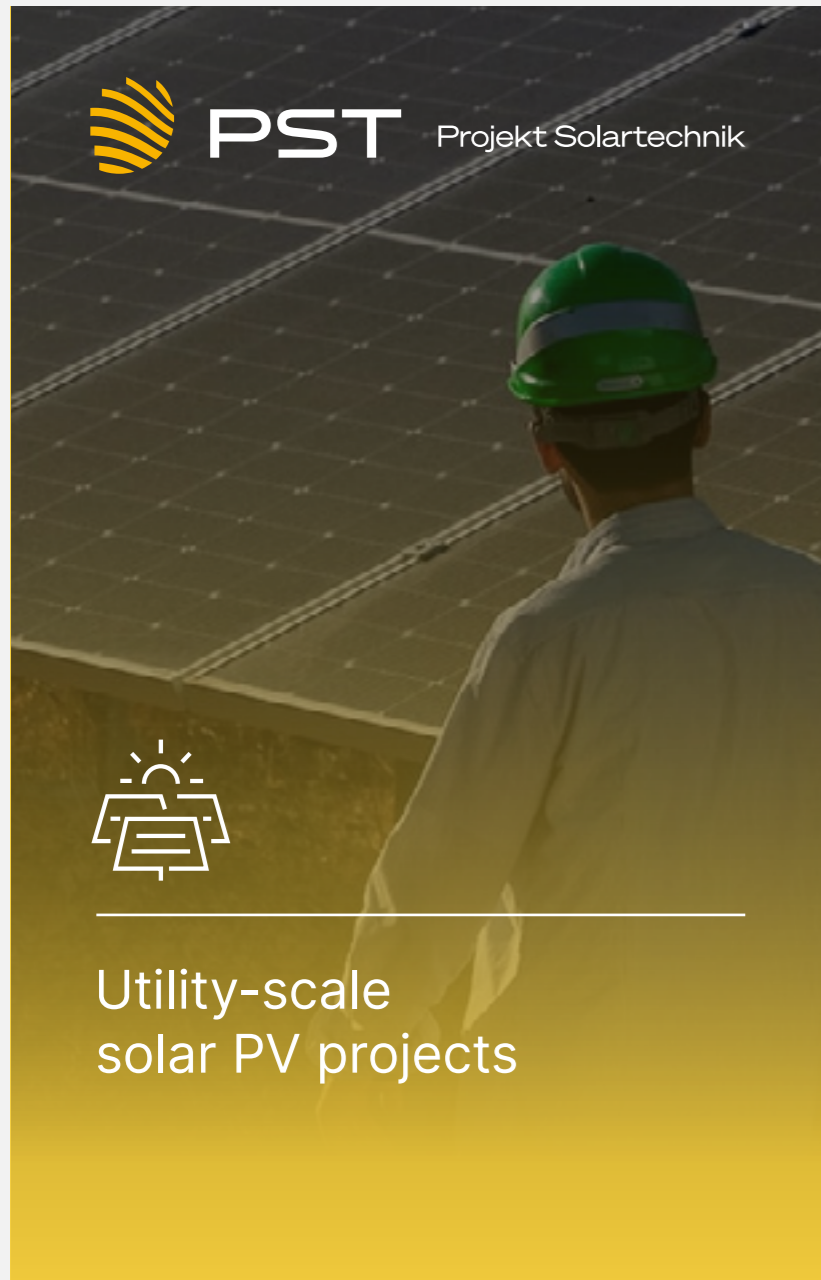





The Grenevia Group comprises four business segments:

! Each of the business segments forms a separate operational and financial structure.

! A detailed description of the achievements and development of the individual segments is provided below.


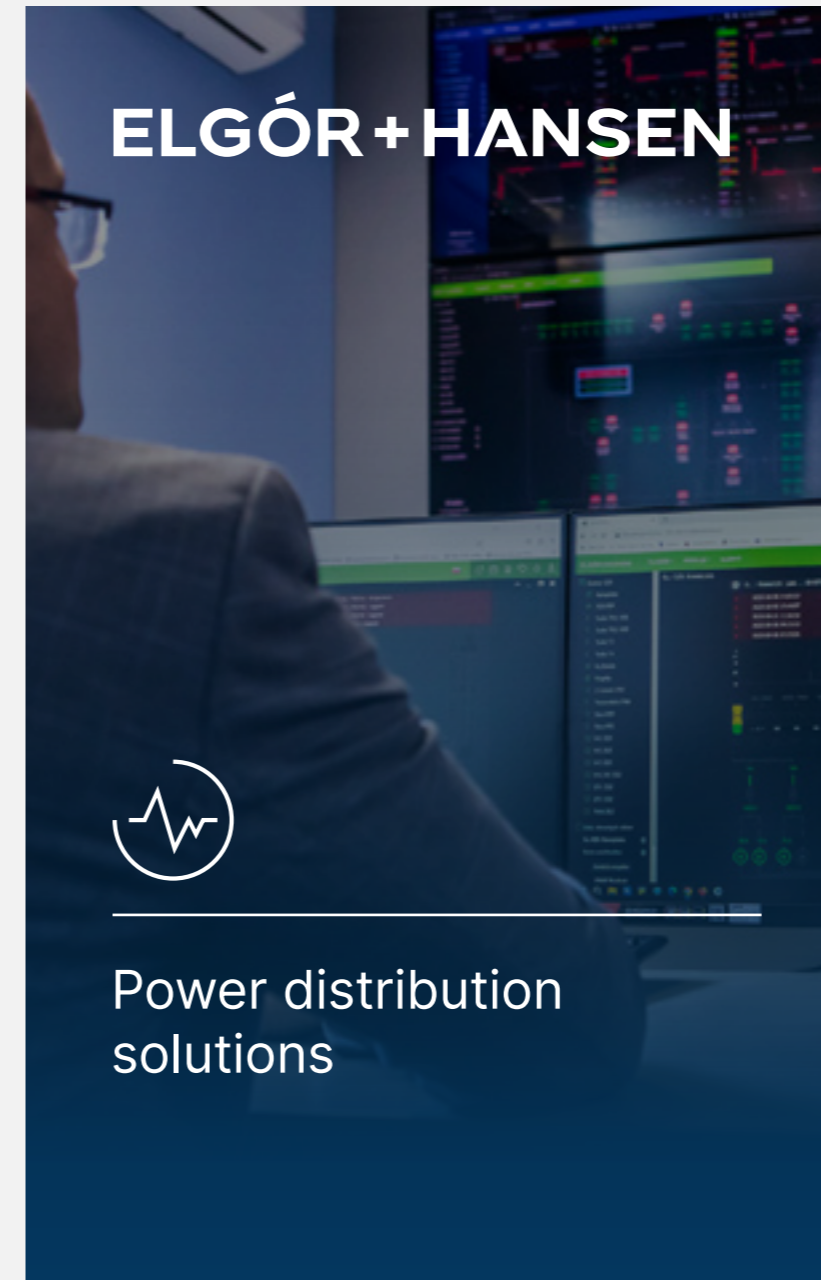





Utility-scale solar PV projects


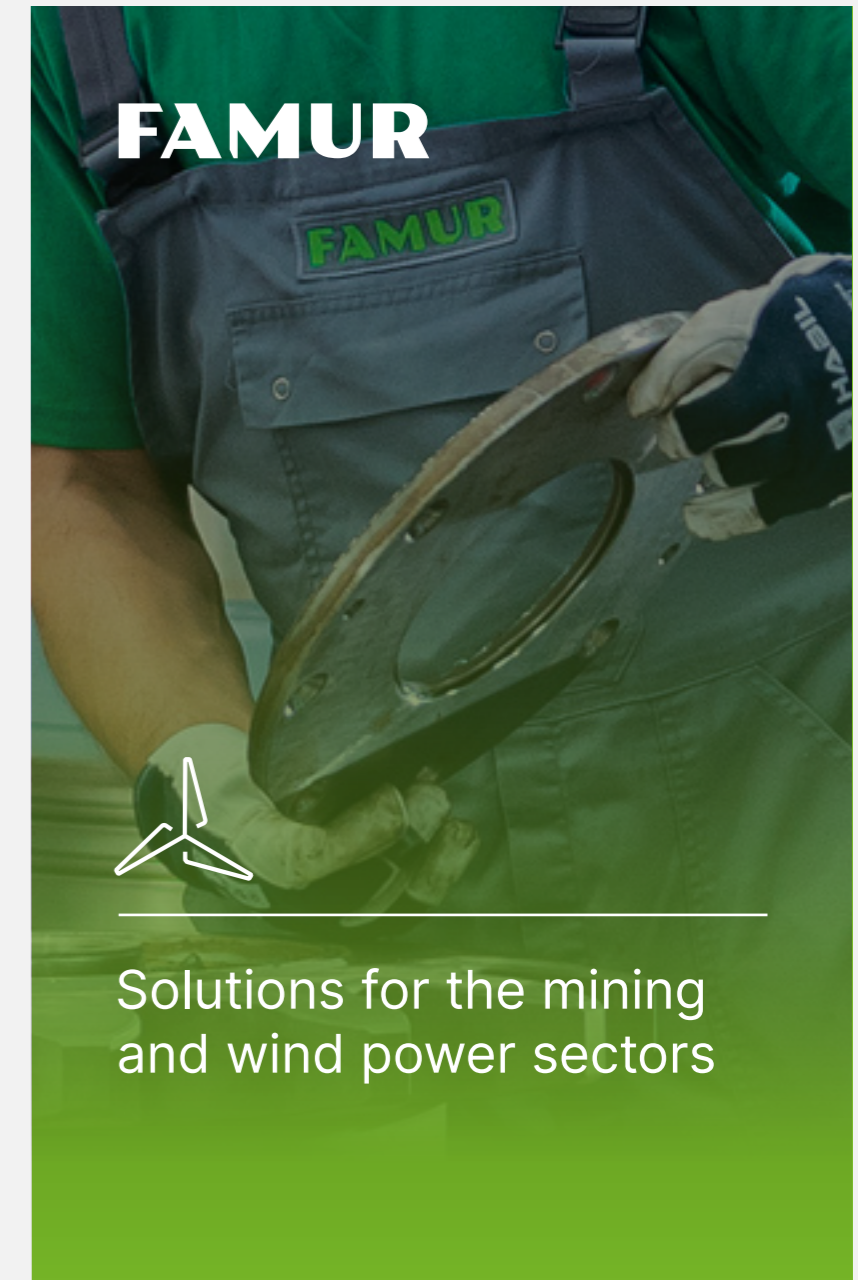





Battery systems for e-mobility and energy storage

Power distribution solutions

Solutions for the mining and wind power sectors

Sustainability Strategy for 2023–2030: value creation driven by ESG

Value creation driven by ESG

Bearing in mind that each area of the Group’s operations has a climate change footprint, the ongoing business transition is a responsible and well-thought-out process.

STRATEGY FOR TRANSITION

The strategy for sustainable business model transformation adopted in early 2023 integrates strategic objectives spanning the environmental, social, and corporate governance (ESG) areas.



E – ENVIRONMENTAL
S – SOCIAL
G – GOVERNANCE

This strategy is consistently delivered across the Group’s segments, aligning the transformation of its business model with an ESG agenda and directly supporting the UN Sustainable Development Goals. Through the implementation and execution of the Sustainability Strategy, the Group aims to reconcile its business growth with social and environmental responsibility. This approach is geared towards sustainable success by minimising the negative environmental impacts, fostering positive brand perceptions, and

enhancing operational efficiency. The Grenevia Group’s value creation is driven by responsible business practices, where strategic directions are set based on the ESG agenda.

ESG values

- 1. ENVIRONMENTAL RESPONSIBILITY:**
 The Group’s segments engage in sustainable development practices, striving to minimise their environmental impacts. This includes a reduction of greenhouse gas emissions, efficient management of natural resources, and investments in green technologies.
- 2. SOCIAL RESPONSIBILITY:**
 The segments seek to foster positive relations with employees, promoting equality, diversity, human rights, and fair working conditions across the supply chain. Additionally, investments in local communities and charitable activities are essential elements of the Group-wide social responsibility efforts.
- 3. CORPORATE GOVERNANCE RESPONSIBILITY:**
 Segment governance decisions are driven by transparency, integrity and high ethical standards. They also ensure clear governance structures, accountability of senior management, and effective oversight, contributing to building trust among investors.
- 4. RESPONSIBLE REPORTING:**
 Regular progress updates on ESG performance demonstrate the Group’s commitment to achieving its stated goals and provide information to stakeholders, based on which they can track the efficacy of the Grenevia Group’s initiatives and its approach to social and environmental matters.
- 5. RESPONSIBLE RISK MANAGEMENT:**
 By integrating the ESG agenda, the Group’s segments identify and manage environmental, social, and governance risks. This includes ensuring compliance with the changing regulatory requirements, while responding to community and customer expectations.



Key objectives underlying our sustainability strategy

1

Integrate ESG aspects into the Group’s business model transformation strategy.

2

Meet the expectations of various stakeholder groups (employees, customers, suppliers, regulators, local communities, investors, financial institutions).

3

Build the Group’s lasting value in a way that reconciles economic, environmental and social considerations.

OUR STRATEGY

Our sustainability strategy is built around five pillars reflecting the Grenevia Group’s view of sustainable development and outlining the scope of sustainability activities for the future.

The selection of these pillars was preceded by thorough analysis of the global megatrends, with a focus on reducing emissions and responsible use of resources as drivers for energy transition in the global economy.

Our strategy directly supports the UN Sustainable Development Goals, emphasising the Group’s commitment to tackling global problems.



Our strategy supports UN Sustainable Development Goals

OUR CURRENT COMMITMENT TO UN SUSTAINABLE DEVELOPMENT GOALS

- SDG 3** Ensure healthy lives and promote well-being for all at all ages.
- SDG 4** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- SDG 5** Achieve gender equality and empower all women and girls.
- SDG 6** Ensure availability and sustainable management of water and sanitation for all.
- SDG 7** Ensure access to affordable, reliable, sustainable and modern energy for all.
- SDG 8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- SDG 9** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- SDG 10** Reduce inequality within and among countries.
- SDG 12** Ensure sustainable consumption and production patterns.
- SDG 13** Take urgent action to combat climate change and its impacts.
- SDG 17** Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.



Pillars of the Sustainability Strategy



Pillars of the Sustainability Strategy

Pillar 1

Sustainable business transformation

- I Based on the resources and long-term experience of the mining machinery manufacturer, we are transforming ourselves into an industrial company that invests in energy transition businesses.
- I Our transformation process seeks to balance economic, environmental and social aspects.
- I We drive the growth of our portfolio companies for the benefit of all stakeholders while generating attractive investment returns for our shareholders.

Pillar 2

Energy for transition

- I We aim to achieve a significant reduction in our Scope 1 and Scope 2 emissions.
- I By the end of 2024, approximately 35% of energy will come from renewable sources and this percentage will increase in the following years through the development of our own sources and cPPAs, if available and economically viable.
- I The development of our new segments supporting energy transition will at the same time contribute to avoiding greenhouse gas emissions.
- I In our operations, we strive to reduce the consumption such resources as water and electricity.

Pillar 3

Modern products and business models

- I We actively support our customers and suppliers in tackling climate impact.
- I We implement the principles of circular economy.
- I Priority is given to safety and reduction of the environmental impact of our products.

Pillar 4

Efficient and responsible organisation

- I We see sustainable development as an integral part of the decision-making process across our organisation.
- I We adhere to the highest standards in conducting business and managing the supply chain and sales. By the end of 2025, 70% of our key supplier relationships will be based on the Grenevia Sustainability Code.
- I We engage in active dialogue with stakeholders and implement best reporting, risk management and corporate governance practices.
- I We increase the efficiency of our organisation through process improvement, including automation and digitalisation.

Pillar 5

Employees and society as key components of climate transition

- I We cooperate with businesses and organisations, working towards the sustainable development of Poland and its regions.
- I We enhance the education and development of employees and local communities.
- I We strive to be a preferred, long-term and responsible employer.
- I We foster an organisational culture that promotes equality and diversity.



Strategic goals



Strategic goals

Pillar 1

Sustainable business transformation

With the development of new segments, approximately 70%* of the Group's revenue in 2024 should be derived from sources other than the thermal coal sector

* This goal is in line with the Grenevia Group's new strategic directions adopted on 25 May 2021 regarding reduction of the estimated share of revenue associated with the thermal coal sector to below 30% in 2024.

Pillar 2

Energy for transition

By 2030, we will reduce Scopes 1 and Scope 2 emissions by 40% relative to the 2021 level, and at the same time we will be developing new business segments that will contribute to avoiding up to 2.3 million tonnes of CO₂ emissions in economy by 2030.

Pillar 3

Modern products and business models

As regards the life cycle of our products, we are gradually implementing the principles of circular economy and management of product emissions.

Pillar 4

Efficient and responsible organisation

We are implementing best international practices in corporate governance, risk management and relations with business partners.

Pillar 5

Employees and society as key components of climate transition

We engage in initiatives that are of benefit to employees, local communities and suppliers.

SUPPORT FOR UN SUSTAINABLE DEVELOPMENT GOALS

- 7 affordable and clean energy
- 8 decent work and economic growth
- 9 industry, innovation and infrastructure

- 6 clean water and sanitation
- 7 affordable and clean energy
- 8 decent work and economic growth
- 9 industry, innovation and infrastructure
- 13 climate action

- 9 industry, innovation and infrastructure
- 12 responsible consumption and production
- 13 climate action

- 5 gender equality
- 8 decent work and economic growth
- 12 responsible consumption and production
- 17 partnerships for the goals

- 3 good health and well-being
- 4 quality education
- 5 gender equality
- 8 decent work and economic growth
- 10 reduced inequalities



Sustainability management



Integrating economic, social and environmental objectives

In 2023, the Group adopted an organisational structure designed to effectively deliver its Sustainability Strategy for 2023–2030.

SUSTAINABILITY MANAGEMENT

Managing the Group’s sustainable development involves integrating economic, social, and environmental goals. To that end, the Group needs to develop appropriate processes and policies, assign roles and responsibilities across the organisation, monitor sustainability indicators, and consider stakeholders’ perspectives. The Group has implemented a project structure that aims, firstly, to define roles at the managerial and operational levels and, secondly, to ensure the execution and achievement of strategic objectives

with proper process control. In 2023, the Group adopted an organisational structure designed to effectively deliver its Sustainability Strategy for 2023–2030, comprising a central ESG Steering Committee, segment ESG leaders, and a team of ESG coordinators. Oversight of environmental, social and governance aspects, including the delivery of strategic sustainability objectives, rests with the Grenevia SA Management Board led by its President.

ESG STEERING COMMITTEE

Assisted by the management boards of the portfolio companies, the ESG Steering Committee, headed by the President of the Grenevia SA Management Board, outlines common strategic directions and scope of activities to be followed across the Group. In addition, the Committee’s task is to endorse and enforce the delivery of various stages of sustainability projects, on a quarterly basis. Meetings of the ESG Steering Committee are attended by segment ESG leaders and ESG coordinators.

SEGMENT ESG LEADERS

The responsibility for implementing sustainability tasks and goals rests with leaders (management board members or higher-ranking leaders) of the portfolio companies. The operating model adopted for the Grenevia Group, which gives operational autonomy to its portfolio companies, permits the companies to set themselves additional ESG goals aligned with their specific business profiles (“portfolio company ESG programmes”). Segment

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ESG leaders are responsible for cascading the Group’s strategic objectives down to their operational levels and for ensuring adequate resources necessary to implement a particular project.

Their role is also to identify customer needs to deliver business contracts in the area of ESG.

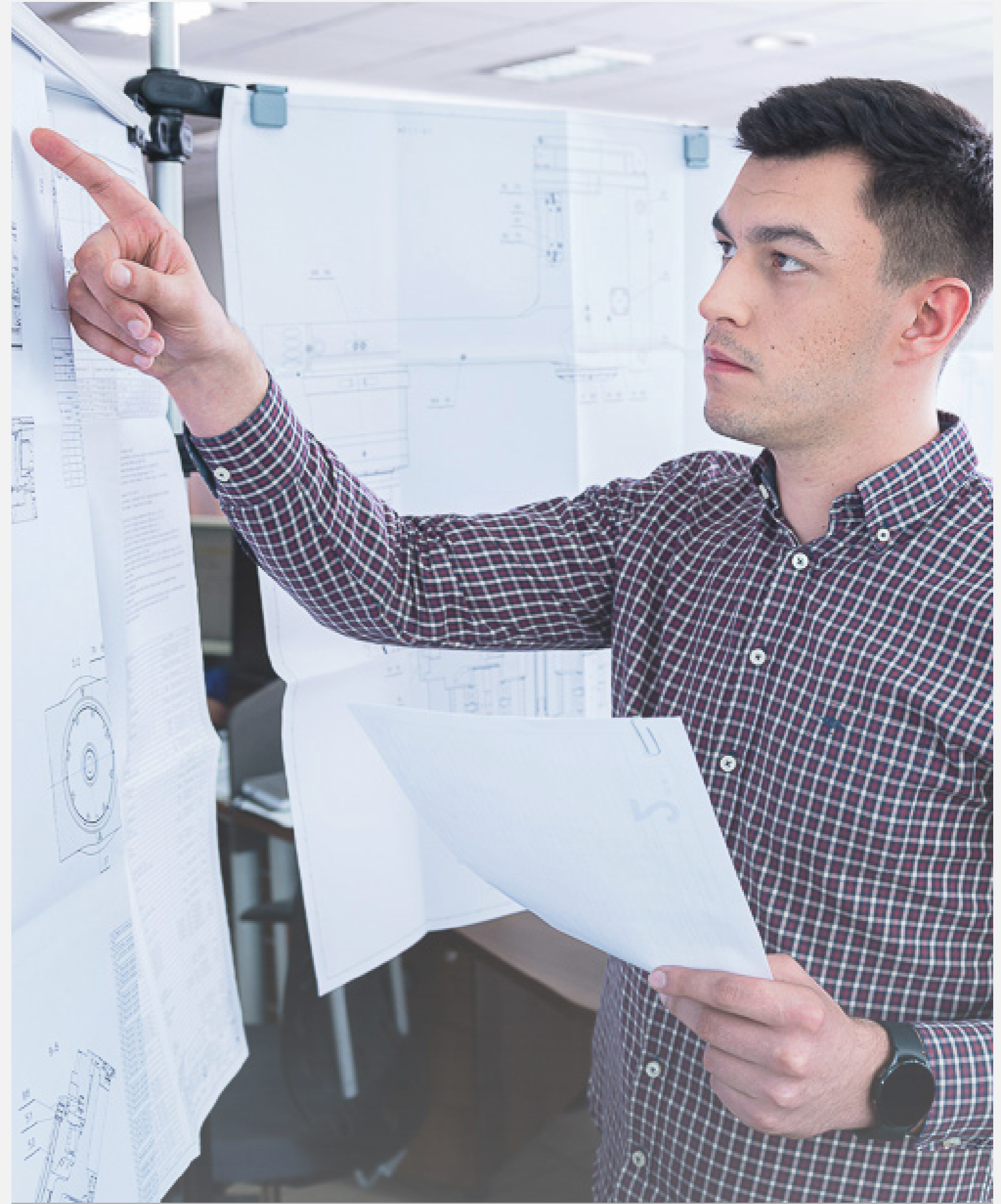


ESG COORDINATORS

A team of ESG coordinators of each of the Group’s business segments is responsible for the operational coordination of strategic sustainability activities.

The task of ESG coordinators is to implement ESG standards at the Grenevia Group’s segments, and to monitor project schedules on an ongoing basis. Their role is to raise employee awareness and communicate the Group’s new ESG and sustainability procedures and practices.

They are also responsible for reporting processes, including collecting, verifying, analysing, and reporting non-financial data at the level of Grenevia SA as the Group’s parent. At least on a quarterly basis, the team of ESG Coordinators reports to the ESG Steering Committee on the progress of strategic sustainability tasks, activities and objectives implemented across the Grenevia Group.





Stakeholder dialogue as the foundation of sustainable corporate governance

We create value for the Grenevia Group’s stakeholders by conducting business responsibly while striving to achieve sustainable profitable growth through investments in the green transition.

Our key stakeholders are entities or individuals whose value creation is affected by the Grenevia Group’s operations or who affect the Grenevia Group’s value creation in the long term. In 2023, we again identified our key stakeholders and performed a comprehensive review of their expectations regarding sustainability aspects. Seeking direct feedback, in-depth interviews were conducted with selected stakeholders.

Our analysis identified the following Grenevia Group’s key stakeholders: customers, shareholders, employees, noteholders, financial institutions, and local suppliers. However, the Grenevia Group’s

stakeholders are a broader group including other suppliers, employees in the Group’s supply chain, local communities, and other entities.

In the course of its principal business activities, Grenevia SA engages in ongoing dialogue with its stakeholders. There are numerous benefits of stakeholder engagement. It helps us gather information on sustainability topics. It provides an insight into direct and indirect impacts of our operations along the value chain, on our suppliers and customers. Their feedback helps us understand current and new expectations of our stakeholders and how they influence the Grenevia

Group’s long-term value creation. Active dialogue with stakeholders can also help mitigate certain risks, such as reputational risks, and creates opportunities to increase awareness and credibility of the Grenevia brand and its portfolio companies. Stakeholder ESG dialogue involves a process of communication and collaboration. The Grenevia Group’s business segments organise consultations, participate in conferences, or engage in other forms of dialogue to actively encourage the engagement of various stakeholder groups. During these interactions, the segments showcase their sustainability objectives, action plans, and outcomes of their ESG efforts so far, but also create space where stakeholders can communicate their feedback and expectations. With this approach, the Group’s business segments can align their efforts with actual needs, set priorities, minimise conflicts, ensure better understanding of the decisions taken, and build awareness.

Grenevia’s key stakeholders



CUSTOMERS



SHAREHOLDERS



EMPLOYEES



BONDHOLDERS



FINANCIAL INSTITUTIONS



LOCAL SUPPLIERS

Examples of our interactions with stakeholders in 2023



Group and one-on-one meetings

Group meetings and one-on-one meetings with analysts, investors, shareholders and institutions financing the Group’s operations, held to discuss the impact of strategy execution on the Grenevia Group, as well as investments in green energy transition projects.

During these meetings, stakeholders communicate what they expect of the Group in terms of sustainability. In 2023, three earnings calls were held to present the Group’s financial and operating performance, as well as about 25 meetings with investors.



Dialogue with customers

Constant dialogue is maintained with customers on such matters as product development for improved safety, quality and efficiency, compliance with requirements related to supply chain due diligence, and human rights.



Dialogue with employees

Regular dialogue with employees is maintained through town halls, employee surveys and staff meetings held to discuss current topics, organisational changes taking place within the Group, development plans, and more.

The management boards of the Group’s portfolio companies also hold regular meetings with trade unions or employee representatives to discuss remuneration policy and other labour-related matters.



Dialogue with local and global suppliers

Day-to-day business also involves discussions with local and global suppliers to identify responsible supply chain issues, including issues pertaining to employee rights or child labour.

Memberships in organisations and associations

Through membership and involvement in various associations and organisations, the Group's segment companies can expand and share their knowledge and influence programmes relevant to their respective business operations.

THE GROUP COMPANIES ARE MEMBERS OF THE FOLLOWING ORGANISATIONS AND ASSOCIATIONS:

- Polish Photovoltaics Association
- Polish Wind Energy Association
- RE-Source Poland
- Association of Energy Trading
- Energy Club
- Polish Energy Storage Association
- Polish Alternative Fuels Association
- Polish Chamber of Railway Equipment Manufacturers and Railway Service Providers
- Polish Mining Chamber of Industry and Commerce
- Polish Association of Listed Companies
- APQP 4 Wind
- Regional Chamber of Commerce in Katowice
- Chamber of Industry and Commerce of the Rybnik Industrial District
- Silesia Automotive & Advanced Manufacturing Cluster
- Polish Chamber of Ecology
- Platforma Grupy Doradczej KZP Sp. z o.o.
- United Nations Global Compact
- Mining Families Foundation

Grenevia SA joins the United Nations Global Compact

United Nations Global Compact is the world’s largest UN initiative to implement sustainability principles.

Grenevia SA has actively participated in the initiative since June 2023 as a green transition investor.

UN GLOBAL COMPACT (UNGC)

UN Global Compact (UNGC) is the world’s largest initiative dedicated to sustainable business. It was established in 2000 by Kofi Annan, Secretary-General of the United Nations. Since its inception, the UNGC has been actively driving environmental, human rights, fair and legal labour, and anti-corruption initiatives. Currently, it has over 22,000 members around the world. Collaboration with governments, international organisations, companies, and institutions is key to achieving the goals of the UNGC. Through this collaboration, it undertakes a range of activities and serves as a catalyst for global changes in the field of sustainable business.

One of the key pillars of the Group’s business is its Sustainability Strategy. Within the coming years, Grenevia SA is targeting, among other things, a significant reduction of its CO₂ and greenhouse gas emissions as well as a consistent green shift in its energy mix. Grenevia SA was established to responsibly and actively support the transition towards a sustainable low-carbon economy. In this context, joining the United Nations Global Compact initiative is a natural move stemming from the business decisions we have taken.

MATERIAL TOPICS

The Grenevia Group continues to focus on key ESG aspects relevant to our business operations and the priorities of our stakeholders. Material ESG aspects are those that can potentially have the greatest impact on the Group’s performance and ability to create long-term value for stakeholders, relating to the most significant social, environmental and economic impacts.

In the assessment, the priorities of various stakeholder groups (both internal and external) were taken into account. The study incorporated the findings of employee engagement surveys, ESG materiality surveys involving the Group’s internal and external stakeholders, regulatory and legal issues, a comparative analysis of information disclosed by its business partners, best practices, as well as industry and sector-specific regulations.



Material topics

The identified key environmental, social and governance factors were aggregated into the following material topics:

- GHG emissions and energy
- Circular economy and products
- Natural environment
- Employees (of the organisation)
- Responsibility in the supply chain
- Impact on local communities
- Impact on Poland’s economy
- Organisational efficiency



ESG-related policies and procedures

The identified key environmental, social and governance factors were aggregated into the following material topics:

SELECTED NON-FINANCIAL POLICIES

Harmonised procedural standards provide the Group with a coherent ethical and strategic governance system. Our efforts in this respect are also expected to increase transparency, mitigate risks, and improve operational efficiency.

Selected non-financial policies are described in the table on the right.

DOCUMENT	DESCRIPTION
Conflict of Interest Policy	The Conflict of Interest Policy implements rules designed to prevent conflicts of interest, identify any actual or potential conflicts of interest and define procedures to address and properly manage the identified conflicts of interests in order to prevent any damage or loss to the company and protect the interests of its customers, trading partners, investors, and business partners. The Policy sets a framework for managing conflicts that may arise between the company and its employees, independent contractors, members of its governing bodies, and trading partners.
Anti-Corruption Code (Anti-Corruption Procedure)	The Anti-Corruption Code defines the obligations of the organisation, employees and independent contractors in preventing any forms of corruption, sets out the rules for presenting and accepting gifts, provides information and guidance for employees and independent contractors regarding identification of corrupt practices, and defines appropriate conduct. Prevention and elimination of any forms of corruption across the Grenevia Group underpins due diligence procedures aiming to strengthen the credibility and market confidence in the quality of the Group companies. The Grenevia Group takes a zero-tolerance approach to corruption and bribery.
Charitable Giving Policy	The Charitable Giving Policy outlines charitable activities undertaken by the Group companies and the role of sponsorship and charity in developing the organisation, identifies the supported initiatives and forms of donations, and explains the value and importance of corporate social responsibility in running a manufacturing business.
Sustainability Code for Business Partners	The Grenevia Group Companies' Code of Conduct aims to define our expectations towards suppliers and help them understand the standards of ethics and quality they are supposed to meet. Our business partners should commit to adhere to those standards in order to build lasting, mutually beneficial relations with each Grenevia Group company. The Code sets out the rules and scopes of responsibility that our suppliers should observe when working with us and with participants of their own supply chains. It is intended to ensure that our suppliers provide their services in a way that respects fundamental human rights as well as labour, environmental protection and anti-corruption standards, and that our relations are based on the principles of transparency and integrity.

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DOCUMENT	DESCRIPTION
Whistleblowing and Whistleblower Protection Procedure	The purpose of the procedure is to provide guidelines to be followed when identifying an act or omission that is unlawful or aimed at circumventing the law. The principles outlined in the procedure aim to protect the rights and interests of whistleblowers while ensuring appropriate remedies if they are not treated fairly upon reporting such violations. The procedure thus reflects the company’s commitment to creating a safe environment for reporting and responding to suspected violations of law.
Human Rights Policy	The Human Rights Policy defines human rights standards of conduct and behaviour to be applied across the organisation, including its supply chain and stakeholder relationships. The policy outlines the principles of respect for fundamental human rights at the company and in its third-party relations, as well as guidelines to be followed upon identification of any human rights violations.
Anti-Bullying and Anti-Discrimination Policy	The Anti-Bullying Policy aims to prevent and combat workplace bullying and create an environment that is free from any form of employee bullying or harassment. The Policy is also meant to eliminate any forms of discrimination and to ensure equal opportunities and treatment for all persons, regardless of their protected characteristics.
Diversity Policy	The purpose of the Diversity Policy is to promote and support diversity in the workplace and within society at large. Provisions of the Policy are intended to foster an open, fair and effective working environment where all employees enjoy equal opportunities and are respected regardless of their differences.
Personal Data Protection Policy	The Personal Data Protection Policy defines the principles of personal data protection, taking into account any identified risks and threats, in order to achieve and maintain compliance of data processing practices with the applicable data protection regulations, and to exercise the rights or freedoms of data subjects.
Trade Secret Protection Policy	The Trade Secrecy Protection Policy aims to protect information of economic value whose unauthorised disclosure could cause financial losses, and to ensure the continuity of business processes.

MANAGEMENT SYSTEMS

In order to properly define and optimise processes, better leverage resources and build competitive advantage, Grenevia Group companies have implemented Integrated Management Systems (IMS).

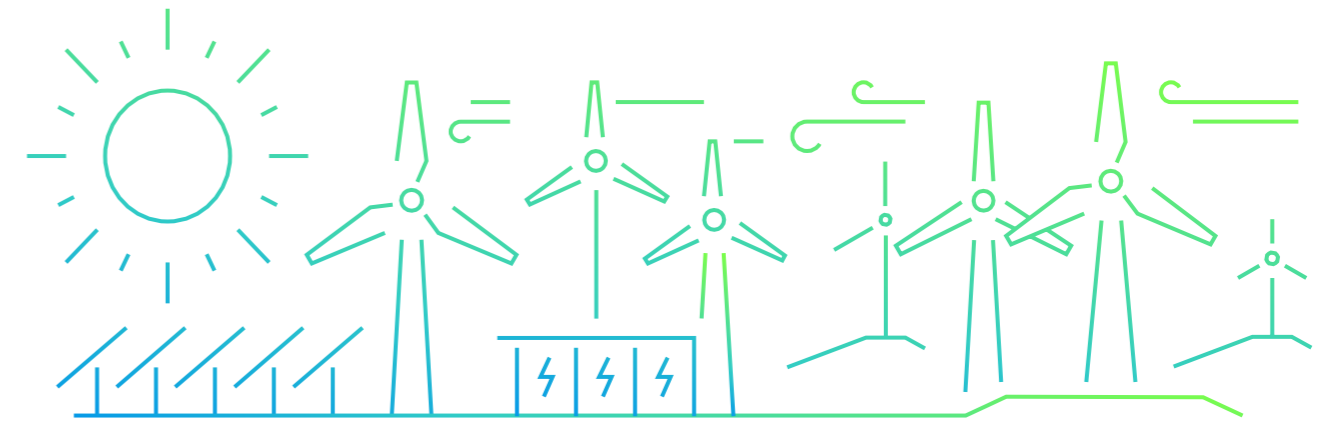
Relevant documentation has been developed to meet the requirements of the PN-EN ISO 9001:2015, PN-EN ISO 14001:2015 and PN-EN 45001:2018 standards and industry standards for quality, health, safety and environment (QHSE) management.

ⓘ For descriptions of other internal documents, refer to the relevant sections of this report.

ⓘ For detailed descriptions of the management systems, please refer to the sections on safety and the environment.



Sustainable business transformation



In 2024, the Group targets

approximately 70% of its revenue to come from sources other than the thermal coal sector

With the emergence and growth of new segments, 48% of the Group's revenue in 2023 was already derived from sources other than the thermal coal sector.

It marks an increase of 6pp relative to 2022.



48%

of the Group's revenue comes from sources other than the thermal coal sector

IN 2023, UP 6PP VS 2022



Grenevia Group

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Grenevia Group's activities in 2023



Discussion of key components of financial results

This discussion of financial results for 2023 should be read in conjunction with the audited consolidated financial statements of the Grenevia Group and the audited financial statements of Grenevia SA for 2023, prepared in accordance with the International Financial Reporting Standards (IFRS).

The following discussion of the results achieved in the period is intended to provide the readers with information enabling them to understand changes in the selected key items of the financial statements and to present significant factors behind those changes.

In its evaluation and discussion of the reported financial performance, financial position and cash flows, the Grenevia Group makes references to performance metrics other than those expressly defined or outlined in the applied financial

reporting framework compliant with IFRS requirements, such as 'EBITDA' and 'net debt'. However, these metrics are calculated on the basis of information sourced from the financial statements prepared in accordance with IFRSs.



GRENEVIA GROUP'S REVENUE

Discussion of key components of financial results and assessment of factors significantly affecting financial results

EXTERNAL REVENUE BY SEGMENT (PLN MILLION)	31 Dec 2023	12 months to 31 Dec 2022*
FAMUR solutions for the mining and wind power sectors	1,114	1,115
Power Engineering	110	59
PV	78	54
E-mobility**	335	64
Other activities	7	4
Grenevia Group's revenue	1,644	1,296

* In order to ensure comparability, the operating segments' figures for 2022 have been restated to match the Group's business structure as at 31 December 2023.

** E-mobility segment's revenue has been consolidated since mid-November 2022.

The Grenevia Group's revenue for 2023 rose by 27% year on year, to PLN 1,644 million. The increase in revenue is primarily the result of consolidating the E-mobility segment for the full financial year (PLN +271 million) and the growth in revenue from external customers: PLN +51 million in the Power Engineering segment and PLN +24 million in the PV segment.



SALES BY KEY GEOGRAPHIES

In 2023, export sales accounted for approximately 14% of the Grenevia Group’s total revenue, down by 25pp year on year. The decline was mainly attributable to lower export sales of the FAMUR segment, partly offset by export sales recorded by the E-mobility segment.

KEY PROFITABILITY INDICATORS

PLN MILLION	12 months	
	31 Dec 2023	31 Dec 2022
Gross profit	581	469
Operating profit	216	257
Net profit from continuing operations	144	192
Net profit/(loss)	144	120

GROSS PROFIT

Gross profit for 2023 was PLN 581 million, having increased by PLN 112 million (24%) year on year, chiefly on the back of higher gross profit figures reported by each segment. Gross profit margin was 35%, compared with 34% in 2022.

OPERATING PROFIT AND EBITDA

EBITDA is one of the main operating profit metrics used by the Management Board, representing operating profit before depreciation/amortisation and impairment of non-current assets. The method of calculating EBITDA is not defined in IFRSs, and the methodology adopted by the Group is presented below.

PLN MILLION	12 months	
	31 Dec 2023	31 Dec 2022
Operating profit	216	257
Depreciation and amortisation	198	149
EBITDA	414	406

Operating profit for 2023 reached PLN 216 million, having decreased by PLN 41 million (16%) year on year. The drop followed mainly from lower operating profit reported by the PV and E-mobility segments, partly offset by higher operating profits in the FAMUR and Power Engineering segments. EBITDA for 2023 increased by PLN 8 million relative to 2022, to PLN 414 million. EBITDA as a percentage of revenue fell by 6pp relative to the comparative period, to 25%. The decline in profitability is a consequence of negative

EBITDA delivered by the PV and E-mobility segments, partially offset by higher profitability of the FAMUR segment.

NET FINANCE INCOME/COSTS

Net finance income/costs for 2023 were negative, at PLN -13 million, down by PLN 7 million year on year, mainly as a result of an increase in net interest expense.

PLN MILLION	12 months	
	31 Dec 2023	31 Dec 2022
Finance income	58	60
Finance costs	81	77
Net finance costs	-23	-17
Gains/(losses) on expected credit loss allowances	8	11
Gain/(loss) on loss of control of subsidiary	2	-
Net finance income/costs	-13	-6

Also, in the comparative period, a PLN 11 million gain on allowance for expected credit losses was recognised, compared with a gain of PLN 8 million in the reporting period. The PLN 2 million gain on loss of control of a subsidiary is attributable to the sale of 100% of shares in ENSON Sp. z o.o. to an entity outside the Group.

TAX

The effective tax rate for 2023 was 29%, while the nominal tax rate was 19%. This was mainly a consequence of the receipt, on 27 June 2023, of the decision issued by the Head of the National Tax Administration to impose an additional corporate income tax liability of PLN 8 million for 2017. Grenevia SA paid the liability, together with PLN 3 million in interest accrued thereon as at the date of payment.

For a reconciliation of the effective and nominal tax rates, see Note 25 to the consolidated financial statements of the Grenevia Group for 2023.

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NET PROFIT FROM CONTINUING OPERATIONS AND DISCONTINUED OPERATIONS

Net profit from continuing operations in 2023 was PLN 144 million, down by PLN 48 million (25%) year on year. The decrease in profit from continuing operations was attributable to lower operating profit and higher net finance costs.

In 2023, no result on discontinued operations was recognised, while in 2022 a PLN 72 million loss on discontinued operations was reported. This was mainly attributable to the recognition of a loss of PLN 58 million on loss of control of the Russian subsidiary OOO FAMUR. For detailed information on discontinued operations, see Note 14 to the consolidated financial statements of the Grenevia Group for 2023.

NET PROFIT

In the 12 months ended 31 December 2023, net profit from continuing operations was PLN 144 million, having increased by PLN 24 million (20%) from PLN 120 million the year before. The net profit margin for 2023 was 9%, with no change relative to 2022.

DESCRIPTION AND ASSESSMENT OF FACTORS AND NON-RECURRING EVENTS WITH BEARING ON THE GROUP'S NET PROFIT OR LOSS

In 2023, a material non-recurring event which reduced the Group's financial result was the decision of the Head of the National Tax Administration to impose an additional corporate income tax liability for 2017 in the amount of PLN 8 million plus interest, which reached PLN 3 million as at the payment date. For detailed information, see Note 4 to the consolidated financial statements of the Grenevia Group for 2023.

A material non-recurring event with bearing on net profit for 2022 was the recognition of a PLN 58 million loss in the three months to 30 June as a result of the loss of operational control of the

subsidiary OOO FAMUR registered in the Russian Federation, and its reclassification to discontinued operations.

MAJOR CUSTOMERS AND SUPPLIERS OF THE GRENEVIA GROUP

Major customers of the Grenevia Group, accounting for more than 10% of the Group's revenue in 2023, included the PGG Group (20% share in revenue), the JSW Group (17% share in revenue), the Węłokoks Group (12% share in revenue), and Solaris Bus & Coach sp. z o.o. (12% share in revenue).

One major supplier of the Grenevia Group, which accounted for more than 10% of the Group's costs in 2023, was TWS GmbH (13% share in cost of sales).





Assets and financial resources management

Analysis of consolidated assets, equity and liabilities, including in terms of the Grenevia Group’s liquidity position

PLN MILLION	As at	
	31 Dec 2023	31 Dec 2022
Non-current assets	1,587	788
Current assets	2,202	2,882
Total assets	3,789	3,670
Equity	2,193	2,095
Non-current liabilities	966	659
Current liabilities	630	916

ASSETS

In 2023, assets rose by PLN 119 million, with non-current assets up by PLN 799 million and current assets down by PLN 680 million. The shift in the structure of current assets relative to non-current assets was mainly attributable to reclassification of some solar PV farms in the PV segment. In 2022, in line with the adopted business model, solar PV farms were classified by the PV segment under inventories in view of their planned quick sale. However, given the market conditions affecting the current market prices of PV farms and electricity selling prices, the liquidity of market sales of completed farms declined, farms held in the PV segment’s portfolio came online and commenced electricity production, and the PV segment began to derive economic benefits from electricity sales. Accordingly, a decision was made to reclassify, as of 1 October 2023, farms which have commenced electricity production from inventories to property, plant and equipment and to begin their depreciation to ensure the matching of revenue with costs and to reflect the wear and tear of those assets. Projects and farms under development/construction continue to be recognised

under inventories. The PV segment’s inventories of PLN 810 million as at 31 December 2022 included mainly PLN 238 million in completed solar PV farms. As of 1 October 2023, farms connected to the grid with a total value of PLN 398 million were reclassified from inventories to property, plant and equipment (of which PLN 238 million was attributable to farms connected in 2022, and PLN 160 million – to farms connected in the period 1 January–30 September 2023). In the three months ended 31 December 2023, farms connected to the grid with a value of PLN 167 million were transferred to property, plant and equipment. As at 31 December 2023, the total carrying amount of farms connected to the grid and recognised under non-current assets was PLN 524 million, net of a depreciation charge (PLN 6 million), an impairment loss (PLN 17 million), and a decrease resulting from sale (PLN 18 million).

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LIABILITIES

In 2023, total liabilities increased by PLN 21 million, to PLN 1,596 million. Non-current liabilities increased by PLN 307 million, to PLN 966 million, mainly as a result of higher financial liabilities under borrowings and leases in the PV and E-mobility segments, partially offset by the early redemption of all Series B notes with a total nominal value of PLN 200 million. Current liabilities fell by PLN 286 million, to PLN 630 million, mainly as a result of a decrease in current financial liabilities in the PV segment, offset by an increase in trade payables.



ANALYSIS OF GRENEVIA GROUP'S MAJOR EQUITY INVESTMENTS IN 2023

In 2023, the Grenevia Group executed the following significant transactions:

- On 20 July 2023, Grenevia SA acquired a 75.24% ownership interest in Total Wind PL Sp. z o.o. for approximately EUR 4.5 million to step up the FAMUR segment's expansion in the wind power sector.
- On 10 October 2023, a share sale agreement was concluded whereby shares in one project company holding a portfolio of PV farms were sold to the KGHM Polska Miedź Group for a total price (including the subrogation value) of approximately PLN 24 million.

For a description of non-current and current financial assets, see Notes 32 and 35 to the consolidated financial statements of the Grenevia Group for 2023.

CASH FLOWS

PLN MILLION	12 months to	
	31 Dec 2023	31 Dec 2022
Cash flows from operating activities	622	-8
Cash flows from investing activities	-682	-462
Cash flows from financing activities	-266	87

Positive cash flows from operating activities of PLN 622 million in 2023 were mainly attributable to EBITDA of PLN 414 million, a decrease in inventories (PLN +208 million), a positive change in receivables (PLN +23 million) and liabilities (PLN +58 million). Income tax paid was PLN 83 million. Other adjustments reconciling EBITDA to operating cash flow amounted to PLN 2 million.

FINANCIAL RESOURCES AND LIQUIDITY POSITION

The main sources of financing and liquidity for the Grenevia Group in the reporting period was cash at banks, cash from operating activities (above operating capital requirements), proceeds from the sale of non-operating assets, lines of credit available under agreements with banks, and proceeds from issue of bonds and notes, including green bonds.

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Cash flows from financing activities, of PLN -266 million, comprise mainly the net effect of proceeds from and repayments of borrowings and other debt instruments (PLN -157 million), interest paid (PLN -94 million) and payment of lease liabilities (PLN -14 million). In December 2023, Series B notes with a nominal value of PLN 200 million were redeemed early, together with interest due to the noteholders.

NET DEBT

Net debt is a debt metric used by the Management Board. The method of calculating net debt is not defined in IFRSs, and the methodology applied by the Grenevia Group is presented in the table on the right.

As at 31 December 2023, net debt stood at PLN 372 million, having increased by PLN 245 million on year-end 2022. The increase was partly attributable to a PLN 73 million increase in lease liabilities following the recognition of right-of-use assets representing land leases for the construction of solar PV farms. Other factors contributing to the net debt growth included mainly investments

in the development and construction of new solar PV farms and expenditure on the construction of GigafactoryX in the E-mobility segment.

PLN MILLION	As at	
	31 Dec 2023	31 Dec 2022
Non-current financial liabilities	924	629
Bank and non-bank borrowings	403	-
Bonds and notes	400	599
Leases	121	30
Current financial liabilities	58	437
Bank and non-bank borrowings	29	392
Bonds and notes	17	6
Debt sale	-	28
Leases	12	11
Gross debt	982	1,066
Less cash and cash equivalents	- 610	- 939
Net debt	372	127
EBITDA	414	406
Net debt/EBITDA	0.9x	0.3x

NET DEBT BROKEN DOWN BY GRENEVIA GROUP'S SEGMENTS

As at 31 December 2023

PLN MILLION	Non-current financial liabilities	Current financial liabilities	Gross debt	Less cash and cash equivalents	Net debt
FAMUR	30	21	51	52	- 1
PV	1,205	64	1,269	126	1,143
Power Engineering	5	2	7	33	- 26
E-mobility	82	18	100	26	74
Other activities	410	6	416	373	43
Intersegment eliminations	- 808	- 53	- 861	-	- 861
Total	924	58	982	610	372

As at 31 December 2022

PLN MILLION	Non-current financial liabilities	Current financial liabilities	Gross debt	Less cash and cash equivalents	Net debt
FAMUR	17	8	25	129	- 104
PV	10	802	812	116	696
Power Engineering	3	1	4	23	- 19
E-mobility	-	52	52	7	45
Other activities	606	7	613	664	- 51
Intersegment eliminations	- 7	- 433	- 440	-	- 440
Total	629	437	1,066	939	127



Details of loan and credit facility agreements concluded and terminated in the financial year, including at least the loan and credit facility amount, type and level of interest rate, currency and maturity date

IN 2023, THE GRENEVIA GROUP ENTERED INTO THE FOLLOWING MATERIAL AGREEMENTS AND ANNEXES TO AGREEMENTS WITH BANKS:

DATE	TYPE OF AGREEMENT	BORROWER	FINANCING PROVIDER	AMOUNT	INTEREST RATE	MATURITY DATE
23 Jan 2023	Annex extending the credit facility agreement	Grenevia SA	Bank Gospodarstwa Krajowego	PLN 40 million	WIBOR plus a margin	30 Nov 2023
10 Feb 2023	Annex extending the credit facility agreement	Elgór+Hansen SA	PKO Bank Polski SA	PLN 15 million	WIBOR plus a margin	3 Mar 2025
24 Feb 2023	Annex extending the credit facility agreement	Grenevia SA	PKO Bank Polski SA	PLN 40 million	WIBOR plus a margin	3 Mar 2025
12 Jul 2023	Credit facility agreement	Elgór+Hansen SA	BNP Paribas SA	PLN 15 million	WIBOR plus a margin	28 Feb 2025
30 Oct 2023	Annex extending the credit facility agreement	Grenevia SA	BNP Paribas SA	PLN 50 million	WIBOR plus a margin	30 Nov 2024
1 Dec 2023	Annex extending the credit facility agreement	Grenevia SA	PEKAO SA	PLN 100 million	WIBOR plus a margin	30 Nov 2024
11 Dec 2023	Project finance credit facility agreement	PV segment subsidiary (Finance PV 2 Sp. z o.o.)	PEKAO SA	PLN 71 million	WIBOR plus a margin	31 Dec 2042
11 Dec 2023	Credit facility agreement	IMPACT Clean Power Technology SA	PEKAO SA	EUR 22 million*	EURIBOR plus a margin	31 Dec 2034
			mBank SA	PLN 75 million**	WIBOR plus a margin EURIBOR plus a margin	31 Dec 2026

* A term credit facility for financing or refinancing of capital expenditure.

** A revolving facility bearing interest at the benchmark rate for the respective currency with an option to extend the availability period until 31 December 2028 (the actual repayment date will depend on whether specific conditions defined in the credit facility agreement are met).

IN ADDITION TO THESE AGREEMENTS, IN 2023 THE GRENEVIA GROUP ENTERED INTO THE FOLLOWING MATERIAL FINANCIAL AGREEMENTS

- **13 JUNE 2023**
PLN 128 million loan agreement was signed between Finance PV 4 Sp. z o.o. (a subsidiary of the Projekt Solarteknik Group) and PFR Fundusz Inwestycyjny Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych represented by Polski Fundusz Rozwoju SA (The Polish Development Fund). The final repayment date was set for 20 December 2042 (interest rate: WIBOR plus a margin).
- **9 NOVEMBER 2023**
Factoring agreements with a limit of up to PLN 60 million per agreement were signed by Impact Clean Power Technology SA with mFaktoring SA and Pekao Faktoring Sp. z o.o. The interest rates have been set at the benchmark rate level for the respective currency (PLN: WIBOR; EUR: Estr, EURIBOR; USD: SOFR) plus a margin. Other significant terms of the agreements do not differ from those commonly applied on the market. The agreements have been made for an indefinite period.
- **IN THE 12 MONTHS ENDED 31 DECEMBER 2023**
Minority investors of Impact Clean Power Technology SA advanced loans totalling approximately EUR 11 million to the company, maturing at or before the end of 2023 (EURIBOR + a margin). As at the end of the year, Impact Clean Power Technology SA had no outstanding liabilities under the loans.



Details of material loans advanced in the financial year, including loans advanced by Grenevia SA to its related parties, including at least the loan amount, type and level of interest rate, currency and maturity date

In the 12 months ended 31 December 2023, Grenevia SA advanced material loans to the following subsidiaries:

- **IMPACT CLEAN POWER TECHNOLOGY SA** loans totalling approximately EUR 22 million maturing at or before the end of 2023 (interest rate: EURIBOR + a margin). By the reporting date, the loans were repaid in full.

for PLN-denominated debt and 3M EURIBOR + a margin for EUR-denominated debt. As at the end of 2023, the limit utilisation was PLN 824 million.

- **PV SEGMENT COMPANIES** further to the investment agreement amended by an annex of 15 June 2023, in order to ensure sufficient funds to implement the PST Group's Strategy, Grenevia SA undertook to provide, directly or through its subsidiaries, PST Group companies with financing in the form of loans and other debt instruments up to a total amount of PLN 1 billion.

Within the abovementioned limit, PST Group companies restructured the loans advanced by the company, and currently there are two revolving loan limits for a total amount of PLN 1 billion. The financing matures on 31 December 2024 but may be extended for further periods of the implementation of the PST Group's strategy. Interest rate: 3M WIBOR + a margin



Sureties and guarantees provided and received in the financial year, including to Grenevia's related parties, and contingent liabilities

As security for the agreement for the sale of shares in four project companies holding a portfolio of solar PV farm projects, signed on 12 September 2023 by Projekt Solartechnik Fundusz Inwestycyjny Zamknięty (the Seller), Projekt Solartechnik SA (a company of the Grenevia Group's PV segment)

provided an irrevocable and unconditional surety to KGHM Polska Miedź SA (the Buyer) guaranteeing due and proper performance by the Seller of its monetary obligations arising under the sale agreement, for a maximum amount of PLN 190 million. The surety will be valid until the earlier of the following dates: the day of full, irrevocable and unconditional settlement by the Seller of all its obligations under the agreement or 31 December 2027. Other than that, in the 12 months ended 31 December 2023, neither Grenevia SA nor any of its subsidiaries provided any sureties or guarantees equivalent to 10% or more of Grenevia SA's equity to its related parties or entities. For detailed information on contingent liabilities, see Note 50 to the consolidated financial statements of the Grenevia Group for 2023 and Note 39 to the financial statements of Grenevia SA for 2023.

Security issuances at the Grenevia Group in 2023

In the 12 months ended 31 December 2023, Grenevia SA did not issue any securities. In 2023, related parties of Grenevia SA issued the following notes not covered by the Grenevia SA Note Programme:

MARCH 2023

Subsidiary Finance PV 1 SA issued **Series A** notes with a nominal value of **EUR 2.7 million**. The notes bear interest at a fixed rate of 8.5% per annum, applicable from the subscription date to one year from the date of execution of the note indenture. Beyond this period, the interest rate increases to 10.0% per annum until the notes' maturity. The interest is payable on each anniversary of the date of execution of the note indenture and on the maturity date. The issue date of Series A notes is 30 March 2023. The redemption date is 7 September 2024. Funds raised from the notes will be allocated to financing the construction of solar PV farms under a project finance model.

MARCH 2023

Subsidiary Finance PV 1 SA issued **Series B** notes with a nominal value of **EUR 4.8 million**. The notes bear interest at a fixed rate of 8.5% per annum, applicable from the subscription date to one year from the date of execution of the note indenture. Beyond this period, the interest rate increases to 10.0% per annum until the notes' maturity. The interest is payable on each anniversary of the date of execution of the note indenture and on the maturity date. The issue date of Series B notes is 30 March 2023. The redemption date is 7 September 2024. Funds raised from the notes will be allocated to financing the construction of solar PV farms under a project finance model.

In 2015, a Note Programme was launched at Grenevia SA, which was subsequently modified in August 2021. The key terms and conditions of the modified programme are as follows:

- The limit on the aggregate nominal value of notes issued under the programme is PLN 1 billion and is revolving (the nominal value per note is PLN 1,000).
- The programme has an indefinite term, subject to the limit on the aggregate nominal value of notes to be issued.
- Under the programme, the company may issue a single or multiple series of notes.
- Such notes will be bearer notes and will be issued as secured or unsecured notes within the meaning of the Act on Bonds of 15 January 2015 (as amended).
- The terms of any series of notes may stipulate that the notes will be admitted to trading and listed in an Alternative Trading System operated by the Warsaw Stock Exchange.
- The detailed parameters of each note series will be determined separately by relevant resolutions of the Management Board of Grenevia SA.

Under the programme, Grenevia SA issued the following notes:

- Series A notes with a total nominal value of PLN 108 million, which were redeemed at maturity in January 2020.
- Series B notes with a total nominal value of PLN 200 million, originally maturing on 27 June 2024. Grenevia SA redeemed all those notes early on 27 December 2023 (see Current Report No. 21/2023 of 22 November 2023).
- Series C notes with a total nominal value of PLN 400 million, maturing on 3 November 2026. Series C notes bear interest at a floating rate based on 6M WIBOR (Warsaw Interbank Offered Rate) rate plus a margin of 290 basis points per annum for each interest period. Noteholders have the right to demand early redemption of Series C notes. The events triggering the noteholders' right to demand early redemption of Series C notes and the early redemption procedure for Series C notes are specified in the Terms and Conditions of Series C notes. Starting from (and including) the third interest period and every six months at the end of each interest period, Grenevia SA will have the right to send an early redemption notice for all or part of Series C notes, enabling it to redeem the notes on the terms set out in the Terms and Conditions of Series C notes (see Current Report No. 50/2021 of 12 October 2021). vSeries C notes have been admitted to trading in the Catalyst alternative trading system operated by the Warsaw Stock Exchange (see Current Report No. 51/2021 of 26 October 2021). Allocation of issue proceeds is described in the Directors' Report on the operations of the Grenevia Group and Grenevia SA in 2022.



Reasoned assessment of financial resources management, including the ability to meet obligations, and potential threats and measures taken or to be taken by Grenevia SA to address those threats

The Grenevia Group places the highest priority on ensuring financial stability and diversified financing sources. Agreements signed with banks require the Grenevia Group to maintain selected ratios within a specified range. The ratios are monitored on an ongoing basis at the level of the operating segments and the parent in order to satisfy commitments toward the financing institutions. A consistent and conservative financial policy coupled with a flexible business model and, in particular, effective cost management, allow the Grenevia Group to maintain a satisfactory liquidity position.

As at 31 December 2023, total liabilities under borrowings, other debt instruments and leases exceeded net cash by PLN 372 million. As at 31 December 2023, the total limit of undrawn working capital facilities (excluding project finance

arrangements) available to the Grenevia Group was PLN 460 million. The Management Board of Grenevia SA is of the opinion that the Group's financial resources are managed in a sound manner.

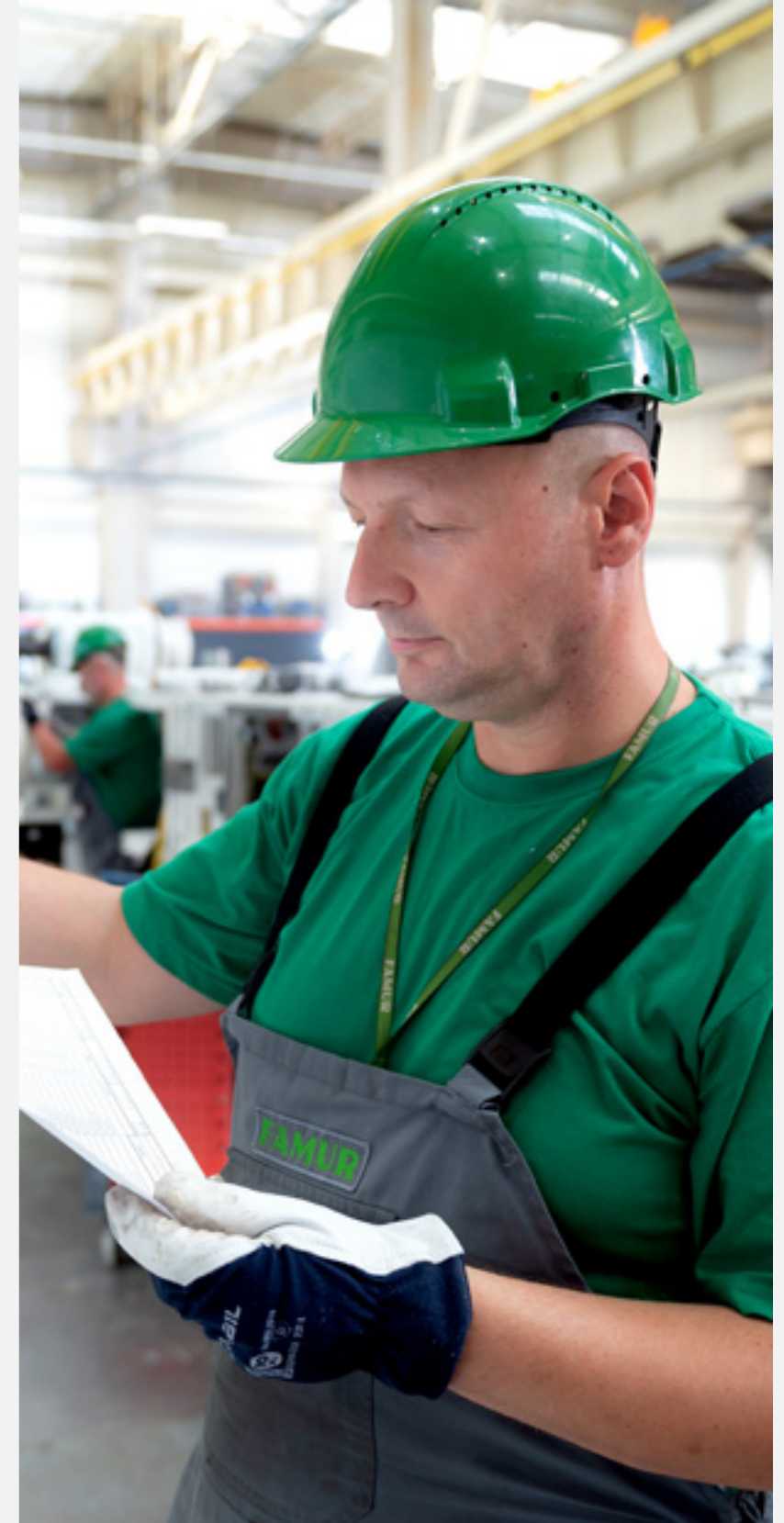
DERIVATIVES

As the Grenevia Group operates globally, it is exposed to unfavourable fluctuations in foreign exchange rates. The Group companies where the level of exposure to currency risk is material hold appropriate treasury limits with financial institutions, enabling them to pursue specific hedging policies. Natural hedging and forward hedges are used where possible. Potentially adverse changes in interest rates are hedged, depending on the needs of each segment, with interest rate swaps (IRS). For a summary of derivative instruments of the Grenevia Group, see Note 52 to the

consolidated financial statements of the Grenevia Group for 2023 and Note 41 to the financial statements of Grenevia SA for 2023.

FEASIBILITY OF INVESTMENT PLANS

Capital expenditure is adjusted by the Group on an ongoing basis to the economic conditions in Poland and globally, as well as to current needs to ensure proper growth rates for the Group companies. To the best of Grenevia SA Management Board's knowledge, there are currently no identified threats to Grenevia SA's and the Group companies' ability to execute their investment plans for at least the next year.



PERFORMANCE AGAINST FORECASTS

The Management Board of Grenevia SA did not publish any financial forecasts of Grenevia SA or the Grenevia Group for 2023.

RELATED-PARTY TRANSACTIONS

In the 12 months ended 31 December 2023, there were no material related-party transactions other than on an arms’ length basis. For detailed information on related party transactions, see Note 54 to the consolidated financial statements of the Grenevia Group for 2023 and Note 43 to the financial statements of Grenevia SA for 2023.

WORKFORCE

In 2023, the Grenevia Group had an average headcount of 2,560, compared with 2,453 in 2022. Employee costs at the Grenevia Group in 2023 and 2022 amounted to PLN 336 million and PLN 268 million, respectively.

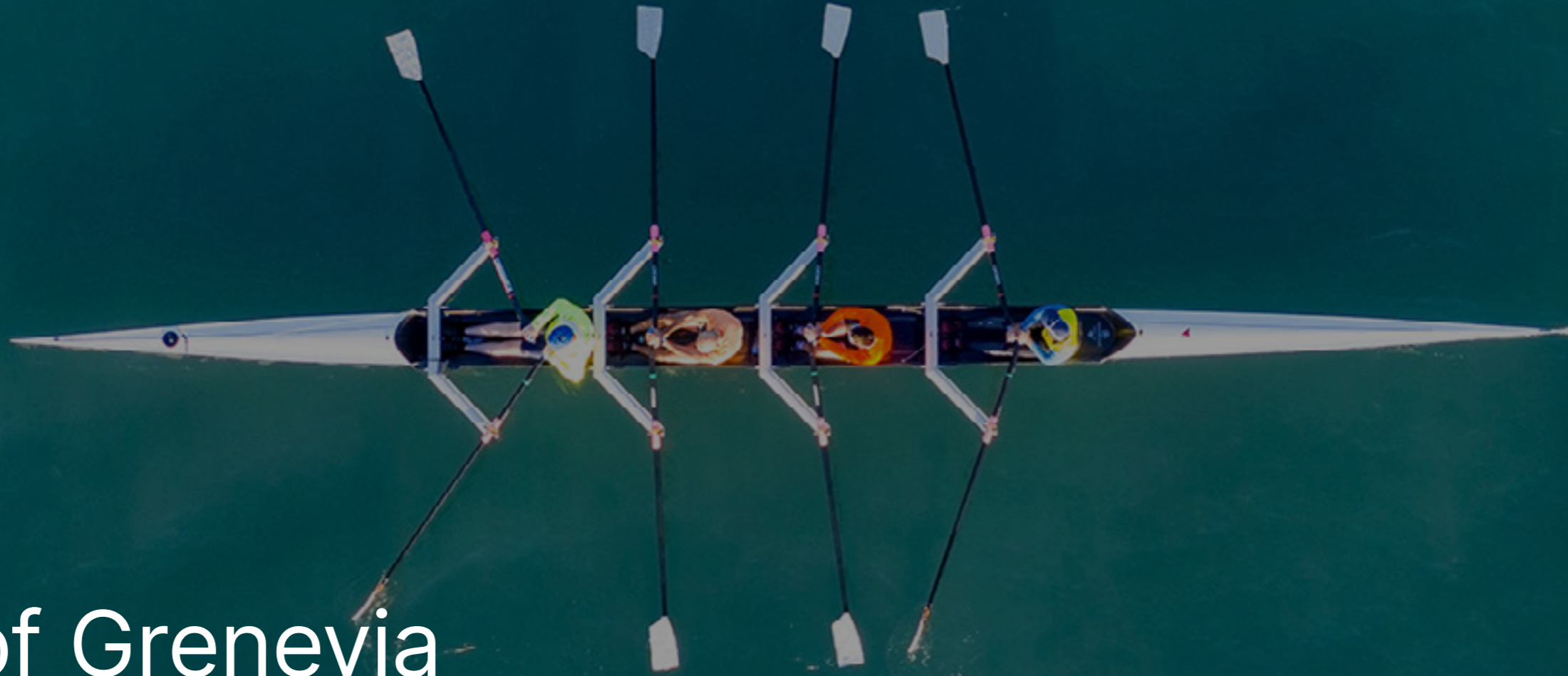
MATERIAL CLAIMS, DISPUTES, PENALTIES AND PROCEEDINGS

For information on material litigation risks to the Grenevia Group companies, see Note 50 to the consolidated financial statements of the Grenevia Group for 2023. For information on proceedings related to tax settlements, see Note 4 to the consolidated financial statements of the Grenevia Group for 2023. In the 12 months ended 31 December 2023 and as at the filing date of this Report, there were no material court, arbitration or administrative proceedings, in particular any proceedings involving a claim whose value exceeds 10% of Grenevia SA’s equity.

EVENTS OCCURRING AFTER THE REPORTING DATE

For a description of events subsequent to the reporting date, see Note 59 to the consolidated financial statements of the Grenevia Group for 2023 and Note 48 to the financial statements of Grenevia SA for 2023.





Overview of Grenevia Group's business



Strategy and development directions

General information

The Grenevia Group (formerly the FAMUR Group) is an active investor that integrates and grows its business operations comprising four business segments:

- ① utility-scale solar PV projects (“PV”) based on the Projekt Solartechnik Group (the “PST Group”/“PST”)
- ② battery systems for electric mobility and energy storage (“E-mobility”) based on Impact Clean Power Technology (“ICPT”)
- ③ modern solutions for the power distribution sector (“Power Engineering”) based on Elgór+Hansen (“E+H”)
- ④ solutions for the mining and wind power sectors based on the FAMUR brand.

IN JANUARY 2023 the Group’s new business structure was revealed, along with the **name change from FAMUR to Grenevia**. The new business model is the effect of consistent implementation of the Group’s strategy announced in May 2021, which aims to transform the Group from a leading producer of mining machinery into a major investor in green transition.

ON 16 FEBRUARY 2023 the Extraordinary General Meeting resolved to **change the company name from FAMUR Spółka Akcyjna to GRENEVIA Spółka Akcyjna**. The change was registered by the District Court for Katowice-Wschód in Katowice, 8th Commercial Division of the National Court Register, on 3 April 2023.



Grenevia Group creates long-term value

in line with the vision of responsible and active support for the development of a sustainable low-carbon economy. In its activities, Grenevia is guided by the following vision and mission statement.

VISION

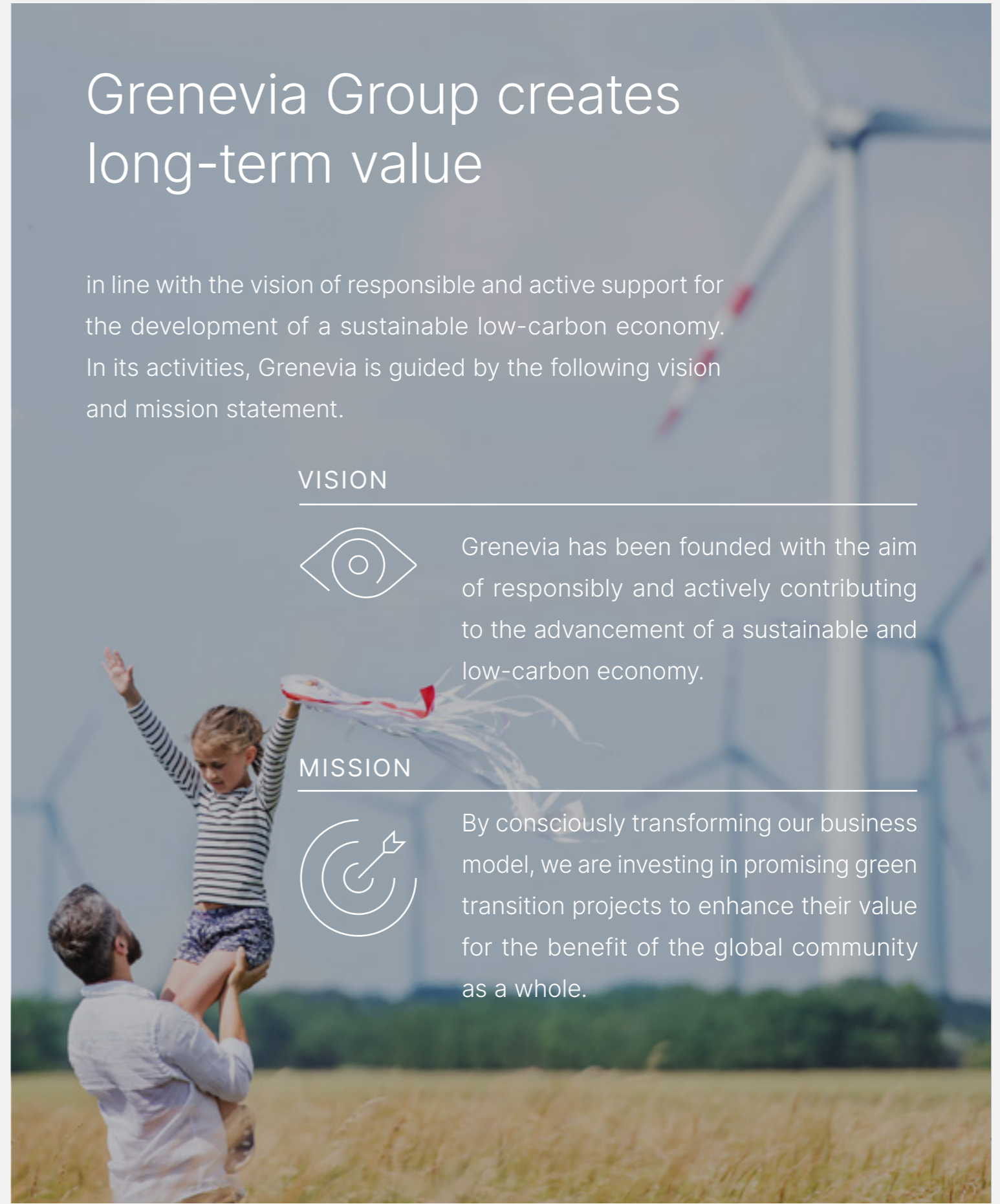


Grenevia has been founded with the aim of responsibly and actively contributing to the advancement of a sustainable and low-carbon economy.

MISSION



By consciously transforming our business model, we are investing in promising green transition projects to enhance their value for the benefit of the global community as a whole.



Strategy and development directions

Growth strategy

The accelerating global transition towards low-carbon economies required a change to the Group's business model that was largely based on revenue generated in the Polish thermal coal mining sector.

In May 2021, the Management Board decided to modify the Company's strategic directions and dividend policy (see Current Report No. 23/2021 of 25 May 2021).

The new strategic directions are aimed at tapping the potential and opportunities presented by Poland's energy transition and will focus in particular on:

- Generating cash from the mining assets by concentrating on the most profitable and stable product lines and continuously adapting the structure of operating assets to the directions of Poland's energy transition, while retaining the capabilities and know-how required to participate in selected mining projects in Poland and export markets on an opportunistic basis.

- Repurposing selected manufacturing plants, e.g. under the model of strategic partnerships (joint ventures, licence agreements, etc.) in the industrial sectors that are oriented particularly towards manufacturers of machinery and equipment for the renewable energy sector.
- Evolving into an organisation that invests in green transition projects, in the first place by entering the sector of green energy and end-to-end development and turnkey delivery of utility-scale solar projects.
- Consistently searching for attractive investment opportunities in the renewable energy sector and other promising industries.

Implementation of those goals to adapt the Group's business profile to the economic environment evolving in line with the New Green Deal was made possible by the capabilities built by the Grenevia Group in the industrial and energy sectors, the scale of its projects, unique resource base and strong financial position. The Grenevia Group's entry into the new sectors and rapid scaling of its operations will be supported by cooperation with the TDJ Group, a stable and long-term investor in Grenevia SA. Thanks to those measures, the estimated share of revenue related to the thermal coal sector is expected to fall below 30% by 2024 (from some 52% in 2023). Development in the new areas will be financed with profits, available EU funds and other financial instruments designed to support green energy projects. The Grenevia Group's expansion into new business areas requires reinvestment of its profits. The dividend, if any, proposed by the Management Board to the General Meeting depends on profits earned in a given financial year, the investment attractiveness of new projects and growth prospects, as well as the financial and liquidity position of the Grenevia Group. A final decision on the allocation

of profit for a financial year will be made by the Annual General Meeting.

The pursuit of the modified strategic directions, and thus the likelihood of achieving the expected benefits, may be affected by the following factors: a significant deterioration of the macroeconomic environment, major change in the announced plans for Poland's energy transition, considerable acceleration of the programme to phase out thermal coal mines in Poland, other extraordinary one-off events with a bearing on the Grenevia Group's business, significant changes to the laws and regulations currently in force and, above all, major geopolitical crises in the region and in the countries where the Group operates. The Management Board of Grenevia SA monitors the current market situation on an ongoing basis, adjusting its operating activities accordingly, and analyses their impact on the development directions adopted for the Group.



Strategy and development directions

Strategy implementation

The Grenevia Group consistently pursues its strategy and diversifies operations to alter its business profile towards investing in green transition.

The first step was the entry into the sector of utility-scale solar PV projects in 2021. The Grenevia Group's PV segment is currently comprised of the Projekt Solartechnik Group companies, which offer development and turnkey delivery of solar PV projects on an EPC basis, i.e. from development, design and engineering of a project to procurement of necessary components, to construction and maintenance of the project facilities.

We embarked on another diversification initiative in 2022, as the FAMUR segment launched operations in the wind power sector, leveraging its long-standing experience, resources and capabilities in the engineering and construction of equipment for industry. FAMUR started

to offer repairs/refurbishment and maintenance of gearboxes for wind turbines with capacities of up to 2 MW.

In 2022, we also developed a new strategy for the portfolio company Elgór+Hansen SA, forming the core of the Group's Power Engineering segment. Its key role is to increase business diversification and develop electricity distribution solutions for the power industry, including the renewable energy sector.

Towards the end of 2022, through our investment in Impact Clean Power Technology SA ("ICPT"), we achieved a new milestone by entering another promising area of the renewable energy industry,

i.e. battery systems for electric vehicles and energy storage. ICPT manufactures and integrates advanced energy storage systems based on the lithium-ion cell technology, develops hydrogen fuel cell systems, and supplies utility-scale energy storage solutions for the power sector. Those steps led to the emergence of a multi-business corporate group, which required redefining our organisational framework. The Grenevia Group currently operates in four business segments: utility-scale solar PV projects (Projekt Solartechnik Group); battery systems for electric mobility and energy storage (Impact Clean Power Technology SA); power distribution solutions (Elgór+Hansen SA); and solutions for the mining and wind power sectors (FAMUR). Each of the business segments forms a separate operational and financial structure. Throughout 2023, the Grenevia Group focused on developing its business segments dedicated to supporting the energy transition, i.e. e-mobility and utility-scale solar photovoltaics. To step up the FAMUR segment's expansion in the wind power sector, in July 2023 Grenevia SA acquired a 75.24% ownership interest in Total Wind PL Sp. z o.o. for approximately EUR 4.5

million. For detailed information on the development of individual business segments in 2023, see further parts of this Directors' Report on the operations of the Grenevia Group in 2023.

GRENEVIA GROUP'S SUSTAINABILITY STRATEGY FOR 2023–2030

In January 2023, we announced our Sustainability Strategy for 2023–2030, which was developed with the support from the consulting firm EY. It integrates the strategy for transforming the Group's business model with an agenda of activities for the benefit of the public, climate, employees and shareholders, in line with the concept of green path adopted by Grenevia. Our strategy directly supports the UN Sustainable Development Goals, emphasising the Group's commitment to tackling global problems.

For detailed information on the Grenevia Group's Sustainability Strategy for 2023–2030 and its implementation in 2023, see the Non-Financial Report for 2023.



Changes in Grenevia Group's organisational structure



Key changes in Grenevia Group's structure in 2023:

20 JULY 2023

Grenevia SA acquired a 75.24% ownership interest in Total Wind PL Sp. z o.o. for approximately EUR 4.5 million to step up the FAMUR segment's expansion in the wind power sector.

10 OCTOBER 2023

A share sale agreement was concluded whereby shares in one project company holding a portfolio of PV farms were sold to the KGHM Polska Miedź Group for a total price (including the subrogation value) of approximately PLN 24 million.

In addition, in 2024 by the date of issue of this Directors' Report for 2023, the following changes took place in the Grenevia Group's organisational structure:

22 JANUARY 2024

By Management Board Resolution No. 12/2024, a new business area was established within Grenevia SA's FAMUR segment – the Famur Gearo Branch, responsible for developing wind energy solutions in line with the Group's strategic directions.

3 JANUARY 2024

An agreement was signed to sell the entire shareholding in OOO Famur for EUR 700 thousand (PLN 3 million). For full details of the transaction, see the section devoted to the FAMUR segment.



Material operating entities

For an overview of the Grenevia Group’s organisational structure and its changes, see Note 11 to the consolidated financial statements of the Grenevia Group for 2023.

THE TABLE BELOW PRESENTS MATERIAL OPERATING ENTITIES OF THE GRENEVIA GROUP AS AT 31 DECEMBER 2023 AND THEIR ALLOCATION TO THE RESPECTIVE OPERATING SEGMENTS. ONLY FULLY CONSOLIDATED COMPANIES ARE INCLUDED.

SEGMENT	FAMUR	Power Engineering	PV	E-mobility	Corporate Functions
PRINCIPAL BUSINESS ACTIVITIES	Solutions for the mining and wind power sectors	Power distribution solutions	Utility-scale PV solutions (PV)	Battery systems for e-mobility and energy storage	Corporate functions and other activities
SEGMENT ENTITIES	<ul style="list-style-type: none"> ✓ GRENEVIA SA FAMUR Katowice Branch (preparing its own set of accounts) ✓ PRIMETECH Group ✓ TOO FAMUR Kazakhstan ✓ Taian Famur Coal Mining Machinery Co., Ltd. ✓ Hansen And Genwest Pty Ltd ✓ Total Wind PL Sp. z o.o. 	<ul style="list-style-type: none"> ✓ Elgór + Hansen SA 	<ul style="list-style-type: none"> ✓ Projekt-Solartechnik Group 	<ul style="list-style-type: none"> ✓ Impact Clean Power Technology SA 	<ul style="list-style-type: none"> ✓ Grenevia SA (functions of a holding company) ✓ DE Estate Sp. z o.o.



Grenevia



Overview of operating segments



Segment of solutions for the mining and wind power sectors (“FAMUR”)

The FAMUR segment provides solutions for the mining industry (marketed under the FAMUR brand) and wind power sector (marketed under the FAMUR Gearo brand).

It offers high-performance longwall systems, machinery and equipment for roadheader systems and a wide range of products for transport and handling systems. Its services also include the design and delivery of IT systems for monitoring the machinery operation, while improving safety and production efficiency. The FAMUR brand owes its global recognition to a successful strategy of gradually increasing its presence on international markets. FAMUR companies and service centres based in Kazakhstan, China, South Africa, and Germany guarantee ongoing customer service and fast response in line with customer expectations.

The FAMUR segment is constantly raising the bar on service quality while proactively extending its

reach to new locations where reliable mining and industrial systems are in demand.

Since 2022, steps have been taken to leverage the segment’s existing manufacturing facilities to provide maintenance and refurbishment services for onshore wind turbine gearboxes. The growth of this business area is enabled by the segment’s extensive experience of more than 40 years in manufacturing gearboxes and drive trains for various industrial sectors, coupled with robust manufacturing infrastructure, including an on-site dynamometer capable of load testing of gearboxes produced by the segment. Currently, a complete range of services is being developed for wind turbine gearbox repair and maintenance. This includes an assessment of the technical

condition of a customer’s equipment, including examination of gearbox interiors, comprehensive maintenance, and, in the case of worn-out or damaged units – their immediate replacement with units available in stock and then repair completed with dynamometer testing. In addition, the offering includes a gearbox storage service to ensure fast lead times and minimise downtime at wind turbine operators due to equipment failure.

To further its ambitions in the wind power sector, on 20 July 2023 Grenevia SA signed an agreement to acquire a 75.24% ownership interest in Total Wind PL Sp. z o.o. for approximately EUR 4.5 million (PLN 20 million). The ownership interest

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Solutions for the mining and wind power sectors



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was transferred to Grenevia SA upon payment of the purchase price, i.e. on 1 August 2023. The agreement gives Grenevia SA an option, vesting in 2026, to increase its shareholding in Total Wind PL Sp. z o.o. by purchasing a 10.03% ownership interest therein from an entity controlled by the founder of Total Wind PL (unrelated to the Grenevia Group). The purchase price will be determined based on the proportion of the shares acquired and a fixed multiple of EBITDA for 2025, less net debt. Potential purchase of the minority interest is an element of the Group's commitment to acquire its own equity instruments. The estimated amount of the related liability measured as at 31 December 2023 was PLN 6 million. For information on the accounting treatment of the acquisition of shares in Total Wind PL and the option, see Notes 12 and 48 to the consolidated financial statements of the Grenevia Group for 2023.

Poland-based Total Wind PL Sp. z o.o. specialises in wind turbine installations as well as maintenance and replacement of key components from major manufacturers. Since its inception 19 years

ago, the company has erected over 1,500 wind turbines. As at 31 December 2023, Total Wind PL Sp. z o.o. had a workforce of about 110, of which 90 were technical professionals. The company has a footprint in 10 countries. In 2023, its revenue exceeded PLN 40 million, up by approximately 11% year on year (of which approximately PLN 18 million was included in the Grenevia Group's revenue, i.e. from the consolidation date of 1 August 2023). The share of revenue derived from foreign markets was significant, at approximately 90%.

By acquiring Total Wind PL Sp. z o.o., the FAMUR segment was able to enhance its capabilities in providing solutions and services for the wind power sector, while diversifying the operations of its key manufacturing plant. The anticipated revenue synergies will facilitate a scale-up of this business line, by complementing its expanding portfolio of gearbox repair, maintenance, monitoring and technical consultancy services with major turbine component replacements, upkeep, and installation.

Consistent efforts to expand the foothold in the wind power sector also led to the establishment

on 1 February 2024 of FAMUR Gearo, a new branch within the segment, based on resources and assets of the existing FAMUR Machinery branch. FAMUR Gearo will integrate all the segment's activities involving the development and delivery of comprehensive solutions for wind power generation and manufacture of transmissions/gearboxes for various industrial applications.

MARKET SITUATION AND KEY SEGMENT OPERATIONS

In 2023, the business of mining machinery manufacture for export markets was affected by weakening demand for new equipment and continued aggressive competition from Chinese manufacturers. Capital purchases by foreign mines remain under the pressure of falling coal prices, which are returning to levels recorded before the war in Ukraine. As at the end of December 2023, the average price of thermal coal hovered around USD 114/tonne, a year-on-year decline of approximately 49%. Both the Polish and foreign markets primarily saw demand for aftermarket services, involving machinery and equipment maintenance, repairs, supply of spare parts, as well as shearer loader and roadheader leases (recurring revenue),

whose share in the segment's total revenue has been on an upward trend for several quarters.

The FAMUR segment actively sought orders from markets like Europe, the Middle East, North America, Australia, Southeast Asia, and China, where its competitive advantage lies in product quality, comprehensive solutions, and superior aftermarket services.

Given the increasingly stringent sanctions imposed ever since the outbreak of the war in Ukraine, the segment ceased to operate on the Russian and Belarusian markets in 2023. In March 2023, a process was initiated to divest the assets held in Russia. The transaction was a two-stage process. In October 2023, an assignment was made of Grenevia SA's receivables from OOO FAMUR of PLN 15 million (paid in full). On 23 January 2024, an agreement was signed for the sale of 100% of shares in OOO FAMUR for PLN 3 million, of which PLN 1.5 million has already been paid, with the balance contractually agreed to be settled in instalments by 28 February 2025.

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The share sale transaction was concluded as required by the provisions laid down in the Decree of the President of the Russian Federation, and therefore the valuation of OOO FAMUR was performed by an entity from the list of acceptable experts at the liquidation value.

The transaction price resulted from the applicable regulations, i.e. was set below 50% of the valuation amount. In accordance with the agreement, the title to the shares passed to the buyer upon entry in the Russian Unified State Register of Legal Entities on 30 January 2024. The result of those moves was the FAMUR segment's full exit from the Russian market.

In Poland the market situation remains stable, under the continued pressure of changes resulting from the adopted plan to gradually close down thermal coal mines. During 2023, however, a moderate uptick was recorded in the domestic market relative to previous years, with an increase in investments made by Polish mines to replace and secure existing assets, driving up mainly aftermarket revenue.

In the area of wind turbine gearbox repair and maintenance services, the segment successfully serviced a number of gearboxes and secured new contracts for assessment of the technical condition, overhaul and sale of gearboxes. The real-time gearbox monitoring system was improved, and supplementary services continued to be developed, including on-site examination of gearbox interiors on customer premises, maintenance of other wind turbine components (main shafts, inverters, controllers), as well as gearbox storage and maintenance support to ensure full operational readiness of the equipment for customers. Recognition of the FAMUR segment (FAMUR Gearo brand) among entities operating in the wind power sector is consistently enhanced through its participation in domestic and international trade fairs and events. Steps were also taken to fully integrate the company into the FAMUR segment. The segment's commercial activities carried out in 2023 at home and abroad delivered a total backlog (supplies of machinery and equipment and leases in accordance with the effective terms of the contracts) as at the end of 2023 of approximately PLN 730 million.



COMPETITIVE ENVIRONMENT

Major competitors of the FAMUR brand in the provision of solutions for the mining industry include specialised Chinese companies, such as Zhengzhou Coal Machinery Group Co., Ltd (ZMJ) and China Coal Beijing Coal Mining Machinery Co. Ltd (BMJ), as well as global players active in the underground mining equipment market, such as Caterpillar Inc., Komatsu Mining Corp. and Sandvik AB. Within the business area handled by FAMUR Gearo, involving services for the wind energy sector related to wind turbine installation, as well as gearbox manufacture, maintenance and repair, the segment competes with such companies as: Fair Wind A/S, Deutsche Windtechnik AG, DWS Wind Turbine Service Sp. z o.o., GBS (Gearbox Services International), Multigear GmbH, and Wikov Industry a.s.

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GROWTH STRATEGY

The accelerating energy transition in Poland and globally is worsening the outlook for the mining solutions sector. FAMUR's strategic response to this trend is to continue to generate revenue from existing assets while exploring opportunities to leverage the Group's manufacturing facilities, resources and know-how to secure new revenue streams from other promising industries.



This will be achieved by:

- Focusing on the most profitable and stable product areas.
- Maintaining the lease model designed to stabilise revenue and continuing provision of aftermarket services.
- Disposing of or phasing out less profitable assets in keeping with Poland's energy transition.
- Maintaining capabilities and know-how required to participate in selected mining projects in Poland and export markets on an opportunistic basis.
- Using the expertise in the manufacturing of industrial transmissions to bid for contracts for gearbox repair/refurbishment and maintenance in the wind power sector.
- Steadily expanding solutions for customers operating in the wind power sector and reinforcing FAMUR Gearo's position within this sector both domestically and abroad.
- Seeking opportunities to further expand its foothold in the wind power sector through organic growth and M&As.

FAMUR's solutions for the mining and wind power industries

ROOF SUPPORTS AND SHEARER LOADERS

This product category comprises shearer loaders, powered roof supports and scraper conveyors. These products can be purchased on a standalone basis or in combination with other equipment to form longwall systems for mining coal from seams up to 6 metres thick. Thin coal seams, varying in thickness from 1.2 to 1.7 metres, can be mined using the specialist longwall system Mikrus. FAMUR's portfolio also includes hydraulic actuators and controls, in particular hydraulic supports, pilot controls, and power hydraulics.

ROADHEADERS

Roadheaders form part of a gallery system and are used primarily to excavate galleries and drill tunnels. FAMUR's portfolio in this area also includes drilling rigs, drills, dinting loaders and loaders used in underground mines.

UNDERGROUND TRANSPORT AND BULK MATERIALS HANDLING SYSTEMS

FAMUR manufactures equipment for transport and handling of bulk materials used in underground

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→ A description of the complete product range, including the capacity and technical parameters of each product, is available on FAMUR's website at www.famur.com/oferta

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mines and other operations. The product mix for the hard coal mining industry includes underground belt conveyors, surface belt conveyors, as well as various underground means of transport for logistics purposes.

WIND TURBINE INSTALLATION AND GEARBOX REPAIR/REFURBISHMENT AND MAINTENANCE

In 2022, the FAMUR segment made a decision to leverage its operational resources to develop a range of gearbox maintenance and repair/refurbishment services for onshore wind turbines. Marketed under the FAMUR Gearo brand, these services rely primarily on the segment's long-standing experience of manufacturing gearbox and drive train systems for various industries. The comprehensive portfolio includes on-site assessment of the technical condition of a gearbox on customer premises, complete overhaul and repair/refurbishment, followed by load testing in the dynamometer. This is complemented by predictive maintenance, including real-time gearbox monitoring and diagnostics, and regeneration of other wind turbine components (main

shafts, inverters and controllers). Customers are also offered gearbox storage and maintenance service to ensure full operational readiness of the equipment.

Since 2023, the FAMUR segment, through its subsidiary Total Wind PL Sp. z o.o., has also provided comprehensive wind turbine installation services, in addition to maintenance and replacement of key turbine components, refurbishments, inspections, protection and repairs of turbine blades. Dedicated to key wind turbine manufacturers and operators, these services, complemented by the manufacture, maintenance and repair/refurbishment of gearboxes, make up a unique offering catering comprehensively to the wind energy market.

→ A description of the complete product range for the wind power sector is available on FAMUR's website at www.famur.com/energetyka-wiatrowa

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SERVICE IN GRID MONITORING AREA (SIGMA)

Following Industry 4.0 trends, the FAMUR segment makes an ongoing effort to improve the quality standard of its maintenance operations by supporting customers and implementing state-of-the-art tools for continuous remote monitoring of the condition of machinery and equipment, which enables prompt response from maintenance teams (predictive maintenance). Service in Grid Monitoring Area (SIGMA) – a solution based on the use of modern technologies such as Virtual Reality (VR), Webex, smart glasses and smart mining.

The SIGMA room allows users to collaborate online with customers, provides real-time analysis of machine parameters, and enables users to connect with an operator equipped with field service smart glasses, located anywhere in the world. Since 2021, the SIGMA room has been hosting training sessions, conferences and meetings with both Polish and foreign customers.



SERVICE IN GRID MONITORING AREA

SIGMA room

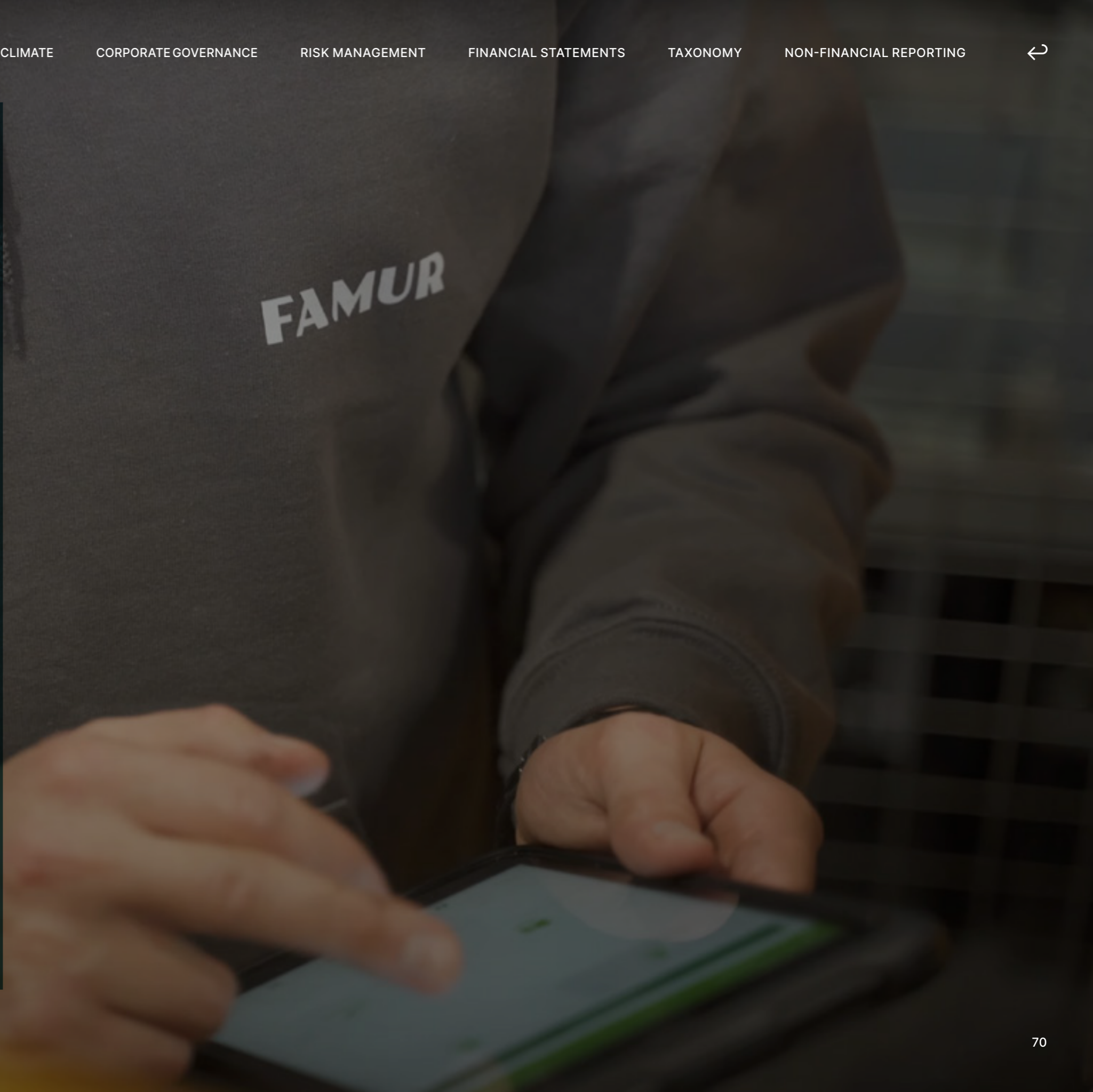
Early 2023 saw the launch of another innovation



APP

ServiceInGrid by Locatic

ServiceInGrid by Locatic app – each member of the maintenance team has a tablet where they can access complete maintenance documentation in interactive form, which improves communication and facilitates servicing of both mining machinery and wind turbines.





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DISTRIBUTION MODEL AND KEY CUSTOMERS

The FAMUR segment sells its products and services for the mining industry directly to companies engaged in the mining of soft rocks (such as thermal and coking coal, potash and gypsum). In FAMUR’s opinion, there is no material dependence on any single customer from the sector. However, its sales are largely concentrated in a single sector of the economy, namely the mining industry. Domestic customers, accounting for over 10% of the segment’s revenue in 2023, were the PGG Group (approximately 27% of total sales), the JSW Group (approximately 21% of total sales) and the Węglokoks Group (approximately 17% of total sales). There are no formal equity links between these entities and the Company.

Services for wind energy operators are also sold directly to those companies. They primarily target international wind turbine manufacturers, such as GE Vernova Inc, Nordex SE, Siemens Gamesa Renewable Energy SA as well as wind farm operators and owners. Over 90% of revenue from wind turbine installation services is generated in foreign markets.

SUPPLY CHAIN

The FAMUR segment has access to diversified sources of raw materials and is not dependent on one or more suppliers. Efforts to ensure multiple sourcing of key raw materials and other manufacturing inputs were continued.

This improves the effectiveness of procurement processes through economies of scale and more efficient management and logistics systems. Due diligence is applied in the process of selection of suppliers and components. All suppliers are required to confirm that they have read and understand, and commit to comply with, the requirements set out in FAMUR’s code of ethics and anti-corruption policy, and to comply with the applicable EU legislation.

Machinery and equipment manufactured by the segment are delivered directly to final users. FAMUR outsources the deliveries of finished products to customers, as well as intra-Group deliveries of parts to its manufacturing plants, to reliable transport operators.



RESEARCH AND DEVELOPMENT

In 2023, the FAMUR segment was dedicated to research and development efforts, focused on enhancing its existing products for the mining industry, developing gearbox solutions for wind power and various industrial applications, including traction drive transmissions, and refining its systems for predictive gearbox maintenance. In the case of products for the mining industry, the FAMUR segment focused on automating mining systems as well as control, visualisation and diagnostic systems in shearer loaders to enhance the ergonomics and reliability of remote control. In 2023, a second Mikrus system was successfully deployed on the surface for a customer in China, along with the integration of an Inertial Navigation System (INS). Compatibility testing and certification processes for the Chinese market were completed. Additionally, work began to broaden the segment’s offerings for the US market, focusing on obtaining the necessary certifications.



FINANCIAL PERFORMANCE

REVENUE FROM EXTERNAL CUSTOMERS PLN million	12 months to	
	31 Dec 2023	31 Dec 2023*
Supply of machinery and equipment	373	512
Revenue from aftermarket services and leases	743	595
Other	–	8
Total revenue	1,116	1,115
less revenue from other segments	2	–
Segment's revenue from external customers	1,114	1,115

* In order to ensure comparability, the operating segments' figures for 2022 have been restated to match the Group's business structure as at 31 December 2023.

The FAMUR segment's external revenue for 2023 was PLN 1,114 million, broadly unchanged year on year.

Revenue from the supply of machinery and equipment fell by PLN 139 million, to PLN 373 million. Recurring revenue (aftermarket services and leases) increased by PLN 148 million (+25%) year on year, to PLN 743 million. Revenue derived from the wind power sector in 2023 was PLN 23 million.

SALES BY KEY GEOGRAPHIES

In 2023, the FAMUR segment's export sales accounted for approximately 12% of its total revenue, vs 44% a year earlier. The decline was mainly attributable to a reduction in sales to Russia and other CIS countries, whose share in revenue fell to approximately 3%, compared with 11% in the corresponding period of the previous year. Following the outbreak of the war in Ukraine, the FAMUR segment companies opted against bidding for new machinery or equipment (longwall system) contracts targeting the Russian market, and revenue recognised in that geography has been mainly attributable to the discharge of maintenance obligations under pre-existing contracts. In 2023, the FAMUR segment also initiated a process to divest the assets held in Russia, which on 23 January 2024 culminated in the sale of 100% of shares in OOO Famur, the Company's Russian subsidiary, and the FAMUR segment's full exit from the Russian market.

Upon fulfilment of a mining equipment supply contract for the US market, the share of exports to US in total sales fell to 1% from 16% in 2022. At the same time, work is ongoing to expand the

offering of spare parts and aftermarket services for that market. The share of other geographies in total revenue dropped to 8% from 17% in 2022, primarily as a result of completion of contracted deliveries to customers based in Indonesia and China. In the fourth quarter of 2023, the first contract was signed for the supply of a roadheader to Saudi Arabia, to be fulfilled early next year. In 2023, the lower export sales were offset by a PLN 360 million (+58%) year-on-year increase in sales on the domestic market.

PROFITABILITY

PROFITABILITY PLN million	12 months to	
	31 Dec 2023	31 Dec 2022*
Gross profit	462	423
Operating profit	332	295
Depreciation and amortisation	166	143
EBITDA	498	438
EBITDA margin [%]	45%	39%

* In order to ensure comparability, the operating segments' figures for 2022 have been restated to match the Group's business structure as at 31 December 2023.

The FAMUR segment's gross profit for 2023 was PLN 462 million, up by PLN 39 million (+9%) year

on year, reflecting mainly an increased contribution to total sales of aftermarket services and leases, which tend to be more profitable. This increase led to an improvement of both operating profit and EBITDA, which stood at, respectively, PLN 332 million (up by PLN 37 million year on year) and PLN 498 million (up by PLN 60 million year on year). EBITDA margin for 2023 was 45%, up by 6pp from 39% in the comparative period.

The segment's operating performance for 2023 was affected by PLN 15 million write-downs on parts for shearer loaders and roadheaders in the case of which the Group is recording a decreasing number of lease contracts, and on materials and semi-finished products which cannot be used for its day-to-day manufacturing and maintenance activities.



Power distribution solutions (“Power Engineering”)

The Power Engineering segment is led by Elgór+Hansen SA (“E+H”), which can boast more than 30 years of experience in developing industrial solutions.

The segment encompasses engineering, manufacturing, delivery, and maintenance of electricity transformation and distribution equipment, catering to a diverse range of industries, such as mining, including in potentially explosive atmospheres, steelmaking, and food processing and production. Based on the new growth strategy developed in 2022, and in order to capitalise on the anticipated growth in green energy investments by utilising its existing capabilities, Elgór+Hansen SA launched the manufacture of containerised substations, including lines dedicated to utility-scale renewable energy projects.

Drawing on its extensive experience and development and manufacturing resources, EH also offers products and services related to IT/OT systems,

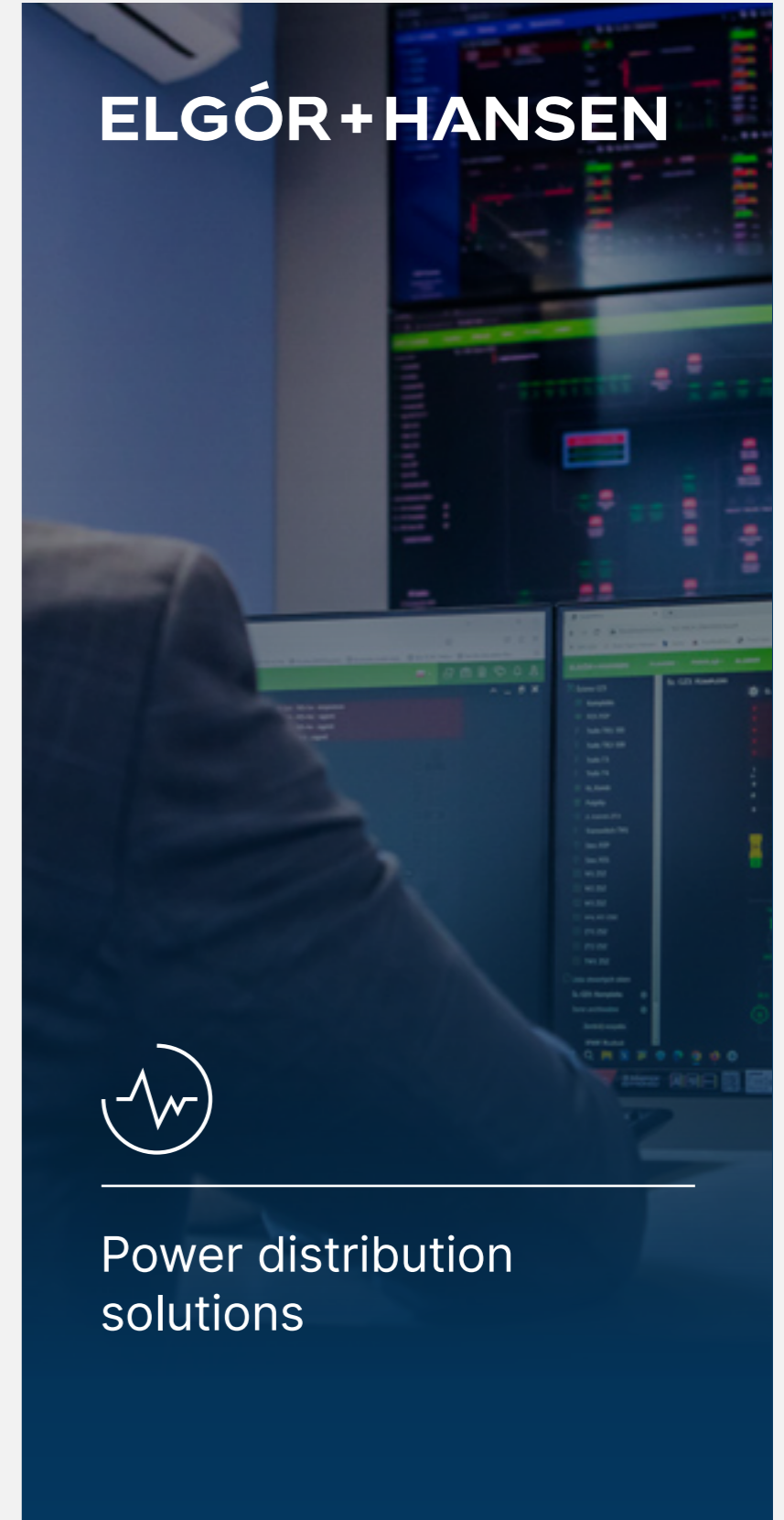
SCADA, control and instrumentation systems, electronics, power electronics, and automation for industrial and power facilities. The company’s offerings comprise both proprietary solutions and those from leading global providers, ensuring comprehensive customer support at every stage of any project – from design and engineering to construction, documentation, and operation – both in Poland and in other markets.

MARKET SITUATION AND KEY SEGMENT OPERATIONS

In 2023, the Power Engineering segment focused on maintaining its position in the mining solutions sector and further developing its electricity distribution solutions, particularly for renewable energy. Sustained demand for repairs of mining equipment

translated into higher volumes of aftermarket services provided. There was a surge in revenue from the renewable energy sector (containerised substations for PV farms) and a slight increase in revenue from industry, derived mainly from the supply of electrical switchgears and industrial machinery control systems. An approximately PLN 31 million worth contract for the supply of PV farm substations was concluded with the Solartechnik Project Group, in addition to contracts signed with other customers. The former was largely fulfilled, while deliveries under the other contracts commenced in the fourth quarter of 2023 and will continue in 2024. The expansion of the business scale in 2023 led to an increase

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in workforce numbers and launch of a new sub-station manufacturing line at the Zabrze plant.

The renewable energy market saw a decline in demand for PV systems from financial investors, driving down the prices of components (including substations for renewable energy sources), but the long- and medium-term investment trend in the market remains unchanged. The new business line at Elgór+Hansen SA is expected to remain on a sustained growth path, with strong prospects for revenue improvement in the new energy segment, and the current turbulence is regarded as only temporary. The segment is expanding its manufacturing facilities, internal structures, product portfolio and customer base. The strategy of new additions to the portfolio to include more renewable energy solutions is being consistently implemented.

In 2023, PLN 263 million worth of contracts were secured in total, up by PLN 139 million relative to 2022. As at the end of 2023, the segment's total backlog was PLN 129 million, including PLN 63 million attributable to orders from the FAMUR



and PV segments and PLN 66 million to orders from external customers of the Grenevia Group.

COMPETITIVE ENVIRONMENT

Elgór+Hansen SA competes with different companies depending on the product category. Its competitors offering solutions for the mining industry include Becker Warkop Sp. z o.o. and Elektrometal SA. The company enjoys a significant competitive advantage in the segment stemming from the end-to-end nature and quality of its

products, well-developed maintenance services, and brand recognition. Its competitors in the segment of power supply and distribution solutions for the power distribution market, including the renewable energy sector, include ZPUE SA, Elektromontaż Lublin Sp. z o.o., Revico SA and Emiter Sp. z o.o. It is Elgór+Hansen SA's ambition to consistently develop its products and grow the scale of its operations on this new market.

GROWTH STRATEGY

In 2023, the Power Engineering segment, represented by Elgór+Hansen SA, was executing its new long-term growth strategy developed in 2022. The focus in the initial stage was on building a manufacturing base and organisational structure. The strategic plans for 2023 were to diversify and continually expand its product and service range beyond solutions tailored solely to the traditional customer base in the mining sector. Elgór+Hansen SA focused on the manufacturing and delivery of comprehensive, advanced engineering solutions for power distribution, energy efficiency improvement, energy visualisation and energy management systems. Solutions delivered in 2023 were dedicated mainly to the sectors

of renewable energy generation and distribution as well as industrial energy. Consistent pursuit of the strategy objectives led to a substantial increase in sales of containerised substations for solar PV farm operators. In 2023, research and development efforts were also under way to expand the product portfolio. In parallel to rolling out new renewable energy solutions, the segment will seek to maintain its leading position in the mining sector, which will ensure stable sources of funding for the new business ventures. Other key elements of Elgór+Hansen SA's strategy include building competitive edge based on the Grenevia Group's ESG strategy, operational excellence achieved through lean management, improvement of team competence and stability, and digital transformation.



ELGÓR+HANSEN'S SOLUTIONS FOR THE POWER ENGINEERING INDUSTRY

The company offers technical solutions in the fields of power supply, automation and control of machinery and industrial facilities, including full visualisation, remote monitoring and archiving of processes. It implements projects involving electrical and electronic equipment, automation and IT systems, including ATEX solutions for potentially explosive atmospheres

The company offers the manufacture and delivery of power equipment for mining facilities, complete power supply systems and automation solutions for facilities, machinery and installations used in conveyor systems, as well as high-performance mining face, longwall and plough systems across all voltage levels. The company's offerings comprise both proprietary solutions and those from leading global providers. The proprietary solutions include a recent addition: containerised substations for solar power plants. This product marked the beginning of Elgór+Hansen SA's business transformation and shift towards the power engineering industry, including the renewable energy sector, successfully continued in 2023.

The company provides end-to-end services, including engineering, manufacturing, assembly and construction, implementation of software, repair and maintenance on a 24/7 basis, both in Poland and abroad. It also has EMS engineering and manufacturing capabilities. It designs and assembles electronic equipment based on its many years' experience and a modern, fully automated production line, purchased in 2021. Full traceability of the production process is also ensured. A description of the complete product range, including the technical parameters of each product, is available on Elgór+Hansen SA's website at www.elgorhansen.com.

DISTRIBUTION MODEL AND KEY CUSTOMERS

Elgór+Hansen SA's customers expect end-to-end services, from engineering, to delivery and uninterrupted operation of highly automated equipment, and require intuitive products that are fully accessible to remote maintenance services. The company's key customers are operators of underground mining facilities in Poland producing hard coal (thermal and coking coal) and companies active in the area of extraction of raw

materials. External customers accounting for over 10% of the segment's revenue are the Jastrzębska Spółka Węglowa Group (approximately 27% of total sales), the PGG Group (approximately 13% share in revenue) and the KGHM Polska Miedź Group (approximately 10% share in revenue), while other significant customers include Lubelski Węgiel Bogdanka SA, Południowy Koncern Węglowy SA, Przedsiębiorstwo Górnicze Silesia Sp. z o.o. and Węglokoks Kraj SA. In 2023, the customer portfolio was expanded to include entities purchasing containerised substations for PV farms. In 2023, revenue from the new business line reached about 14% of the company's total revenue. Thanks to cooperation with the FAMUR segment, Elgór+Hansen SA's products are exported to major foreign companies extracting minerals with deep mining methods in countries such as Argentina, Italy, Indonesia, and China.

The Group discontinued exports to Russia in connection with the economic sanctions, which led to a marked reduction of its trade volumes outside Poland. Elgór+Hansen SA's products are distributed in Poland based on the direct sales model, and in other countries through the FAMUR

segment's trade offices and agents representing the company under independent agency contracts. In the future, the distribution model in Poland will be adjusted to the evolving scope of the company's operations.

SUPPLY CHAIN

The segment has access to diversified sources of raw materials and is not dependent on one or more suppliers. The supplier selection process follows the rules adopted by the Group and is preceded by an analysis of bids and proposals in terms of consistency with the technical and quality requirements. In 2023, the costs to procure certain components fell and the supply chains for necessary production materials stabilised.

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RESEARCH AND DEVELOPMENT

In 2023, Elgór+Hansen SA was engaged in research and development on products designed specifically for the renewable energy industry. As a result of those efforts, the company extended its product range of containerised substations for utility-scale PV farms with a capacity of 3.15 MWp, accommodating both the requirements of its customers and district power utilities.

Work also continued on the development of the SCADA-type (Supervisory Control And Data Acquisition) software, EH-SmartPV, which enables remote monitoring and management of solar PV farms in real-time. In addition, four medium-voltage frequency inverters for use in explosive atmospheres were put into production for a domestic customer. New functionalities were also used in the wireless pressure measurement system, spanning both hardware and software. Another group of R&D projects focused on the optimisation and unification of products in the segment's existing portfolio.





FINANCIAL PERFORMANCE

REVENUE	12 months to	
	31 Dec 2023	31 Dec 2022
PLN million		
Products and services for mining industry	120	86
Industrial equipment	19	13
Products for power sector	23	1
Total revenue	162	100
less revenue from other segments	52	41
Segment's revenue from external customers	110	59



For 2023, the Power Engineering segment reported revenue of PLN 162 million, up by PLN 62 million (62%) year on year. Revenue from sale of products and services for the mining sector rose in 2023 by PLN 34 million year on year, to PLN 120 million.

Revenue from sale of industrial equipment amounted to PLN 19 million, and sales to the power sector amounted to PLN 23 million.

SALES BY KEY GEOGRAPHIES

In 2023, domestic customers accounted for 99% of the Power Engineering segment's sales.

PROFITABILITY

PROFITABILITY	12 months to	
	31 Dec 2023	31 Dec 2022
PLN million		
Gross profit	48	31
Operating profit	24	14
Depreciation and amortisation	11	10
EBITDA	35	24
EBITDA margin [%]	22%	24%

The Power Engineering segment's gross profit for 2023 was PLN 48 million, up by PLN 17 million (55%) year on year. The increase was chiefly attributable to the higher revenue from sale of products and services to the mining industry combined with first revenue streams from the renewable energy sector. Operating profit increased by PLN 10 million year on year, to PLN 24 million. EBITDA improved by PLN 11 million, to PLN 35 million, on the back of the revenue growth. The 2023 EBITDA margin was 22%.



Utility-scale solar PV projects (“PV”)

The Grenevia Group’s PV segment is comprised of Projekt Solarteknik Group companies (“PST Group”/“PST”), which specialise in the development and turnkey delivery of utility-scale solar PV projects on an EPC basis. This comprehensive service ranges from initial site acquisition or review, through project design and engineering, procurement of required components, to the construction and later operation and maintenance of the project facilities.

The PST Group has an expert team dedicated to project development, a design and engineering studio, and its own resources for project construction, execution, operation, and maintenance, specifically for PV projects. It also offers proprietary installation systems for solar PV farms. Apart from developing its own projects and securing properties for potential future development, the PST Group acquires projects at various stages of development from third parties. It also sells completed PV projects (mainly solar PV farms) as well as green electricity under corporate power purchase agreements (cPPA). The segment’s portfolio of solar farms, comprising both

completed projects and those under construction, is managed through the investment fund Projekt Solarteknik Fund Fundusz Inwestycyjny Zamknięty (the “Fund”). Besides utility-scale solar PV projects, the PV segment plans to increase its engagement in wind farm development and energy storage projects, which reached 658 MW and 115 MW, respectively, in total capacity as at 31 March 2024. The Grenevia Group actively supports and participates in the development of renewable energy sources, a commitment illustrated by the growing asset base attributable to PV project and solar farm capex.

MARKET SITUATION AND KEY SEGMENT OPERATIONS

During 2023, a steady increase was observed in demand for renewable energy in the markets where the Projekt Solarteknik Group is active or into which it plans to expand. According to the Energy Market Agency, the installed PV capacity in Poland reached approximately 17 GW by the end of December 2023, up from about 12.2 GW at the end of 2022. Growing interest was seen in projects at advanced stages of development despite an overall decline in the number of transactions. Investment in an advanced PV project may be a source of stable and predictable cash flows, which is an important consideration especially to institutional investors. Such projects are sought after by energy-intensive enterprises to be used for captive generation with a view to optimising costs and reducing their carbon footprints. On the other hand, the high cost of capital and legislative uncertainty make potential investors cautious in their decisions. The prices of solar farm components have stabilised and their availability has improved. Seeking to diversify risks and optimise costs, the PV segment keeps monitoring the availability and prices of components.





PORTFOLIO CAPACITY ANALYSIS

As at the end of December 2023, the estimated total capacity of portfolio projects at various stages of development on the Polish market grew by approximately 1.1 GW relative to year-end 2022, to some 4.2 GW. PV farms totalling 210 MW were connected to the power grid, with grid connection permits secured for PV projects with an aggregate capacity of approximately 1 GW. In its strategic push to diversify into wind farms and energy storage facilities, the segment obtained grid connection permits for projects with capacities of 228 MW for wind and 37 MW for energy storage.



PORTFOLIO CAPACITY ANALYSIS

	as at	
	31 Dec 2023	31 Dec 2022
Total capacity of solar PV projects and farms (MW)		
Farms connected to the power grid	210	91
Farms under construction	85	124
Projects in the pipeline	154	65
Projects under development	3,727	~ 2,800
Estimated total capacity of portfolio projects at various stages of development in Poland	4,176	~ 3,080
Projects under development on the German market	525	–
Estimated total capacity of portfolio projects at various stages of development in Poland and abroad	4,701	~ 3,080

To secure funding for PV farm construction, the PV segment entered into the following material financing agreements:

- **JUNE 2023**
 PLN 128 million loan agreement between Polski Fundusz Rozwoju (the Polish Development Fund) and a subsidiary of Projekt-Solartechnik SA, repayable in December 2042, to finance the construction of 43 MW of PV farms at eight special purpose vehicles.
- **DECEMBER 2023**
 PLN 71 million project finance facility agreement between Bank Polska Kasa Opieki SA and Finance PV 2 Sp. z o.o., a subsidiary of the Projekt-Solartechnik Group, finally repayable in December 2042, to finance the construction of 27 MW of PV farms at seven special purpose vehicles.

OFFERING COMPLETED FARMS AND PROJECTS FOR SALE

In 2023, the PV segment was actively offering for sale completed farms and projects, leading to the execution in mid-September 2023 of a preliminary agreement for the sale of shares in four project companies holding a portfolio of PV farm projects with a total capacity close to 50 MW to the KGHM Polska Miedź Group. Under the agreement, the PV segment companies are also to provide aftermarket services with respect to the solar PV farms sold in the transaction. As security, Projekt Solartechnik SA provided the investor with an irrevocable and unconditional surety guaranteeing the due and proper performance

by Projekt Solartechnik Fundusz Inwestycyjny Zamknięty of its monetary obligations under the agreement up to a maximum amount of PLN 190 million. The surety will be valid until the earlier of the following dates: the day of full, irrevocable and unconditional settlement by the seller of all its obligations under the agreement or 31 December 2027.

The transaction was a two-stage process:

- **10 OCTOBER 2023**
 A share sale agreement was concluded concerning shares in one project company sold for a total price (including the subrogation value) of approximately PLN 24 million.
- **29 FEBRUARY 2024**
 Share sale agreements were concluded concerning shares in the three remaining project companies. The shares were sold for a total price (including the subrogation value) of approximately PLN 186 million. The payment was made on the date of the agreement so that the price and the subrogation value were set off against the advance payment whereupon the investor settled the difference.

As some technical issues were identified on the PV projects, on 29 February 2024, the seller and the investor entered into an arrangement whereby the seller agreed to rectify them within 13 months from the date of the arrangement, and to rectify any potential further defects if they arise or are identified by 31 December 2027, but not after the expiry of the maintenance agreement for each project.

Key operational developments in foreign markets:

- The acquisition in Germany of pre-developed projects totalling 525 MW in capacity, some of them with binding grid connection commitments.
- The establishment of subsidiaries: Projekt Solartechnik Romania S.R.L. in Bucharest, Projekt Solartechnik France SAS in Rouen, and PST Spain in Madrid.

COMPETITIVE ENVIRONMENT

The PV market is highly competitive, in particular in the non-utility (up to 1 MW) segment, a situation which is attributable to low entry barriers. The market of end-to-end development and delivery of utility-scale and medium-sized PV projects is highly fragmented, with most contractors being active only in one area of the value chain in this sector. At the same time, the expected growth in demand for PV project development and construction in Poland is attracting new domestic and foreign players, mainly from Germany and China.

The Projekt Solartechnik Group competes directly with the following companies, broken down by type of operations:

- **MULTI-UTILITY COMPANIES**
Luneos Sp. z o.o., Energa Obrót SA, PGE SA, Columbus SA.
- **COMPANIES SPECIALISING IN UTILITY-SCALE PROJECTS**
Electrum Holding Sp. z o.o., Onde SA, Photon Energy N.V., ML System SA.
- **DEVELOPERS**
R. Power SA, PCWO SA, BayWa.re Solar Systems Sp. z o.o., Polenergia SA, Engie SA, e-On SA.



GROWTH STRATEGY

In May 2023, the Projekt Solartechnik Group embraced a growth-oriented strategy for 2023–2027, which is anchored around several key operational pillars, each encompassing specific objectives set for achievement by 2027. These include:

- ✓ Development of RtB energy storage projects with a capacity of 400 MW
- ✓ Development of RtB wind projects with a capacity of 170 MW
- ✓ Increasing the segment’s implementation capacity to enable construction of 500 MW of projects annually until 2027
- ✓ Building an international portfolio comprising a total of 1,500 MW of RtB* projects
- ✓ Expanding the domestic portfolio to comprise a total of 1,500 MW of RtB* projects
- ✓ Building a portfolio of own solar farms (IPP) with a total capacity of 844 MW
- ✓ Executing PPAs/cPPAs for own farms
- ✓ Forming an own electricity trading company
- ✓ Sale of completed solar farms with a total capacity of 844 MW
- ✓ Creating a financing model based primarily to external funding

* Including both projects intended for sale and those intended for addition to the Group’s own portfolio (IPP).



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PROJEKT SOLARTECHNIK GROUP'S PRODUCTS AND SERVICES FOR THE UTILITY-SCALE SOLAR PV MARKET

The PV segment companies operating under the PST Group brand offer development and turnkey delivery of utility-scale solar PV farms on an EPC basis, from development of a project to its design, engineering and construction, to project maintenance. The offering includes in particular the following products and services:

Utility-scale solar PV projects	Solar PV farms (free-standing solar power stations) with a capacity of 1 MW or more. The services cover project development, design, engineering and construction, connection to the grid, and maintenance to ensure full operability;
Project development	Services provided by the Project Development Department include preparation and compilation of complete project documentation comprising documents confirming the title to the property (project site), environmental permits, zoning permit, grid connection permit, planning permission application, amended planning permission documents (if required), detailed design, and comprehensive as-built documentation (for solar PV, wind, and energy storage projects). The Group also conducts energy audits of buildings and provides supervision services at any stage of PV project development and delivery.
Sale or acquisition of completed projects	Sale or acquisition of completed projects or projects at various stages of development in order to find an appropriate solution for the customer;
Sale of electricity	Sale of electricity from the portfolio of completed solar farms.
Maintenance services	Maintenance services for large-scale solar PV farms.

DISTRIBUTION MODEL AND KEY CUSTOMERS

The PV segment sells its products and services directly to end customers, which mainly include large Polish power producers, foreign infrastructure sector funds building renewable energy project portfolios, and energy-intensive businesses. Customers accounting for over 10% of the segment's 12-month revenue in 2023 included Energa Obrót SA (approximately 63% share – revenue from sale of electricity).

SUPPLY CHAIN

With a large number of manufacturers, the competition on the PV component parts market is strong. The Group can decide to switch over to new suppliers of PV modules, inverters or other components at any time. Accordingly, in the Management Board's opinion, the PST Group does not depend on any component supplier to a greater extent than other entities operating in the same industry. When selecting the main supplier of PV modules for its projects, the PST Group seeks to secure a stable business relationship with a trusted manufacturer which is ranked

by Bloomberg among the world's five largest PV module producers.

Currently, this group includes Jinko Solar (CHUZHOU) CO. LTD and Trina Solar GmbH (both companies manufacture and deliver their products directly from China). The vendor concentration and supply chain disruption risks are mitigated by the PST Group's access to alternative module manufacturers which can help meet the supply gap.

The PST Group procures inverters from a number of reputable manufacturers depending on the specification of a given PV project. As regards transformer substations, the PST Group uses solutions provided by ZPUE SA and Elgór+Hansen SA, a Grenevia Group company. Steel for mounting structures is ordered directly from a European producer. The Grenevia Group also allocates its operating resources to ensure the delivery of supplies.

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Group is able to source most PV components and other supplies directly from manufacturers. The continuity of supplies is secured by, among other measures, placing orders well in advance and/or concluding framework agreements for the supply of strategic components (including PV modules, transformer substations, inverters, etc.).

RESEARCH AND DEVELOPMENT

The PST Group conducts research to optimise the structural solutions it designs and uses. Improving the solutions on an ongoing basis, both in terms of manufacturing costs and construction efficiency, is viewed as a priority.

FINANCIAL PERFORMANCE

In 2023, the PV segment’s revenue amounted to PLN 78 million, an increase of PLN 24 million (44%) year on year. All revenue was derived from the domestic market. Gain on the sale of solar PV farms classified as property, plant and equipment in 2023 was PLN 7 million. Operating profit and EBITDA for the 12 months ended 31 December 2023 came in at PLN 71 million and PLN 56 million, respectively. In 2023, the segment’s operating profit was affected by impairment losses and write-downs on solar PV farms (both completed and under construction) totalling PLN 28 million and impairment losses on current assets of PLN 13 million.

FINANCIAL PERFORMANCE	12 months to	
	31 Dec 2023	31 Dec 2022
PLN million		
Segment revenue	78	54
Gain on sale of solar PV farms classified as property, plant and equipment	7	–
Gross profit	39	10
Operating profit	– 71	– 42
Depreciation and amortisation	15	6
EBITDA	– 56	– 36



Battery systems for electric vehicles and energy storage (“E-mobility”)

In pursuing its growth strategy, Grenevia SA entered the e-mobility sector in 2022 by acquiring an ownership interest in Impact Clean Power Technology SA of Warsaw (“ICPT”), a leading manufacturer of innovative, tailor-made battery systems, mainly for buses, rail transport, specialised transport, and stationary energy storage.

On 8 November 2022, an agreement was signed to purchase 18,475,729 shares in Impact Clean Power Technology SA, representing 51% of the acquiree’s share capital and carrying approximately 59% of total voting rights at its general meeting (see Current Report No. 34/2022 of 8 November 2022). The total value of the transaction was approximately PLN 280 million. The acquisition was financed with proceeds from the issue of green bonds in 2021. Since mid-November 2022, ICPT’s financial results have been consolidated with the full method in the consolidated financial statements of the Grenevia Group.

ICPT’s expertise in the manufacture of vehicle and industrial battery systems, supported by Grenevia SA’s financial and operational resources, will enable rapid scaleup of the business while building long-term value of Impact Clean Power Technology SA and the Grenevia Group on the promising market of industrial electric mobility and energy storage solutions. ICPT is an original equipment manufacturer (OEM) and Tier-1 supplier of e-bus battery systems to Europe’s leading electric bus makers. ICPT products are also exported to North America, Asia and Australia, among other markets. The company runs its own research and development centre for energy

storage technologies and battery systems dedicated to public and heavy transport. Impact Clean Power Technology SA also develops utility-scale energy storage solutions. ICPT’s current manufacturing capacity transferred to GigafactoryX is about 0.6 GWh per year. ICPT’s business model leverages the economies of scale which are generated by the manufacture of customised products and their provision to dedicated customer groups. To accommodate the fast market growth and broaden its customer base, IMPACT

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aims to significantly increase its annual production capacity, the objective it has achieved by building GigafactoryX, one of its key strategic projects. This large-scale manufacturing plant will be dedicated to meeting the requirements of customers for battery systems for electric public transport vehicles, primarily e-buses, industrial e-vehicles, and utility-scale energy storage facilities.

The project is expected to raise Impact Clean Power Technology SA's annual production capacity to more than 1.2 GWh in 2024, and to a minimum of 2 GWh up to 4 GWh in 2027, in line with demand growth. Investments in new manufacturing capacities are also intended to allow ICPT to branch out into related markets such as electric trucks, heavy industrial vehicles, and hydrogen-powered railway locomotives.

Other growth initiatives pursued by ICPT include the design and construction of utility-scale battery storage systems (including through repurposing of used EV batteries, which have longer charging cycles), and use of hydrogen technologies in battery systems for transport and energy storage.

MARKET SITUATION AND KEY SEGMENT OPERATIONS

The share of electric and hydrogen-powered vehicles in the urban bus market is growing rapidly, and the anticipated disbursement of funds under the National Recovery Plan/other EU schemes should further stimulate the purchasing activity of Polish cities. A notable shift in the industry is expected following the proposed 2025 implementation of the EURO7 standard, targeting a reduction in exhaust emissions. However, this forthcoming standard presents technical challenges and entails increased production and maintenance costs for manufacturers of heavy transport vehicles, which are currently pivoting towards electric motors. The battery system alone is estimated to account for approximately 20–30% of the total production cost of an e-bus, and ICPT products have an expected lifespan of 10–15 years.

With respect to energy storage, a key piece of legislation is the EU's Renewable Energy Directive II (RED II), which mandates deployment of energy storage facilities in energy clusters until 2026 to expedite the growth of the renewable energy sector and reduce carbon emissions.

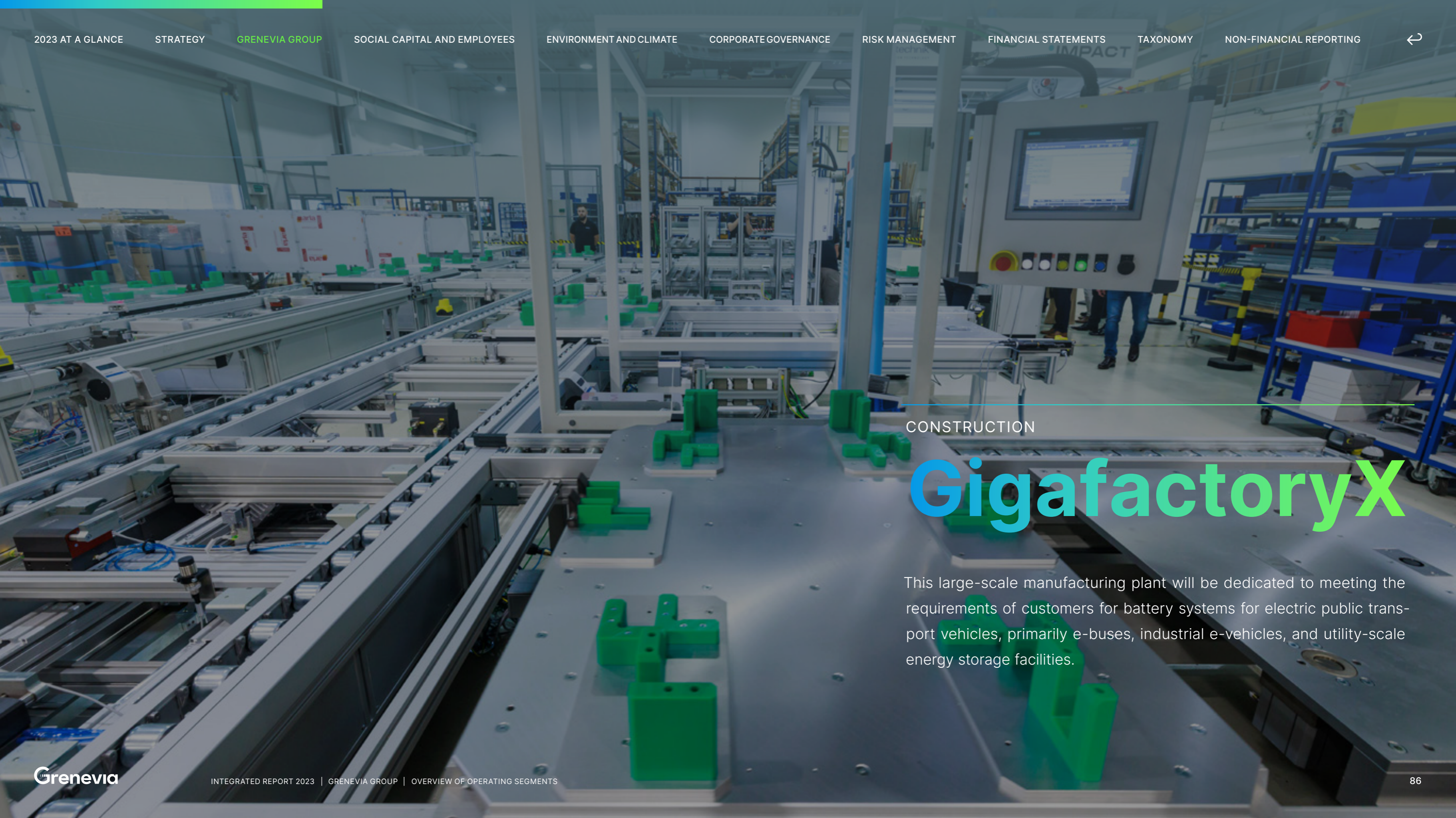
ICPT has been vigorously expanding its portfolio of energy storage, railway support and off-highway machinery solutions.

Throughout 2023, ICPT focused on securing new framework agreements and orders for the supply of e-bus battery systems in 2024–2026. The company continued its business relationships with Solaris Bus & Coach Sp. z o.o. (SOLARIS) and Alexander Dennis Limited (ADL), a global frontrunner in double-decker bus design and manufacture. Following product acceptance by the customer, serial production for ADL was launched. In a bid to ensure supply chain stability, a comprehensive market analysis of module and electronics suppliers was undertaken. The objective was to establish contracts with key suppliers while implementing a dual sourcing strategy.

These efforts have substantially improved component availability across all procurement categories. Contracts were executed with Freyr Battery Norway AS and LG Energy Solution Wrocław Sp. z o.o., and supplies sourced from China were further diversified.

Further progress was made on the GigafactoryX project, including acquisition of real property, work to renovate and convert the buildings to bring them in line with the GigafactoryX requirements, in particular to enable fitting in a newly ordered line for semi-automated production of battery systems, as well as relocation of the old production line (0.6 GWh) and offices. The expenditure incurred on this project in 2023 totalled approximately PLN 87 million.

The company transferred all its operations to the new location in the fourth quarter of 2023. The launch of GigafactoryX will increase the segment's production capacity from 0.6 GWh to 1.2 GWh, while contributing to improved quality of ICPT battery systems.



CONSTRUCTION

Gigafactory X

This large-scale manufacturing plant will be dedicated to meeting the requirements of customers for battery systems for electric public transport vehicles, primarily e-buses, industrial e-vehicles, and utility-scale energy storage facilities.



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IN 2023, TWO SIGNIFICANT AGREEMENTS WERE SIGNED WITH FINANCIAL INSTITUTIONS:

- 9 NOVEMBER 2023
Indefinite term factoring agreements with mFaktoring SA and Pekao Faktoring Sp. z o.o. with a limit of up to PLN 60 million per agreement.

- 11 DECEMBER 2023
Facilities agreement with Pekao SA and mBank SA for the provision of a working capital facility of up to PLN 75 million and an investment facility of up to approximately EUR 22 million.



COMPETITIVE ENVIRONMENT

ICPT’s major competitors in the delivery of battery systems for public transport vehicles and industrial applications are the European companies BorgWarner eMobility Poland Sp. z o.o., Forsee Power Sp. z o.o. and BMZ Poland Sp. z o.o. There is also a rapid expansion of Chinese manufacturers of cells and entire vehicles: Contemporary Amperex Technology Co., Ltd. (CATL), BYD Company Limited and Yutong Bus Co., Ltd., which have entered the market for finished battery products and are beginning to directly compete with European companies.

GROWTH STRATEGY

Battery systems for public transport vehicles, specialised trucks and heavy duty vehicles are produced in short series (compared with the mass EV market). At the same time, battery technologies are evolving at a very quick pace. This is why most EV manufacturers rely on sub-suppliers instead of investing in their own production plants because of the small scale of their operations and the need to specialise. ICPT’s business model leverages the economies of scale which are generated by the manufacture of customised products and their provision to dedicated

customer groups. To accommodate the fast market growth and broaden its customer base, IMPACT aims to significantly increase its annual production capacity, a goal it is implementing through the construction of GigafactoryX, one of its key strategic projects. This large-scale manufacturing plant will be dedicated to meeting the requirements of customers for battery systems for electric public transport vehicles, primarily e-buses, industrial e-vehicles, and utility-scale energy storage facilities.

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ICPT'S OFFERING FOR THE E-MOBILITY SECTOR

ICPT offers comprehensive, tailor-made battery systems to meet customer requirements. Cooperation with a customer starts with the application analysis phase, through to selecting the optimum solution, designing, launching serial production, to delivering battery systems to be installed at the customer's site. The company also offers a guarantee and maintenance service for the entire life of the vehicle.

Battery systems sold by ICPT are based on lithium-ion cells using several available cell technologies (NMC, LFP and LTO). Products manufactured by Impact Clean Power Technology SA are mainly bought by customers from the public transport segment (electric buses, trolleybuses, commercial vehicles, trams, railways) and users of special applications for AGV robots, mining, electric boats and yachts, industrial vehicles, etc.

ICPT also offers stationary energy storage facilities for businesses, industry and utility power generators as well as for operation with renewable energy sources.



DISTRIBUTION MODEL AND KEY CUSTOMERS

ICPT's products and services are sold directly to end customers, mainly under framework agreements and based on individual orders from vehicle manufacturers. ICPT provides its solutions to companies such as Solaris Bus & Coach sp. z o.o., Alexander Dennis Limited ("ADL"), J.M. Voith SE & Co. KG | VTA c/o Voith Global Business Services EMEA GmbH (Voith), Kiepe Electric GmbH, Normet OY, Pepper Motion GmbH, Autosan sp. z o.o., and Skoda Electric SA.

Customers accounting for over 10% of the segment's 12-month revenue in 2023 were Solaris Bus & Coach sp. z o.o. (approximately 59% of total revenue, relative to about 76% in 2022) and Alexander Dennis Limited (approximately 19% share in total revenue). There are no formal equity links between that entity and Impact Clean Power Technology SA. In 2023, the company was significantly expanding its production capacities while engaging in commercial and marketing activities to attract new customers with large-volume contracts. This was expected to enable continued growth of the order portfolio while also

diversifying the customer base. The market is still in its nascent stages. Most vehicle manufacturers are only beginning to build their supply chains, following the principle of 'two or more suppliers' of key components (including motive power batteries).

SUPPLY CHAIN

The key component of battery systems offered by ICPT are lithium-ion cells, which are imported from Japan and China, but are also sourced locally in Poland (from LG Energy Solution). In order to minimise the risk of supply chain disruptions and to maintain production continuity, ICPT seeks to secure two or more suppliers of key components for each project (dual sourcing) and, where feasible and economically viable, to maintain sufficiently high stock levels. Additionally, in 2022 ICPT announced the European Supply Chain strategy and in the coming years intends to rely to a larger extent on cells made in Europe. Reliance on European suppliers will improve the supply chain stability but may erode margins since Chinese producers supply their products

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at more competitive prices. As part of the strategy, in 2023 framework agreements were signed with new cell manufacturers based in Europe. Other components to be used in production are mostly sourced from Polish manufacturers.



RESEARCH AND DEVELOPMENT

The Research and Development (R&D) Department of Impact Clean Power Technology SA works on new technologies for the construction and management of lithium-ion batteries and develops new products. In 2023, the R&D Department initiated a new project to develop a battery and hydrogen powering system for rail vehicles.

FINANCIAL PERFORMANCE

Since mid-November 2022, ICPT's financial results have been consolidated with the full method by the Grenevia Group, resulting in a lack of data comparability between 2022 and 2023.

FINANCIAL PERFORMANCE	12 months to 31 Dec 2023	1.5 months to 31 Dec 2022
PLN million		
Segment revenue	335	64
Gross profit	29	-
Operating profit	-46	-10
Depreciation and amortisation	23	3
EBITDA	-23	-7

Revenue generated by the E-mobility segment in 2023 amounted to PLN 335 million. Exports accounted for 32% of total revenue and consisted entirely of sales made in Europe. The segment's operating result and EBITDA were negative, at PLN -46 million and PLN -23 million, respectively. The lower-than-expected EBITDA level was due to postponement of product acceptance dates by customers and subsequent partial postponement of actual sales transactions until 2024, as well as a higher cost of key components,

which were purchased in advance in 2022, driving up the costs of sales. The increase in the cost of components was a direct consequence of global market volatility experienced in 2022. Following the outbreak of the war in Ukraine and another wave of the Covid-19 pandemic in China, ICPT took steps to mitigate the risk of disrupted supply chains and a further rise in the prices of key components. A proactive decision was made to purchase in advance the cells and modules necessary to perform pre-existing contracts. The company's strategic aim was to ensure uninterrupted supplies to its customers, as well as to avoid the potential payment of damages that could result from any delays in fulfilling orders. As a result of these measures, ICPT successfully met all of its contractual obligations in a timely manner.

Cells are estimated to represent approximately 55–65% of the entire cost of battery systems, depending on the specific design. As components were procured at higher prices throughout 2022 and in early 2023 due to increased raw material prices, a short-term margin erosion is expected. From the second quarter of 2023, the purchase

prices of modules fell in line with a decline in the prices of raw materials used for their production.

PERFORMANCE AGAINST FORECASTS

According to the segment's business plans updated in 2023, it expects to generate revenue of approximately PLN 1 billion per year over the next four to five years (from 2023). EBITDA is expected to return to positive territory (cumulatively from the year's beginning) in the fourth quarter of 2024. The market is rapidly expanding, with intensifying competition, particularly from Chinese manufacturers, squeezing margins. This might prolong the time required to reach the targeted EBITDA margin of approximately 7–8% beyond 2025. Capex and Opex projections, which have remained unchanged, amount to a total of approximately PLN 120 million, including about PLN 87 million spent in 2023. The management board of the Grenevia Group's E-mobility segment will monitor the macroeconomic and geopolitical situation and assess its impact on the segment's performance and ability to meet the forecast on an ongoing basis.



Factors potentially affecting Grenevia Group's performance



Factors potentially affecting Grenevia Group's performance in the next quarter and beyond

The Grenevia Group has identified the following key factors affecting its performance, financial position and outlook.

In the Management Board's opinion, they were the key drivers of the Group's performance and had a material impact on its financial position in the reporting period. Unless indicated otherwise, the Management Board expects that these factors and trends will continue to have a material effect on the results and financial condition in the future.

! For information on uncertain events that may have a material effect on the Grenevia Group's growth prospects, see 'Description of main risks and threats'.

FACTOR	AFFECTED SEGMENTS	DESCRIPTION
<p>Effective and efficient delivery of the strategy to transform into a holding organisation investing in the green transition</p>	<p>Entire Group</p>	<p>Further growth of the Grenevia Group requires significant efforts to diversify its revenue streams beyond the thermal coal mining industry. In 2021, the Grenevia Group updated its strategic directions with a view to transforming into a holding organisation that invests in green transition projects. The Group enters new sectors by acquiring majority interests in medium-sized enterprises with a well-established position in their respective industries. At the end of 2024, the share of revenue related to thermal coal mining in the Grenevia Group's total revenue is expected to decrease to approximately 30%.</p> <p>In 2021, the Group launched operations in the sector of utility-scale solar PV projects and in 2022 in the sectors of battery systems for industrial electric mobility and public transport, electricity transformation and transmission systems, as well as wind turbine gearbox repairs and refurbishment, with maintenance and installation services.</p>
<p>Growing direct competition from China</p>	<p>FAMUR</p>	<p>Rising competition from Chinese companies, which puts a strain on margins or results in the loss of market share, thereby affecting potential revenues.</p>

In 2023, the Group's strategy was carried on, for instance by signing an agreement to purchase a 75.24% ownership interest in Total Wind PL Sp. z o.o. on 20 July 2023 (in the FAMUR segment) to step up its expansion in the wind power sector. The pace of the Group's diversification depends on efficient integration of new entities within the Group, the pace of their growth as well as on the Group's ability to identify new, suitable investment targets.

The business diversification efforts and delivery of a strategy for accelerated growth (including foreign expansion) in new renewables-related business areas are driving growth of capital expenditure, especially in the short term.

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FACTOR	AFFECTED SEGMENTS	DESCRIPTION
Accidents at Kazakh mines and possible ownership changes	FAMUR	<p>The occurrence in close succession of two accidents at Kazakh mines owned by Qazaqstan Investment Corporation (formerly ArcelorMittal Temirtau) (the FAMUR segment’s main customer in Kazakhstan) is adversely affecting the local market, which may impact the operations of the subsidiary TOO FAMUR Kazakhstan.</p>
Exit from the Russian market in the wake of the war in Ukraine	FAMUR	<p>The FAMUR segment enjoyed a strong position on the Russian market, which had accounted for 20% of the segment’s total annual revenue until 2022. After the outbreak of war in Ukraine, FAMUR stopped bidding for new contracts for equipment deliveries and now only provides warranty services under contracts concluded in the pre-war period. In 2022, the Group also lost control over the Russian subsidiary OOO FAMUR (see Current Report No. 31/2022 of 25 August 2022) and recognised an impairment loss for the entire value of its shareholding in OOO FAMUR. In March 2023, a process was initiated to divest the assets held in Russia. The transaction was a two-stage process: In October 2023, an assignment was made of Grenevia SA’s receivables from OOO FAMUR of PLN 15 million (paid in full).</p> <p>This was recognised under the 2023 finance income in the same amount on account of the use of impairment losses on those receivables recognised in previous periods.</p>
Price pressure on completed PV farms following a drop in electricity prices amid elevated interest rates	PV	<p>A decline in electricity prices coupled with persistently high interest rates have weakened demand for completed PV farms, resulting in a downward pressure on the prices and erosion of margins on the sale of such farms. Some of the PV farm projects in the PV segment’s portfolio were developed during a period of high component prices, which may exert short-term pressure on the segment’s bottom line and profit margins.</p>
Manufacturing capacities for key components concentrated in China	PV E-mobility Power Engineering	<p>At present, cells for battery systems, PV modules, inverters and electronic components are mainly manufactured in China. The Group is diversifying its procurement strategy to include European manufacturers in order to ensure stability of the supply chain.</p> <p>In the case of certain categories of components (including photovoltaic panels), geographic diversification of supply sources is possible to a very limited extent. Extremely competitive prices offered by Chinese producers relative to their European counterparts often necessitate a trade-off between profit margins and stability of supply.</p>

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FACTOR	AFFECTED SEGMENTS	DESCRIPTION	
Lower number of connection permits issued and protracted process of connecting solar PV farms to the grids	PV	A reduction in the number of connection permits issued for new PV projects and the lengthy process of connecting completed projects to the operators' grids may lead to a decrease in the availability of new farms and an extension in completion times.	The falling number of sites for which connection permits can be obtained results in a steady increase of the cost of land for investment purposes.
Global transition towards low-carbon economies	Entire Group	Expected structural decline in demand for thermal coal in the long term in Poland and globally. The EU's decarbonisation strategy and its implementation into the member states' legal systems, including the social agreement with the plan to gradually close down coal mines in Poland, will result in a significant decline in demand for thermal and coking coal in the long and medium term, Potentially suppressing demand for equipment and machinery offered by the Grenevia Group's FAMUR and Power Engineering segments as well as limiting available financing sources.	On the other hand, the EU Climate Package (Fit For Fifty-Five) regulatory framework may boost demand in the Grenevia Group's segments unrelated to coal mining, e.g. by increasing demand from energy-intensive enterprises for renewable captive generation and pressure on a clean transition of public transport.
Limited availability of skilled workforce, rising pay expectations and increased mobility of employees	FAMUR Power Engineering E-mobility	A rise in pay expectations on the Polish market due to limited availability of skilled workforce (especially technical staff), significant turnover rates among highly skilled workers, and low unemployment levels in key regions of the Grenevia Group's operations may increase pay pressures and, consequently, operating expenses.	Another factor is a steady decline in public expenditure on technical and vocational education, which will aggravate the existing problems with recruiting new staff, especially in the FAMUR segment.
Maintaining a flexible operating model and tight cost control	Entire Group	The fundamental principle underlying the Grenevia Group's operations is to maintain a flexible operating model enabling quick and effective adaptation of the cost and production base to current and expected demand shaped by the business cycle and structural shifts in the markets in which the Group operates.	



Grenevia Group's parent company

Grenevia

Overview



GRENEVIA SA (FORMERLY FAMUR SA)

With its registered office at ul. Al. Roździeńskiego 1a, Katowice, entered in the National Court Register under No. **KRS 0000048716** ("Grenevia", the "Company"), is the parent of the Grenevia Group (the "Group", the "Grenevia Group").

PRINCIPAL BUSINESS ACTIVITY

Manufacture of machinery for mining, quarrying and construction **(PKD 28.92.Z)**.

Grenevia SA also conducts holding company activities aimed at building and supporting new operations of the Grenevia Group relating to renewable energy sources (including solar photovoltaics, power engineering, electric mobility).



Organisational changes at Grenevia SA

The implementation of the strategy to transform the Grenevia Group from a manufacturer of soft rock mining machinery into an organisation investing in green transition projects required certain changes to the Company’s organisational structure.

Since January 2022, Grenevia SA’s resources have been divided into two areas: the FAMUR operating segment (which prepares its own set of accounts) and the corporate management holding segment. 2023 did not see any material changes in the organisational structure of Grenevia SA.

By the issue date of this Directors’ Report on the operations of the Grenevia Group in 2023, the following organisational changes took place at Grenevia SA: On 22 January 2024, the Management Board passed a resolution to establish a new business area within the FAMUR segment – the FAMUR Gearo Branch, responsible for developing and offering comprehensive wind energy solutions and for manufacturing transmissions/gearboxes for various industrial

applications, in line with the Grenevia Group’s strategy. Consequently, the Management Board of Grenevia SA decided to change the name Grenevia SA FAMUR Machinery Katowice Branch to Grenevia SA FAMUR Gearo Katowice Branch as of 1 February 2024 and to establish five new organisational units: Sales, Sales Support, R&D, Wind Maintenance and Project Management.



COMPANY BRANCHES:

GRENEVIA SA FAMUR KATOWICE
Branch, ul. Armii Krajowej 51, 40-698 Katowice, Poland

GRENEVIA SA FAMUR GEARO KATOWICE BRANCH
ul. Kościuszki 245, 40-608 Katowice, Poland

GRENEVIA SA FAMUR MINING KATOWICE BRANCH
ul. Boya Żeleńskiego 107, 40-750 Katowice, Poland

GRENEVIA SA FAMUR NOWOMAG NOWY SĄCZ BRANCH
ul. Jana Pawła II 27, 33-300 Nowy Sącz, Poland

GRENEVIA SA FAMUR GLINIK GORLICE BRANCH
ul. Michalusa 1, 38-300 Gorlice, Poland



Organisational and equity links

Organisational and equity links, including major investments in securities, financial instruments, intangible assets and real property.

TDJ EQUITY I SP. Z O.O. IS THE PARENT OF GRENEVIA SA AND TDJ SA IS THE ULTIMATE PARENT.

For information on equity interests in subsidiaries, associates and other entities held by Grenevia SA and not intended for sale in the near term, see Note 22 to the financial statements of Grenevia SA for 2023.

For information on intangible assets and property, see Notes 28, 29 and 31, respectively, to the consolidated financial statements of the Grenevia Group for 2023.





Financial highlights

GRENEVIA SA'S FINANCIAL HIGHLIGHTS

GRENEVIA SA'S FINANCIAL HIGHLIGHTS

PLN million	12 months to	
	31 Dec 2023	31 Dec 2022
Revenue	1,016	1,166
Operating profit	298	284
Depreciation and amortisation	162	143
EBITDA	460	427
Net profit	311	252

Grenevia SA's revenue for 2023 amounted to PLN 1,016 million, having decreased by PLN 150 million (13%) from PLN 1,166 million in 2022. The share of export revenue declined by 30pp year on year, reaching 5%, primarily due to the completion of contracts in the US, Indonesia and China, as well as the decision to stop bidding for new contracts in the Russian market.

Despite the decline in revenue, operating profit rose by PLN 14 million (5%), to PLN 298 million. EBITDA improved by PLN 33 million year on year, to PLN 460 million. EBITDA margin was 45%, compared with 37% in 2022, an improvement of 8pp.

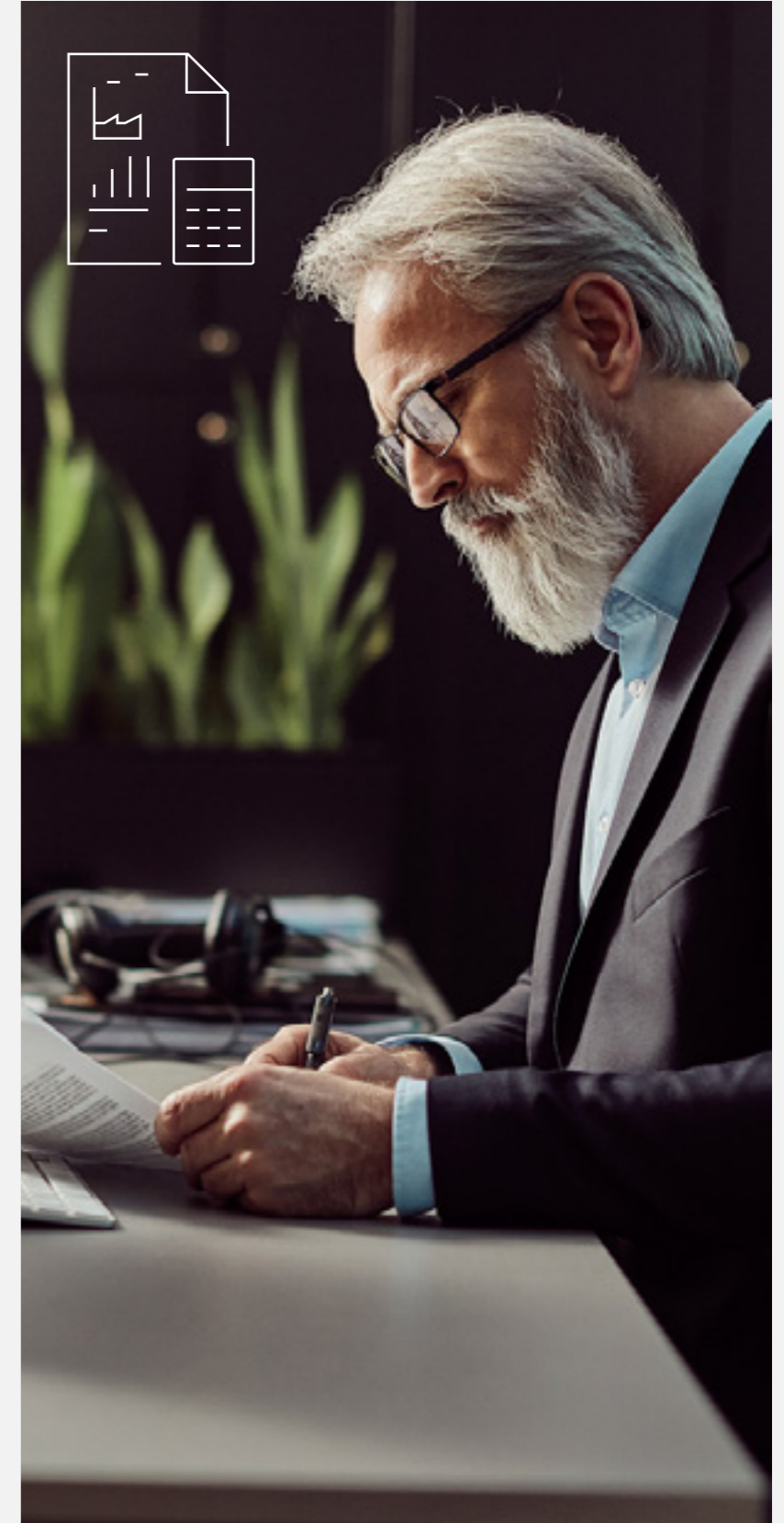
The higher EBITDA margin resulted in a net profit of PLN 311 million for 2023. Net profit as a percentage of revenue was 31% (relative to 22% in 2022).

MATERIAL NON-RECURRING EVENTS

In 2023, a material non-recurring event which reduced Grenevia SA's financial result was the decision of the Head of the National Tax Administration to impose an additional corporate income tax liability for 2017 in the amount of PLN 8 million plus interest, which reached PLN 3 million as at the payment date. For detailed information, see Note 4 to the financial statements of Grenevia SA for 2023.

WORKFORCE AND REMUNERATION

In 2023, Grenevia SA had the average headcount of 1,532 FTEs (1,562 FTEs in 2022), with employment costs at PLN 189 million (PLN 183 million in 2022).





Assets and financial resources management

ANALYSIS OF ASSETS, EQUITY AND LIABILITIES

PLN **2,603** million

TOTAL ASSETS

ANALYSIS OF ASSETS, EQUITY AND LIABILITIES	As at	
	31 Dec 2023	31 Dec 2022
PLN million		
Non-current assets	1,691	1,098
Current assets	912	1,535
Total assets	2,603	2,633
Equity	1,948	1,658
Non-current liabilities	449	638
Current liabilities	206	339

In 2023, total assets fell by PLN 30 million, to PLN 2,603 million. Current assets went down to PLN 912 million, i.e. by PLN 623 million, mainly as a result of repayment of loans advanced by Grenevia SA to Projekt Solartechnik SA (PST). Over the same period, non-current assets increased by PLN 593 million, reflecting mainly a loan advanced

to PST, aligned with the Grenevia Group's strategy to transform the Group from a leading manufacturer of mining machinery into an active investor in the energy transition, intended for the PST Group to achieve financial stability and expand the scale of its operations. The loan matures on 31 December 2024 but may be extended for further periods of the implementation of the PST Group's Strategy. As Grenevia SA intends to support the new business segments driving its transformation towards environmental sustainability, it is possible that the financing will be extended. For this reason, the loan is disclosed in the statement of financial position under the non-current portion.

Non-current liabilities decreased by PLN 187 million, to PLN 449 million, chiefly on account of the early redemption of PLN 200 million of Series B notes. Current liabilities fell over the period by PLN 133 million, reflecting mainly a decrease in short-term trade payables.

ASSESSMENT OF FINANCIAL RESOURCES MANAGEMENT

As at 31 December 2023, liabilities under borrowings, other debt instruments and leases exceeded net cash by PLN 92 million. Total non-current and current financial liabilities fell by PLN 172 million, to PLN 457 million. Cash balance went down by PLN 133 million, to PLN 365 million.

ASSESSMENT OF FINANCIAL RESOURCES MANAGEMENT

PLN million	As at	
	31 Dec 2023	31 Dec 2022
Non-current financial liabilities	431	615
Bonds and notes	400	599
Leases	31	16
Current financial liabilities	26	14
Bank and non-bank borrowings	1	1
Bonds and notes	5	6
Leases	20	7
Gross debt	457	629
Less cash and cash equivalents	-365	-498
Net debt	92	131

CONTINGENT LIABILITIES

Contingent liabilities of Grenevia SA are mainly attributable to sureties and guarantees provided. For a description of contingent liabilities, see Note 39 to the financial statements of Grenevia SA for 2023.



Grenevia on the WSE

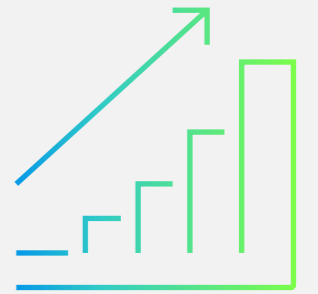
Grenevia shares on the Warsaw Stock Exchange

In August 2006, Grenevia SA (then trading under the name of FABRYKA MASZYN FAMUR SPÓŁKA AKCYJNA – FAMUR) was first listed on the Warsaw Stock Exchange (the “WSE”).

As at 31 December 2023, 574.7 million Company shares were traded on the WSE (abbreviated name: Grenevia; ticker code: GEA).

Grenevia shares are listed on the main market of the WSE in the continuous trading system.

Key information on Grenevia shares



KEY INFORMATION ON GRENEVIA SHARES

Name	Grenevia SA
Ticker	GEA
ISIN	PLFAMUR00012
First listing	August 2006
Number of shares outstanding	574,680,673
Sector	Electromechanical
Main indices	mWIG40, WIG, WIG140, WIG-Poland, mWIG40TR, WIG-ESG, CEEplus



Share price

Grenea stock price change vs mWIG40 in the last five years.



The table below shows the cumulative rate of return on investment in Grenea shares (excluding dividends) from the end of 2018 to the end of 2023 relative to the rate of return on the mWIG40 index.

Base value at year-end 2018=100	rate of return at year-end (%)					
	2018	2019	2020	2021	2022	2023
Grenea	100	55	42	62	61	62
mWIG40	100	100	102	135	106	148

The table below presents Grenea stock price movements in each quarter of 2023.

Price per share (PLN)	2023			
	Q1	Q2	Q3	Q4
Low	3.26	3.12	2.91	2.69
High	3.91	3.89	3.66	3.55

Dividend

On 27 June 2023, the General Meeting of Grenevia SA resolved to allocate the entire net profit earned in the financial year ended 31 December 2022, of PLN 252 million, to the Company’s statutory reserve funds.

DIVIDEND POLICY

The pursuit by the Grenevia Group of its new strategic directions as adopted in May 2021 will require that any profits be reinvested, in particular at the initial stages.

The dividend, if any, will depend on profits earned in a given year, the investment attractiveness of new projects and growth prospects, as well as the financial and liquidity situation of the Grenevia Group. The table below presents cash dividends paid by Grenevia SA for 2018–2023.

PLN per share	2018	2019	2020	2021	2022	2023
Cash dividend per share	0.44	0.53	—	—	—	—

INVESTOR RELATIONS AT THE GRENEVIA GROUP

In its investor relations activities Grenevia SA places focus on ensuring transparent and active communication with capital market participants, working in close liaison with investors and analysts, and on ensuring compliance with disclosure requirements set out in applicable laws. The Investor Relations team, along with representatives of the Company and the Group segments, regularly hold numerous meetings with investors and analysts, both at home and abroad, and participate in industry investor conferences. The activities undertaken by the Investor Relations team in its contacts with the investor community aim primarily to facilitate reliable assessment of the financial standing of Grenevia SA and its operating segments and effective progress against the new strategic directions intended to transform the Grenevia Group from a soft rock mining machinery manufacturer into a holding

investing in green transition projects and opportunities in other related promising industries.

The Company holds semi-annual conferences for investors and analysts (face-to-face or online conference calls) to present the financial and operating results of the Grenevia Group. Three earnings conferences and approximately 25 investor meetings were held in 2023.

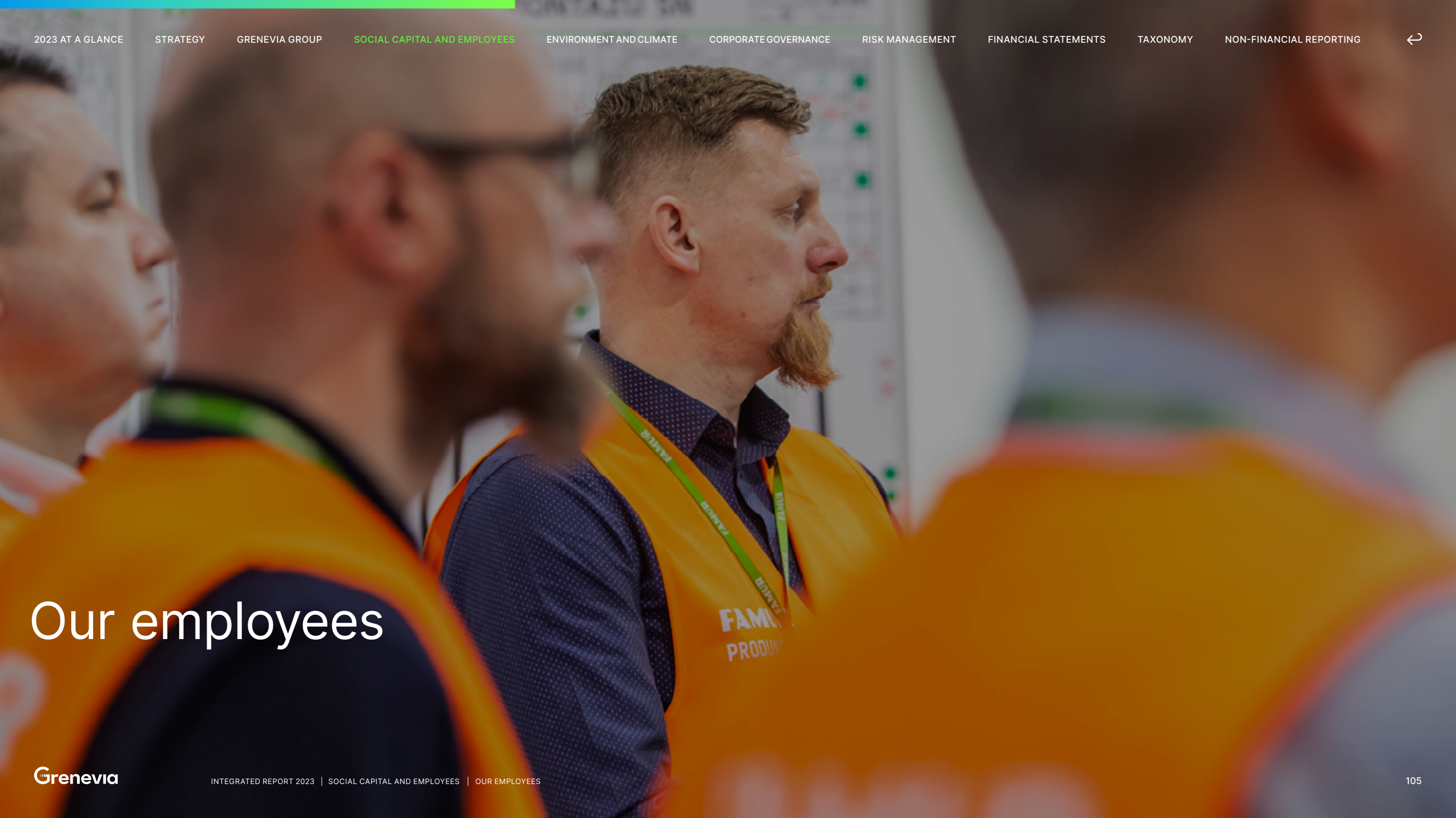
In order to provide easy, quick and fair access to information on the Grenevia Group, the Company runs a corporate website www.grenea.com/relacje-inwestorskie where it regularly posts current reports, periodic reports, presentations and other information relevant to understanding the Grenevia Group’s activities, available in Polish and English.



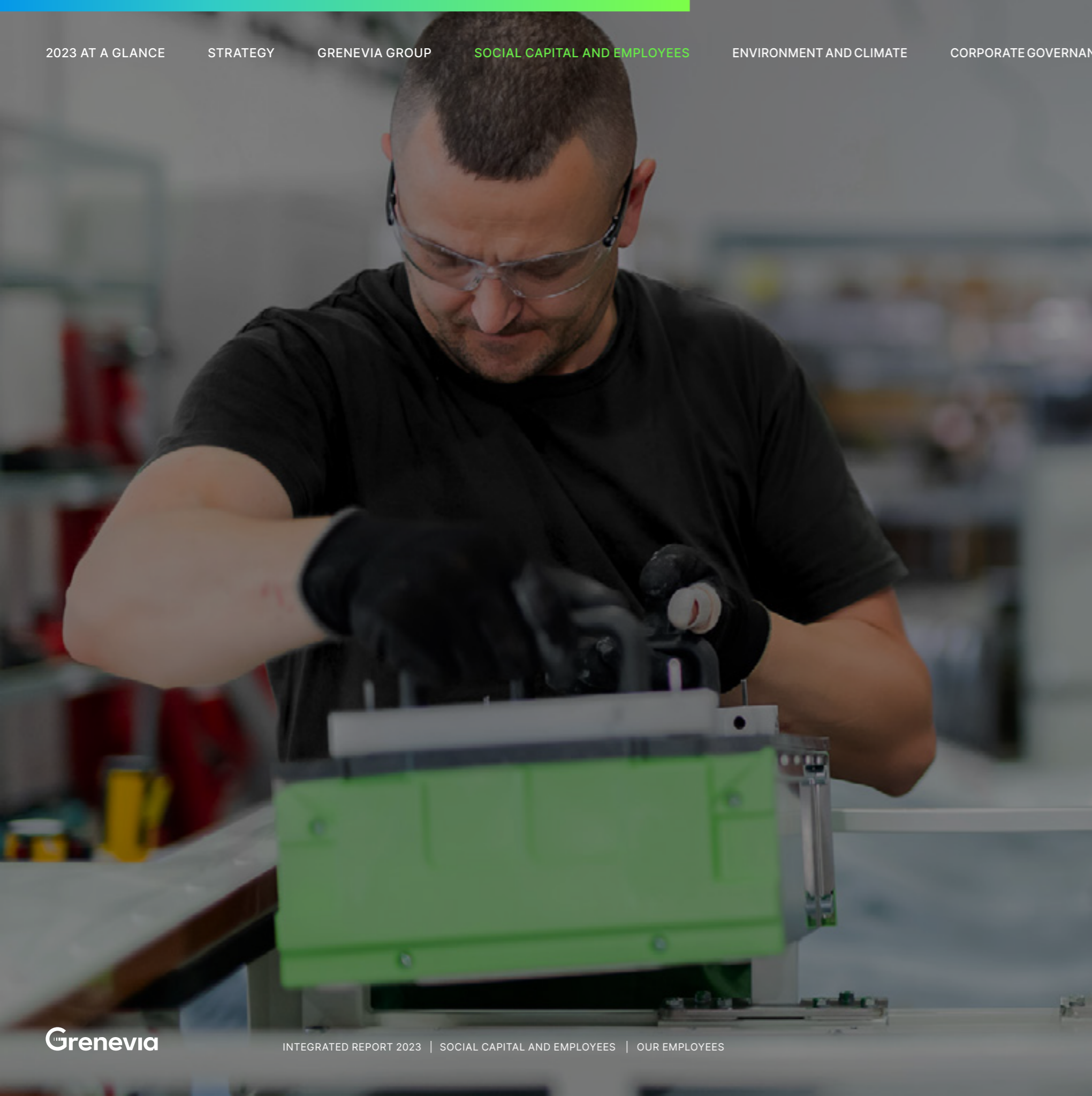
Social capital and employees

Our employees	105	→
Our community engagement	120	→





Our employees



The Grenevia Group had **2,520 employees** at year-end 2023



WE RUN INITIATIVES BENEFITING OUR PEOPLE.

At the Grenevia Group, we want to promote development and support the safety of our employees. Our aim is to support our employees in achieving top performance, self-fulfilment and a healthy work-life balance. We believe that by promoting and actively supporting workplace diversity we can attract, develop and retain top talent.

NUMBER OF EMPLOYEES AT GRENEVIA GROUP AT YEAR-END

	Women		Men		Total	
	2023	2022	2023	2022	2023	2022
full-time	427	401	2,016	2,153	2,443	2,554
part-time	29	24	48	35	77	59
Total	456	425	2,064	2,188	2,520	2,613

NUMBER OF EMPLOYEES AT GRENEVIA GROUP AT YEAR-END

	Women		Men		Total	
	2023	2022	2023	2022	2023	2022
temporary	105	86	341	308	446	394
permanent	352	339	1,722	1,880	2,074	2,219
Total	457	425	2,063	2,188	2,520	2,613



New hires and leavers by age and gender

2.4% of the Grenevia Group’s employees are based outside of Poland.

The number of new hires and leavers in foreign entities was immaterial to the Group as a whole.



NUMBER OF NEW HIRES AT GRENEVIA GROUP, BY AGE

	Grenevia Group			
	2023		2022	
	New hires	%	New hires	%
Under 30	170	43	165	45
30–50	228	17	184	14
Over 50	32	4	47	5
Total	430	17	396	15

NUMBER OF EMPLOYEES LEAVING GRENEVIA GROUP, BY AGE, AND TURNOVER RATE (%)

	Grenevia Group			
	2023		2022	
	Leavers	%	Leavers	%
Under 30	86	22	98	27
30–50	194	15	154	12
Over 50	95	12	103	11
Total	375	15	355	14



NUMBER OF NEW HIRES AT GRENEVIA GROUP, BY GENDER

	Grenevia Group			
	2023		2022	
	New hires	%	New hires	%
Women	139	30	92	22
Men	291	14	304	14
Total	430	17	396	15

EMPLOYEES LEAVING GRENEVIA GROUP, BY GENDER, AND TURNOVER RATE (%)

	Grenevia Group			
	2023		2022	
	Leavers	%	Leavers	%
Women	90	19	67	16
Men	285	14	288	13
Total	375	15	355	14



Engagement survey

We want to be a preferred, long-term and responsible employer.

We are committed to fostering open communication and creating an engaging workplace, which ultimately helps to improve our business efficiency. Striving to know more about how our employees perceive us, how they feel in the workplace and what they think about our relationship, we launched a programme to survey employee engagement at the Grenevia Group.

The engagement score shows the percentage of the organisation’s employees who exhibit the following three qualities:

- ① Engaged employees share positive opinions about their organisation with colleagues, potential employees, and customers.

- ② Engaged employees want to be part of the organisation and have no plans of changing jobs.
- ③ Engaged employees feel motivated by the organisation to put in some extra effort.

The engagement survey was conducted in 2023 at Grenevia Group companies. With insights gained from the survey results, we can accurately respond to employee needs and set ourselves new goals in fostering a workplace where people want to be.



Engagement survey

SURVEY YEAR

2023

NUMBER OF PEOPLE INVITED TO PARTICIPATE

2,185

NUMBER OF RESPONDENTS

1,800

RESPONSE RATE (%)

82



Well-being Tailored employee benefits.

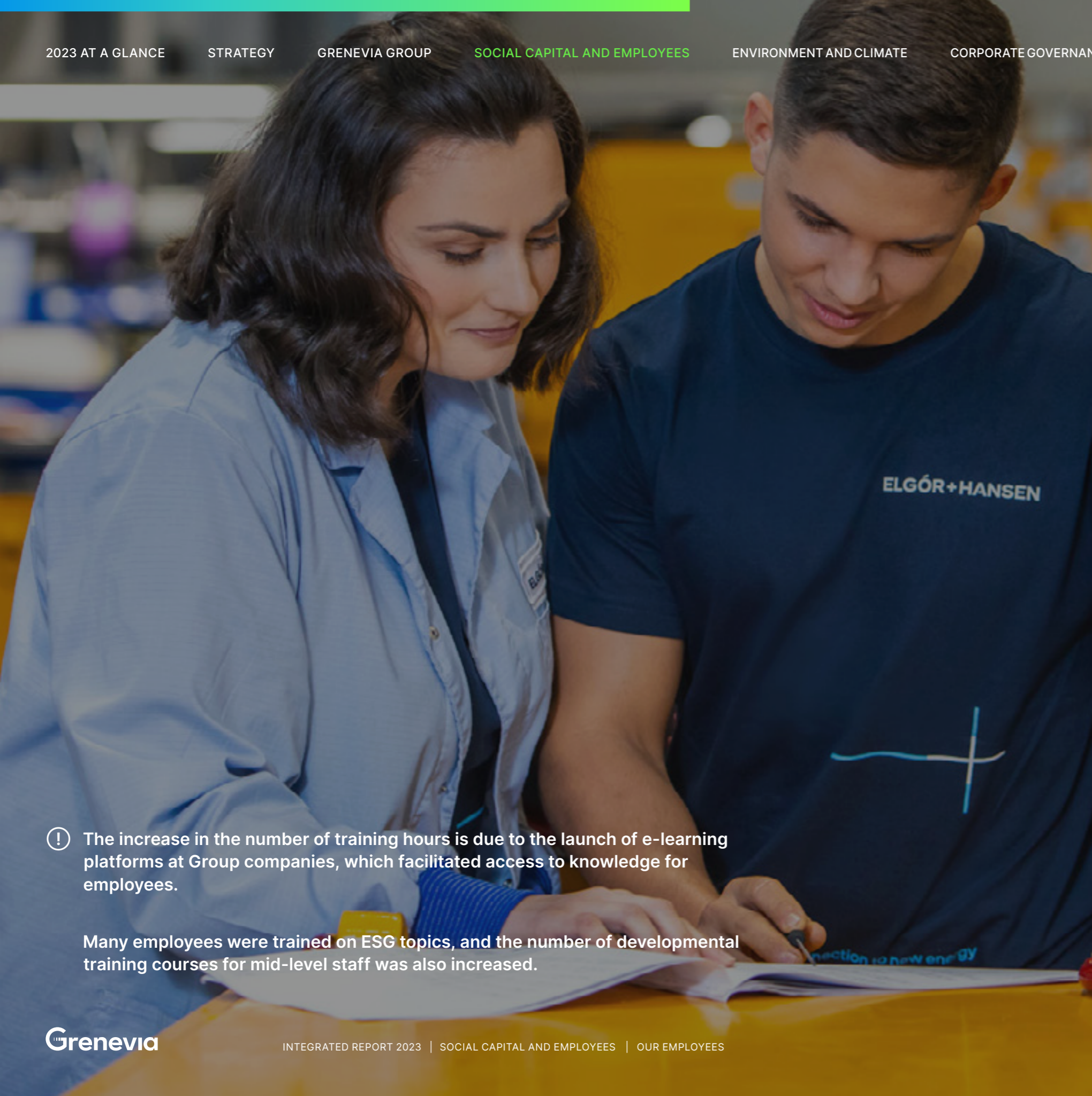
We offer our employees benefits and perks that best suit their needs.

We have put in place benefit programmes that support physical fitness, passions and health of our employees and their families. The Grenevia Group companies provide additional medical care insurance for employees and/or their family members, funded fully by the employer or co-funded by employees. Employees can use gym memberships and cafeteria benefit plans. We also

finance tickets for cultural and sporting events, team-building trips, holiday allowances, Christmas gifts and other gifts for children. In the PV segment, reminders of regular preventive medical check-ups are distributed in the form of newsletters, especially in October and November. At Elgór+Hansen SA an employee volleyball team was established and training sessions were organised.

Grenevia SA has an employee football team that plays in the sports business league. Some Group companies also hold competitions for staff to support team spirit and creativity. The 'Green Energy for a Better Life' arts competition was organised for children of our employees, inspiring the youngest to become part of the green transition. In the E-mobility segment, annual flue

vaccinations are offered to employees. Rowing, football and cross-country teams have also been set up among the segment's staff.



! The increase in the number of training hours is due to the launch of e-learning platforms at Group companies, which facilitated access to knowledge for employees.

Many employees were trained on ESG topics, and the number of developmental training courses for mid-level staff was also increased.

Employee training



HOURS OF TRAINING RECEIVED BY GRENEVIA GROUP EMPLOYEES, BY GENDER AND TRAINING TYPE

	Grenevia Group			
	2023		2022	
	F	M	F	M
Senior management (management board)	111	587	8	514
Directors and managers	1,810	8,718	1,071	4,406
Other employees	6,956	36,043	2,584	17,217
Total	8,877	45,348	3,663	22,137

FOSTERING EMPLOYEE TRAINING AND DEVELOPMENT

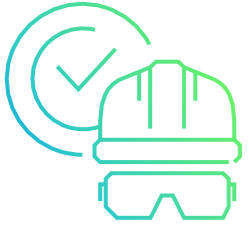
We strive to make sure all employees have access to professional development opportunities. We provide training we believe all employees should receive, as well as individual training opportunities and assistance with the cost of studies and language courses. In 2023, the Grenevia Group spent more than PLN 0.9 million on staff training.

At Grenevia SA, 484 people received individual training, 2,010 participated in group training, 58 were learning foreign languages, and 775 took part in e-learning courses (17 types of training in total).

EMPLOYEE DEVELOPMENT AND UPSKILLING PROGRAMMES AT THE GRENEVIA GROUP

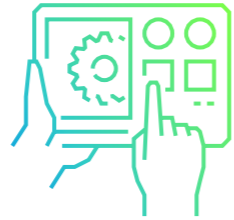
The training programmes in place are tailored to support the achievement of business goals as well as to foster employee development.

The training programmes delivered in 2023 included:



Mandatory training

Statutory training (on occupational health and safety).



Competency-based training

Future Leaders/Manufacturing Leaders Academy, Managers Academy, Development Academy, training on team management, development programmes for management personnel, training on team communication, negotiation skills, language courses, industry-specific training, women support training under the 'Roses of the Wind' programme.



Qualification improvement training

Engineering studies: Electrical Engineering, Computer Science.
Postgraduate programmes Renewable Energy for Business, Energy Management, MBA, Lean Six Sigma Manager.



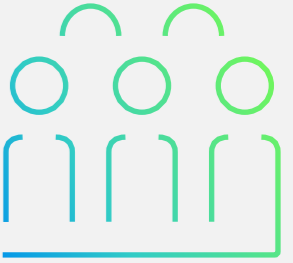
Internal training

In-house training (regulatory changes, internal procedures, policies and standards, developing inter-team competencies within the Group, ESG awareness programmes, onboarding training for new hires, cybersecurity training).



Employee health and safety

Occupational safety management.



One of the Grenevia Group’s priorities is to maintain a high level of occupational safety for its own employees and employees of subcontractors performing work for or on behalf of the Group companies, as well as for all visitors at its manufacturing plants. In addition to strict compliance with the law, additional non-mandatory measures are taken to prevent injuries, accidents at work and occupational diseases and to raise employees’ OHS knowledge and awareness.

The Group companies are consistently implementing a lean culture, in which particular attention is paid to occupational safety, health and ergonomics through consistent improvement of processes related to OHS aspects. Guided by the principles of **lean management**, we reward employees who

achieve the best results in terms of efficiency and work organisation while being committed to safety at work under the **Kaizen/5S/Working Safely** programmes. In 2023, **597 employee initiatives** were proposed across the Grenevia Group under the Kaizen programme, empowering employees to submit their proposals for improvements in working conditions. Creating a corporate culture where every employee evaluates their work environment, challenges the status quo, and cooperates with their colleagues and supervisors to reorganise work for improved safety and productivity, has led to improvements in four areas: quality, workplace safety, process optimisation, and work organisation. **The Group’s total savings from the solutions implemented in 2023 amounted to PLN 967 thousand**, while

the total rewards paid to employees during the period reached PLN 75 thousand. We develop corporate safety programmes and standards (including a visual management system) encouraging employees to constantly seek efficiency and improve everyday behaviour. We analyse near misses, root causes or potential non-conformities using various tools, including the **5 Whys** method.

Good health and safety practices are implemented, such as the **Lock out Tag out (LOTO)** system, which improves the safety of employees servicing machinery and equipment, reduces human error and prevents accidental start-up of the machine being serviced. Grenevia SA conducts OHS behavioural audits, with employees observing their colleagues to identify unsafe behaviour

that could lead to accidents, and takes action to prevent such behaviour from occurring in the future. Each employee subject to such audit is provided with feedback.

Impact Clean Power Technology SA promotes a culture of safety by celebrating **World Day for Safety and Health at Work**, providing:

- First aid training,
- Fire extinguishing drills,
- Cardiopulmonary resuscitation (CPR) training,
- Mock evacuations.



Employee health and safety record-keeping system and performance indicators at the Grenevia Group

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

The Grenevia Group adheres to **ISO 45001:2018-certified** high OHS standards that apply to its own employees and contractors working its manufacturing sites (Grenevia SA, Elgór+Hansen SA, Impact Clean Power Technology SA). The Grenevia Group companies constantly work to improve their occupational safety management by:

- Setting goals
- Monitoring progress in each area
- Devising plans for OHS improvement
- Performing monthly and annual health and safety analyses.

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

We routinely conduct hazard identification, risk assessment and near miss, incident and safety hazard analyses. In the process, we develop and update the Occupational Risk Assessment for individual positions, perform working conditions assessments, provide descriptions of safe working methods in work instructions, and monitor working conditions. The Workplace Hazard Reporting programme is an important part of the process. Risks and hazards are identified and assessed, and preventive measures are implemented in line with the guidelines of the **RISC SCORE** method, among other things.

The assessment is performed by a team consisting of the area manager, a long-serving employee/social labour inspector, and a health and safety specialist responsible for coordinating the assessment process. The findings of the risk identification and assessment process are used to identify areas where risk can be reduced, and to set health and safety goals and actions for the coming years. Programmes in place at our companies, such as the Spot a Safety Hazard and KAIZEN programmes, serve to motivate employees. Employees and supervisors can report safety incidents and propose changes to a process or workstation, which directly contributes to improving safety.

All hazards and improvement proposals submitted by employees are discussed and analysed by their team. The findings are actioned instantly or incorporated into health and safety improvement plans. Progress is monitored and verified during regular meetings of inspection personnel.

OCCUPATIONAL HEALTH SERVICES

Employees have access to primary medical care including occupational health services and screening tests.

The services include issuance of medical opinions/certificates and assessment of employees'

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capacity to work, monitoring the health of employees in high-risk groups, examinations for diagnostics of occupational diseases and other work-related illnesses. Occupational physicians are available to employees at all times. Meetings of the OHS team and employee representatives held onsite to discuss and address health risks to employees are also attended by an occupational physician.



WORKER PARTICIPATION, CONSULTATION AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

Our companies have employee representatives actively contributing to workplace health and safety improvement. The OHS committees and safety committees in place comprise employer representatives, an occupational physician and employee representatives including the company social labour inspector. During meetings the committees give opinions on draft organisational changes, analyse occupational risk assessment findings, give opinions on personal protective equipment, clothing and footwear provided to employees, discuss the results of workplace

inspections and audits, and discuss the findings of near miss and incident analyses. For consultation purposes, employees are represented by social **labour inspectors** elected every four years. They actively participate in the process of designing and maintaining a high-level occupational safety system, attending meetings of the OHS committees, periodic OHS meetings, workplace inspections and safety hazard assessments, providing opinions on the implemented safety measures and giving recommendations on how working conditions can be improved. An internal communication system is in place to support communication with employees.

EMPLOYEE HEALTH AND SAFETY TRAINING

Mandatory safety training is provided to employees and contractors To familiarise them with applicable safety standards. OHS training helps raise employees’ and contractors’ awareness of the safety standards in place. Training is conducted internally with the participation of inspection staff, specialists in relevant fields, and external firms. Periodic training in occupational health and safety is provided to employers, persons in managerial positions, engineering and technical staff, OHS team members, blue-collar workers exposed to high risk (including in underground mining operations) and administrative and office staff. Also, OHS training on specific risks and hazards

is provided where needed, for instance to employees occasionally going underground in coal mines, or GWO basic safety training for onshore wind turbines. We also provide employees with occupational health and safety training in SEP E and SEP D certification, as well as first aid and fire protection training.

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EMPLOYEE HEALTH PROMOTION

Employees have access to private medical care tailored to their needs. The employer has set the amount of its contribution towards the cost of medical packages to make them more attractive and encourage employees to take advantage of this option.

Medical packages dedicated to specific age groups and health screening tests are also available. Employees are provided with gym memberships and are encouraged to participate in sponsored sports events (marathon runs, football matches, etc).

In 2023, two campaigns were organised for employees: 'Green kilometres with FAMUR' and 'Impact Challenge', which involved tracking the distance covered during sports activities and rewarding the most active participants.



EMPLOYEE ACTIVITIES organised in 2023

PROJECT

Green Kilometres with FAMUR

PROJECT

Impact Challenge



Prevention and mitigation of OHS impacts directly linked to business profile

Our companies have contractor safety classification and oversight policies in place applying to third-party contractors working or staying onsite. Most contractors are classified according to the type of their work activity or risk level.

Before being allowed to work or enter the production floor, a person must receive training in the health and safety standards applied at the site. Contractors may perform work after obtaining a written permit. Contractors are regularly evaluated in terms of safety performance.

! In 2023, the Grenevia Group recorded an 11% drop in work-related accidents relative to 2022.

The number of severe accidents dropped by 86% year on year.

WORK-RELATED INJURIES

Type of accident	2023			2022		
	Employees	Subcontractors	Total	Employees	Subcontractors	Total
Minor	62		62	64		64
Severe	1	—	1	7	—	7
Fatal	—	—	—	—	—	—
Group	—	—	—	—	—	—
Total	63	—	63	71	—	71

NUMBER OF WORK-RELATED ACCIDENTS AT THE GRENEVIA GROUP, BY TYPE

Occupational health indicators of the Grenevia Group



	Grenevia Group	
	2023	2022
Days lost	790	1,564
Cases of occupational illness among former employees reported in the period	8	5
Number of employees with exceeded maximum admissible concentrations (MAC) or maximum admissible intensities (MAI) in the year	96	86
Accident severity rate (number of days lost per accident) (number of days lost/ number of accidents)	n/a	n/a
Accident frequency rate (accidents at work per 1,000 employees) (number of accidents/*number of employees*1,000)	n/a	n/a

! Accident severity and frequency rates are calculated for each company separately.

The calculation of a single indicator for the Group does not reflect the actual accident rate.



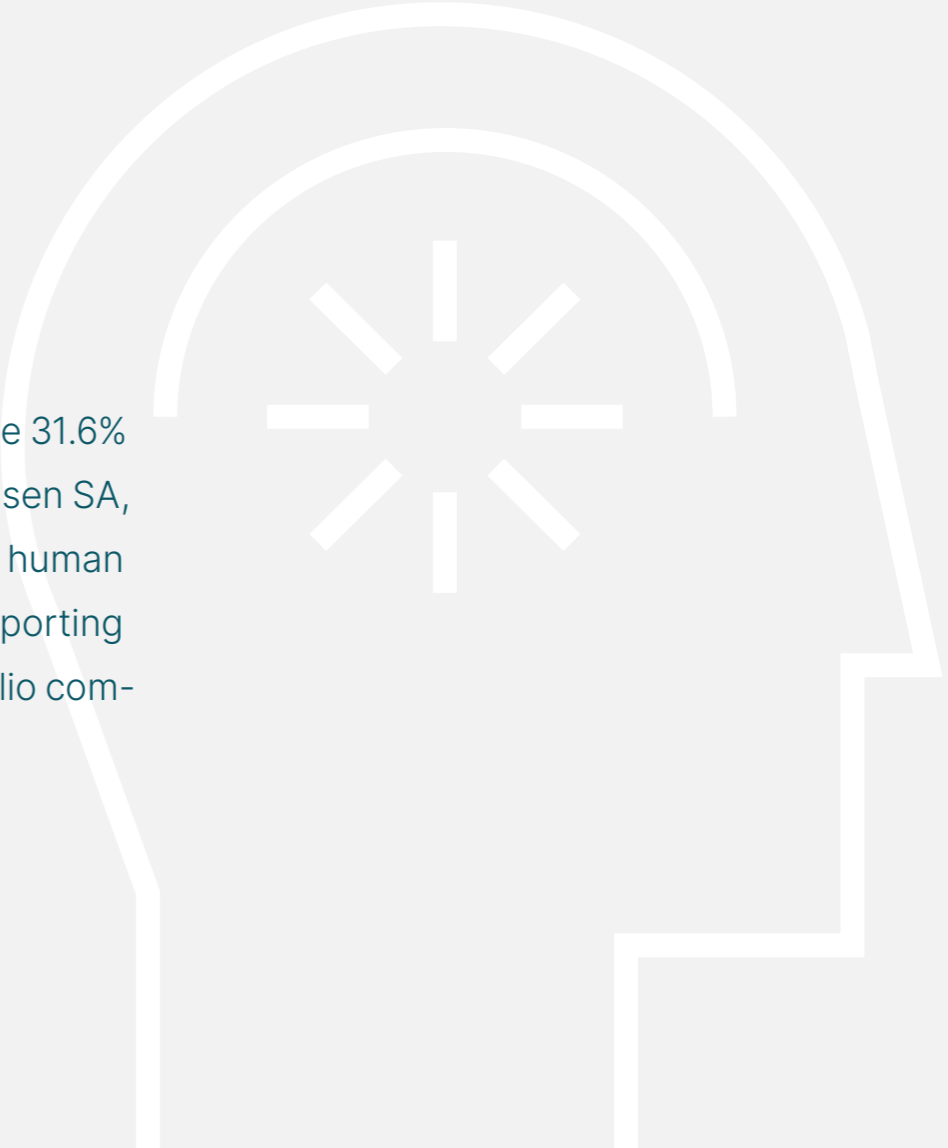
Respecting human rights

We recognise, protect and support all regulations, guidelines and recommendations designed to protect and promote human rights and children’s rights in Poland and globally.

We aim for a workplace free of harassment, bullying and discrimination on any grounds such as age, gender, ethnicity, religion, nationality, political beliefs, gender identity, sexual orientation, or disability. When dealing with business partners, we pay particular attention to whether their corporate values are similar to ours. At the Grenevia Group companies, we are gradually expanding the scope of training for employees to include

employee rights, respect and dignity at work, and human rights. Our portfolio companies have a number of procedures and policies in place to ensure that respect for human rights is embedded throughout their activities. We respect and honour the right to freedom of association and the right to collective bargaining. Trade unions operate at Grenevia SA and Elgór+Hansen SA. In 2023, 94.8% of Grenevia SA employees were covered

by a collective bargaining agreement, while 31.6% were trade union members. At Elgór+Hansen SA, trade union membership stood at 9%. No human rights violations were recorded in the reporting period or in the period in which the portfolio companies were consolidated.





Diversity policy

We develop an organisational culture that promotes equality and diversity



We believe that by nurturing workplace diversity we foster creativity, effectiveness and loyalty.

Committed to diversity, we increase our chances of attracting new talent and we stimulate innovation in our team, which helps to sharpen our competitive edge and create new directions for growth. We aim to foster a workplace where employees feel they are being respected and supported in realising and harnessing their potential, skills and experience. We take concrete steps to create a culture of dialogue, openness, tolerance and teamwork.

We maintain our commitment to building an organisational culture of respect and diversity where employees feel respected and valued and where

they can develop their potential. We take these principles into account when devising recruitment processes, employee development paths, and training programmes.

We will not tolerate any direct or indirect discrimination, we have adopted procedures and policies that must be strictly complied with, and we take concrete measures to counter any form of discrimination, workplace bullying or exclusion.



FOSTERING

**creativity,
effectiveness
and loyalty**



Employee data

The data shows the number of employees by age, gender, and function, as well as the proportion of women, age structure, diversity, and the number of employees with disabilities.



EMPLOYEES BY AGE AND BY FUNCTION AT THE GRENEVIA GROUP (%)

	Under 30		30–50		Over 50		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
White-collar employees	8	7	32	30	12	11	52	48
Blue-collar employees	7	7	20	21	21	24	48	52
Total	15	14	52	51	33	35	100	100



NUMBER OF PEOPLE WITH DISABILITIES EMPLOYED AT GRENEVIA GROUP IN 2023

Women	9
Men	12
Total	21



SHARE OF WOMEN BY AGE AND BY LEVEL AT GRENEVIA GROUP AS AT 31 DECEMBER 2023 (%)

	Share of women (%)	Age group (%)		
		Under 30	30–50	Over 50
Management Board	12	3	70	27
Directors and managers	17	7	65	28
Other employees	18	2	50	33



EMPLOYEES BY GENDER AND BY FUNCTION AT GRENEVIA GROUP (%)

	Women		Men		Total	
	2023	2022	2023	2022	2023	2022
White-collar employees	16	13	37	35	53	48
Blue-collar employees	3	3	44	49	47	52
Total	19	16	81	84	100	100



WORKFORCE DIVERSITY AT GRENEVIA GROUP

Age of our oldest employee	74 years
Age of our youngest employee	19 years
Longest service	49 years



Our community engagement



Our community engagement

We work with businesses and organisations to support the sustainable development of Poland and its regions.

In line with our Sustainability Strategy 2023–2030, we actively support educational, development, and business initiatives promoting sustainable development, internship and trainee programmes.

Our community activities are based on building and strengthening positive relationships with our external stakeholders. We want to make a positive and real contribution to meeting the expectations of local communities, which we support through training, event sponsorships, grants, donations, and volunteering. In our activities, we pursue Grenevia SA's principles integrated into its corporate charitable giving and sponsorship policies. We believe that investing in education and development of young people is the most valuable contribution to society. Therefore, we support initiatives and organisations which assist young

people in setting their goals for the future and choosing the optimum education and development pathways. We support non-governmental and other non-profit organisations pursuing public benefit activities in the area of social work, counteracting social exclusion and fostering equal opportunities.

As a socially responsible organisation, in 2023 the Grenevia Group made cash donations totalling PLN 22 million, mainly to the Campus BEMKE Foundation and the TDJ Foundation for the Promotion of Education and Development.



WE GO BEYOND JUST FINANCIAL PERFORMANCE,
MEASURING OUR BUSINESS SUCCESS ALSO BY

our sustainability achievements

TDJ Foundation

The TDJ Foundation for the Promotion of Education and Development offers valuable support to parents and children of Grenevia Group employees.

EDUCATIONAL AND DEVELOPMENT PROGRAMMES

A new edition of Holidays with Passion was organised in 2023 for children of employees from all portfolio companies. **Holidays with Passion** is an educational and development project that combines teambuilding activities with great fun and motivating one another to learn while discovering and developing one's passions. 86 children from the Grenevia Group in total participated in Holidays with Passion in 2023. In 2023, children and young people from the Grenevia Group's community again had the opportunity to participate in a new edition of the **Individual Development Programme**. The goal of the IDP is to level the playing field in access to education and to counter exclusion and peer violence. The programme forms part of social assistance activities and helps its participants to optimise

their development potential. The Individual Development Programme places special emphasis on building a peer community based on mutual support, offering a source of intrinsic motivation for young people to be healthy and grow. In 2023, 18 individuals from the Grenevia Group took part in the programme. IDP Tutoring is a method based on a relationship between a tutor and a tutee, where the tutor helps a young person discover their strengths and set their goals, and who accompanies the person in achieving these goals. Mini-projects implemented under the IDP are designed to prepare young people to carry out their own projects that serve others. With the support of a mini-project coordinator, having identified a social need, they implement their mini-projects in a step-by-step approach to find out how to fulfil that need. **IDP Individual Support** is addressed to those who could not join



the Individual Development Programme because recruitment was closed, but who still need year-round support. For instance, they may require developmental support which the Individual Development Programme does not provide.

We take additional measures to encourage women to take up employment at the Grenevia Group. We strive to provide working conditions that open paths towards professional success, without women having to sacrifice or limit their family roles. This includes, among other things, the option of work from home where possible, or adoption of pay regulations (as per annual agreements) whereby women's salaries are adjusted upon return from maternity or child care leave to the pay scheme introduced during their absence.

SUPPORTING WOMEN IN THEIR PROFESSIONAL AND PERSONAL DEVELOPMENT

Our initiatives aim to support women in their professional and personal development, provide easier access to jobs, and educate women on the opportunities and advantages of diversity-driven teams. To that end, in 2023 we launched the 'Roses of the Wind' project, under which the company's female employees (and those about to retire who express such interest) can participate

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in meetings with external trainers and coaches. The goal of these meetings is to build self-esteem in women, debunk gender stereotypes, organise workshops on stress management, relaxation techniques, openness to change, or positive communication, and to develop a work culture that is open to diversity.

FAMUR GO! WORLD

Grenevia SA has always emphasised the importance of educating young people: children and grandchildren of our employees, including through a collaborative engagement with the TDJ Foundation. In 2023, the Company launched ‘FAMUR GO! WORLD’, a new programme aimed to instill in young participants the belief that they are citizens of the world, which is an open field of opportunities. To encourage young people to explore these opportunities, the company organises two-week language camps in England, in one of the highest-rated language schools, where participants not only improve their foreign language skills but also embrace openness to other cultures, diversity, and cooperation with others. Upon return, participants are covered by

a tutoring programme, one of the TDJ Foundation’s flagship products.

CAMPUS BEMKE FOUNDATION

Campus Bemke is a long-term project, developed with future generations in mind. Its main goal is to establish a unique place fostering comprehensive development of children and youth, open for anyone to access at the primary and secondary education levels. Besides educational functions, the buildings will serve the local community and visitors as a space for pursuing their interests and participating in training and workshops (in the afternoons and on days off school). One of the cornerstones of the Campus Bemke project is respect for the natural environment and learning about the world around us through the immersion in and observation of nature. These principles have inspired the creation of the FarmLab project, which covers a community garden made available for relaxation and plant cultivation, educational nature trails for children, a model agricultural farm, as well as a Makerspace workshop and tool room. The Foundation is bringing to life a vision to create a unique educational space in Poland. Its activities



promote equal opportunities in education and have positive social impacts through educational, developmental, and community programmes. Campus Bemke programmes are available and open to anyone:

- The Father Leon Bemke Primary School for over 300 pupils.
- More than 300 participants of additional activities organised for children.
- Ecological programmes based on the regenerative approach for 91 participants from all over Poland.
- Kindergarten for 60 families located on the Campus Bemke premises.
- Summer day camps for children.
- The Youth CampClub as a space to pursue initiatives and acquire competencies of the future.
- Leisure activities as part of the Holidays with Passion project.
- Tutoring programmes.
- Free training for teachers and educators.



Community outreach initiatives

In 2023, employees of the Grenevia Group took part in a number of noble initiatives to give back to their communities.

In 2023, the portfolio companies demonstrated their commitment in a number of other outreach initiatives aimed at supporting the local communities, aid and education institutions, foundations, and associations, as well as helping former employees in distress. The initiatives included collections of clothing, toys and footwear for beneficiaries of the Różyczka Foundation and the Gliwice Centre for Community Action. We also collected clothing and footwear for wards of the Foster Care Service in Gliwice, supported the Miedź Rodzinę foster family group home in Chocianów, and ran a Christmas gift drive for a nursing home in Pruszków.

Project name	Beneficiary	Number of employees engaged
Christmas Youth Empowering Aid	'Guardian Angels House' Youth Assistance Association	+200
League of Patrons of the Guardian Angels House	'Guardian Angels House' Youth Assistance Association	+100
Poland Business Run 2023	Poland Business Run Foundation	8
Roses of the Wind	FAMUR female employees	+100
GoWORLD programme	Children of FAMUR employees	10
Green kilometres with FAMUR	FAMUR employees + LKS Znicz Jankowice	+100
TAURON Run for Angels	'Guardian Angels House' Youth Assistance Association	+100
The Noble Gift	Families in need of support	200
Children's Day festivities for FAMUR employees and a charity drive for Śląskie Hospicjum dla Dzieci Świetlikowo Foundation	FAMUR employees + Śląskie Hospicjum dla Dzieci Świetlikowo Foundation	+100 + Financial donation of PLN 1.2 thousand
Cress Treasure – a Gift from Easter Bunny Campaign	Specialist Hospital in Nowy Sącz	+100
Support for ART-FUND Foundation	ART-FUND Foundation	Donation in kind arts and crafts supplies
Support to Great Orchestra of Christmas Charity 2023	Great Orchestra of Christmas Charity Foundation	+100
Support to Cordis Hospice	Stowarzyszenie Społeczne Hospicjum Cordis Association	Financial donation of PLN 15 thousand
Support for the Róża Foundation	Róża Foundation in Gorlice	Financial donation of PLN 3 thousand



Collaboration with schools and universities

We strive to ensure that the Group's success drives skill development and access to education.

Guided by our ambition to make a difference in our local communities, we offer opportunities to gain valuable work experience through internship and work placement programmes at Grenevia SA, Elgór+Hansen SA, and Impact Clean Power Technology SA. We take part in educational fairs and scientific trade conferences to present our manufacturing operations, and we support classes organised under our patronage. We participated in CASEWEEK, an event organised by the IAESTE association, where we delivered workshops for students of the Silesian University of Technology

and engaged in the latest edition of the Zwolnieni z Teorii (Exempt from Theory) project. As part of our initiatives at Grenevia SA, 14 educational institutions – including secondary schools and universities – have been incorporated into our internship and work placement programmes, allowing 41 participants to gain on-the-job experience. The Patronage Classes programme was extended to include ZST Gorlice school, covering three classes and 26 students. The Katowice: City of Professionals programme covers 6 elementary schools (40 students).

In 2023, we also arranged study visits to the FAMUR branch in Katowice, attended by over 100 students from the Silesia region's six technical and vocational secondary schools. The students had the opportunity to discuss their future employment prospects. They also toured the manufacturing floor, maintenance department, and SIGMA room.

Also in 2023, staff from Elgór+Hansen SA visited seven technical schools, meeting with final-year students and with electrical engineering students from the Silesian University of Technology. These visits provided insights into the company's business and potential career opportunities. Internships and placements were provided for six university

students, while 30 secondary school students took part in apprenticeships. Impact Clean Power Technology SA engaged in specialist collaborations with universities on faculty projects. For example, we partnered with the Ignacy Mościcki University of Applied Sciences in Ciechanów, offering expertise for the construction of electric and hydrogen-powered go-karts and participating in a scientific conference. Additionally, we delivered lectures and organised plant visits for students from the Faculty of Automotive and Construction Machinery Engineering at the Warsaw University of Technology and members of that institution's ADEK Student Club.

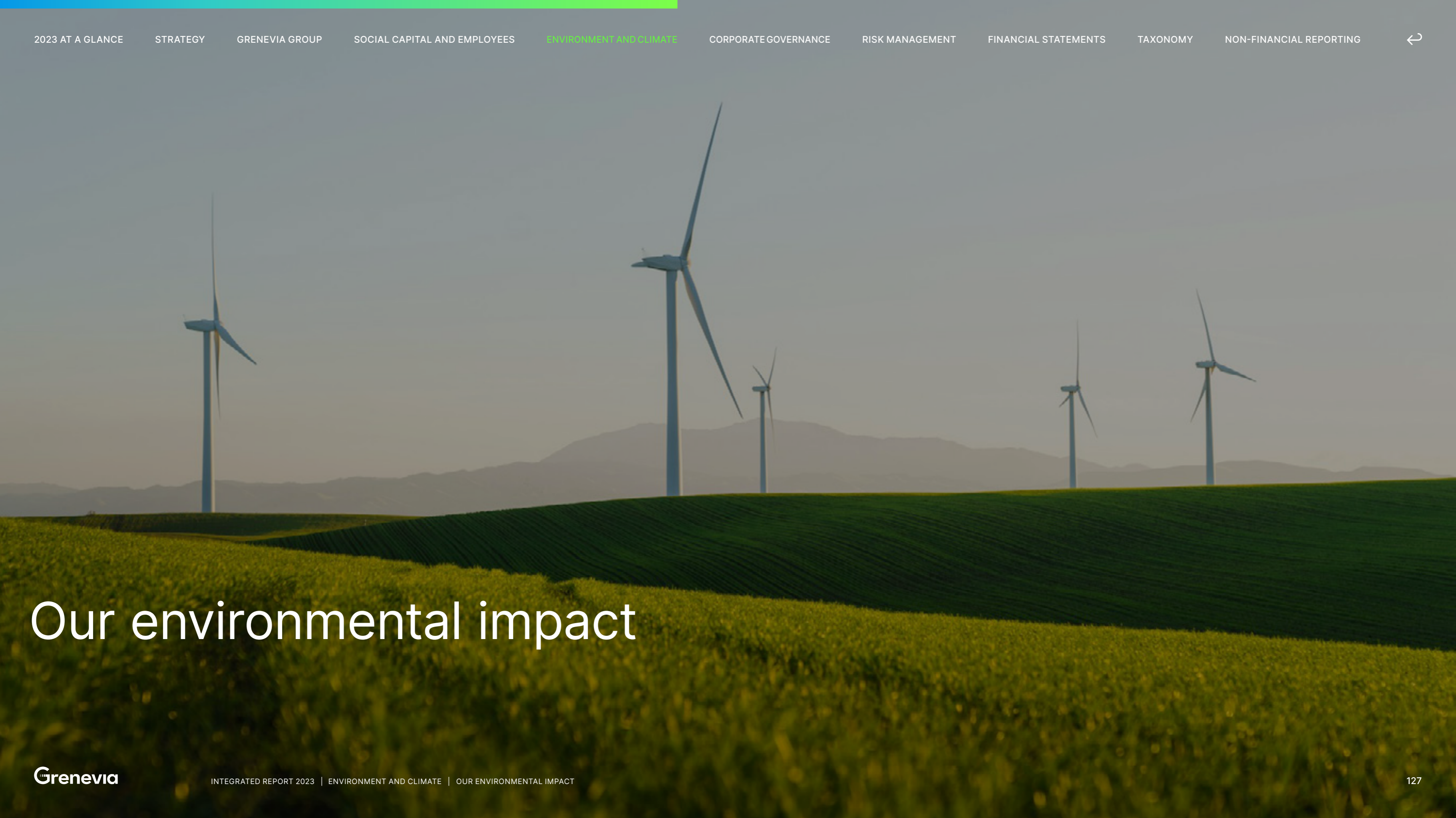


Environment and climate

Our environmental impact

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Our environmental impact



We aim to achieve a significant reduction in our Scope 1 and Scope 2 emissions

By the end of 2024, approximately 35% of energy will come from renewable sources and this percentage will increase in the following years through the development of our own sources and cPPAs, if available and economically viable. Our aim is to reduce Scope 1 and Scope 2 greenhouse gas emissions by 40% by 2030 compared with 2021.

		Grenevia Group	
		2023	2022
Fuel and energy consumption	UM		
Fuels consumed in buildings and installations	MWh	1,879	2,030
Natural gas	MWh	1,872	2,023
Fuel oil	MWh	7	7
LPG	MWh	—	—
Fuels used in transport by own vehicles	Mg	808	780
Gasoline	Mg	139	118
Diesel oil	Mg	637	632
LPG	Mg	32	29
Electricity from all sources	MWh	16,294	15,956
Purchased electricity	MWh	15,947	15,863
Renewable electricity	MWh	347	93
Purchased heat	GJ	31,607	32,352

The Grenevia Group seeks to ensure that, as a first step, its production facilities develop action plans to increase energy efficiency and cut greenhouse gas (GHG) emissions, which would also generate tangible energy cost savings. The FAMUR and Power Engineering segments consistently engage in solar PV projects and expand rooftop solar capacities at their branches and industrial facilities. In 2023, the FAMUR segment launched a 0.05 MWp rooftop solar power installation in Zabrze. Steps were also taken to expand the solar PV

system in Katowice launched in 2022 to reach the total capacity of 1 MWp. Motion sensors are being installed within stairways and staff amenity areas, and traditional lighting systems are being replaced with LEDs. At Elgór+Hansen SA, a 49.8kWp rooftop PV installation was launched in early June 2023 on the office building. In December 2023, a contract was signed to construct a 196.08kWp roof-mounted PV system, to be installed on the production floor buildings and launched in the third quarter of 2024.

The FAMUR and Power Engineering segments took steps to switch electricity suppliers; as a result of which relevant agreements were signed in 2024 for the supply of electricity with a lower carbon footprint. In 2023, fuel consumption in the Grenevia Group’s buildings and installations amounted to 1,879 MWh, down by 7% on 2022. The volume of heat purchased across the Group also went down, by 745 GJ relative to 2022, while electricity consumption was up by 2%, reaching 16,294 MWh.



Carbon footprint calculation methodology

Once again, the Grenevia Group measured its Scope 1 and Scope 2 carbon footprint.

GHG emissions (Mg CO ₂ e)	Grenevia Group	
	2023	2022
Scope 1	3,364	3,377
Scope 2 (location-based)	14,164	14,768
Scope 2 (market-based)	14,442	19,585
Total Scope 1 and Scope 2 (market-based)	17,806	22,962

GHG EMISSIONS OF THE GRENEVIA GROUP

Relying on a methodology prepared on the basis of The GHG Protocol Corporate Accounting and Reporting Standard and GHG Protocol: Scope 2 Guidance.

The GHG Protocol Corporate Standard provides requirements and guidance for companies and other organisations reporting on their corporate-level GHG emissions.

The standard covers the reporting of seven greenhouse gases covered by the Kyoto Protocol:

1. carbon dioxide (CO₂)
2. methane (CH₄)
3. nitrous oxide (N₂O)
4. hydrofluorocarbons (HFCs)
5. perfluorocarbons (PFCs)
6. sulphur hexafluoride (SF₆)
7. nitrogen trifluoride (NF₃).

For the purpose of preparing a GHG emissions inventory, the Grenevia Group elected the operational control approach. The Scope 1 emissions were stationary combustion, mobile combustion and process emissions. No fugitive emissions were recorded in the reporting year. The Scope 2 emissions were emissions from purchased electricity and district heat. No process steam or cooling was used by Grenevia Group companies.

The Scope 2 carbon footprint was calculated using two methods. One was the location-based method reflecting the average emissions intensity of the local network where energy consumption

occurs. The method is based on emissions factors for purchased energy aggregated and averaged within a defined geographic boundary. For the purposes of the location-based method, the following emission factors were used to calculate emissions from electricity and district heat consumed by the Grenevia Group companies:

- for electricity – the national emission factor published by the National Emissions Balancing and Management Centre (KOBIZE), the grid emission factor for South Africa (Eskom), and the grid emission factor for Kazakhstan published in “GCF-EBRD Kazakhstan Renewables Framework”
- for district heat – the emission factor published by the Energy Regulatory Authority (URE).

The Company has taken steps to calculate its Scope 3 greenhouse gas emissions, and will be ready to present the results in the following year due to recent acquisitions and the need to adjust data and procedures accordingly.

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The measures taken in 2023 to bring down electricity consumption and build captive energy sources allowed Grenevia SA to reduce Scope 1 and 2 carbon footprint year on year by 29%, and by 22% across the Group.

IN OUR OPERATIONS, WE STRIVE TO REDUCE THE CONSUMPTION SUCH RESOURCES AS WATER AND ELECTRICITY

In its business activities, the Grenevia Group takes into account the existing and future environmental impacts of the processes applied at each of its manufacturing plants. The Grenevia Group companies have implemented a certified ISO 14001 Environmental Management System to minimise any significant environmental impacts.

They operate in compliance with the applicable environmental protection requirements and based on valid sectoral permits (including permits for waste generation, permits for gas and dust emissions, and water permits), fulfilling their reporting obligations stipulated in the environmental laws in a timely manner.

By effectively monitoring and controlling their environmental footprint, the Grenevia Group companies are able to take immediate action to mitigate the risk of adverse events. In order to properly manage environmental matters, some of the Grenevia Group subsidiaries have implemented Integrated Management Systems, which include an Integrated Management System Policy (specific to the individual companies) as their integral parts. All the Group companies have in place internal regulations designed to ensure top quality and safety of their products and services. They also seek to minimise, wherever possible, the environmental impact of their operations.

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IN OUR OPERATIONS, WE STRIVE TO
reduce resource consumption



SCOPE 1 AND 2

22%



reduction of GHG emissions

SCOPE 1 AND 2 EMISSIONS REDUCTION VS 2022, WITH A 1% REDUCTION VS 2021 (BASE YEAR). THE REDUCTION TARGET FOR SCOPES 1 AND 2 EMISSIONS WILL BE ATTAINED THROUGH THE PROCUREMENT OF ENERGY FROM RENEWABLE SOURCES.





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The environmental policies in place at the Group companies aim to minimise the environmental impact of their operations through the following measures:

- Rational waste management, including waste reclamation and recycling.
- Introducing changes to the applied environmentally friendly technologies.
- Rational management of energy and water.
- Efficient management of hazardous substances and reduction of emissions of substances harmful to the environment.

The Lean Management culture focused on raising the employees' awareness of operational efficiency and the need to reduce our environmental footprint significantly facilitates the efforts to mitigate the environmental impact of our operations. The tools, methods and improvements implemented to enhance the efficiency of manufacturing processes help rationalise the use of utilities (such as electricity and water), optimise consumption of raw or recyclable materials, and streamline waste and packaging management.

SUSTAINABLE IT

We seek to ensure that our carbon footprint reduction efforts also cover IT operations.

The printing equipment was replaced by our service provider, Reducing electricity and toner consumption by 10% and 8%, respectively. Additionally, all the devices enter sleep mode during off-business hours.

We launched and completed the following initiatives in 2023:



EQUIPMENT REUSE

We transferred 528 pieces of computer hardware (monitors, desktop computers, laptops, printers, servers) with the total weight of 3.19 tonnes to an electrical and electronic waste recycling company. We sold 28 pieces of IT hardware to our employees. We transferred 45 cell phones for disposal and sold 96 phones to our employees. We also sold 17 servers to a server hardware maintenance company, giving a 'new life' to hardware components.



KAIZEN IMPROVEMENT PROPOSALS

We digitised Kaizen improvement proposals, reducing the amount of paper used and the time needed to collect proposals from multiple locations at each branch and aggregate them into digital form.



DATA CENTER FACILITIES

In 2023, we upgraded two Data Centers, replacing the entire server and network infrastructure and reducing the number of rack cabinets in each location by 23%. This reduced the need for room cooling and electricity consumption by nearly 40%, while increasing the efficiency and availability of the entire environment.

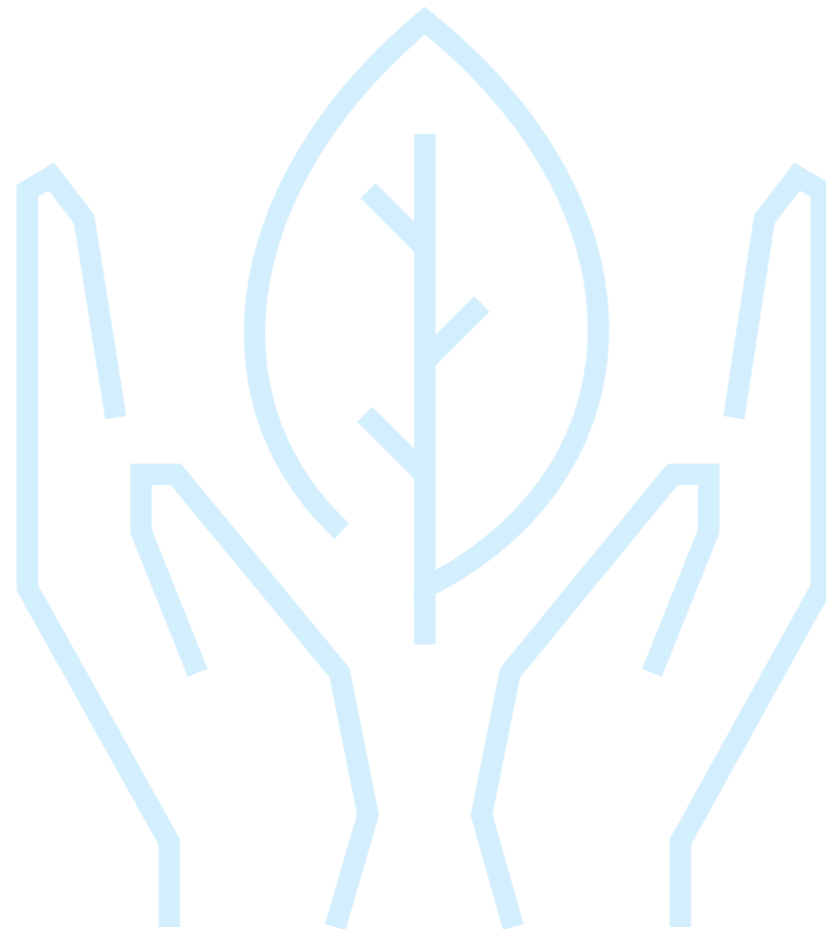


Waste management

Rational waste management is among key objectives of the Grenevia Group’s manufacturing companies.

IT PRIMARILY INVOLVES THE FOLLOWING MEASURES:

- Improving waste management.
- Rational management of packaging.
- Use of recyclable materials.
- Optimising the use of raw materials.



In order to control waste generation in the FAMUR segment, we introduced rotational use of wiping cloths based on a closed-loop system, which allowed us to reduce the volume of hazardous waste transferred for disposal.

In 2023, Grenevia SA’s plants received the Cleaner Production Certificate, thereby joining the group of signatories of the UNEP International Declaration

of Cleaner Production. Cleaner Production (CP) is an environmental protection strategy that places emphasis on reducing pollution or waste ‘at the source’, that is at the point of generation in the production process.

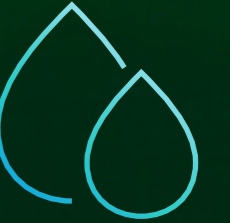
In 2023, the Grenevia Group generated 8,039 Mg of waste, down by 2% on 2022.

Waste (Mg)	Grenevia Group	
	2023	2022
Hazardous waste	323	202
Recycling	120	16
Reuse	—	—
Other recovery operations	120	103
Landfilling	—	—
Incineration	41	83
Other disposal operations	42	—
Non-hazardous waste	7,716	8,192
Recycling	1,405	948
Reuse	3	—
Other recovery operations	5,880	6,170
Landfilling	227	664
Incineration	200	27
Other disposal operations	1	180
Total waste	8,039	8,192

WASTE GENERATED BY GRENEVIA GROUP IN 2023



Water consumption



Water consumption (m ³)	Grenevia Group	
	2023	2022
Water purchased	30,265	28,093
Water from own intakes	—	—
Total water consumption	30,265	28,093

The volume of process water consumed by the FAMUR segment is negligible.

The technological processes of the PV and E-mobility segments do not require large amounts of water as neither the solar PV panels nor battery cells are manufactured at the Grenevia Group.

Water is used for sanitation purposes.

The Grenevia Group seeks to ensure rational use of water in its operations. In 2023, the Grenevia Group used 30,265 m³ of water, up by nearly 8% on 2022.

Avoiding GHG emissions

The development of our new segments supporting energy transition will at the same time contribute to avoiding greenhouse gas emissions

An estimated 2.3 million tonnes of CO₂ will be avoided by 2030 as the PV and E-mobility segments grow and upscale their operations.

At the end of December 2023, our portfolio included approximately 210 MW of PV farms connected to the grid, 85 MW of projects under construction, and approximately 154 MW of projects in the pipeline. The entire project portfolio at the end of 2023 exceeded approximately 4.7 GW, with 221 thousand tonnes of CO₂ emissions avoided cumulatively for 2022–2023.

Impact Clean Power Technology SA, which forms the E-mobility segment, plays a significant role in reducing greenhouse gas emissions by deploying innovative battery system solutions. Focusing mainly on sectors such as bus, rail and specialised transport, as well as stationary energy storage systems, the company actively contributes to their green transition. In 2023, approximately 31,000 tonnes of CO₂ emissions were avoided, With a total of 33,000 tonnes of CO₂ emissions eliminated for the period from 1 November 2022 to 31 December 2023.

In order to increase its manufacturing capacity and in keeping with the sustainable development and carbon footprint reduction strategy, the company decided to relocate. With the transfer to GigafactoryX, its manufacturing capacity has increased severalfold. This infrastructural transition has allowed the company to respond to the ever-growing demand for green solutions in the e-mobility sector.

The relocation to GigafactoryX is a major step towards achieving the company's long-term sustainability goals and augmenting its position in the market of green energy solutions. With the new production floor, the company is not only able to expand its manufacturing capacity but also to step up its research into and development of innovative technologies, further accelerating the adoption of green solutions in the e-mobility sector.



WE AVOIDED

254

thousand tonnes
of emissions

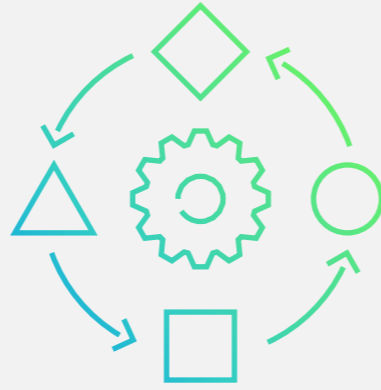


TOTAL CO₂ EMISSIONS AVOIDED THROUGH THE DEVELOPMENT AND EXPANSION OF THE PV AND E-MOBILITY OPERATIONS IN 2022 AND 2023.



We implement the principles of circular economy

Innovative approach to recycling in the e-mobility sector.



CIRCULAR ECONOMY

We strongly believe in the pivotal role of circular economy in the context of burgeoning electric mobility as a key element of our sustainability strategy. Therefore, Impact Clean Power Technology SA has partnered with Elemental Strategy Metals Sp. z o.o., a leader in the recycling of LTO, LFP, NMC, and other battery types, to support our efforts in promoting circular economy in the e-mobility sector. This collaboration will facilitate a more efficient use of resources, helping us reduce the squandering of materials and the volume of waste generated in the battery recycling process. This is important both in terms of environmental protection and rising demand for environmentally friendly solutions in the e-mobility sector. The entire process of recovering

components, including rare earth metals, will take place within the European Union, a shift away from the earlier global trends of selling black mass to the Asian market. Through this partnership, we not only pursue our own sustainability objectives, but also inspire others to take similar action as part of a circular economy agenda. We are confident that the steps we are taking will contribute to continued development of environmentally friendly solutions for electric mobility and will raise public awareness about the importance of recycling and efficient resource use.

FAMUR MANUFACTURES ITS PRODUCTS LARGELY IN A CLOSED-LOOP SYSTEM

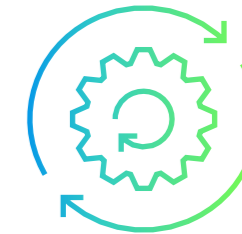
For many years, we have strived to maintain closed-loop production for solutions used in the mining industry. We evaluate the usability and reusability of every piece of equipment removed from service that we receive, and we design machinery parts, components and assemblies for future reuse based on pre-planned reconditioning processes and material recovery methods. Every piece of equipment we receive for overhaul is disassembled into parts, which are cleaned and evaluated to determine the degree of their wear and tear and capability of being reconditioned. Our reconditioning technologies allow us to restore the technical qualities of such parts and reuse them in machinery without any loss of performance. Our reconditioned machinery meets all the requirements applicable to brand new machinery and has the same technical parameters.

Restoring machinery to its peak working condition through reconditioning significantly reduces costs, minimises the utilisation of new parts, and decreases the demand for energy and materials required for their production.

In keeping with the development of the wind power segment, we have initiated a process of purchasing various types of damaged wind turbine gearboxes from the market, which are then refurbished at our facilities and restored to full working order.

After passing technical inspections and full load testing, the gearboxes are ready for resale. Through this service, we prevent the scrapping of gearboxes and reintroduce refurbished equipment to the market. The process started in 2023, and the first refurbished gearboxes will be available for sale in mid-2024.

Through reconditioning processes, we give the FAMUR segment's products



a second life

ADDITIONALLY

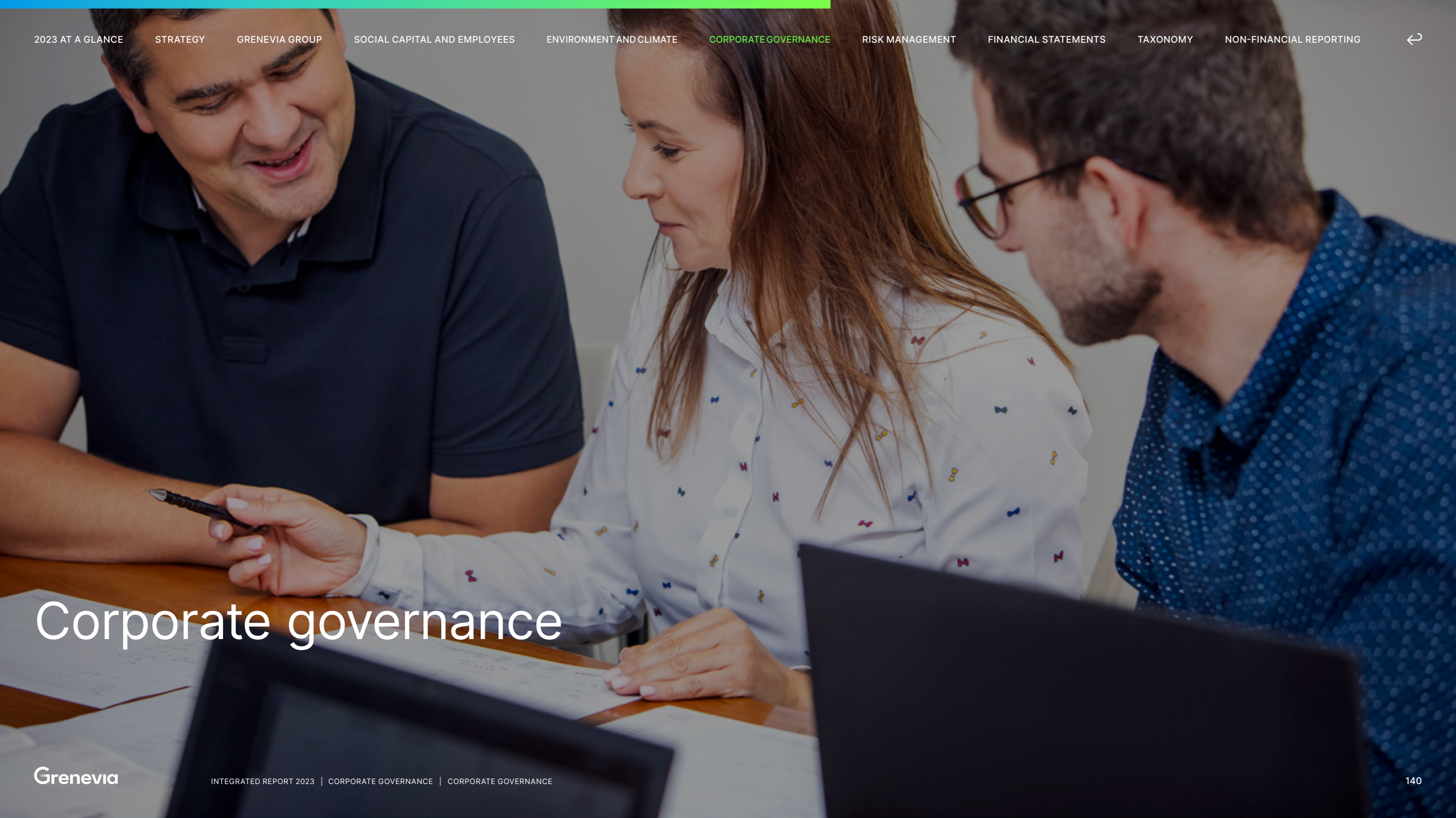
- We help to protect the environment by lowering demand for virgin materials, reducing waste and lowering greenhouse gas emissions.
- We support our customers by lowering refurbishment costs, extending the product life cycle and facilitating machinery upgrades.
- We are satisfied that our efforts contribute to saving natural resources and protecting the environment.



Corporate governance

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Corporate governance



Our priority is to establish an effective structure

We consider sustainability an integral part of decision making at the Grenevia Group.

Corporate governance sets standards of transparency and accountability in day-to-day management. Through open communication with our stakeholders, the Grenevia Group lays the groundwork for reliable ESG reporting, which contributes to building trust. This helps us ensure compliance with the growing number of legal regulations and standards applying to sustainable development. Effective risk management allows us to identify, measure, and monitor ESG risks, and then take appropriate mitigation measures. In 2023, we engaged in a number of activities to implement dedicated operational processes and set responsibilities for ESG management. Aware that a unified compliance standard is fundamental to effective compliance management and delivery of sustainability objectives, we updated and implemented appropriate policies and procedures.

The application of ESG compliance procedures allows the Grenevia Group to effectively manage our compliance with sustainability requirements, minimise risks, and foster trust both among stakeholders and market participants. Our priority is to establish an effective structure with an appropriately embedded system of control over our operations and compliance risk management. We fully engage our management staff at various levels in all aspects of the due diligence process, and through informed integration with the organisation's internal culture we can effectively manage change and build trust among employees, business partners, and other stakeholders. We are well aware that an effective governance framework and transparency can enhance the Grenevia Group's value not only through financial performance but also our reputation, social

responsibility, and ability to effectively manage sustainability aspects of our business operations. We foster a culture of integrity embodied in our internal regulations that apply to all employees regardless of their position. Training is vital to us in promoting a culture of integrity and ethical conduct. We launch training programmes to raise employee awareness of desired behaviour and strengthen their understanding of material topics. Training is tailored to meet the specific needs of individual organisational units and to propose the best course of action to take in response to various situations. In 2023, we introduced pay-based incentive mechanisms linked directly to our sustainability objectives, including the ambitions set out in the Grenevia Group's Sustainability Strategy, for the executives and managers at Grenevia SA and at the portfolio companies.





Anti-corruption

The Grenevia Group maintains its unwavering commitment to zero tolerance for corruption.

Corruption entails huge financial and reputational risks for an organisation. The Group companies have in place appropriate policies to eliminate corruption and improve detection of corrupt practices. The Group's policies provide detailed descriptions of corrupt behaviour and set out the rules for accepting and presenting business gifts and dealing with public officials. They also provide guidance on how to handle difficult situations and indicate persons who can help to solve them.

All employees across all levels and positions are required to comply with these documents. Our overriding goal is to build trust and promote ethical conduct among our employees, independent contractors, and business partners. We are taking numerous measures to maximise security by preventing and detecting incidents of corruption

and by running awareness-raising and educational projects – a uniform system for reporting violations is being implemented across the Grenevia Group. Employees who are most at risk of corruption in their work undergo job-specific and risk-specific training. The requirements stipulated by our compliance programme (including risk identification, training, standardisation of procedures, audits, reporting and monitoring) are now being implemented at our portfolio companies. Our Group-wide competence-building programmes seek to improve efficiency while protecting shareholders' interests and mitigating risks.



NO INCIDENTS OF CORRUPTION WERE RECORDED AT THE GRENEVIA GROUP IN THE REPORTING PERIOD

Zero tolerance for corruption

Preventing conflicts of interest



Transparency as an integral part of business.

TRANSPARENCY

Recognising that conflicts of interest can adversely affect our business, we are committed to transparency in everything we do. As conflicts of interest can directly or indirectly influence decisions of Grenevia Group employees, early identification and management of conflicts of interest is critical. We will not accept a situation where a person uses its position to further their own private interests to the detriment of the organisation or its employees and business partners. Although we respect the right to privacy and personal interests, we take prevention of conflicts of interest very seriously, and we constantly monitor the situation to ensure all activities undertaken within the organisation are transparent. There are relevant policies and procedures in place at the

Grenevia Group, and Grenevia Group companies take concrete measures to eliminate any potential conflicts of interest.

PERSONAL DATA AND SECURITY OF INFORMATION ACROSS THE ORGANISATION

Personal data and trade secrets, as protected information subject to specific restrictions, are important assets of the Grenevia Group. Ensuring the security of these assets is essential to delivering the Group's objectives, enabling the execution of key processes, maintaining business continuity, minimising financial losses, increasing the organisation's resilience to reputational risks, protecting intellectual property rights, and maintaining trust with our customers and partners. This is also



necessary to ensure compliance with applicable legal requirements, in particular Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (GDPR), the Polish Personal Data Protection Act of 10 May 2018, and the Polish Fair Trading Act of 16 April 1993.

Grenevia SA and its segments have implemented the Personal Data Protection Policy along with appendices in the form of procedures. The Personal Data Protection Policy applies to all personal data processed across the Grenevia Group, including the personal data of our employees, independent contractors, trading partners, employees of trading partners, and customers. The methods for securing information processed in IT systems and otherwise recorded on data carriers, including paper and electronic media, as well as the tools used for this purpose, are based on a risk analysis.

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Risk estimation allows us to identify threats to the processing of personal data and trade secrets, assess our vulnerability to such threats, and the likelihood of their materialisation. It then enables us to determine appropriate management, organisational, technical and technological mechanisms aimed at minimising the identified risks. To that end, the Grenevia Group has implemented information security instructions. When introducing new IT processes and tools, DPIA (Data Protection Impact Assessment) and risk analyses are carried out in accordance with the privacy-by-design principle. The obligation to protect personal data processed at the Grenevia Group and to comply with the Personal Data Protection Policy applies to anyone who has access to processed personal data, regardless of their position, place of work, or type of employment relationship.

Any person with access to personal data will process it solely under a relevant data processing authorisation granted to them. In order to raise employee awareness, regular training on personal data protection is provided, supported by engaging presentations as part of the internal

communication process. Additionally, ongoing training sessions are provided to new hires and independent contractors. A Data Protection Officer has been appointed at the Grenevia Group and notified to the President of the Personal Data Protection Office, the competent data protection authority in Poland. The Data Protection Officer is responsible for monitoring compliance with the GDPR and the information security procedures and instructions in place. The Data Protection Officer unit includes Personal Data Protection

Coordinators. The documents governing information security are updated to ensure ongoing compliance with personal data protection and information security regulations and rules. The Grenevia Group keeps a record of personal data security incidents. In 2023, four information security incidents were recorded, but they were not classified as personal data breaches. Consequently, there was no need to report them to the Personal Data Protection Office in accordance with Article 33 of the GDPR. The incidents

were assessed by a committee consisting of the Data Protection Officer, the IT Team, and the Legal Counsel. Any reported information security incidents, including those involving personal data, trigger corrective and preventive measures.

To monitor compliance with the GDPR, trade secrets, and the implemented security measures, annual compliance audits of personal data processing are conducted.



Responsibility in the supply chain

By the end of 2025, relationships with 70% of the Grenevia Group’s key suppliers will be based on the principles set out in the Grenevia Group’s Supplier Sustainability Code.

We will strive to ensure that our local suppliers and partners in Poland take part in sustainable development information efforts undertaken by the Grenevia Group.

In 2023, the Grenevia Group business segments had business relationships with approximately 6,200 suppliers, most of them based in Poland (about 94%) and other European countries. A large share of purchases in the PV and E-mobility segments were made in Asia.

We make every effort to promote respect for human rights in relations with our business partners through an open dialogue. Our business success is never at the expense of product quality or our ethical standards. Our business dealings are based on honesty, integrity, trust, and responsibility. We comply with all applicable anti-corruption laws in the countries where we operate. Our business relationships are underpinned by respect for

fair competition, trade secrets, and intellectual property. We protect personal data and promote mechanisms preventing conflicts of interest. We expect our suppliers to respect and comply with the standards and principles we adhere to. We want to work with partners who understand our values, follow the rules of fair collaboration, and are committed to mutual respect and transparency. The Grenevia Group implements the Code of Conduct for business partners, a binding standard that promotes responsibility among our external stakeholders and encourages good practices among our suppliers. Compliance with the Code is an obligatory criterion to be met by prospective trade partners. Also, Grenevia Group companies manage supplier relationships using

approved supplier lists to prevent purchases from random unapproved suppliers. Suppliers are vetted in accordance with applicable internal procedures, taking into account the business profiles of individual companies. Self-assessments and audits are also carried out.

Our suppliers are expected to operate sustainably, particularly when it comes to using natural resources, respecting human rights and minimising adverse impacts along their own value chains. Suppliers should be aware of growing customer expectations around sustainability and carbon footprint of products and services, employee safety, and community engagement.

A close dialogue with suppliers facilitates building stable partnerships and contributes to achieving long-term goals set in our **2023–2030 Sustainability Strategy**.

Our course of action towards a sustainable value chain is expected to minimise adverse environmental and social impacts, create value for the Grenevia Group, and sharpen our competitive edge through proper ESG risk management.

Whistleblowing



COMPLIANCE ACROSS THE BOARD

To ensure compliance with applicable laws and internal standards of conduct, the Grenevia Group companies have put whistleblowing procedures in place, as well as a dedicated IT system implemented in 2023. The system features specific functionalities, including the option to submit reports via a web browser, communicate with the whistleblower (anonymously or otherwise), and make audio recordings.

Our efforts in 2023 sought to enhance our compliance management system and fulfil our obligations under Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of EU laws.

All reports are reviewed and investigated in accordance with relevant procedures.

Investigations are strictly confidential, with protection afforded to the whistleblower and all persons involved in a case.



Greenevia

Corporate governance at Greenevia SA



Shareholding structure

Shareholders holding directly or indirectly (through subsidiaries) 5% or more of total voting rights at the General Meeting of Grenevia SA as at the issue date of this full-year report and changes in the shareholding structure after the issue of the previous interim report.



Members of the management or supervisory personnel holding Grenevia SA shares or rights to Grenevia SA shares, and changes in their holdings after the issue of the previous report, according to Grenevia SA's knowledge

According to the Company's knowledge, no Grenevia shares were held by the Company's management or supervisory personnel as at 31 December 2023 or as at the issue date of the Directors' Report on the operations of Grenevia SA and the Grenevia Group for 2023 (22 April 2023), with the proviso that during the reporting period and as at the issue date of the Directors' Report, a majority interest in the Company was held by Tomasz Domogała (indirectly, through TDJ SA's subsidiary TDJ Equity I Sp. z o.o.), remaining a major shareholder in Grenevia SA.

To the best of Grenevia Management Board's knowledge, and based on data from the most recent Annual General Meeting of 27 June 2023 (see Current Report No. 17/2023 of 27 June 2023), the shareholding structure of Grenevia SA as at the issue date of the annual report for 2023 was as follows:

Shareholder	Number of shares held	Number of voting rights	Equity interest
TDJ Equity I sp. z o.o.	290,728,459	290,728,459	50.59%
Nationale-Nederlanden OFE ¹	57,468,000	57,468,000	10.00%
Allianz OFE ²	55,513,805	55,513,805	9.66%
Grenevia SA ³	4,116	4,116	0.00%
Other shareholders ⁴	170,966,293	170,966,293	29.75%
Total	574,680,673	574,680,673	100%

SHAREHOLDING STRUCTURE OF GRENEVIA SA

- 1 Aggregate value for accounts of OFE and DFE funds managed by NN PTE.
- 2 Aggregate value for accounts of OFE funds managed by Allianz PTE.
- 3 Held indirectly through the subsidiary FAMUR Finance Sp. z o.o.
- 4 Total other shareholders holding less than 5% of total voting rights.

In the period between the date of issue of the most recent interim report for the nine months ended 30 September 2023 and the date of issue of the annual report, there were no changes in the Grenevia SA shareholding structure.



Significant holdings and special control rights



For details of the shareholding structure as at 31 December 2023 and as at the date of the most recent Annual General Meeting of the Company, see the 'Shareholding structure' section. There are no securities conferring any special control rights in the Company.

Also, the Management Board is not aware of any restrictions on the transferability of Company shares or of any agreements that could lead to future changes in the shareholding structure.

Operation and key powers of the General Meeting; shareholder rights and how they are exercised

The General Meeting of Grenevia SA operates in accordance with the Rules of Procedure for the General Meeting, the Company’s Articles of Association, and the Commercial Companies Code.

POWERS

Apart from other matters provided for in relevant laws, the key powers of the general meeting include

- ① Appointment and removal from office of supervisory board members
- ② Determination of the rules of remuneration of supervisory board members
- ③ Determination of the amounts of remuneration for the supervisory board members delegated to individually perform certain supervisory functions on a permanent basis.

GENERAL MEETING

The general meeting of a public company is convened by publishing a relevant notice on the company’s website and in the manner required for the publication of current information pursuant to the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

Such notice should be published at least twenty-six days prior to the date of the general meeting.

A notice of a public company’s general meeting should include as a minimum:

1. The date, time and place of the general meeting and a detailed agenda for the meeting.
2. Precise description of procedures for participating in the general meeting and exercising voting rights, including in particular information on:
 - a. a shareholder’s right to request that certain items be placed on the agenda of the general meeting
 - b. a shareholder’s right to propose draft resolutions on matters which have been placed or are to be placed on the agenda prior to the general meeting
 - c. a shareholder’s right to propose draft resolutions on matters which have been placed on the agenda during the general meeting

- d. voting through a proxy, including information on the proxy voting forms, and the manner of notifying the company of appointment of a proxy using electronic means of communication
- e. the possibility and manner of participation in the general meeting using electronic means of communication
- f. information on how to take the floor at the general meeting using electronic communication means
- g. voting by postal ballot or by using electronic means of communication
- h. a shareholder’s right to ask questions concerning items placed on the agenda of the general meeting.

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3. The record date for participation in the general meeting referred to in Art. 406¹ of the Commercial Companies Code.
4. Information that only persons being the company's shareholders as at the record date for participation in the general meeting may attend the meeting.
5. Information on where and how a person entitled to attend the general meeting may access a complete set of documents to be presented

- to the meeting, as well as draft resolutions or, if no resolutions are to be voted on, comments from the management board or the supervisory board on matters which have been placed on the agenda or are to be placed on the agenda before the date of the meeting.
6. Address of the website on which information on the meeting will be made available.



Only persons who are company shareholders six-teen days prior to the date of the general meeting (the record date for participation in the general meeting) have the right to attend the meeting. The record date for participation in the general meeting is the same for holders of rights attached to bearer shares and registered shares.

The chair's role is to open and chair the general meeting, and to ensure that the meeting proceeds smoothly and that the rights and interests of all the shareholders are respected. After

presentation of each item on the agenda by a rap-porteur, the chair of the general meeting opens the discussion. More than one agenda item may be discussed at the same time. Participants take the floor in the order in which they requested to speak. The general meeting may only pass resolutions concerning matters on its agenda.

One share carries the right to one vote at the general meeting. A shareholder may vote each of their shares in a different manner. A shareholder has the right to vote on each proposal once.

Resolutions of the general meeting are passed with an absolute majority of votes, unless the company's Articles of Association or the Commercial Companies Code provide otherwise. Resolutions are voted on in an open ballot. A secret ballot is ordered in the case of voting on appointment or removal from office of members of the company's governing bodies or its liquidators, on bringing somebody to account and on personnel matters.

The chair of the general meeting announces the results of a vote, which are then recorded in the minutes of the meeting. The minutes of the general meeting are drawn up by a notary public. Shareholders and members of the company's governing bodies have the right to review the minutes of general meetings and to request to be issued their copies certified as true by the management board.

Amendments to the articles of association

Any amendment to the company's articles of association requires a resolution by the general meeting and must be entered in the National Court Register.

NOTICE

An amendment to the articles of association must be submitted by the management board to the registry court within three months from the date on which the general meeting passed the resolution introducing the amendment, subject to Art. 431.4 and Art. 455.5 of the Commercial Companies Code. The general meeting may authorise the supervisory board to prepare a consolidated text of the amended articles of association or to make other editorial changes to the articles of association as specified in the general meeting's resolution.

ON 3 APRIL 2023,

the District Court of Katowice-Wschód in Katowice, 8th Commercial Division of the National Court Register, registered the amendments to the Company's Articles of Association made pursuant to Resolution No. 2 of the Extraordinary General Meeting of the Company held on 16 February 2023, under which the Company's business name was changed from FAMUR Spółka Akcyjna to Grenevia Spółka Akcyjna. The Company may use the abbreviated name of Grenevia SA. Art. 1 of the Company's Articles of Association was amended.

! Consolidated text of the Articles of Association is available on the Company's corporate website at https://grenevia.com/lad_korporacyjny/



Composition of the Management and Supervisory Boards



Management Board of Grenevia SA



Beata Zawiszowska

PRESIDENT OF THE MANAGEMENT BOARD

She has worked for the Grenevia Group since 2002.

From 2005 to 30 June 2023, she served as Vice President of the Management Board of GRENEVIA SA (formerly FAMUR SA).

In that capacity she was responsible for the Group's finance function, including securing financing for the Group's operations.

COMPOSITION OF THE MANAGEMENT BOARD AS AT 31 DECEMBER 2023 AND AS AT THE ISSUE DATE OF THIS REPORT



Changes on the Management Board in 2023

COMPOSITION OF THE MANAGEMENT BOARD AS AT 31 DECEMBER 2023 AND AS AT THE ISSUE DATE OF THIS REPORT

On 29 May 2023, the following persons submitted reasoned letters of resignation from their respective positions on the Management Board, effective from the end of day on 30 June 2023:

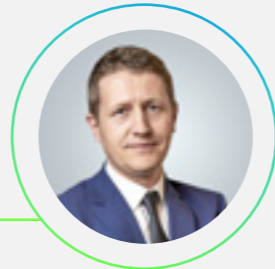
Mirosława Bendzerę

PRESIDENT OF THE MANAGEMENT BOARD



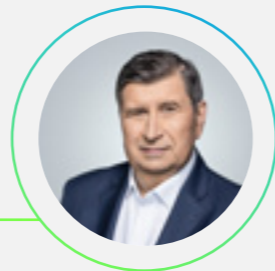
Dawida Gruszczyka

VICE PRESIDENT OF THE MANAGEMENT BOARD, SALES



Tomasza Jakubowskiego

VICE PRESIDENT OF THE MANAGEMENT BOARD,
CHIEF OPERATING OFFICER, UNDERGROUND



Citing reasons for their resignations, these persons referred directly to their planned assumption of duties on the Management Board of the newly established subsidiary of Grenevia SA – FAMUR SA, whose principal activity consists in the day-to-day management and development of the FAMUR segment (solutions for the mining and wind power sectors). On 29 May 2023, the Supervisory Board of Grenevia passed a resolution to appoint Beata Zawiszowska as President of the Management Board of Grenevia SA, with effect from 1 July 2023.

These changes aimed at streamlining the Group’s organisational structure and served to enable the said managers to focus on upscaling and diversifying one of the business areas strategic to the Group’s further growth, namely the FAMUR segment.

They also aligned with the new strategic directions of Grenevia SA as announced in May 2021, which aimed primarily at transforming the Group into a holding organisation that invests in green transition projects. Following these changes, which streamlined the Group’s organisational structure, the operations of the holding company Grenevia SA are now based around four business segments (PV, E-mobility, Power Engineering, and FAMUR). Their growth and day-to-day management are overseen by the management boards of the portfolio companies dedicated to representing each segment.





Supervisory Board of Grenevia SA

COMPOSITION OF THE SUPERVISORY BOARD AS AT 31 DECEMBER 2023 AND AS AT THE ISSUE DATE OF THIS REPORT

Tomasz Domogała

CHAIR OF THE SUPERVISORY BOARD

Jacek Leonkiewicz

MEMBER OF THE SUPERVISORY BOARD

Michał Ciszek

MEMBER OF THE SUPERVISORY BOARD

Robert Rogowski

MEMBER OF THE SUPERVISORY BOARD

Adam Toborek

MEMBER OF THE SUPERVISORY BOARD

Dorota Wyjadłowska*

MEMBER OF THE SUPERVISORY BOARD

Tomasz Kruk*

MEMBER OF THE SUPERVISORY BOARD

* Supervisory Board member meeting statutory independence criteria.

Committees of the Supervisory Board

The committees operating within the Supervisory Board of Grenevia SA since 2018 are the Nomination and Remuneration Committee, Strategy and Investment Committee, and Audit Committee.

The composition of each committee is presented below.

STRATEGY AND INVESTMENT COMMITTEE:

Michał Ciszek
Adam Toborek
Jacek Leonkiewicz

NOMINATION AND REMUNERATION COMMITTEE:

Michał Ciszek
Adam Toborek
Jacek Leonkiewicz

AUDIT COMMITTEE:

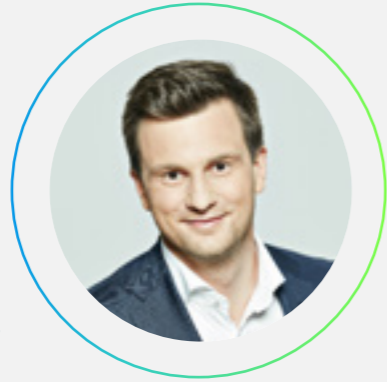
Tomasz Kruk, PRZEWODNICZĄCY KOMITETU AUDYTU
Dorota Wyjadłowska
Jacek Leonkiewicz

INDEPENDENT SUPERVISORY BOARD

MEMBERS:
Tomasz Kruk
Dorota Wyjadłowska

Tomasz Domogała

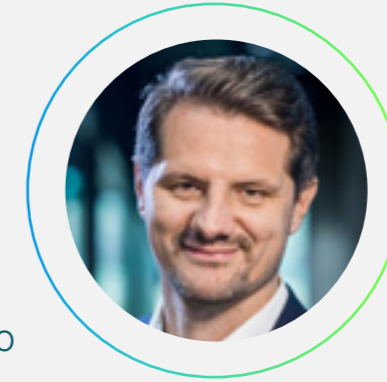
He holds a master's degree from the University of Economics in Katowice, He is a graduate of the AGH University of Science and Technology of Kraków (with an M.Sc.Eng. degree from the Faculty of Mechanical Engineering and Robotics) and the University of Loughborough, UK (Faculty of Mechanical and Manufacturing Engineering). He holds an MBA from the Stanford Graduate School of Business, US. Tomasz Domogała holds indirectly a controlling interest in Grenevia SA.



He served on the supervisory boards of Teamtechnik Production Technology Sp. z o.o., FAMAK SA, FPM SA, PGO SA, ZAMET SA, Narzędzia i Urządzenia Wiertnicze GLINIK Sp. z o.o., PRIMETECH SA, Fabryka Maszyn GLINIK SA, PME SA, Odlewnia Żeliwa Śrem SA, Zamet-Budowa Maszyn SA, Pioma Odlewnia Sp. z o.o., and Gerlach SA. Since 2010, he has sat on the Supervisory Board of TDJ SA of Katowice. His service on the Company's Supervisory Board started in 2004

Jacek Leonkiewicz

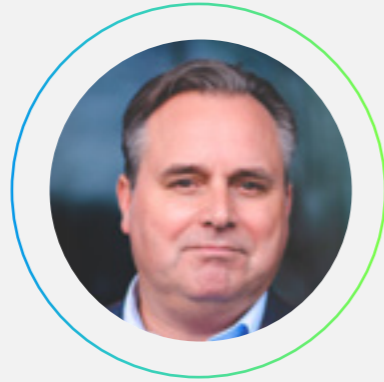
He is a graduate of the Warsaw School of Economics and holds a CEMS Master in International Management. He also studied at Universidad Carlos III of Madrid and Copenhagen Business School. His professional career began with J.P. Morgan investment bank in London, where he worked in the Equity Capital Markets, Debt Capital Markets and Equity Private Placements teams. He was also a member of the Debt Capital Partners team at Merrill Lynch in London. He then worked for PKO TFI, where his role was equity market research, with particular focus on construction, industrial, property development and transport companies. In 2013–2015, he served as Managing Director for Corporate Supervision and Privatisation at PKP SA, where he was responsible for monitoring privatisation processes at the PKP Group. He was responsible for



overseeing the stock exchange debut and facilitating the accelerated book-build process for PKP Cargo. From January 2015 to March 2016 he was CEO of PKP Intercity SA. In 2016–2022, he served as managing partner at TDJ SA, in charge of corporate supervision and investment strategy in the equity area. Since January 2023, he has served as President of TDJ SA Management Board. He served on the Supervisory Boards of Spedkoks, PKP Energetyka, TK Telekom, and PKP Cargo. At present, he is a member of the Supervisory Boards of Sports Resorts Solutions Sp. z o.o., PGO SA, FPM SA, Zamet SA, Narzędzia i Urządzenia Wiertnicze GLINIK Sp. z o.o., TALKIN THINGS Sp. z o.o., TEAMTECHNIK PRODUCTION TECHNOLOGY Sp. z o.o., IMPACT CLEAN POWER TECHNOLOGY SA, EDINA VETCARE GROUP SA, and PROJEKT-SOLARTECHNIK SA.

Adam Toborek

He holds a university degree. He completed the Master of Business Administration programme at the Kozminski University in Warsaw. He has also completed a range of managerial courses in Poland and abroad: Project Portfolio Management – OMEC (2014), Conscious Leadership – MPS (2013), Leadership Training Corporate Management Platform – Ramirent PLC (2010), Young Business Talents – Smithfield (2000), and Cooperative Management – VOCA (1998). He started his professional career in BRADO companies, where he held various roles, including that of President of the Management Board of Z.M. BRADO 2 SA. He also served as President of the Management Board of RODO SRL of Romania and of Lodus Sp. z o.o. He was Head of the Distribution Centre at Animex SA (Smithfield Foods Incorporated), and in 2000–2015 he worked for the RAMIRENT Group of Finland, where he served as Director of the South Region, Vice President of the Management Board of RAMIRENT Scaffolding Sp. z o.o., and Member of the Management Board



of RAMIRENT SA. With NiUW Glinik in 2015–2017, initially as Vice President (in 2015) and then President of that company’s Management Board (from 2016). From 2017, he was Vice President of FAMUR SA’s Longwall Systems Segment, responsible for sales, and from January 2018 – Vice President of the FAMUR SA Management Board; from 1 January 2019 to 21 June 2021, he served as Vice President of the Management Board, Underground Segment Export Sales. Currently, he is a member of the Management Boards of the following companies: PV CZERNIEWICE 1 Sp. z o.o., PV CZERNIEWICE 2 Sp. z o.o., ADVANCED PRODUCTION TECHNOLOGY Sp. z o.o., TDJ Equity I Sp. z o.o., TDJ Equity II Sp. z o.o., TDJ Equity III Sp. z o.o., and TDJ Equity VI Sp. z o.o. He also serves on the Supervisory Boards of Finance PV 1 SA, Elgór+Hansen SA, TEAMTECHNIK PRODUCTION TECHNOLOGY Sp. z o.o., PROJEKT-SOLARTECHNIK SA, ADVANCED PRODUCTION TECHNOLOGY Sp. z o.o., FPM SA, Zamet SA, Narzędzia i Urządzenia Wiertnicze GLINIK Sp. z o.o., and PGO SA.

Robert Rogowski

He graduated from the University of Warmia and Mazury in Olsztyn (Master of Science in Mechanical Engineering) and completed postgraduate studies in business management at the Kotarbiński University of Information Technology and Management in Olsztyn, and Central Europe Trust and The Chartered Association of Certified Accountants (ACCA). Since 1998, he has been working in finance, strategic and operational management, mainly for WSE listed companies. He has held managerial functions at Indykpol SA and Fabryka Mebli Forte SA. From 2014 to his joining the TDJ Group, he was the CFO at Rolmex SA.



He also served as Vice President of Wine Taste Sp. z o.o. and member of the Supervisory Board of Indykpol Brand Sp. z o.o. He has been involved with the TDJ Group since 2017. In 2017 and 2018, he sat on the Supervisory Boards of FAMUR SA and ZAMET SA. Currently, he is a member of the Management Boards of TDJ SA and INVEST TDJ ESTATE Sp. z o.o. He currently serves on the Supervisory Boards of PGO SA, FPM SA, Narzędzia i Urządzenia Wiertnicze GLINIK Sp. z o.o., TEAMTECHNIK PRODUCTION TECHNOLOGY Sp. z o.o., and PME SA. He is a member of the Management Board of TDJ ESTATE Sp. z o.o. and INVEST TDJ ESTATE p. z o.o.



Michał Cizek

He studied at the Faculty of Historical and Pedagogical Sciences at the University of Wrocław. He is a psychologist and holds an MBA degree from Kozminski University. He also studied at the Kellogg School of Management at Northwestern University. His professional career began in 2003, at the HR Department of Kredyt Bank. In 2005, he became a manager at the HR Department of FM Logistic Poland. In 2007, he became HR and Administration Director at Eurocash Group. In 2012, he was HR Director and Project Management Office Director at Lekkerland Poland. He then joined Circle K, where he served as Senior



Director – Staff Functions until 2015. Later, as Director Retail – Sales & Operations, he was responsible for the Eastern Poland region. He served as Circle K Poland’s CEO and managing director between 2017 and 2023. He currently serves on the supervisory boards of EDINA VETCARE GROUP SA, IMPACT CLEAN POWER TECHNOLOGY SA, TEAMTECHNIK PRODUCTION TECHNOLOGY Sp. z o.o., Elgór+Hansen SA, FAMUR SA, PGO SA, FPM SA, Narzędzia i Urządzenia Wiertnicze GLINIK Sp. z o.o., and ZAMET SA. He is a member of the Management Board of TDJ SA and TDJ EQUITY I Sp. z o.o.

Dorota Wyjadłowska

She graduated from the Cracow University of Economics majoring in Finance and completed postgraduate studies in financial and tax law at Warsaw School of Economics as well as in economic law



at the Cracow University of Economics. She passed the state exam for a tax advisor and was entered in the list of tax advisors.

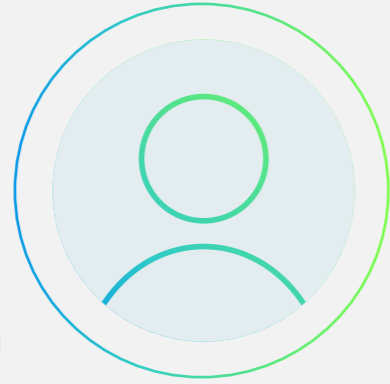
Her professional career is as follows:

- Since 2001: a licensed tax advisor and owner of the tax advisory firm Kancelaria Doradztwa Podatkowego Dorota Wyjadłowska
- Since 2015: Vice President of the Management Board of Longline Sp. z o.o., responsible for Finance and Taxes
- 2004–2011: Majority shareholder and President of the Management Board of Spółka Doradztwa Podatkowego KDT Sp. z o.o.
- 2008–2010: Member of the Management Board, Finance and Taxes, Equus SA.
- 1993–2001: Kraków Tax Chamber, Department of Tax Office Oversight.



Tomasz Kruk

He graduated from the Faculty of Economics and Management of the Lazarski University in Warsaw, with an MA degree in economics (specialisation: strategic management). He studied risk management at the Warsaw School of Economics (Postgraduate Studies in Risk Management at Financial Institutions). In 2006, he became a member of the Institute of Internal Auditors, FL, USA, and in 2008 he was designated as a Certified Internal Auditor (CIA). He is qualified in project management (having passed Prince2 Foundation Examination). A member of the International Compliance Association, he received an ICA International Diploma in Governance, Risk & Compliance. He has over 10 years of experience in compliance audits, internal audits, special audits, advisory audits, litigation advice, risk management, as well as fraud and abuse risk management projects. His project experience spans various sectors, including finance, logistics, transport, real estate management, land surveying and cartography, infrastructure project management, IT and



telecommunications, HORECA/holiday resort management, property development and light industry. He has a long track record of work in management and supervisory positions, including as a member of investment committees.

Tomasz Kruk has completed the following courses and training programmes: Private Equity and Venture Capital (Università Bocconi, 2018), ICA International Diploma in Governance, Risk and Compliance (2017), diploma certifying the passing of the examination for candidates to supervisory boards of state-owned companies (2015), Internal Audit (EY, 2013), Prince2 Foundation Examination (Infovide-Matrix, 2010), Certified Internal Auditor (IIA, 2008), Compliance/AML Workshops (Credit Suisse, 2008), Preparing Financial Statements, Managerial Accounting, Managing People (BPP Professional Education, 2006).

For more than a decade, he has worked directly with the management and supervisory boards of both private and public sector companies, including:

- 2018: Risk Manager, TFI Energia
- 2017–2018: Compliance and Risk Management Manager, PFR Ventures
- 2016: Business and other management consultancy, The Raven Group
- 2016: Management Board Proxy for the pre-pack project, Kopex-Famago
- 2015–2016: Member of the Supervisory Board, Polska Wytwórnia Papierów Wartościowych SA
- 2015: Quality and Operational Risk Officer, Member of the Management Board, PKP Polskie Linie Kolejowe
- 2012–2015: Managing Director for Audit and Control, PKP Group
- 2012–2015: Member of the Board of Investors of Fundusz Własności Pracowniczej PKP (Legg Mason TFI/ING TFI)
- 2008–2012: Compliance and Risk Control Department Director, Internal Auditor, PKO TFI
- 2006–2008: Director – Compliance Officer, PZU TFI
- 2003–2005: Compliance & Financial Risk Manager, CA IB Group
- 2001–2005: Compliance Officer, BPH TFI.

! The appointed Supervisory Board members are not engaged in any activities competing with the Company's business and are not partners in any competing partnership under civil law or another type of partnership, or members of the governing bodies of other companies.

None of the persons specified above is entered in the Register of Insolvent Debtors maintained under the National Court Register Act. Dorota Wyjadłowska and Tomasz Kruk meet the statutory independence criteria for a member of the Company's Supervisory Board.

Changes on the Supervisory Board in 2023

On 27 June 2023, pursuant to resolutions of the Annual General Meeting of Grenevia SA, the following persons were appointed as members of the Supervisory Board for the new term of office:

Tomasz Domogała

Jacek Leonkiewicz

Michał Ciszek

Adam Toborek

Dorota Wyjadłowska

Robert Rogowski

Tomasz Kruk

On 27 June 2023, the date of the Annual General Meeting of Grenevia SA, Czesław Kisiel ceased to be a member of the Supervisory Board of Grenevia SA following the expiry of his mandate.

Rules governing appointment, removal and replacement of the Company's Management Board members and the amendment of the Company's Articles of Association; powers of Management Board members

(including the authority to resolve to issue or buy back shares)

Members of the Management Board are appointed and removed by the Supervisory Board. The Management Board consists of one or more members. When appointing members of the Management Board, the Supervisory Board determines their number and defines the function to be performed by a given person on the Management Board. Members of the Management Board are appointed for a joint term of office.

The term of office of the Management Board is three years. A member of the Management Board may at any time resign from his or her position. A resignation should be submitted to the Company in writing.

The Management Board manages the Company's affairs and represents the Company before third parties. Resolutions of the Management Board are passed by an absolute majority of votes. In the case of a voting tie, the President of the Management Board has the casting vote. The President of the Management Board directs the Management Board's work; in particular, the President coordinates, supervises and organises the Management Board members' work and convenes and chairs meetings of the Management Board. In the event of the President's absence, their duties are performed by a Vice President of the Management Board or another Management Board member designated for that purpose by

the President. In accordance with the Company's Articles of Association, the Management Board was authorised to increase the Company's share capital by up to PLN 2,523,491, through the issue of new shares with an aggregate par value of up to PLN 2,523,491, by way of one or more share capital increases within the limit specified above (the authorised share capital). As part of the authorisation to increase the share capital within the authorised capital limit, the Management Board was authorised to issue subscription warrants referred to in Art. 453.2 of the Commercial Companies Code, exercisable by the date of expiry of the authorisation. The Management Board was authorised to increase the share capital

within the period of three years from the date of registration by the competent court of the amendment to the Articles of Association authorising the Management Board to increase the share capital within the authorised capital limit of up to PLN 2,523,491 (the amendment to the Articles of Association was registered on 29 September 2011).

In exercising the authorisation referred to in the preceding sentences, the Management Board has the right to decide independently – except where the provisions of the Commercial Companies

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Code provide otherwise – on all matters related to the share capital increase; in particular the Management Board is entitled to:

- a. carry out the share capital increase within the authorised capital limit through one or more issues and to assign consecutive series designations to those issues
- b. determine the issue price, subject to the Supervisory Board’s approval
- c. with the Supervisory Board’s approval, disapply in whole or in part the existing shareholders’ pre-emptive rights with respect to shares issued within the authorised share capital limit
- d. decide to deliver the shares of a given issue in exchange for a cash contribution, a non-cash contribution or any combination of a cash and non-cash contribution; the delivery of shares in exchange for a non-cash contribution may also be carried out under Art. 447¹ of the Commercial Companies Code, but will in each case require the Supervisory Board’s approval
- e. take steps with a view to registering shares issued within the authorised capital limit with the Central Securities Depository of Poland as well as any other steps necessary to have the shares admitted and introduced to trading on the regulated market operated by the Warsaw Stock Exchange.



The General Meeting authorised the Company’s Management Board to take any steps necessary to have shares issued by the Company within the authorised capital limit listed on the Warsaw Stock Exchange; this authorisation covers in particular:

- f. signing an agreement with the Central Securities Depository of Poland on conversion of shares issued by the Company within the authorised capital limit into book-entry form and their registration in the relevant register
- g. filing of applications or notifications with the competent authorities and institutions in relation to the introduction and admission of shares issued by the Company within the authorised capital limit to trading on the regulated market operated by the Warsaw Stock Exchange.

The Management Board is not authorised to make a decision regarding buy-back of shares.

! The consolidated text of the Rules of Procedure for the Management Board is available on the Company’s website at https://grenevia.com/lad_korporacyjny/

The detailed scope of rights and duties of the Management Board and its operating procedures are defined in the Rules of Procedure for the Management Board. The Rules of Procedure for the Management Board are adopted by the Management Board and approved by the Supervisory Board.

On 23 October 2023, the Company’s Management Board passed a resolution, approved by the Supervisory Board, to amend the Rules of Procedure for the Management Board of Grenevia SA by updating their provisions, which included changing the Company’s business name from Famur SA to Grenevia SA, as well as clarifying the provisions concerning the manner of voting to reflect relevant amendments to the Commercial Companies Code concerning the voting on resolutions and taking minutes of Management Board meetings. A provision allowing Management Board members to sign resolutions with qualified signatures was also added.



Remuneration of management and supervisory personnel

The remuneration policy for members of the Management Board and Supervisory Board of Grenevia SA was approved by the Annual General Meeting of the Company in Resolution No. 23 of 29 June 2020

The remuneration policy sets out the framework for awarding remuneration to members of the Grenevia SA Management Board and Supervisory Board. It forms part of the Company's governance that relies on a corporate culture consisting of a transparent organisational structure, ethical values, personnel competencies and skills, powers and responsibilities, information channels, controls, and a risk management system.

All remuneration paid to Management Board and Supervisory Board members is subject to compliance with the Company's remuneration policy.

For details on remuneration of members of the Management Board and Supervisory Board, see Note 55 to the consolidated financial statements of the Grenevia Group for 2023.

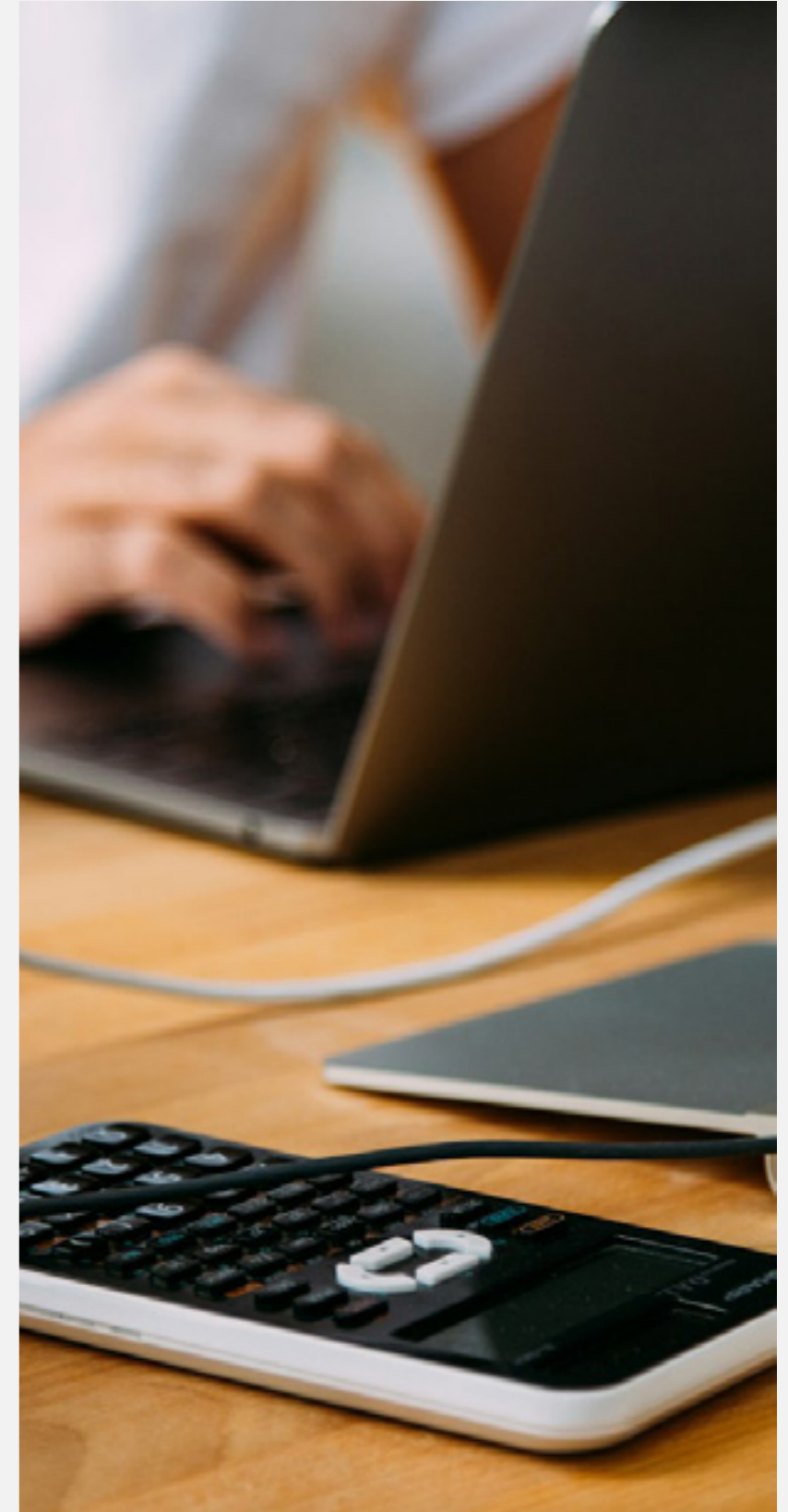
Members of the Company's Management Board are not employed under contracts of employment. They receive remuneration in amounts determined by way of a Supervisory Board resolution. In 2023, the Company did not enter into any non-competition agreements with Management Board members. Pursuant to the remuneration policy

for Management and Supervisory Board members in place at the Company, if a Management Board member is removed during their term of office, or if they resign or are not re-appointed for another term of office, such Management Board member will have the right to receive a severance pay in the following amounts: in the case of the President of the Management Board – from three to six times their fixed gross monthly remuneration, depending on the Supervisory Board's decision; and in the case of other Management Board members: from one to three times their fixed gross monthly remuneration, depending on the Supervisory Board's decision. The Company has no employee stock option scheme in place.

On 27 June 2023, by way of Resolution No. 18, the Annual General Meeting of Grenevia SA gave a positive opinion on the Supervisory Board's Report on the Remuneration of Members of the Management Board and Supervisory Board of Grenevia SA for 2022.

! The full text of the remuneration policy is available on the Company's website at: <https://grenevia.com/general-meetings/zwyczajne-walne-zgromadzenie-akcjonariuszy-zwolane-na-dzien-29-czerwca-2020-r/>

! Resolutions of the Annual General Meeting with appendices are available on the Company's website at <https://grenevia.com/general-meetings/zwyczajne-walne-zgromadzenie-akcjonariuszy-zwolane-na-dzien-22-czerwca-2022-roku/>



Obligations arising under retirement and similar benefits

Grenevia SA does not operate any additional old age and disability pension schemes or early retirement programmes for members of the Management or Supervisory Boards. No remuneration in the form of financial instruments is granted to members of the Management Board and Supervisory Board of Grenevia SA.

The table below presents information on the remuneration of members of the Management Board of the parent paid in the financial year 2023, in accordance with Section 70.7.17 of the Regulation on current and periodic information.

PLN '000 (gross)					
A	B	C	D	E	F
Member of the Management Board	Total remuneration, awards or benefits paid by Grenevia SA in 2023 (remuneration + bonuses)	Separate amounts of bonuses for 2022 paid by Grenevia SA in the financial year 2023 (bonus*)	Separate amounts of bonuses for 2023 paid by Grenevia SA in the financial year 2023 (bonus*)	Total amount of remuneration and awards received for service on governing bodies of subsidiaries***	Total amount of remuneration, awards or benefits paid by Grenevia SA and subordinated entities in 2023**
Mirosław Bendzera	1,367	888	—	19	1386
Beata Zawiszowska	1,714	703	500	177	1891
Dawid Gruszczyk	979	628	36	15	994
Tomasz Jakubowski	981	636	30	15	996
Total	5,041	2,855	566	226	5,267

* The amounts of bonuses shown in columns C and D are a component of the amounts presented in column B (remuneration + bonus).

** The amounts shown in column F are the sum of the amounts shown in columns B and E.

*** Subordinated entities mean subsidiaries, jointly-controlled entities and associates.



Obligations arising under retirement and similar benefits

Members of the Company’s Supervisory Board receive remuneration on the terms and in the amounts set forth in a General Meeting resolution. Pursuant to Resolution No. 19 of the Extraordinary General Meeting of Grenevia SA of 18 October 2017 to determine the terms of remuneration for members of the Supervisory Board of Grenevia SA, members of the FAMUR SA Supervisory Board receive gross monthly remuneration of PLN 500. Members of the Audit Committee of Grenevia SA receive additional gross monthly remuneration of PLN 500.

The table below presents information on the remuneration of members of the Supervisory Board of the parent paid in the financial year 2023, in accordance with Section 70.7.17 of the Regulation on current and periodic information

PLN '000 (gross)					
A	B	C	D	E	F
Supervisory Board member	Total remuneration, awards or benefits paid by Grenevia SA in 2023 (remuneration + bonuses)	Separate amounts of bonuses for 2022 paid by Grenevia SA in the financial year 2023 (bonus*)	Separate amounts of bonuses for 2023 paid by Grenevia SA in the financial year 2023 (bonus*)	Total amount of remuneration and awards received for service on governing bodies of subsidiaries***	Total amount of remuneration, awards or benefits paid by Grenevia SA and subordinated entities in 2023**
Tomasz Domagała	6	—	—	—	6
Czesław Kisiel	3	—	—	—	3
Jacek Leonkiewicz	12	—	—	6	18
Dorota Wyjadłowska	12	—	—	12	24
Tomasz Kruk	12	—	—	12	24
Robert Rogowski	6	—	—	5	11
Michał Ciszek	3	—	—	3	6
Adam Toborek	6	—	—	26	32
Total	60	—	—	64	124

* The amounts of bonuses shown in columns C and D are a component of the amounts presented in column B (remuneration + bonus).

** The amounts shown in column F are the sum of the amounts shown in columns B and E.

*** Subordinated entities mean subsidiaries, jointly-controlled entities and associates.

Diversity policy



Grenevia SA has a diversity policy in place, which requires taking measures to:

PREVENT DISCRIMINATION

based on gender, racial, national or ethnic origin, religion or religious denomination, philosophy of life, degree or type of disability, health, age, psychosexual orientation or gender identity, family status, lifestyle or any other possible discriminatory grounds (policy of equal treatment);

MANAGE DIVERSITY

by developing strategies, policies and programmes that help create a work environment in which each employee can feel appreciated, contributing to the success of the entire Grenevia Group.

IN ADDITION

the diversity policy assumes that in electing members to the Group companies' governing bodies and their key managers, the Grenevia Group seeks to ensure diversity, especially in terms of gender, educational background, age, and professional experience. Qualifications and expertise required to perform a particular function are the key considerations in determining whether a person may take up a particular position.

Description of the internal control system

The key features of the internal control and risk management systems used at the Company in the process of preparing financial statements are as follows:



At the beginning of January 2019 an **Internal Audit Department** was established at the Company.

In June 2023, the Company also created a **Risk Management Department**.

Other than that, the Company did not create any internal audit units, and all internal audit, internal control, risk management and compliance functions were performed within the Internal Audit, Risk Management, Corporate Controlling and Legal Departments.

1. Transactions are carried out on the basis of general or specific authorisations by the management staff (depending on the importance of a document).
2. Documents are checked, accepted and described by persons responsible both for the subject matter they relate to and for the accounting aspects.
3. Each material transaction is duly reviewed by the legal department to ensure that it is properly accounted for in accordance with the accounting and tax laws.
4. Appropriate control procedures put in place by the management are used, including:
 - Checking the correctness of accounting entries by responsible persons.
 - Controlling the computer programs and the IT environment by assigning care of the programs and the IT environment to IT specialists and firms.
 - Maintaining and reviewing subsidiary ledger accounts and statements of ledger transactions and account balances.
 - Approving and verifying documents.
 - Comparing actual performance against targets and analysis of the results.
 - All transactions and other events are promptly recorded in correct amounts, in appropriate accounts and in proper accounting periods so as to enable the preparation of financial statements in accordance with the adopted financial reporting policy.
 - Access to assets and records is only possible with the management's authorisation.
 - Assets disclosed in accounting records are compared against physical assets in line with the provisions of the accounting laws; appropriate measures are taken whenever any discrepancies are found.
 - A uniform accounting policy has been developed for all the Group companies.
 - The accounting policy is updated as needed so that it is always in line with the current accounting laws.



Audit Committee

The Audit Committee is an advisory and opinion giving body, acting collectively within the Supervisory Board and supporting the Supervisory Board, particularly with its recommendations, proposals, opinions and reports.

Its responsibilities include monitoring of the effectiveness of the internal control and risk management systems as well as of the internal audit function, also with respect to financial reporting. Two Audit Committee members meet the independence criteria specified in Art. 129.3 of the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017 (Dz.U. of 2022, item 1302). At least one member of the Audit Committee has knowledge of and skills in accounting or financial statements auditing and at least one member of the Audit Committee has knowledge and skills relevant for the industry in which the Company operates, or the individual members of the Audit

Committee have knowledge and skills relevant for different aspects of that industry.

IN 2023, THE AUDIT COMMITTEE CONSISTED OF

- Tomasz Kruk, Chair of the Audit Committee, meeting the statutory independence criteria,
- Dorota Wyjadłowska, Audit Committee member meeting the statutory independence criteria,
- Jacek Leonkiewicz.

Members of the Supervisory Board and its Committees operate in compliance with the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board published on the Company's website at https://grenevia.com/lad_korporacyjny/, and are required to comply with the corporate governance principles stipulated in the Best Practice for GPW Listed Companies, except for those with respect to which the Company has stated that they are not complied with (in Grenevia SA's statement of compliance with corporate governance standards).

As at 31 December 2023, the Company's statement of compliance with corporate governance standards remained unchanged. On 17 April 2024, the Company updated its statement of compliance with corporate governance standards.

! The full text of the statement is available on the Company's website at https://grenevia.com/lad_korporacyjny/

For details regarding education and professional experience of the persons holding the positions referred to above, see the section on the Supervisory Board and its committees.

Having analysed the practices and procedures set out in Art. 130.1.5–7 of the Act on Statutory Auditors, Audit Firms and Public Oversight, the Audit Committee adopted:

- a policy for selection of an audit firm to perform audits
- the audit firm selection procedure
- a policy for the provision of non-audit services by the audit firm, its affiliates and members of its network.

ADDITIONAL INFORMATION ON THE AUDIT COMMITTEE

No permitted non-audit services were provided to the Company by the firm auditing its financial statements, save for the review of its interim financial statements.

Key points of the Company’s policy for the selection of the audit firm to perform a statutory audit of the Company’s financial statements and a policy for the provision of permitted non-audit services by the audit firm, its affiliates and members of its network are as follows:

1
The internal regulations governing selection and rotation of the audit firm and the lead auditor have been introduced pursuant to the Act on Statutory Auditors and Their Self-Government, Entities Qualified to Audit Financial Statements and Public Oversight of 11 May 2017 (consolidated text of 12 April 2023: Dz.U. of 2023, item 1015).

2
The audit firm is selected in keeping with the principle of audit firm and lead auditor rotation so that the maximum duration of uninterrupted statutory audit engagements with an audit firm, any of its affiliates or members of its network operating

in the territory of the European Union does not exceed five years, and that a lead auditor does not carry out statutory audits of the Company’s financial statements for a period longer than five years (in which case the lead auditor may again carry out statutory audits of the Company’s financial statements after at least three years from the end of the most recent statutory audit).

3
The audit firm is selected by the Company’s Supervisory Board after having considered the Audit Committee’s recommendation.

4
The audit firm is selected sufficiently in advance to enable it to take part in inventory taking of significant assets and a review of interim reports.

5
When selecting the audit firm, the Audit Committee and the Supervisory Board must pay particular attention to ensuring independence of the audit firm and the auditor.

6
The independence of the statutory auditor and the audit firm is verified and monitored at each stage of the selection procedure.

7
The Supervisory Board, during the selection process, and the Audit Committee, when preparing its recommendation, apply in particular the following criteria: the auditor’s confirmed impartiality and independence, price offered by the auditor, the audit firm’s reputation and experience, its human

resources and qualifications and experience of its personnel directly involved in the audit process, the ability to perform an audit within the time frame specified by the Company, and completeness of the service range.

8
The provision of permitted non-audit services is allowed to the extent provided for in Art. 136.2 of the Act on Statutory Auditors, Audit Firms and Public Oversight.

9
The provision of permitted non-audit services is only allowed to the extent they do not relate to the company’s tax policy, after a risk assessment has been performed and independence referred to in Art. 69–73 of the Act on Statutory Auditors, Audit Firms and Public Oversight has been ensured by the Audit Committee.

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10

An agreement for the provision of permitted non-audit services is signed on the initiative of the company's Management Board, subject to the Audit Committee's approval

11

When entering into an agreement for the provision of permitted non-audit services, the company's Management Board must pay particular attention to ensuring the auditor's and audit firm's independence.

12

Permitted non-audit services are performed in compliance with the independence requirements laid down in relevant professional ethics policies and standards of performance of non-audit services.

13

The Audit Committee's recommendation on the selection of the audit firm to audit the Company's and the Group's financial statements meets relevant requirements stipulated in the Polish Accounting Act of 29 September 1994 (Dz.U. of 2023, item 120, as amended), Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, and complies with the adopted policy on selecting the audit firm to perform statutory audits of the Company's financial statements. The recommendation is formulated following the audit firm selection procedure.

Information

on the number of Audit Committee or Supervisory Board meetings or meetings held by any other supervisory or governing body, devoted to the performance of audit committee duties

2023:

- Three meetings of the Audit Committee were held using means of remote communication, with resolutions voted on by written ballot
- The Audit Committee held three votes by written ballot. In addition, the Audit Committee met informally on a working basis, without convening official meetings.

Corporate governance principles applicable to the Company and where they can be accessed by the public

The Company issues current and periodic reports, which are published on its corporate website.

The website also includes key corporate events, financials and news. Following the announcement of the Grenevia Group's Sustainability Strategy in January 2023 and organisational changes within the Group, the statement of compliance with the principles of the Best Practice for GPW Listed Companies was updated by Grenevia SA in April 2024.

The amended text of the document including comments is available on the Warsaw Stock Exchange's official website, in the section devoted to corporate governance at www.gpw.pl/dobre-praktyki2021 and on the Company's website at https://grenevia.com/lad_korporacyjny/

Extent of non-compliance

In the reporting period, the Company did not comply with 12 Best Practice principles:

1.1., 1.2., 1.4.2., 1.6., 2.1., 2.2., 2.7., 2.11.6., 3.7, 4.3., 4.8., 6.3.

Under the WSE Rules, information on the corporate governance principles which the Company does not currently comply with, including the extent of and reasons for non-compliance, was updated on 17 April 2024 in EBI Current Report No. 1/2024, available on the Company's website at https://grenevia.com/lad_korporacyjny/



Information on the corporate governance principles which the Company does not comply with, including the extent of and reasons for such non-compliance in the reporting period

PRINCIPLE	DESCRIPTION
<p>Principle 1.1. was not complied with in 2023.</p>	<p>In accordance with the principle, companies maintain efficient communications with capital market participants and provide fair information about matters that concern them. For that purpose, companies use diverse tools and forms of communication, including in particular the corporate website where they publish all information relevant for investors.</p> <p>The principle is applied to a limited extent. The Company provides information on its website regarding the composition of its Management and Supervisory Boards, key corporate documents such as the Company’s Articles of Association, Rules of Procedure for the General Meeting and the Supervisory and Management Boards. Additionally, it shares policies, best practices and corporate governance standards followed by the Company. The website presents selected financial data, presentations discussing the Company’s published results, strategies, details on changes in the share capital and transactions involving Company shares. The corporate website also includes a calendar of corporate events, such as the release dates for financial reports, along with the Company’s contact details, including a telephone number and email address.</p>
<p>Principle 1.2. was not complied with in 2023.</p>	<p>The principle requires that companies make available their financial results compiled in periodic reports as soon as possible after the end of each reporting period; should that not be feasible for substantial reasons, companies publish at least preliminary financial estimates as soon as possible.</p> <p>The Company indicates that the principle is complied with to a limited extent. The Company does not publish financial forecasts or preliminary financial estimates. It presents its financial results in periodic reports released within the time limits prescribed by law as soon as practicable after the end of each reporting period.</p>
<p>Principle 1.4.2. was not complied with in 2023.</p>	<p>The principle requires that the company should present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.</p> <p>Reason for non-compliance: the Company indicates that the primary criteria for determining the amount of an employee’s remuneration are qualifications, skills, and the depth of expertise required to perform a specific role. Remuneration is determined in compliance with the applicable labour legislation, including the principle of equal pay under Article 18(3c) of the Labour Code, whereby employees are entitled to equal pay for equal work or work of equal value.</p>

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PRINCIPLE	DESCRIPTION
<p>Principle 1.6. was not complied with in 2023.</p>	<p>In accordance with the principle, companies participating in the WIG20, mWIG40 or sWIG80 index hold on a quarterly basis, and other companies hold at least on an annual basis, a meeting with investors to which they invite in particular shareholders, analysts, industry experts and the media. At such meetings, the management board of the company presents and comments on the strategy and its implementation, the financial results of the company and its group, and the key events impacting the business of the company and its group, their results and outlook. At such meetings, the management board of the company publicly provides answers and explanations to questions raised.</p> <p>The Company indicates that the principle is complied with to a limited extent. The Grenevia Group operates as a corporate group, where individual segments maintain a high degree of operational independence. At least once every six months, Grenevia holds conferences at which the Management Board, accompanied by key segment representatives, discusses the Group's and individual segments' financial performance, significant events, and outlook. During these meetings, questions are addressed publicly.</p>
<p>Principle 2.1. was not complied with in 2023.</p>	<p>The principle requires that companies should have in place a diversity policy applicable to the Management Board and the Supervisory Board, approved by the Supervisory Board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.</p> <p>The Company indicates that the principle was complied with to a limited extent. On 18 December 2017, the Management Board of the Company adopted and implemented a diversity policy, which requires that all Grenevia Group companies take measures to prevent any discrimination based on gender, racial, national or ethnic origin, religion or religious denomination, philosophy of life, degree or type of disability, health, age, psychosexual orientation or gender identity, family status, lifestyle or any other possible discriminatory grounds (policy of equal treatment), manage diversity by developing strategies, policies and programmes that help create a work environment in which each employee can feel appreciated, contributing to the success of the entire Grenevia Group. Furthermore, the diversity policy assumes that in electing members to the Group companies' governing bodies and their key managers, the Grenevia Group seeks to ensure diversity, especially in terms of gender, educational background, age, and professional experience. Qualifications and expertise required to perform a particular function are the key considerations in determining whether a person may take up a particular position.</p>
<p>Principle 2.2. was not complied with in 2023.</p>	<p>The principle requires that decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.</p> <p>Reason for non-compliance: The Company indicates that in electing Group companies' directors and other key management personnel, the Company's authorised governing bodies seek to ensure diversity, especially in terms of gender, educational background, age, and professional experience. Qualifications and expertise required to perform a particular function are the key considerations in determining whether a person may take up a particular position. The principle is not applied to the extent that would ensure that the 30% target is met. The composition of the Company's Supervisory Board is the result of decisions made by the General Meeting, while the composition of the Company's Management Board is defined by the Supervisory Board.</p>

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PRINCIPLE	DESCRIPTION
<p>Principle 2.7. was not complied with in 2023.</p>	<p>The principle requires that a company's management board members may sit on corporate bodies of companies other than members of its group subject to the approval of the supervisory board.</p> <p>The Company indicates that the principle was complied with to a limited extent. In accordance with Article 15.2.6 of the Company's Articles of Association, in conjunction with Article 380 of the Commercial Companies Code, the Supervisory Board of the Company must grant prior consent for Management Board members to engage in any business activity that is in competition with those of the Company or to serve in any capacity at its competitors.</p>
<p>Principle 2.11.6. was not complied with in 2023.</p>	<p>The principle requires that in addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once a year. Such report includes at least the following: information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.</p> <p>The Company indicates that the principle is complied with to a limited extent. The reasons for the partial non-compliance are included in the comment on principle 2.1.</p>
<p>Principle 3.7. was not complied with in 2023.</p>	<p>In accordance with the principle, principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.</p> <p>The principle is applied to a limited extent. At the Company, the head of internal audit reports organisationally to the President of the Management Board, and functionally to the Chair of the Audit Committee. However, this standard is not complied with at the Group entities due to the individual assessment of their organisational structure, business processes, and business profiles. At the Group entities, Internal Audit is overseen by the Vice Presidents of the Management Board responsible for Finance.</p>
<p>Principle 4.3. was not complied with in 2023.</p>	<p>The principle requires that companies provide a public real-life broadcast of the general meeting.</p> <p>Reason for non-compliance: the Company indicates that the principle is not complied with for various reasons, including primarily the cost of arranging a real-time broadcast of the General Meeting, the need to ensure the technical safety and legal security of a General Meeting held online, and the Company's shareholding structure.</p>
<p>Principle 4.8. was not complied with in 2023.</p>	<p>The principle requires that draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting.</p> <p>Reason for non-compliance: the Company indicates that it applies the relevant provisions of the Commercial Companies Code in this regard.</p>
<p>Principle 6.3. was not complied with in 2023.</p>	<p>The principle requires that if companies' incentive schemes include a stock option programme for managers, the implementation of the stock option programme should depend on the beneficiaries' achievement, over a period of at least three years, of pre-defined, realistic financial and non-financial targets and sustainable development goals adequate to the company, and the share price or option exercise price for the beneficiaries cannot differ from the value of the shares at the time when such programme was approved.</p> <p>Reason for non-compliance: the Company indicates that currently it does not operate any management stock option scheme. In accordance with the Company's Remuneration Policy, the remuneration of Supervisory Board members is not linked to any options or other derivative instruments or to any other variable components, and neither is it linked to the Company's performance.</p>



Other statements from the Management Board

! For information on the auditor's fees, see Note 56 to the consolidated financial statements of the Grenevia Group for 2023 and Note 45 to the financial statements of Grenevia SA for 2023.

Information on the auditor

The Company's auditor is BDO Spółka z ograniczoną odpowiedzialnością Sp.k. with its registered office at ul. Postępu 12, Warsaw, registered by the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under No. KRS 0000729684, entered in the list of qualified auditors of financial statements maintained by the Polish Agency for Audit Oversight (Polska Agencja Nadzoru Audytowego) under No. 3355.

On 11 July 2022, the Company and BDO Spółka z ograniczoną odpowiedzialnością Sp.k. entered into an agreement for:

- Review of the Grenevia SA's interim separate financial statements and the Grenevia Group's interim consolidated financial statements.
- Audit of Grenevia SA's separate financial statements and the Grenevia Group's consolidated financial statements.
- Assurance engagement with respect to the report on executive compensation for the General Meeting and the Supervisory Board of Grenevia SA.

STATEMENT OF COMPLIANCE WITH APPLICABLE ACCOUNTING POLICIES

The Management Board of Grenevia SA consisting of:

Imię i Nazwisko	Position
Beata Zawiszowska	President of the Management Board

certifies that, to the best of their knowledge, the Grenevia Group's full-year consolidated financial statements, Grenevia SA's full-year separate financial statements and the comparative data have been prepared in compliance with the applicable accounting policies, and give a true, fair and clear view of Grenevia SA's and the Group's assets, their financial condition and results of operations. The Directors' Report gives a fair

view of the development, achievements and position of Grenevia S.A and the Grenevia Group, and describes the key risks and threats.



Risk management

Key risks and threats	178	→
Key risks and mitigation measures	186	→





Key risks and threats

General definition and classification of key risks at the Grenevia Group

The Grenevia Group conducts its business operations both domestically and internationally, navigating a multifaceted and dynamic market landscape where the outcomes of implemented measures remain uncertain, operating amidst risk conditions.

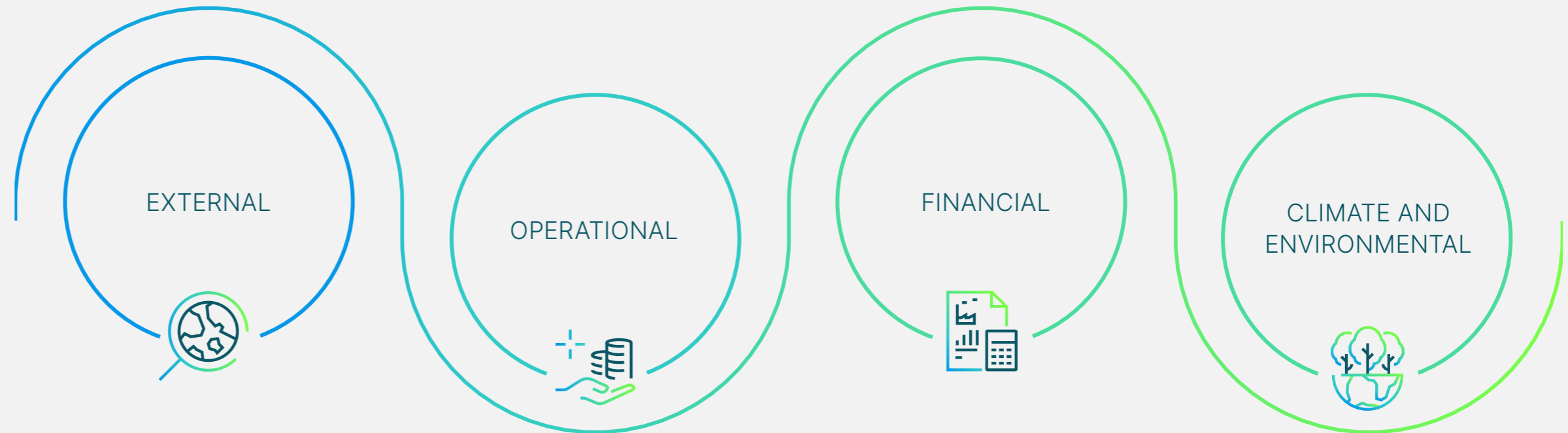
DEFINITION

We define risk as an uncertainty which is inherent in our business and which may result in both opportunities and threats to the achievement of our strategic objectives with an adverse impact on our growth prospects, operating or commercial activities, assets or financial performance.

KEY RISKS

Based on its best knowledge, the Management Board has identified the key risks to the Group and classified them into the following categories:

- **EXTERNAL RISKS**
associated with the Group's socio-economic and legal environment
- **OPERATIONAL RISKS**
risks arising from the Group's business activities
- **FINANCIAL RISKS**
risks associated with price, interest rate or foreign exchange rate movements, the Group's liquidity position, or failure by the Group's trading partners to fulfil their obligations under contracts with the Group
- **CLIMATE AND ENVIRONMENTAL RISKS**
related to the impact of our business on climate and the environment and the impact of climate change and changes in the environment on our business



Risk management process at the Grenevia Group



The Group has a decentralised risk control and management structure in place.

Informed risk management is an essential component of the planning processes designed to minimise the probability of risk materialisation or to bring down risk impacts to levels acceptable to the organisation. The risk management process has been structured in consideration of its continuous nature and potential evolution of the Grenevia Group’s risk exposures over time. The controls in place facilitate the identification of such changes and enable appropriate response. The Group has adopted a decentralised control and risk management structure, where responsibility for identifying key risks, planning mitigation measures, and responding to specific strategic, operational, commercial and financial risks is assigned at the level of individual segments. The risks identified at the segment level are assessed

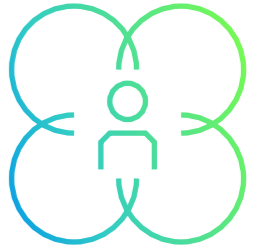
in the context of the strategic and operational objectives. The criteria for risk assessment include financial, organisational, OHS-related and reputational impacts for the organisation, as well as consequences for the environment, employees and members of the communities affected by the Group’s operations. For each of the identified risks, risk handling procedures and mitigation measures are determined. Immediate preventive measures are taken for key high or very high risks. Periodic reviews of risks are conducted to assess their relevance and adequacy within the evolving operating environment of the Grenevia Group. This responsibility falls under the purview of the Risk Manager at the Group level, from the Risk Management Department established in June 2023. A review of the identified risks is discussed

in the Directors’ Reports on the operations of the company and the Group. We engage with a range of stakeholder groups, considering their opinions in ongoing risk identification, assessment, and mitigation activities. The risk assessment takes into account the impact of sustainable development on the organisation, as well as how the organisation’s operations affect society and the environment. In assessing the materiality of a specific risk in terms of the expected magnitude of its negative impact on the Grenevia Group’s business, financial condition, results of operations or prospects, and in terms of the probability of its occurrence, the Group considered a number of factors, including any past occurrence of that risk and its impact, as well as the availability and effectiveness of remedial measures that could mitigate the impact of its materialisation. The assessment was based on the best knowledge available to the Management Board, as well as facts and circumstances known to them at the date of this report. By structuring our risk

management function, we aim to ensure that processes and controls are seamlessly integrated and effectively support the attainment of all strategic and operational business objectives, including specific ESG goals.

Between 1 January and 31 December 2023, 20 internal audits were carried out at the Grenevia Group, during which 64 instances of risk and inefficiency were identified and 73 post-audit recommendations were issued. Below are outlined the Grenevia Group’s key risk factors relating to social, labour, and environmental matters, respect for human rights and anti-corruption, including risks associated with an entity’s products or relationships with trading partners and other external stakeholders (the “ESG risks”). The order of presentation is not in any way indicative of their materiality, likelihood of materialisation, or potential impact on the Grenevia Group’s business.

Risk management objectives



In 2023, Grenevia SA implemented a Risk Management Policy along with a Risk Management Procedure, providing a formal framework for risk management.

THE OBJECTIVES IDENTIFIED BY US, THE ACHIEVEMENT OF WHICH IS SUPPORTED BY THE RISK MANAGEMENT POLICY AND PROCEDURE, ARE AS FOLLOWS:

- optimisation of financial performance, profitability, efficiency, liquidity and solvency, including in particular minimisation of potential losses
- supporting the delivery of the growth strategy and ensuring business continuity
- effective protection of the interests of our stakeholders
- ensuring proper protection of the health and life of employees and associates
- minimising the impact on climate and the environment and contributing to its natural, uninterrupted evolution
- building and promoting a culture of risk awareness and responsibility.

Roles and responsibilities within the Risk Management System

Three lines model

Roles and responsibilities within the risk management system are based on the model of three lines of defence, which involves establishing independent internal functions responsible for different aspects of the risk management process.

Each employee and independent contractor of the Grenevia Group is required to comply with the risk management policy and procedures and to act in accordance with applicable regulations, reporting any identified risk factors or instances of risk materialisation. The heads of organisational units are responsible for implementing and ensuring effective operation of internal controls aimed at maintaining the risk exposure at a level deemed acceptable by the Management Boards

of the companies, and for supervising the effectiveness of such controls.

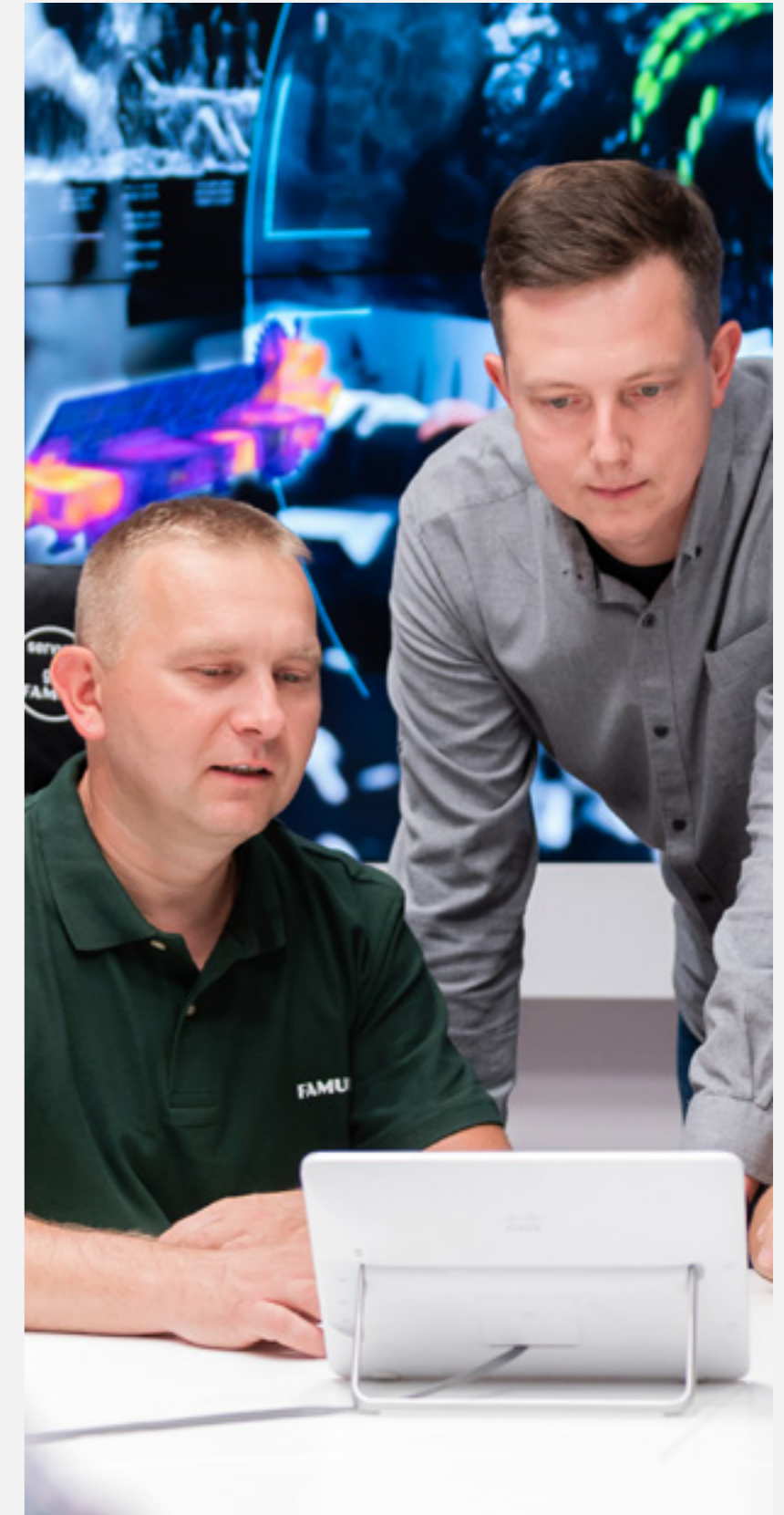
The responsibility for establishing and operating an effective risk management system and for its oversight lies with the Management Board of each company.

The Management Board is supported in achieving this objective by the Risk Management Department at the Group level and by the risk management function, which is responsible for formulating internal guidelines and procedures for risk management, ensuring a consistent and uniform method of risk management across various organisational units, monitoring the levels of risk exposure reported by the heads of organisational



units, as well as for reporting those levels and key risks to the Management Board and Supervisory Board. The risk management function is also tasked with initiating, with the support of other relevant organisational functions, educational activities focused on risk management throughout the organisation.

In fulfilling their responsibilities, the Management Boards of the companies receive support from the internal audit function, which conducts independent and systematic assessments of the risk management system and the operation of internal controls implemented in response to identified risks.



Risk management stages

The risk management process at the Grenevia Group encompasses the following stages:

1

Risk identification:

identifying and classifying potential risks

2

Risk assessment:

estimating the impact and likelihood of risk using suitable techniques and tools, alongside expertise, experience, and knowledge of processes and the operational environment within which the Grenevia Group operates

3

Minimising risk exposure:

implementing measures to ensure conditions aligned with the approved risk appetite and risk tolerance with regard to each area of the organisation's business

4

Monitoring and reporting:

establishing a system that ensures regular and effective reporting of risk exposures by relevant organisational units

5

Promoting risk culture:

implementing activities to foster a risk-aware culture among employees and independent contractors, including appropriate educational initiatives aimed at enhancing awareness and encouraging proactive responses to relevant risk factors that may affect them



Key risks at the Grenevia Group

The table below presents the key risk categories identified within the Grenevia Group. The order in which the risks are presented below is not in any

way indicative of their materiality, the likelihood of their materialisation, or their potential impact on the Grenevia Group’s business.

The Grenevia Group uses a four-point risk assessment scale:

very high ●●●● high ●●● medium ●● low ●

In 2023, Grenevia SA adopted a Risk Management Policy and Risk Management Procedure, transitioning from a three-point to the four-point risk assessment scale.

Due to the resulting lack of data comparability, we have omitted information on changes in risk levels versus the previous year.

KEY EXTERNAL RISKS

Type of risk	Risk exposure
Risk of changes in macroeconomic trends	VERY HIGH ●●●●
Geopolitical risk	HIGH ●●●
Risk of material changes in the sectors where the Group operates, risk related to global competitors	VERY HIGH ●●●●
Risk of technological shifts	MEDIUM ●●
Risk of significant changes in the regulatory environment	HIGH ●●●
Risk of pandemic	MEDIUM ●●

KEY FINANCIAL RISKS

Type of risk	Risk exposure
Credit risk	MEDIUM ●●
Liquidity risk	LOW ●
Currency risk	LOW ●
Interest rate risk	MEDIUM ●●
Price risk	MEDIUM ●●
Tax risk	LOW ●

KEY OPERATIONAL RISKS

Type of risk	Risk exposure
Risk related to the supply chain and management of procurement	MEDIUM ●●
Risk related to satisfying customer requirements	MEDIUM ●●
Risk of losing or having difficulties attracting key personnel	HIGH ●●●
Risk of disruptions in manufacturing processes and provision of maintenance services	MEDIUM ●●
IT and cybersecurity risk	MEDIUM ●●
Risk of failure to comply with regulatory requirements	LOW ●
Risk related to M&A transactions and acquiree integration	HIGH ●●●
Risk of failure to meet contractual provisions	MEDIUM ●●
Project risk	MEDIUM ●●

KEY CLIMATE AND ENVIRONMENTAL RISKS

Type of risk	Risk exposure
Climate change risk	HIGH ●●●
Environmental risk	MEDIUM ●●
Reputational risk	LOW ●



Key risks in human resource management

Below are outlined the key social, labour, environmental, human rights, and corruption risks faced by the Grenevia Group, including risks associated

with an entity’s products or its interactions with the external environment, such as its business partners (“ESG risks”). The order of presentation

is not in any way indicative of their materiality, likelihood of materialisation, or potential impact on the Grenevia Group’s business.

KEY RISKS IN HUMAN RESOURCE MANAGEMENT

Type of risk	Risk exposure
Risk of accidents at work	LOW
Risk of workforce shortage	HIGH
Risk of insufficient staff training and failure to achieve the intended purpose of training referrals	LOW

KEY ENVIRONMENTAL AND CLIMATE RISKS

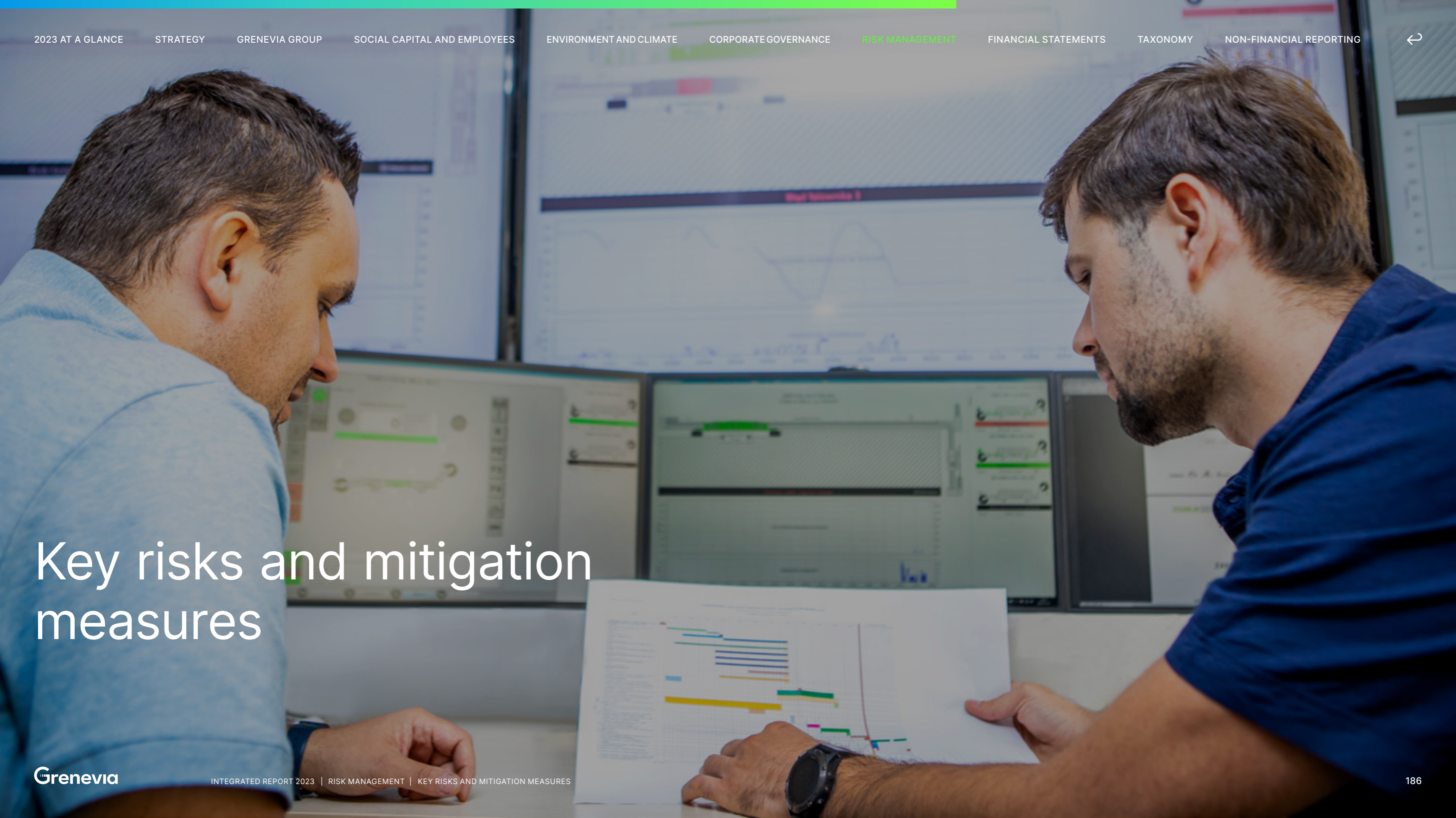
Type of risk	Risk exposure
Risk of excessive generation of manufacturing waste (including hazardous waste)	MEDIUM
Risk of excessive GHG and other pollutant emissions from the Company’s operations	MEDIUM
Risk of financial penalties for non-compliance with environmental standards	MEDIUM
Risk of community grievances related to operational activities (noise, dust, smoke, etc.)	LOW
Risk of customer expectations concerning product safety and environmental footprint	HIGH

KEY SOCIAL RISKS

Type of risk	Risk exposure
Reputational risk	LOW
Risk of labour disputes	LOW
Risk of unethical or illegal employee behaviour (including workplace harassment and discrimination)	LOW
Demographic risk associated with aging workforce	HIGH
Risk of pay pressure from employees and trade unions	HIGH
Risk of insufficient staff competencies	MEDIUM

KEY RISKS RELATED TO HUMAN RIGHTS, ANTI-CORRUPTION, BUSINESS RELATIONSHIPS, AND PRODUCTS

Type of risk	Risk exposure
Risk of non-compliance with anti-corruption and other regulatory requirements	LOW
Risk of regulatory non-compliance on the part of business partners	MEDIUM
Risk of fraud and other misconduct (conflict of interest in transactions, accepting something of value from prospective suppliers)	MEDIUM
Risk of losing grants for planned renewable projects, also due to legal non-compliance	MEDIUM
Risk of insufficient transparency in ESG activities	MEDIUM
Risk associated with difficulties in obtaining required permits and licences for green transition projects	MEDIUM



Key risks and mitigation measures



Key risks and mitigation measures

ⓘ For information on the financial risks to which the Grenevia Group is exposed, see also Note 53 'Objectives and principles of financial risk management' to the consolidated financial statements of the Grenevia Group for 2023.

Below is presented a description of the key external, operational, financial, climate and environmental risks that may affect the Grenevia Group, including the risk mitigation measures and potential consequences of risk materialisation.

TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of changes in macroeconomic trends	Risk of failure to keep pace with changes in the economic environment: the consequences of an economic slowdown often include lower order volumes, increased competition and margin erosion; strong economic growth drives higher order volumes, an increase in wages and the prices of services, energy and components.	Continuous optimisation of manufacturing processes and supply chain, combined with tight cost control. Flexible organisational structure and operational autonomy of the segments. Monitoring of project margins and cash flows. Maintaining an optimum leverage ratio. Business diversification.
Geopolitical risk	Risk related to political changes in the countries where Grenevia Group companies (and their trading partners) operate may result in various challenges, including business constraints, unexpected liabilities or charges, restrictions on cash transfers, loss of control of an entity (or loss of assets) caused by politically motivated decisions, or global supply chain disruptions.	Monitoring of political changes in the countries where Grenevia Group companies (and their trading partners) operate or where the Group offers its products, or which are being considered as potential new markets for the Group. Establishing a European supply chain.
Risk of material changes in the sectors where the Group operates, risk related to global competitors	Risk of changes in the competitive environment: an increase in the number of new players in the sector may cause a downward pressure on prices, structural decline in demand for certain products or services offered by the Group, and limited availability of key components for the Group's products. Consolidation of suppliers or customers may increase the costs of components or pressure on prices of the Grenevia Group's products.	Monitoring of changes in the industries in which the Group operates. Continuous improvement and expansion of the product offering, provision of comprehensive solutions, expansion and diversification of the customer base, business diversification.
Risk of technological shifts	Risk related to development or emergence of new technologies offering an economically viable alternative to existing solutions on the market.	Development of new and improvement of existing products, investment in R&D, monitoring of technology developments and customer needs and expectations.

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TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of significant changes in the regulatory environment	Risk related to promulgation of unfavourable legal regulations, in particular major amendments to the regulations applicable to renewables, tax or public procurement laws, imposing unexpected significant burdens on businesses. Imposition of ESG requirements.	Ongoing monitoring of the changes, comprehensive analysis of statutory interpretations and recent judicial decisions, and taking prompt action to ensure compliance with new legislation.
Risk of pandemic	Risk related to the declaration of a pandemic emergency leading to significant changes in the market environment directly affecting operating conditions of the Grenevia Group companies.	Monitoring of epidemic threat. Contingency plans in the event of risk materialisation.
Risk related to the supply chain and management of procurement	Risks of interrupted production processes and order fulfilment due to supply disruptions or delays, limited availability of key components or disruptions in supply chain logistics. High price volatility of certain components.	Evaluation and selection of business partners based on objective criteria such as quality, pricing and supply reliability. Switching to a European supply chain. Continuous monitoring and optimisation of stocks and placement of orders for key components in advance. Acquisition of new business partners and diversification of suppliers where possible. Incorporating adequate safeguards in contracts to minimise risk.
Risk related to satisfying customer requirements	Risk related to fulfilment of quality, regulatory and pricing requirements of customers. Failure to obtain the required certificates, failure to pass product quality tests, failure to fulfil orders on schedule, delayed response to a technological shift or change in customer expectations.	Investments in R&D, expansion of the product portfolio, offering dedicated solutions based on customer input, provision of aftermarket services. Building a more resilient supply chain and more efficient maintenance service.
Risk of losing or having difficulties attracting key personnel	Risk related to inability to retain or attract qualified personnel. Higher inflation translates into significant pay pressure.	Continuous mapping of competencies and requirements, monitoring of the labour market in terms of pay levels and qualifications, ongoing adjustments to incentive schemes, training (including talent development), as well as vertical and horizontal employee development paths consistent with the Group's expansion.
Risk of disruptions in manufacturing processes and provision of maintenance services	Risk of unforeseen major disruptions to the manufacturing processes or provision of services as a result of extreme weather conditions, fires, pandemics, civil unrest, limited supplies of electricity, gas, etc.	Development of adequate crisis management procedures and business continuity plans and their ongoing review and updating as required.
IT and cybersecurity risk	Risk related to failure of or unauthorised access to the Group companies' IT infrastructure and/or systems, leakage of confidential information, theft of intellectual property, loss of the operational continuity of key IT systems and services.	Regular measures to ensure the security of IT infrastructure and systems. Implementation of various procedural, organisational and technical safeguards.

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TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of failure to comply with regulatory requirements	Risk of violation of generally applicable laws or regulations, including company law as applicable to listed companies, anti-corruption, conflict of interest, personal data protection, and fair competition regulations, as well as sanction regimes.	Implementation of internal procedures on countering corruption and bribery, fair competition, personal data protection, access to confidential information, supplier due diligence, implementation of adequate technical and organisational measures in those areas. Periodic employee training on proper conduct and identification of potential legal violations within the organisation.
Risk related to M&A transactions and acquiree integration	Risk related to difficulties in closing an acquisition, integrating the acquiree, or obtaining the expected synergies.	Ongoing review of acquisition plans, development of an acquiree integration plan at the due diligence stage, ensuring adequate and properly qualified personnel, engagement of reputable external advisers.
Risk of failure to meet contractual provisions	Risk related to failure to meet contractual provisions concerning specific parameters of the contract or failure to perform the contract.	Close cooperation with the customer, process optimisation, complaint management and monitoring, legal consultations on contractual provisions.
Project risk	Risk related, among other things, to inappropriate estimation of project execution costs, underestimated project schedules, erroneous assumptions, incomplete execution of the project scope.	Continuous monitoring of activities and potential project delays, systematic review of costs against the planned budget, ongoing assessment of progress.
Credit risk	Risk of a trade partner's failure to meet its contractual obligations, including as a result of such credit events as the trade partner's insolvency, partial payment of amounts due, or material delays in payment.	Checking the creditworthiness of trade partners and using security instruments (in the form of letters of credit, bank guarantees, insurance of receivables, factoring arrangements).
Liquidity risk	Risk of inability to meet liabilities when due.	Managing the payment and collection periods, as well as the system of advance payments, inventory optimisation, maintaining an adequate level of external financing sources, including long-term ones.
Currency risk	Risk related to sharp exchange rate movements, causing uncertainty as to the level of future cash flows and financial results.	Ongoing monitoring and analysis of currency exposure, forward transactions and price revision clauses in the event of exchange rate movements.
Interest rate risk	Risk related to significant and sharp interest rate movements that may affect the Group's profit or loss.	Ongoing monitoring of the Monetary Policy Council's decisions and negotiating the terms of conditions of credit facility agreements. Interest rate swaps.

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TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Price risk	Risk related to significant movements in the prices of raw and other materials, particularly steel, copper, steel products, PV modules, battery cells, and electronic components, causing increased uncertainty as to the possibility of achieving the target financial result.	Negotiating prices or placing framework purchase orders, diversifying supply sources and service providers, maintaining stocks of materials, looking for savings (optimising labour intensity, searching for substitutes). Incorporating price indexation provisions in sales contracts where possible.
Tax risk	Risk related to incorrect or late fulfilment of the required tax liabilities.	Support from tax advisors, operating in accordance with applicable laws, monitoring of changes in tax regulations.
Climate change risk	Risk related to tightening of the EU climate policy, as well as stricter environmental requirements resulting from climate change. Potential acceleration of global trends to phase out carbon emitting energy generation sources. Changes in regulations, administrative fees, charges for using natural resources such as water, energy or raw materials, or emission fees.	Adoption of a strategy for entry into the renewable energy sector, development of the PV, E-mobility, and Power Engineering segments. Deployment of PV systems and energy storage facilities at selected production plants. Ongoing monitoring of changes in climate regulations and policies.
Environmental risk	Risk related to the environmental impact of the business, production waste generation, particulate matter and oxide emissions.	Adopting a strategy to enter the renewable energy sector and conducting business activities that impact the environment in accordance with the principles of sustainable development. Implementation of a sustainable development strategy
Reputational risk	Risk of potential impact on the Group's revenue of negative publicity connected with its operations in certain segments or failure to follow market trends related to environmental and climate protection.	Business diversification, implementation of a sustainable development strategy, continuous monitoring of internal and external threats and the media. Implementation of a uniform Responsible Communication Strategy across all segments.



Key ESG risks and mitigation measures

Presented below is a description of key ESG risks that may be relevant to the Grenevia Group, related risk mitigation measures, and potential impacts.

TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of accidents at work	As a result of occupational hazards present in the work environment or the work practices in place, a sudden event triggered by an external cause may occur and result in losses, including, without limitation, adverse health effects suffered by employees.	Due diligence procedures have been put in place across the Grenevia Group to support a zero accident policy.
Risk of workforce shortage	Failure or inability to retain or attract qualified personnel, in particular staff with technical skills/professional licences.	Continuous mapping of competencies and requirements, monitoring of the labour market in terms of pay levels and qualifications, ongoing adjustments to incentive schemes, training (including talent development), as well as vertical and horizontal employee development paths consistent with the Group's expansion.
Risk of insufficient staff training and failure to achieve the intended purpose of training referrals	The risk associated with insufficient staff training may lead to various issues, including incompetence and poor performance, errors and wrong actions, low motivation and engagement, or financial losses.	Investing in effective training programmes tailored to specific business needs and objectives. Regular training evaluations and updates.
Risk of excessive generation of manufacturing waste (including hazardous waste)	Exceeding the permitted limit on manufacturing waste generated in a manufacturing process. Polluting the environment due to inadequate hazardous waste storage conditions.	Risk of excessive generation of manufacturing waste (including hazardous waste)
Risk of excessive GHG and other pollutant emissions from the Company's operations	Exceeding permitted limits on air emissions from manufacturing processes.	Grenevia SA's branches have obtained permits to release gases or particulate matter into the air.

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TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of financial penalties for non-compliance with environmental standards	Risk of financial penalties from environmental agencies and other regulatory bodies for non-compliance with environmental standards.	Ongoing monitoring of environmental regulations and investment in staff training.
Risk of community grievances related to operational activities (noise, dust, smoke, etc.)	Business operations, particularly manufacturing, can generate various types of pollution such as noise, dust, smoke, and other emissions. The risk of community grievances about these impacts is real and may lead to significant consequences for the company, including legal actions, fines, and reputational damage.	Employing advanced technologies and manufacturing processes that generate less pollutants. Regular emissions monitoring. Transitioning to more sustainable business models with embedded ESG aspects.
Risk of customer expectations concerning product safety and environmental footprint	Products supplied by the operational segments of the Grenevia Group inadequately meeting or failing to meet customer requirements regarding safety and environmental footprint.	Obtaining the required certifications, achieving the required standards, offering tailored solutions through close collaboration with customers, R&D investments, expansion of the product portfolio, provision of aftermarket services.
Reputational risk	Non-compliance or insufficient compliance of operations with accepted ethical, social, and environmental standards could damage the reputation of the Grenevia Group. Misleading sustainability communication.	Preparation and implementation of a uniform Responsible Communication Strategy across all segments: a crisis communication manual, rules of internal and external communication, and a media policy, all based on uniform values.
Risk of labour disputes	This risk could result in loss of productivity, workplace conflicts, employee churn, and reputational damage.	Clear ethical principles and standards of conduct that are communicated and promoted throughout the organisation. Whistleblowing procedures and tools, as well as relevant training.
Risk of unethical or illegal employee behaviour (including workplace harassment and discrimination)	This risk could result in loss of productivity, workplace conflicts, employee churn, and reputational damage.	Clear ethical principles and standards of conduct that are communicated and promoted throughout the organisation. Whistleblowing procedures and tools, as well as relevant training.
Demographic risk associated with aging workforce	Threats that emerge as the workforce ages are likely to affect performance, corporate culture, and human resources management strategies, for instance by reducing productivity and sparking intergenerational conflicts.	Adopting health programmes, establishing clear career paths and development opportunities for employees of different age groups, creating succession plans and knowledge retention strategies to minimise losses associated with retirements of experienced staff members.
Risk of pay pressure from employees and trade unions	This risk is likely to impact operating expenses and profitability.	Building open communication based on trust between management and employees.

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TYPE OF RISK	RISK DESCRIPTION	RISK MITIGATION MEASURES
Risk of insufficient staff competencies	Inadequate skills and knowledge may lead to poor performance, hinder the attainment of business objectives, and inflate the cost of recruitment and training.	Investing in employee development (in-person and online training, courses, workshops), promoting a learning culture, monitoring and adjusting human resources management strategies.
Risk of non-compliance with anti-corruption and other regulatory requirements	Violations of generally applicable anti-corruption, conflict of interest, personal data protection, and fair competition regulations, as well as sanctions laws.	Implementation of internal procedures on countering corruption and bribery, fair competition, personal data protection, supplier due diligence, implementation of adequate technical and organisational measures in those areas. Periodic employee training on proper conduct and identification of potential legal violations within the organisation.
Risk of regulatory non-compliance on the part of business partners	A Grenevia Group's trading partner may fail to comply with regulatory requirements, in particular with regard to human rights.	Implementation of internal due diligence procedures for the selection of business partners, monitoring of existing relationships, employee training, and development of uniform procedures for the entire Group in the form of the Supplier Code of Conduct.
Risk of fraud and other misconduct (conflict of interest in transactions, accepting something of value from prospective suppliers)	Dishonest practices threaten the integrity and ethics of business operations. Risk of financial fraud intended to secure unlawful gains.	Implementation of internal anti-corruption and anti-bribery procedures. Recurrent employee training on proper conduct and identification of potential legal violations within the organisation, ethics training. Internal Audit monitoring and control.
Risk of losing grants for planned renewable projects, also due to legal non-compliance	The risk of losing financing for renewable energy investments could restrict the execution of planned projects in that sector.	Thorough analysis of legal regulations and requirements in force, engaging with legal experts, ensuring sufficient resources and competencies, continuous monitoring of legislative changes. Performing regular risk evaluations for the project plan.
Risk of insufficient transparency in ESG activities	Risks associated with vague or incomplete reporting on ESG activities may heighten investor uncertainty and erode stakeholder trust, adversely affecting the company's reputation and financial performance.	Engaging with external experts (including training) to obtain feedback on the effectiveness and transparency of ESG efforts. Providing appropriate staff training on the importance of ESG and reporting responsibilities. Conducting internal audits.
Risk associated with difficulties in obtaining required permits and licences for green transition projects	Administrative risk related to hurdles in securing the required permits and licences for green transition projects. Lack of appropriate permits could result in additional costs, and compromise project timelines and stakeholder relationships.	Meticulous documentation of all steps in a permit or licence application process. Support from legal experts. Analysis of regulations and continuous monitoring of regulatory changes.



Financial statements

Selected financial data for Grenevia Group in 2023	195	→
Selected financial data for Grenevia Group in the last five years	201	→





Selected financial data for Grenevia Group in 2023



Consolidated statement of profit or loss

(PLN million)

PLN MILLION, EXCEPT FOR EARNINGS PER SHARE	Note	12 months to	
		31 Dec 2023	31 Dec 2022
Revenue	15-16	1,644	1,296
Cost of sales	19	1,070	827
Gain on sale of solar PV farms classified as property, plant and equipment	17	7	—
Gross profit		581	469
Distribution costs	19	45	28
Administrative expenses	19	212	162
Other income	21	36	56
Other expenses	22	144	78
Operating profit		216	257
Gains (losses) on allowance for expected credit losses	34	8	11
Finance income	23	58	60
Finance costs	24	81	77
Gain (loss) on loss of control of subsidiary	13	2	—
Profit before tax		203	251
Income taxes	25	59	59
Net profit from continuing operations		144	192
Discontinued operations	14	—	-72
Net profit, attributable to:		144	120
owners of the Parent		212	158
non-controlling interests		-68	-38

! The full consolidated financial statements of the Grenevia Group for 2022 are available at

grenevia.com/report/skonsolidowany-raport-grupy-grenevia-za-rok-2023/

Earnings per share

EARNINGS PER SHARE:	12 months to	
	31 Dec 2023	31 Dec 2022
Basic earnings per share from continuing operations	0.25	0.33
Basic earnings (loss) per share from discontinued operations	0.00	-0.13
Total basic earnings per share	0.25	0.20
Diluted earnings per share from continuing operations	0.25	0.33
Diluted earnings (loss) per share from discontinued operations	0.00	-0.13
Total diluted earnings per share	0.25	0.20



Consolidated statement of comprehensive income

(PLN million)

PLN MILLION	12 months to	
	31 Dec 2023	31 Dec 2022
Net profit	144	120
Other comprehensive income that will not be reclassified to profit or loss in subsequent reporting periods:	1	6
Remeasurement following reclassification to investment property	—	9
Actuarial gains (losses)	1	-3
Other comprehensive income that may be reclassified to profit or loss in subsequent reporting periods:	-48	55
Exchange differences	-6	13
Cash flow hedges	-42	42
Total other comprehensive income, net of tax	-47	61
Total comprehensive income	97	181
including income attributable to owners of the Parent	175	216
including income attributable to non-controlling interests	-78	-35

ⓘ The full consolidated financial statements of the Grenevia Group for 2022 are available at grenevia.com/report/skonsolidowany-raport-grupy-greivia-za-rok-2023/

Consolidated statement of financial position

(PLN million)

ASSETS

PLN MILLION	Note	As at	
		31 Dec 2023	31 Dec 2022
Non-current assets		1,587	788
Goodwill	27	200	191
Other intangible assets	28	91	104
Property, plant and equipment	29	1,135	384
Long-term receivables	30	27	12
Investment property	31	78	72
Other non-current financial assets	32	9	4
Deferred tax assets	25	47	21
Current assets		2,202	2,882
Current assets other than assets classified as held for sale		2,154	2,830
Inventories	33	861	1,204
Short-term trade and other receivables	34	638	576
Current tax assets		6	3
Derivate financial instruments	52	29	66
Other current financial assets	35	10	42
Cash and cash equivalents	36	610	939
Non-current assets classified as held for sale	37	48	52
Total assets		3,789	3,670

EQUITY AND LIABILITIES

PLN MILLION	Note	As at	
		31 Dec 2023	31 Dec 2022
Equity		2,193	2,095
Share capital	39	6	6
Other capital reserves	40	1,521	1,177
Retained earnings		500	662
Equity attributable to owners of the Parent		2,027	1,845
Equity attributable to non-controlling interests	40	166	250
Liabilities		1,596	1,575
Non-current liabilities		966	659
Long-term provisions	42	34	27
Other non-current financial liabilities	44-47	924	629
Long-term trade and other payables	48	8	3
Current liabilities		630	916
Current liabilities other than liabilities included in disposal groups classified as held for sale		621	909
Short-term provisions	42	57	46
Short-term trade and other payables	48	502	416
Current tax liabilities		4	10
Other current financial liabilities	44-47	58	437
Liabilities included in disposal groups classified as held for sale	37	9	7
Equity and liabilities		3,789	3,670

Consolidated statement of changes in equity

(PLN million)

PLN MILLION	Share capital	Other capital reserves	Retained earnings	Equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total equity
1 Jan 2023	6	1,177	662	1,845	250	2,095
Net profit	—	—	212	212	-68	144
Other comprehensive income	—	-37	—	-37	-10	-47
Total comprehensive income	—	-37	212	175	-78	97
Transfer of profit to statutory reserve funds and other reserves	—	392	-392	—	—	—
Increase (decrease) due to changes in ownership interests in subsidiaries that do not result in loss of control, equity	—	-5	—	-5	6	1
Increase (decrease) due to acquisition of subsidiary	—	—	—	—	4	4
Increase (decrease) due to other changes	—	-6	18	12	-16	-4
Changes in equity in the period	—	344	-162	182	-84	98
31 Dec 2023	6	1,521	500	2,027	166	2,193
1 Jan 2023	6	1,091	624	1,721	160	1,881
Net profit	—	—	158	158	-38	120
Other comprehensive income	—	60	-2	58	3	61
Total comprehensive income	—	60	156	216	-35	181
Transfer of profit to statutory reserve funds and other reserves	—	26	-26	—	—	—
Increase (decrease) due to changes in ownership interests in subsidiaries that do not result in loss of control, equity	—	—	-92	-92	125	33
Changes in equity in the period	—	86	38	124	90	214
31 Dec 2022	6	1,177	662	1,845	250	2,095

Consolidated statement of cash flows

(PLN million)

PLN MILLION	12 months to		PLN MILLION	12 months to	
	31 Dec 2023	31 Dec 2022		31 Dec 2022	31 Dec 2021
CASH FLOWS FROM OPERATING ACTIVITIES – INDIRECT METHOD			CASH FLOWS FROM INVESTING ACTIVITIES		
Profit before tax	203	251	Cash paid to acquire equity or debt instruments of other entities	-39	-330
Total adjustments, including	502	-206	Proceeds from sale of property, plant and equipment	20	46
inventories	208	-621	Purchase of property, plant and equipment*	-687	-182
trade receivables	44	-33	Cash advances and loans made to third parties	-2	-5
other operating receivables	-21	202	Cash receipts from repayment of advances and loans to third parties	21	7
trade payables	-7	19	Dividends received	1	—
other operating payables	65	16	Other inflows (outflows) of cash	4	2
depreciation and amortisation	198	149	Net cash from investing activities	-682	-462
provisions	21	5	CASH FLOWS FROM FINANCING ACTIVITIES		
exchange differences	3	1	Proceeds from borrowings and other debt instruments	240	381
(gain) loss on disposal of non-current assets	-7	-27	Repayment of borrowings and other debt instruments	-397	-234
other adjustments producing cash effects in the form of investing or financing cash flow	—	85	Payment of lease liabilities	-14	-11
other adjustments to reconcile profit (loss)	-2	-2	Interest paid	-94	-49
total gross profit and adjustments	705	45	Other inflows (outflows) of cash	-1	—
Income tax (paid)/recovered	-83	-53	Net cash from financing activities	-266	87
Net cash from operating activities	622	-8	CASH FLOWS FROM DISCONTINUED OPERATIONS WITH UNDERLYING ASSETS NOT CLASSIFIED AS ASSETS HELD FOR SALE	—	-11
			Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	-326	-394
			Effect of exchange rate changes on cash and cash equivalents	-3	—
			Increase (decrease) in cash and cash equivalents	-329	-394
			Cash and cash equivalents at beginning of period	939	1,333
			Cash and cash equivalents at end of period	610	939

* Including mainly expenditure on the manufacture of shearer loaders/roadheaders for lease and the manufacture of solar PV farms.

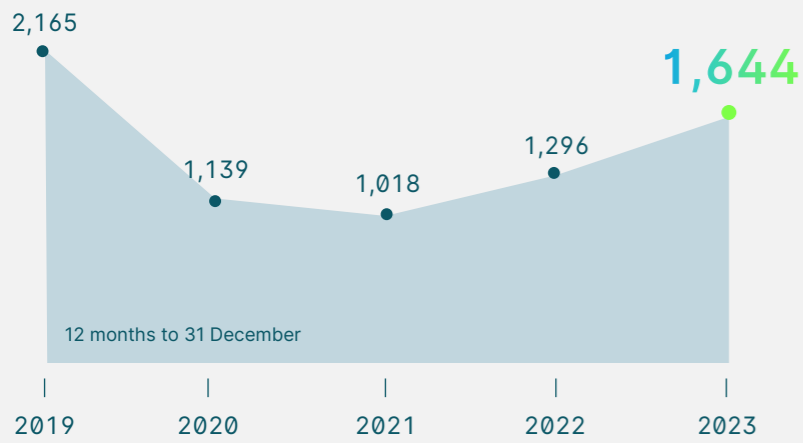


Selected financial data for Grenevia Group in the last five years

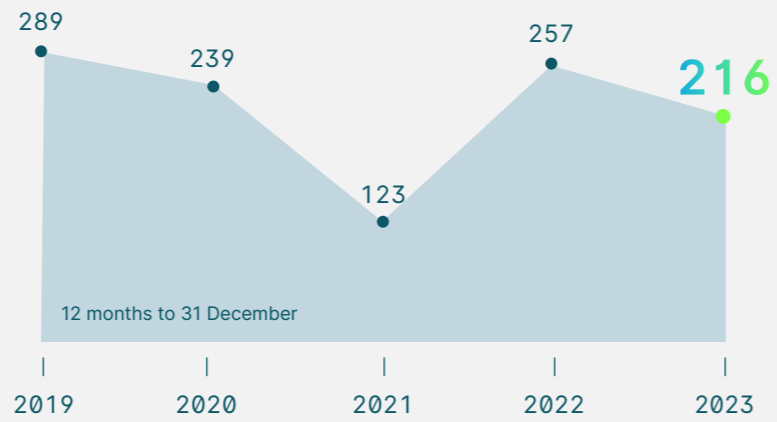


Selected financial data for Grenevia Group in the last five years

GRENEVIA GROUP'S REVENUE
PLN million



OPERATING PROFIT
PLN million



AS AT 31 DECEMBER 2023

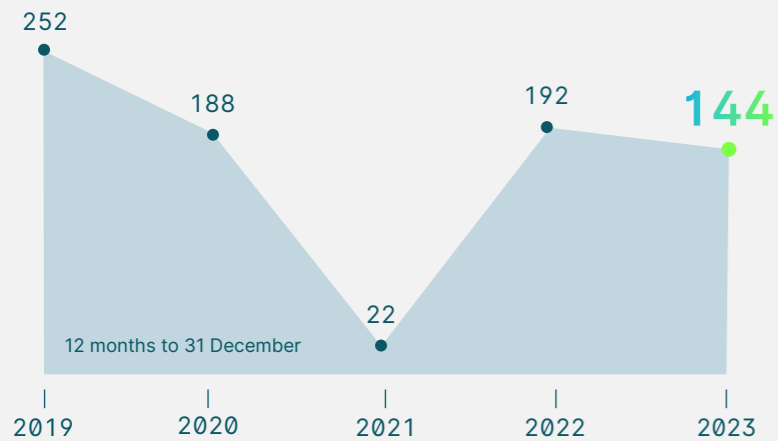
PLN 1,644 million

PLN 144 million

REVENUE

NET PROFIT

PROFIT FROM CONTINUING OPERATIONS
PLN million



NET PROFIT
PLN million



PLN million	12 months to 31 December				
SELECTED DATA FROM THE STATEMENT OF PROFIT OR LOSS	2023	2022	2021	2020	2019
Revenue	1,644	1,296	1,018	1,139	2,165
Operating profit	216	257	123	239	289
Profit from continuing operations	144	192	22	188	252
Net profit	144	120	25	190	249

PLN million	as at 31 December				
SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION	2023	2022	2021	2020	2019
Current assets	2,202	2,882	2,621	1,718	2,039
Non-current assets	1,587	788	599	774	936
Total assets	3,789	3,670	3,220	2,492	2,975
Current liabilities	630	916	669	342	921
Non-current liabilities	966	659	670	468	526
Equity	2,193	2,095	1,881	1,682	1,511



Taxonomy

EU Taxonomy

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EU Taxonomy

The following disclosures were prepared based on the following European regulations (the “EU Taxonomy”).

- 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, and amending Regulation (EU) 2019/2088 (OJ L 2020.198.13).
- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (“Technical Screening Criteria”).
- Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (hereinafter: “Regulation 2021/2178”).
- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems, and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.
- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.



The Grenevia Group does not conduct, finance or have exposure to any of the activities referred to in sections 4.26 to 4.31 of Annexes I and II to the Technical Screening Criteria (activities relating to the production of energy from nuclear processes and from gaseous fossil fuels), and therefore does not refer to Delegated Regulation

2022/1214 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities, as demonstrated by the responses provided in the table on the right.

The Grenevia Group analysed its 2023 operations for eligibility under the EU Taxonomy and assessed its Taxonomy-eligible economic activities for compliance with the Technical Screening Criteria and minimum safeguards. The Technical Screening Criteria identify the sectors and a list of economic activities that may substantially contribute to climate change mitigation or climate change adaptation, as well as the criteria of substantial contribution and doing no significant harm to any of the other environmental objectives. The

NUCLEAR ENERGY RELATED ACTIVITIES

①	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
②	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
③	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

FOSSIL GAS RELATED ACTIVITIES

④	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
⑤	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
⑥	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

EU Taxonomy covers certain sectors of activity (“eligible activities”) and is subject to change, and the economic activities currently considered eligible under the EU Taxonomy are likely to be supplemented by additional sectors or types.

Grenevia SA’s principal business, i.e. the manufacture of mining machinery, does not qualify as a Taxonomy-eligible activity. Following the strategy adopted in 2021, the Grenevia Group is transitioning from a manufacturer of mining machinery to an active investor in green projects focusing on the energy transition. Through the steadfast strategy implementation and business diversification, the Grenevia Group now includes business segments which can contribute to climate change adaptation and mitigation through avoidance of CO₂ emissions or carbon footprint reduction in future reporting periods. This includes the PV segment, which focuses on developing and building utility-scale solar photovoltaic projects, and the E-mobility segment, which manufactures battery systems for public transport and electrically driven industrial processes. Additionally, within the FAMUR segment, efforts have been made to leverage the existing manufacturing

facilities to provide onshore wind turbine gearbox maintenance services. To further its ambitions in the wind power sector, in July 2023 Grenevia SA acquired a 75% ownership interest in Total Wind PL Sp. z o.o., which specialises in wind turbine installations as well as maintenance and replacement of key components from major manufacturers.

Moreover, the Power Engineering segment, which encompasses the engineering, manufacturing, delivery, and maintenance of electricity transformation and distribution equipment, has expanded its product portfolio to include containerised substations, including units dedicated to utility-scale renewable energy projects, aligning with its new strategy to invest in green energy.

Methodology

The Grenevia Group applied the methodology set out in Delegated Regulations on Technical Screening Criteria to determine the Taxonomy-eligible portion of its turnover, capital expenditure, and operating expenditure.

The Group assessed selected Taxonomy-eligible economic activities for compliance with the Technical Screening Criteria. The examination involved analysing the criteria of substantial contribution to one of the six environmental objectives and doing no significant harm to any of the other environmental objectives, and compliance with the minimum safeguards. The materiality threshold for the assessment was PLN 100 thousand.

Compliance with the Technical Screening Criteria was not assessed for activities with the relevant KPIs (turnover, CapEx, or OpEx) below PLN 100 thousand. Activities below the stated materiality threshold were considered Taxonomy non-eligible and Taxonomy non-aligned.

In addition, compliance with DNSH criteria was not assessed for activities which failed to meet substantial contribution criteria.

Where the description of an activity was not clear, the NACE classification system was used for reference.

The following policies were applied in calculating the Taxonomy-eligible proportion of turnover, capital expenditure (CapEx), and operating expenditure (OpEx):



ITEM	DESCRIPTION
Turnover (revenue)	The presentation of consolidated data is based on total consolidated revenue of the Grenevia Group for 2023, as disclosed in the line item 'Revenue' of the consolidated financial statements and discussed in Notes 15 and 16. The numerator comprised revenue from Taxonomy-eligible Taxonomy-aligned activities.
CapEx (capital expenditure)	The presented consolidated CapEx data was based on capital expenditures booked by the Grenevia Group. Total CapEx is disclosed in the line item 'Non-current assets' of the consolidated financial statements and discussed in Notes 28.2, 29.3, 31.3, and 47.2. The numerator equals to the part of CapEx that is associated with Taxonomy-aligned economic activities and with the purchase of output from Taxonomy-aligned economic activities.
OpEx (operating expenditure)	The presentation of OpEx data is based on total expenditures associated with day-to-day maintenance of the Group's assets and keeping them in good condition. The numerator equals to the part of OpEx that is related to the maintenance of assets directly employed in Taxonomy-aligned economic activities. Operating expenditure related to maintenance expenses on assets employed in Taxonomy-aligned economic activities, mainly repairs, overhauls, and maintenance of buildings, machinery, and equipment.

Minimum safeguards

The Grenevia Group assessed its activities for compliance with the minimum safeguards.

The assessment was based on the guidance contained in the **Final Report on Minimum Safeguards**, published in October 2022 by the Platform on Sustainable Finance as a practical framework for verifying compliance with Article 18 of the EU Taxonomy.

The recommendations and guidance in the Final Report on Minimum Safeguards include due diligence requirements in the areas of human rights, labour rights, bribery, fair competition, and taxation. Due diligence processes and solutions in place were assessed in the areas of human rights, labour rights, anti-corruption and anti-bribery, tax transparency, and fair competition. The compliance assessment demonstrated that the Grenevia Group meets the minimum safeguards – it has

internal documentation and standards of conduct in place and is continuously taking measures to:

- effectively detect any abuses and corruption (refer to the section on anti-corruption)
- protect fundamental human rights (refer to the sections on human rights and our employees)
- enhance safety and security (refer to the section on our employees)
- comply with tax laws and ensure tax transparency (tax risk management)
- comply with fair competition regulations (training, adoption of internal trade secret policies).



THE BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE DATABASE AND THE OECD NCP WERE ANALYSED, AND IT WAS CONFIRMED THAT NO REPORTS WERE MADE AGAINST GRENEVIA GROUP COMPANIES DURING THE PERIOD UNDER REVIEW.



Proportion of Grenevia Group's turnover

from products or services associated with Taxonomy-aligned economic activities.

ECONOMIC ACTIVITIES

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

ECONOMIC ACTIVITIES	CODE	FY 2023		Substantial contribution criteria						DNSH criteria ('Does Not Significant Harm')						MINIMUM SAFEGUARDS	PROPORTION OF TAXONOMY-ALIGNED (A.1) OR TAXONOMY-ELIGIBLE (A.2.) ACTIVITIES TURNOVER 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
		TURNOVER (PLN MILLION)	PROPORTION OF TURNOVER 2023	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY				
Manufacture of batteries	CCM 3.4	327.5	19.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.8%	E	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	2.1	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Electricity generation using solar photovoltaic technology	CCM 4.1	72.4	4.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.3%		
Electricity generation from wind power	CCM 4.3	17.8	1.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		419.8	25.5%	25.5%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	9.2%		
of which enabling activities		329.6	20.1%	20.1%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	4.9%	E	
of which transitional activities		0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	0.0%		

A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)

Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. Turnover of Taxonomy-eligible economic activities (A.1+A.2)		419.8	25.5%	25.5%	0.0%	0.0%	0.0%	0.0%	0.0%								9.2%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy non-eligible economic activities		1,223.7	74.5%																
TOTAL		1,643.5	100%																



The Grenevia Group earns revenue mainly from the manufacture and lease of mining machinery. This activity is not included in the Taxonomy. The Group recognised the following Taxonomy-aligned revenue contributing substantially to climate change mitigation:

3.4

Manufacture of batteries – activity consisting in the manufacture of batteries for electric buses by the E-mobility segment.

3.20

Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation – activities relating to the manufacture of transformer substations for renewable electricity generators using solar photovoltaic technology. Such revenues are generated by the Grenevia Group’s Power Engineering segment. In the Non-Financial Report of the Grenevia Group for 2022, the activities were classified as 3.1 – Manufacture of renewable energy technologies. Considering the fact that activity 3.20, which more precisely reflects the Group’s operations in this area, was added to the Taxonomy pursuant

to Commission Delegated Regulation (EU) No 2023/2485 of 27 June 2023, the Group decided to reclassify this activity from 3.1 to 3.20. In the table above, comparative data for 2022 previously assigned to activity 3.1 are now presented under activity 3.20.

4.1

Electricity generation using solar photovoltaic technology – activities of the PV segment, involving electricity generation from PV farms (PLN 57.1 million), construction of PV farms (PLN 13.8 million), and sale of PV farm development projects (PLN 1.5 million).

4.3

Electricity generation from wind power – activities of the Famur segment, consisting in the installation of wind turbines. Revenue from the wind-turbine gearbox repair/refurbishment services was not assigned to this activity, as activity 4.3 of the EU Taxonomy does not include components for the construction of facilities for electricity generation from wind power.

All the above activities were assessed for compliance with the Technical Screening Criteria, with the conclusion that the substantial contribution criteria and all criteria of doing no significant harm to the other environmental objectives were met.

Revenues from contracts with customers are Taxonomy-aligned.





Proportion of Grenevia Group's CapEx

from products or services associated with Taxonomy-aligned economic activities.



ⓘ Taxonomy-aligned capital expenditure is associated with the Grenevia Group's Taxonomy-aligned economic activities and with the purchase of output from Taxonomy-aligned economic activities.

ⓘ Taxonomy-aligned capital expenditure is related to additions to property, plant and equipment, including right-of-use assets, intangible assets and investment properties, not resulting from acquisitions through business combinations.

Capital expenditure associated with the Grenevia Group's Taxonomy-aligned economic activities includes expenditure on the construction of PV farms connected to the power grid in 2023, totalling PLN 327 million, of which PLN 160 million was related to expenditure on farms connected to the grid in the period from 1 January to 30 September 2023, and PLN 167 million was related to expenditure on farms connected to the grid in the period from 1 October to 31 December 2023. In 2022, in line with its business model, the PV segment recognised PV farms under inventories, as they were expected to be sold in the short term.

However, given the market conditions affecting the current market prices of PV farms and electricity selling prices, the liquidity of market sales of completed farms declined, farms held in the PV segment's portfolio came online and commenced electricity production, and the PV segment began to derive economic benefits from electricity sales. Therefore, a decision was made in 2023 to recognise all grid-connected PV farms under property, plant and equipment as of 1 October 2023. Comparative data for 2022 in the table below has not been restated. The capital expenditure incurred in 2022 on PV farms that had been connected to the power grid by 31

December 2022, and were presented as inventories in the financial statements, totalled PLN 238 million.

Had the classification of these on-grid farms as property, plant and equipment rather than inventories been applied in 2022, they would have accounted for 56% of the total capital expenditure. The overall proportion of capital expenditure of Taxonomy-aligned environmentally sustainable activities would have been 58%.



Proportion of Grenevia Group's CapEx

from products or services associated with Taxonomy-aligned economic activities.

ECONOMIC ACTIVITIES

	FY 2023			Substantial contribution criteria						DNSH criteria ('Does Not Significant Harm')						PROPORTION OF TAXONOMY-ALIGNED (A.1.) OR TAXONOMY-ELIGIBLE (A.2.) ACTIVITIES CAPEX 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
	CODE	CAPEX (PLN MILLION)	PROPORTION OF CAPEX 2023	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY			
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																		
Manufacture of batteries	CCM 3.4	63.7	8.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.9%	E
Electricity generation using solar photovoltaic technology	CCM 4.1	400.2	52.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	4.6%	
Electricity generation from wind power	CCM 4.3	1.4	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.1%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.4	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2%	E
CapEx of environmentally sustainable activities		465.7	61.4%	61.4%	0.0%	0.0%	0.0%	0.0%	0.0%		Y	Y	Y	Y	Y	Y	5.8%	
of which enabling activities		64.1	8.5%	8.5%	0.0%	0.0%	0.0%	0.0%	0.0%		Y	Y	Y	Y	Y	Y	1.1%	E
of which transitional activities		0.0	0.0%	0.0%							Y	Y	Y	Y	Y	Y	0.0%	
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)																		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.3	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.4%	
Freight transport services by road	CCM 6.6	0.0	0.0%														0.3%	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0.8	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								4.7%	
A. CapEx of Taxonomy-eligible economic activities (A.1+A.2)		466.5	61.5%	61.4%	0.0%	0.0%	0.0%	0.0%	0.0%								10.5%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of Taxonomy non-eligible activities		291.5	38.5%															
TOTAL		758.0	100%															



Proportion of Grenevia Group's OpEx

from products or services associated with Taxonomy-aligned economic activities.

Operating expenditure related to maintenance expenses on assets employed in Taxonomy-aligned economic activities, mainly repairs, overhauls, and maintenance of buildings, machinery, and equipment.

FY 2023				Substantial contribution criteria							DNSH criteria ("Does Not Significant Harm")								
CODE	OPEX (PLN MILLION)	PROPORTION OF OPEX 2023		CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	PROPORTION OF TAXONOMY-ALIGNED (A.1.) OR TAXONOMY-ELIGIBLE (A.2.) ACTIVITIES OPEX 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
ECONOMIC ACTIVITIES																			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
Manufacture of batteries	CCM 3.4	2.3	20.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.1%	E	
Electricity generation using solar photovoltaic technology	CCM 4.1	0.0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.6%		
Electricity generation from wind power	CCM 4.3	0.4	3.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2.7	23.9%	23.9%	0.0%	0.0%	0.0%	0.0%	0.0%		Y	Y	Y	Y	Y	Y	1.7%		
of which enabling activities		2.3	20.4%	20.4%	0.0%	0.0%	0.0%	0.0%	0.0%		Y	Y	Y	Y	Y	Y	1.1%	E	
of which transitional activities		0.0	0.0%	0.0%							Y	Y	Y	Y	Y	Y	0.0%		
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	0.4	3.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0	0.0%														1.6%		
Freight transport services by road	CCM 6.6	0.0	0.0%														5.1%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.4	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								6.7%		
A. OpEx of Taxonomy-eligible economic activities (A.1+A.2)		3.1	27.4%	20.4%	0.0%	0.0%	0.0%	0.0%	0.0%								8.4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		8.2	72.6%																
TOTAL		11.3	100%																



Non-financial reporting

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Our approach to reporting



Our approach to reporting



The reported data covers the Grenevia Group, with separate data provided for Grenevia SA.

GRENEVIA GROUP (FORMERLY FAMUR GROUP)

The Grenevia Group (formerly the FAMUR Group) is an active investor that integrates and grows its business operations comprising four business segments:

- Solutions for the mining and wind power sectors based on the FAMUR brand (“FAMUR”)
- Solutions for power distribution based on Elgór+Hansen SA (“Power Engineering”)
- Utility-scale solar PV projects delivered mainly by the Projekt Solartechnik Group (“PV”)
- E-mobility and energy storage solutions based on Impact Clean Power Technology SA (“E-mobility”)

The other activities and general corporate processes are reported as the Corporate Functions segment. The reported non-financial data covers all Grenevia Group companies which had more than 10 employees at the end of 2023. In terms of employment materiality, the composition of the Grenevia Group assumed for the purposes of non-financial reporting represents approximately 99% of the total headcount of all Grenevia Group companies included in the consolidated financial statements. The activities of companies excluded from this report do not involve any material non-financial aspects.

This non-financial report of the Grenevia Group for 2023 (including non-financial information of Grenevia SA for 2023) was prepared in accordance with Art. 49b.9 of the Polish Accounting Act

and with reference to Global Reporting Initiative (GRI) Standards 2021 and the Warsaw Stock Exchange’s ESG Reporting Guidelines. This report also contains EU Taxonomy disclosures required under Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

This report contains non-financial data identified during stakeholder dialogue and incorporated into the Grenevia Group’s Sustainability Strategy for 2023–2030 and other strategic documents. The criterion for the selection of content was the relevance of a particular matter to the Group and its stakeholders.

Read our Directors’ Report and financial statements to gain a full picture of the Grenevia Group’s activities, reflecting our strategic approach to integrating the principles of sustainability into our business operations.

DIFFERENCES AND CHANGES RELATIVE TO PRIOR PERIOD

Relative to the comparative data reported in the previous period, the scope of the non-financial report has been expanded to include Total Wind PL Sp. z o.o., which became part of the Group on 1 August 2023. On 16 February 2023, the Extraordinary General Meeting of the Company passed a resolution to change the Company’s name from FAMUR Spółka Akcyjna to GRENEVIA Spółka Akcyjna. The change was registered by the District Court for Katowice-Wschód in Katowice, 8th Commercial Division of the National Court Register, on 3 April 2023.

In 2023, FAMUR SA was also established, with the business focus on strategic management of the FAMUR brand.

Grenevia Group entities

Grenevia Group entities of relevance to non-financial aspects of the Group’s activities and their respective operating segments (data as at 31 December 2023).

SEGMENT	FAMUR	Power Engineering	PV	E-mobility	Corporate Functions
PRINCIPAL BUSINESS ACTIVITIES	Solutions for the mining and wind power sectors	Power distribution solutions	Utility-scale solar PV solutions (PV)	Battery systems for e-mobility and energy storage	Corporate functions and other activities
SEGMENT ENTITIES	<ul style="list-style-type: none"> ■ GRENEVIA SA FAMUR Katowice Branch (preparing its own set of accounts) ■ Total Wind PL Sp. z o.o. ■ TOO Kazachstan ■ Hansen And Genwest Pty Ltd ■ Śląskie Towarzystwo Wiertnicze DALBIS sp. z o.o. ■ PRIMETECH SA 	<ul style="list-style-type: none"> ■ Elgór + Hansen SA 	<ul style="list-style-type: none"> ■ Projekt-Solartechnik SA ■ Projekt-Solartechnik Group sp. z o.o. ■ Projekt-Solartechnik Dystrybucja sp. z o.o. ■ Projekt-Solartechnik Development sp. z o.o. ■ PST Projekt Solartechnik GmbH ■ PST Trade SA ■ SPVs 	<ul style="list-style-type: none"> ■ Impact Clean Power Technology SA 	<ul style="list-style-type: none"> ■ GRENEVIA SA Holding

Your link to green transition



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