

“Resolution No [...]”
of the Supervisory Board of Agora S.A.
of 28 May 2020

on the assessment of the Company’s position in 2019

As Agora S.A. (“Company”) implemented the Best Practice for Companies Listed on Giełda Papierów Wartościowych w Warszawie S.A. (the Warsaw Stock Exchange — WSE), adopted pursuant to Article 29 of the Regulations of Giełda Papierów Wartościowych w Warszawie S.A., the Supervisory Board of the Company resolves as follows:

1. The Company’s Supervisory Board made an assessment of the position of the Agora Group in 2019

The opinion of the Supervisory Board is based on a review of the Agora Group’s (“Group”) affairs and discussions with the Company’s Management Board, conducted at regular meetings and ad hoc meetings held with the Management Board and in the course of their ongoing cooperation. The Supervisory Board also took into account the evaluation of the financial statements for the first half of the year and for the financial year 2019 made by the Audit Committee, which held meetings with the participation of the Company’s auditor, as well as the conclusions and observations of that body and the assessment of the Company’s position to the extent laid down by the Audit Committee’s Rules of Procedure. In addition, the Supervisory Board familiarised itself with annual assessment of the Company’s position made by the Personnel and Remuneration Committee in the area of its competences. The assessment of the market situation was based on publicly available information about the activities of other entities, and therefore the Supervisory Board draws attention to the fact that the data are estimates only and any resulting conclusions are general.

The primary objective of the Company’s Management Board in 2019 was to accelerate the development of the Agora capital group and to extend its range. In February 2019, the Company acquired 40.0% of shares in Eurozet Sp. z o.o., the second largest Polish broadcaster in terms of radio coverage. In October 2019, Agora applied to the President of the Office of Competition and Consumer Protection for consent to acquire the remaining 60% of shares in Eurozet. This transaction may change the Agora Group’s position on the radio broadcasters’ market and may affect the verification of the Group’s investment plans in non-media businesses. However, taking into account the application for the consent of the President of the Office of Competition and Consumer Protection for the acquisition of 60% of shares in Eurozet Sp. z o.o. and the investments already made in the area of Internet and digital outdoor activities, the Company wants to be involved in fewer new investment projects until 2022.

In 2019, the Agora Group developed the Helios cinema network, which ended the year 2019 with 3 new facilities, including in Warsaw. In addition, in the two existing multiplexes, the Helios network opened the possibility of watching movies in Helios Dream rooms. In 2020, the Helios group resigned from further development of Foodio Concepts Sp. z o.o. and is focusing on development of catering business as part of Step Inside Sp. z o.o. The concept developed under the Pasibus brand name had 6 operating restaurants at the end of 2019.

An important direction of development for the Agora Group in the last year was digitalisation and development of premium services and products. An example of an investment in this area, carried out in 2019, is purchase of Piano Group Sp. z o.o., the owner of the Move TV platform. With this transaction, AMS has taken another step in building its digital media and services offering and strengthened its position in the promising DOOH area. An example of measures related to the expansion of significant projects of the Group by innovative products or premium services was the continued dynamic development of Yieldbird, the leader in the ad-tech industry, related to the

introduction of a product sold in the SaaS (software as a service) model to its offering. Yieldbird has achieved global success with its business so far.

Agora has also made investments in the B2B solutions segment. In June 2019, it acquired further shares in ROI Hunter, a Czech company, and holds a 23.9% stake in this entity. ROI Hunter is a provider of a marketing platform which allows companies from the e-commerce industry to promote and sell products via Google and Facebook. In September, Agora also became the majority shareholder of HRlink Sp. z o.o., one of the fastest growing technology companies in Europe.

Agora also continued to develop the sale of quality content in the subscription model. At the end of 2019, the number of digital subscriptions of *Gazeta Wyborcza* reached a record level of approx. 218 thousand and the share of digital revenues of *Gazeta Wyborcza* in total revenue of the daily increased to 24.0%. The number of sold subscriptions of TOK FM Radio podcasts has also increased — at the end of December 2019, it reached over 20 thousand. The Supervisory Board evaluates the Company's consistent actions to further develop the subscription model of both Wyborcza.pl and Premium TOK FM positively.

The Supervisory Board welcomed the Group's positive operating results throughout 2019. It also appreciates the determination of the Management Board in the restructuring activities in businesses which operate in rapidly shrinking markets, such as the decision of early 2019 to terminate the activities of two of the three printing shops of the Group, which took place in mid-2019. Naturally, it is worthy of note that the data comparability against 2018 was affected by a number of one-off events. In 2019, the Agora Group's results were burdened with a restructuring provision related mainly to the optimisation of the printing business in the amount of PLN 5.6 million and an impairment loss on assets in the amount of PLN 7.5 million. Total negative impact of those events on the Group's results was PLN 13.1 million.

As at 31 December 2019, the Group's cash and short-term financial assets amounted to PLN 70.7 million, which comprised PLN 61.1 million in cash and cash equivalents (cash in hand and at bank and bank deposits) and PLN 9.6 million invested in short-term securities. The Group's loans and leases amounted to PLN 686.4 million (including lease liabilities under IFRS 16 of PLN 513.9 million).

I. MOVIES AND BOOKS

The cinema market in 2019 continued to grow — the cinema attendance in Poland saw yet another increase. This has been a continuous trend since 2013. However, it is worth emphasising that throughout 2019, both in calendar terms and according to Boxoffice.pl, the growth rate of the number of tickets to Helios cinemas sold was ahead of the market. Thanks to this, Agora's cinema network increased its market share to 23%.

Due to its consistent investment policy, as at the end of 2019 the Helios network included 49 state-of-the-art multiplexes. It was also intensively developing the Helios Dream premium concept, which was very well received by the audience. As a result, Helios remains the largest operator in Poland in terms of the number of multiplexes and is becoming the most modern cinema network in Poland. Thanks to a record-high attendance, the Movies and Books segment (including Helios S.A., NEXT FILM Sp. z o. o. and Agora's Publishing House) experienced an over 24% increase in revenues and operating results. It is worth noting that 2019 was a record year for the Agora's movie business — NEXT FILM achieved the highest income in history. The result of the Movies and Books segment, both at EBIT and EBITDA level, was better than in the preceding year as a result of positive contributions of the majority of businesses in the segment. The segment's results were adversely affected only by the food business. This was primarily due to the fact that in the current, initial, phase of this project's development, the costs associated with launching further restaurants exceed the revenue generated by the business.

II. PRESS

In 2019, the adverse trends for the entire press market persisted — unit sales of newspapers decreased and press advertising budgets were reduced. *Gazeta Wyborcza* with its traditional edition remains at the forefront of the most popular and influential journals in Poland and has the biggest share of advertising spending in the journals. Due to the difficult situation, inter alia in the press and press distribution market, at the end of 2019, Agora decided to further reduce the portfolio of printed publications with poor prospects. This reflects the intensive development of the *digital first* concept and focus on digitisation in this area. In mid-2019, the Group's printing activity was also optimised — operations of 2 out of 3 Agora printing shops were terminated and the area was included in the Press segment.

Importantly, in 2019, the Group's press activity increased revenues from sales of publications, mainly thanks to higher revenues from subscriptions to *Wyborcza.pl* content. The Supervisory Board is pleased to record the subsequent steps in development of the digital offering of *Gazeta Wyborcza*, which already had almost 218 thousand active paid digital subscriptions at the end of December 2019, while simultaneously increasing the average monthly revenues per subscriber. Only the top prestigious press titles from around the world can boast such a result. Thanks to cost discipline and higher revenues from sales of publications, the Press segment recorded a better operating result compared to 2018, including profit on EBIT and EBITDA level.

III. OUTDOOR ADVERTISING

Throughout 2019, thanks to the increase in revenues, the operating results of the Outdoor Advertising segment considerably increased. A significant change experienced by the Group in 2019 was the acquisition carried out in July — AMS became the majority shareholder of Piano Group Sp. z o.o., which operates in digital out of home (DOOH) segment, acting as an operator of the Move TV platform with screens in the largest fitness clubs in Poland and original premium content adapted to viewing during training. With this transaction, AMS — the leading player in the Polish outdoor advertising market, expanded its portfolio with a new type of media and strengthened its position in the DOOH segment.

Throughout 2019, the level of revenues of AMS was positively impacted by increased advertisers' spending on campaigns carried out on panels in the Premium and Digital segment, including on the Move TV platform.

IV. INTERNET

In 2019, the revenues of the Internet segment were higher than in the year before, mainly thanks to increased Internet advertising revenues in Yieldbird. Agora's Internet business recorded a lower operating result of the segment in 2019 at the EBIT level, but it improved the result at the EBITDA level. 2019 was a successful year, in particular for Internet companies from the Agora capital group, including Yieldbird, which is effectively increasing the scale of its activities. In 2019, it introduced, inter alia, further technological innovations and a new product sold in the SaaS model; in addition, it received a decision on granting PLN 3.8 million from the National Centre for Research and Development to develop and implement an innovative system for managing the sales of advertising space of online publishers in real time. In September 2019, Agora became the majority shareholder of HRlink Sp. z o.o., a company that develops an original HRlink.pl application to optimise and modernise e-recruitment processes. With this transaction, Agora consolidated its position in the market of recruitment and B2B services (Agora has been a shareholder of HRlink Sp. z o.o. since 2012).

V. RADIO

The radio stations in the Agora Group recorded a reduction in operating results in 2019. Such results were mainly affected by lower sales of advertising services in own stations and higher costs. The Radio segment conducted intensive works on development of a paid podcast service — at the end of December, the number of TOK FM Premium subscriptions purchased exceeded 20 thousand. For 6 years, the Agora Radio Group has been continuously developing the TOK FM digital offering, adding new content and functionalities to make it as convenient

to use as possible. 2019 was also very important for the Agora Group in the context of consolidating its position on the radio market and possible further portfolio expansion. In February 2019, Agora acquired a minority stake in Eurozet Sp. z o.o. (40%), the second largest radio broadcaster in Poland, securing the possibility of acquiring the entire stake if it proves to be profitable in the future. In the autumn, the company announced its intention to purchase the remaining shares in Eurozet Sp. z o.o. (60%) and subsequently applied to the President of the Office of Competition and Consumer Protection (UOKiK) for approval of the transaction.

The Supervisory Board is supporting the Management Board of Agora in measures taken to combat the negative effects of the coronavirus pandemic on the Group's financial position in 2020. The sound financial standing of the Agora Group at the end of 2019 and the austerity measures taken within a short time period helped the Group cope more effectively with the first challenges posed by the negative effects of the pandemic. In the opinion of the Supervisory Board, the Agora Group and the Company's Management Board must face an even greater challenge of minimising the long-term effects of the crisis caused by the coronavirus, the impact of which will be felt by the Group throughout 2020.

2. Assessment of internal control, risk management, compliance and internal audit function in the Agora Group

The Supervisory Board, jointly with the Management Board, is analysing the market environment and the risk factors to which the Agora Group is exposed on a current basis. New projects are analysed and measured. The Group keeps its liquidity and low debt level that allow it to reduce its financial risk. In the event of changes to laws and regulations, the Group responds accordingly by adapting its activities. Currently, there are internal control and risk management systems in place in the Agora Group. The main elements of the internal control system are components of the Group's business processes and include, among others:

- internal procedures and regulations related, among others, to delegating powers and authorising decisions, evaluating business projects, recording and processing business transactions,
- reporting and transaction control processes and performance of individual business areas,
- reviews of IT systems supporting the implementation of business processes and monitoring the operation of the systems themselves.

The management staff implements specific tasks resulting from the internal control system and the continuing oversight over its effectiveness as part of the management of the Group's individual segments.

In addition, the Company operates an internal audit department responsible, among others, for identifying internal control and security risks and recommending actions aimed at mitigating such risks to the Management Board. The Supervisory Board holds regular meetings with the Company's internal auditor during which outcomes of the reports on selected areas of activities are discussed and specific actions are agreed upon. In 2019, representatives of the Supervisory Board met several times with the Company's internal auditor.

The Supervisory Board, jointly with the internal auditor, establishes a work plan for the whole year and a detailed schedule of activities. The scope of information provided at meetings with the internal auditor, in the opinion of the Supervisory Board, permits the latter to better recognise the key risks to which the Company is exposed and to recommend methods for their better identification and addressing. For this purpose, a risk map of the Agora Group was developed and materiality levels were determined for purposes of risk analysis in line with the Risk Management Policy. The internal audit function also assists in controlling the effectiveness of the risk management system by regularly reviewing selected areas of the Company's activities in order to eliminate possible risks. The risk management system includes: the internal control system, the risk map, a risk register and a

continuous and multistage oversight of the Management Board and the management staff over individual business segments.

Moreover, there is an ongoing assessment of risks in terms of the achievement of specific business objectives of the Agora Group. In response to any identified risks, the Management Board and the management staff make changes to applicable procedures on an on-going basis. Based on the information provided to the Supervisory Board and the discussions with the Management Board and representatives of the internal audit department, the Supervisory Board is of the opinion that the internal control and risk management system in place proved to be effective in the hitherto existing activities of the Company and of the Group.

The Compliance Officer function has existed in the Company since 2018. On the basis of the compliance audit carried out in Agora with the support of external experts, a working group directed by the Agora Compliance Officer is working on implementing specific activities and developing a comprehensive compliance system in the Company in the long-term perspective. The Compliance Officer is directly supervised by the Agora Group Chief Legal Officer. The Supervisory Board appreciates the initiative to separate the Compliance Officer function in the face of a dynamically changing legislative environment, including risks related to attempts to politicise further legal regulations, including those directly related to the operations of media in Poland, and the diversity of the Agora Group's operating areas.

The Supervisory Board welcomes a continued cooperation of the compliance team with a reputable external law firm in terms of the Company's compliance with its disclosure obligations.

3. Assessment of the manner in which the Company satisfies its disclosure obligations

The Supervisory Board has no reservations and comments to make as to the manner in which the Company satisfies its disclosure obligations, both in respect of the application of the principles of corporate governance set forth in the Regulations of the Warsaw Stock Exchange and those required by the laws on current and periodic information reported by issuers of securities.

In the opinion of the Supervisory Board, the Company complies with those obligations with utmost care and transparency.

4. Assessment of the rationale of the Company's policy for social and sponsorship activities

- i. Based on an analysis of the policy of social and sponsorship activities of Agora S.A. the Supervisory Board believes that the policy is implemented in a reasonable and effective way and brings measurable benefits to the Company.

In 2019, the Agora Group continued its long-term activities within the following pillars: social, educational, cultural and charity, while launching new activities. These activities are not only nation-wide; they include regional projects as well.

As part of the **social activities**, the companies and media team for the Agora Group took up, above all, initiatives promoting diversity within the society — both in terms of gender and age. These campaigns included *Women icons on walls* — an initiative by *Wysokie Obcasy* and a series of events organised by the journal's editorial office, with the slogan *Women know what they are doing*. Activities for elderly people were carried out within the Silesian initiative "The Long-Living", this time under the slogan *Happy senior*. A major topic was also the functioning of sustainable cities — *Gazeta Wyborcza* organised a comprehensive questionnaire testing the knowledge of towns and metropolitan areas, as well as cycles of debates dedicated to processes taking place in contemporary cities. Further campaigns were also carried out, such as the cyclical campaign of *Gazeta.pl* and *Greenpeace Poland*, *Adopt a bee*. In the context of activating the local community, a series of *Wyborcza Live* meetings was

continued, along with the *Hear Your City* and *Our Europe* debates of the TOK FM radio station.

The **educational activities** undertaken by the Agora Group were specifically aimed at both children and the youth (e.g. the *Mathematics Counts Festival*, *Family Fest* and the Helios cinema network campaigns *Thematical Cinema* and *Thematical Cinema Junior*), as well as at adults (the *Tomorrownavts* project). The Group's media and brands also initiated public debate on issues such as road safety and autism.

As a part of their 2019 **cultural activities**, the companies and brands of Agora Group promoted cultural initiatives such as: AMS stops presenting the works of Andrzej Wajda or meetings and events dedicated to books, films and authors as part of Centrum Premier Czerska 8/10.

Charitable activities conducted by the Agora Group not only include the involvement of readers and recipients, employees and local community in actions directly supporting social organisations, but also focus on the promotion of philanthropy and charity. For example, in 2019, Agora's media raised a total of PLN 486 thousand in the 27th Finale of the Great Orchestra of Christmas Charity. It was the 14th time that *Gazeta Wyborcza*, together with its partner, conducted a charity advertising campaign on the occasion of Children's Day, and the Wrocław editorial office of the journal raised funds via the Santa Claus Factory for the 16th time.

Additionally, Agora brands implemented activities from the area of socially involved marketing, namely through involving readers in support of specific projects. Thanks to the subscribers of the digital version of the journal, in 2019 alone, *Gazeta Wyborcza* raised in total around PLN 200 thousand as part of activities taking place under the slogan #Wesupportteachers.

Companies of the Agora Group also seek solutions aimed at providing access to their products and services by the largest possible number of customers, in particular by sensitive and excluded groups. The recipients of these activities are persons with various disabilities, foreigners and veterans. For example, in 2019, on the 75th anniversary of the outbreak of the Warsaw Uprising, the Helios cinema network also prepared a special campaign intended for the heroes of this history-making event, who were able to use a free-of-charge invitation to a Helios cinema to watch a movie screening of their choice.

The editorial teams belonging to Agora are attempting to develop the skill of using media resources and critical thinking among their recipients. Among others, *Gazeta Wyborcza* in cooperation with international partners organised debates under the slogan: FREE WORLD FREE PRESS and a media industry workshop accompanying the prestigious European Press Prize Award 2019 ceremony.

Through organisation of competitions and initiatives, the media of the Agora Group speak up on important social issues, while simultaneously promoting culture. In addition to the above, the media of Agora Group, by organising competitions and awarding prizes, speak on important social issues and promote culture.

Every year, the activities undertaken by the Agora Group in this regard are monitored. Their detailed description is available at agora.pl and in the Agora Group's Responsibility Report for 2019.

- ii. In the opinion of the Supervisory Board, the projects were implemented in the social areas indicated in the Policy of social and sponsorship actions in place at the Agora Group, i.e. they concerned education, individual and social development, shaping civic attitudes and caring for human rights, promotion of culture and universal access to it, promotion of health and healthy lifestyle, care for the natural environment and other aspects of charity and support activities. Preparation, implementation and evaluation of the projects were carried out with due diligence and they complied with stakeholder engagement and cross-sectoral partnership principles.
- iii. The good practices introduced by the Company in the area of social engagement and development of the local community strengthened its relations with local communities,

enabled to raise major social problems by reaching a wide audience, improved the Company's reputation and its positive perception among stakeholders (including but not limited to customers, local communities, social organisations). The implemented Policy of social and sponsorship actions brought measurable benefits to the Company; these included strengthening its leading position in the media with regard to its involvement in current social affairs and involvement of the employees in social activities and their satisfaction with participation in these activities.

- iv. The Supervisory Board finds that the Company's social and sponsoring projects are an expression of its strategic approach to corporate social responsibility. That is a concept under which the Company takes responsibility for impact of its decisions and activities on the society and on the environment, contributes to sustainable development, including to well-being and health of the society and takes into account the expectations of stakeholders. Its social and sponsorship projects comply with applicable laws, follow international standards of conduct and are integrated with the organisation's other activities and practice in its relations.
- v. The implementation of the Policy in this area serves the interests of the Company and all its stakeholders, including shareholders. In the Supervisory Board's opinion, measures taken in this area are relevant and worth continuing.

5. Assessment of the diversity policy and its effects

I) Diversity of administrative, management and supervisory bodies in Agora S.A.

Diversity and openness are values which form an integral part of both the Company's business activities and employment policy. The diversity policy in place at Agora S.A. is based on the Agora's Charter, which was developed jointly with "Gazeta Wyborcza" and the Company.

As an employer, Agora is guided by the principles of equal treatment and counteracting all forms of discrimination, believing that this brings real benefits and supports the Company's growth and innovation. One of the objectives of the diversity policy pursued by Agora is to emphasise the openness of the organisation to diversity which increases the effectiveness of work, builds trust and counteracts discrimination. The diversity practice also aims to fully tap into the potential of employees, their diverse skills, experiences and talents in an atmosphere of respect, support and teamwork.

As an employer, Agora creates an atmosphere at work which makes employees feel respected, and gives them the sense that they are able to fully realise their professional potential. The Company builds a culture of dialogue, openness, tolerance and teamwork.

In 2016, Agora S.A. introduced the diversity policy which applies to all employees. Its aim is to consistently create a workplace that is free from discrimination, regardless of reasons, and at the same time engages the best specialists who contribute to the Company's success. Agora is an employer that cares for the development of the team through internal and external training. Agora's diversity policy is based on overcoming barriers such as age, gender or health status and is guided by the principle that the professional potential of employees is determined by their competence. In this manner, the Company wants to support implementation of its plans to the best of its abilities and to offer the highest-quality products and services to its consumers.

II) Supervisory Board

The procedure for the appointment of Supervisory Board members is set forth in the Company's Statutes and other laws and regulations applicable to the Company. Agora has a limited impact on the composition of the body supervising its operations.

III) Management Board

- The procedure for the appointment of the Management Board is also specified in the Company's Statutes. Only holders of series A shares have the right to appoint candidates for Management Board members. In the Supervisory Board's opinion, when presenting candidates, these shareholders took into account, as a decisive criterion, first of all high qualifications, professional experience in the main areas of the Agora Group's operations and professional preparation to for the position of a member of the Management Board.
- In 2019, members of the Company's Management Board had complementary experience and competences. Each of the members of the Management Board has different background — they are graduates of: University of Silesia, University of Łódź, University of Edinburgh, Wrocław University of Economics and Business, Wrocław University of Technology, Warsaw University of Technology and Warsaw School of Economics.
- It is worth emphasising that the decisive aspect in selecting the governing bodies of the Company and its key managers is ensuring versatility and diversity of Agora officers, especially in the area of professional experience, age, education and gender. Outstanding qualifications as well as professional experience and relevant preparation for specific functions are of decisive importance in this respect.

Gender structure in supervisory and management bodies of Agora S.A.

	Men	Women
Management Board	3	2
Supervisory Board	5	1

IV) Administrative bodies

The administrative bodies of Agora include employees who occupy managerial positions. The diversity policy for such bodies involves the creation of a workplace free from discrimination based on gender, age, origin, health, education, political or religious beliefs where competence and experience are the basis of the organisational culture. This approach is reflected in the diversity of teams across the Company. Gender equality is one of the key aspects of diversity due to the similar number of male and female employees (women accounted for 55.7% of employees in the entire Group as at 31 December 2019 and men accounted for 44.3%). The gender structure in the administrative bodies confirms that this objective has been achieved. Meanwhile, an employee evaluation system in place at Agora S.A., including assessment of managerial competences, allows to draft career and development paths within the Company, excluding unequal treatment regardless of reasons.

Gender structure in the administrative bodies (management positions) at Agora S.A. (as at 31 December 2019).

	% in Agora S.A.	
	Women	Men
Agora S.A.	51.8%	48.2%

In addition, on 8 March 2017 the Company signed the Diversity Charter, joining the European initiative to promote diversity in the workplace.