

PKP CARGO Group

Sustainability Report
for 2025



Table of Contents

I General information3

ESRS-2 General information4

BP-1 General basis for preparation of sustainability statements4

BP-2 Disclosures in relation to specific circumstances6

GOV-1 Role of administrative, management and supervisory bodies9

GOV-2 Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies12

GOV-3 Integration of sustainability performance into incentive systems13

GOV-4 Statement on due diligence13

GOV-5 Risk management and internal controls over sustainability reporting13

SBM-1 Strategy, business model and value chain14

SBM-2 Interests and views of stakeholders17

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model18

IRO-1 Description of the process to identify and assess material impacts, risks and opportunities27

E1.IRO-1 Description of the processes to identify and assess climate-related material impacts, risks and opportunities29

E.2IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to pollution30

E3.IRO-1 Description of the processes to identify and assess material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems31

E4.IRO-1 Description of processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy31

E5.IRO-1 Description of processes to identify and assess material impacts, risks and opportunities32

IRO-2 Disclosure requirements in ESRS covered by the undertaking’s sustainability statement concerning material impacts, risks and opportunities32

II Environmental information41

Taxonomy EU42

Environmental information – Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)42

EU Taxonomy reporting process43

ESRS E1 Climate change54

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model54

ESRS 2 IRO-1 Description of the processes to identify and assess climate-related material impacts, risks and opportunities54

E1-1 Transition plan for climate change mitigation54

E1-2 Policies related to climate change mitigation and adaptation55

E1-3 Climate policy actions and resources56

E1-4 Targets related to climate change mitigation and adaptation57

E1-5 Energy consumption and energy mix57

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions58

E1-7 GHG removals and mitigation projects financed through carbon credits63

E1-8 Internal carbon pricing63

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities63

ESRS E2 Pollution64

ESRS 2 IRO-1 Description of the processes to identify and assess climate-related material impacts, risk and opportunities64

E2-1 Policies related to pollution64

E2-2 Actions and resources related to pollution66

E2-3 Cele związane z zanieczyszczeniem68

E2-4 Pollution of air, water, and soil70

E2-5 Substances of concern and substances of very high concern71

Anticipated financial effects from pollution -related impacts, risks and opportunities71

ESRS E5 Resource use and circular economy72

ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy72

E5-1 Policies related to resource use and circular economy72

E5-2 Activities and resources related to resource use and circular economy73

E5-3 Targets related to resource use and circular economy74

E5-4 Resource inflows74

E5-5 Resource outflow75

III Information about social issues76

S1 Own workforce76

SBM-3 Material impacts, risks and opportunities and their interactions with strategy and business model77

S1-1 Policies related to own workforce78

S1-2 Processes for engaging with own workforce and workers’ representatives about impacts81

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns82

S1-4 Taking action on material impacts on own human resources and applying approaches to manage material risks and opportunities related to own human resources and the effectiveness of those actions83

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities86

S1-6 Characteristics of the undertaking’s employees86

S1-8 Collective bargaining coverage and social dialogue88

S1-9 Diversity metrics89

S1-10 Adequate wages89

S1-14 Health and safety metrics90

S1-17 Incidents, complaints and severe human rights impacts90

IV Information related to corporate governance91

G1 Business conduct92

G1-1 Business conduct policies and corporate culture92

G1-2 Management of relationships with suppliers94

G1-5 Political influence and lobbying96

G1-6 Payment practices96



01

General information

ESRS-2

BP-1

General basis for preparation of sustainability statements

The statement on the sustainability of the PKP CARGO Group is part of the report on the Management Board's activities, in accordance with the Act of 6 December 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Oversight and Certain Other Acts, introducing amendments, without limitation, to the Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2023, item 120, as amended). The content of the Statement is consistent with Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023, supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards (OJ L of 2023, item 2772, as amended), Annex I, European Sustainability Reporting Standards (hereinafter: ESRS). The Report also includes disclosures in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).



The document has been prepared in a consolidated form, with the same scope of data consolidation as that for the financial statements, meaning that it includes, in addition to the parent company PKP CARGO S.A. under restructuring, seven subsidiaries consolidated using the full consolidation method:



Company specializing in the operation of rail sidings, rail freight and traction services. Domestic and international freight services are provided using the company's own or entrusted rolling stock. PKP CARGO SERVICE employs technically skilled personnel specializing in track infrastructure maintenance. It offers technical checks, diagnostics, on-site inspections and maintenance, repairs and track renovations. The company cooperates with enterprises from the coal, mineral and power sectors.



The company's key line of business is rolling stock maintenance, upgrade and adaptation to customer needs and specific freight requirements. The services are provided in six units specializing in the production and refurbishment of components for wagons and locomotives.



The company handles trade between the European Union and the Far East and runs its business in the following three locations:

- ◆ in the Przemyśl region on the Polish-Ukrainian border, in the Third European Transport Corridor (Berlin – Wrocław – Kraków – Przemyśl – Lviv – Kyiv),
- ◆ at the Medyka-Mościska crossing and in the Terespol region in the Second Pan-European Transport Corridor (Berlin – Poznań – Warsaw – Brest – Moscow – Nizhny Novgorod),
- ◆ in Karsznice in central Poland on the S8 route, at the intersection of the main east-west and north-south routes, connecting the New Silk Road with the Three Seas Initiative region and others.

Polish and international customers have been using the company's services for years.



The PKP CARGO INTERNATIONAL Group, along with PKP CARGO INTERNATIONAL HU Zrt., SK s.r.o., SI d.o.o. and AWT ROSCO a.s., specializes in the transport of heavy cargo, such as coal, steel, construction materials and output of the automotive, food and chemical industries. It operates in Europe, offering long-distance freight services, intermodal transport, freight forwarding, siding services, rail construction, track services, rental, repair and cleaning of wagons, and locomotive maintenance. Through AWT Rekultivace a.s., it also provides land reclamation, earthwork and waste management services. The group owns the Paskov transshipment terminal, which serves 60 sidings and manages approx. 400 km of traction. Its head office is located in Ostrava, Czech Republic.



The company offers transshipment, customs clearance and freight forwarding services and trades in imported coal. It makes use of its own resources to carry out transshipment, storage, sorting, bagging and customs clearance services. Its customers are importers and exporters of bulk cargo.



The company provides rail carriers with logistics and service infrastructure on commercial terms. It manages the Malaszewicze Transshipment Zone, which covers approximately 172 km of tracks with stations and 18 forwarding points with a total length of 11 km of tracks. The company is in charge of maintaining the infrastructure to ensure safe rail transport operations.



It offers comprehensive transport, transshipment, warehousing and customs services. It specializes in domestic and international transport of containers, swap bodies and semi-trailers, both by dedicated trains and operator trains in the intermodal service network. It offers intermodal solutions using sea, road and rail transport in Poland, EU countries, Kazakhstan, Turkey and the United Kingdom. It provides freight forwarding services for rail transport – wagon and full train loads. It also provides FTL, LTL, refrigerated (with temperature monitoring) and ADR road transport services. It offers door-to-door, just-in-time and place-on-time deliveries.

The data presented in the statement cover the period from 1 January 2025 to 31 December 2025, which is the period covered by the Consolidated Financial Statements for the financial year ended 31 December 2025.

The full structure of the PKP CARGO Group, in accordance with the Consolidated Financial Statements and the Management Board Activity Report, comprises twenty subsidiaries, seven of which are subject to consolidation. Among the companies covered by consolidation, none are exempt from sustainability reporting.

The Group's sustainability information presented in this statement is based on a double materiality analysis carried out from November 2025 to February 2025, which took into account the value chain identified in the process at the lower and higher levels.

The PKP CARGO Group does not exercise the option to omit from the statement any information on intellectual property, know-how and innovation results or ongoing events and negotiations.

BP-2

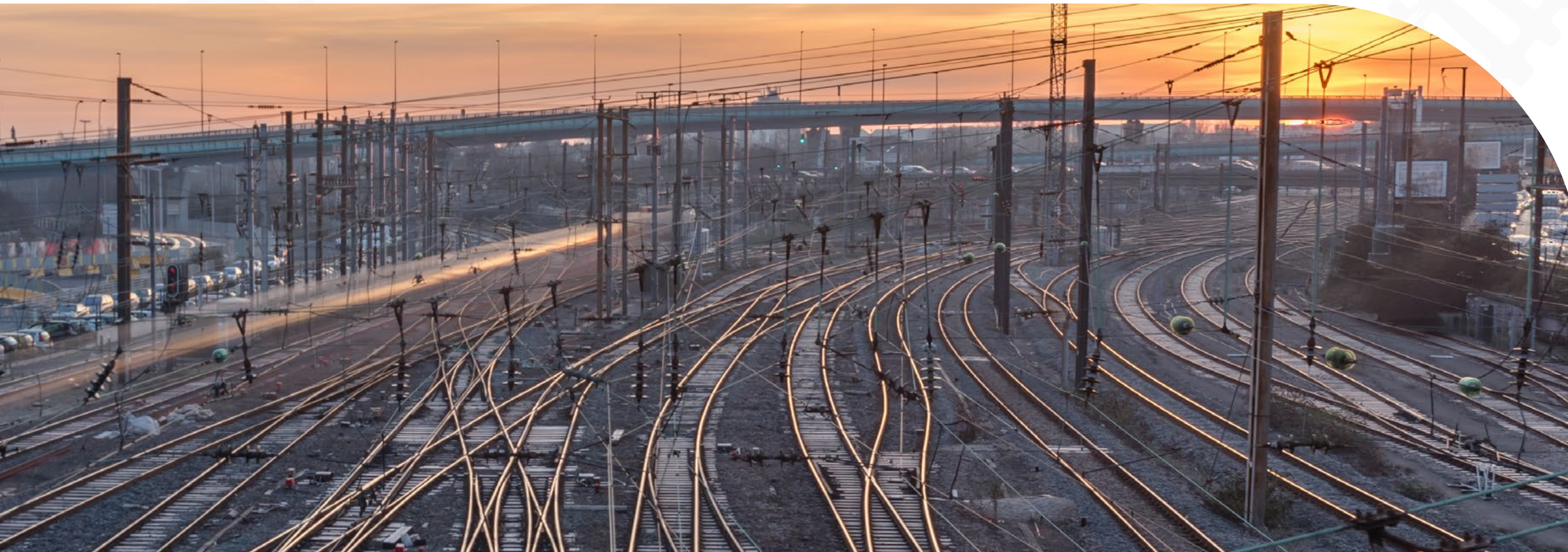
Disclosures in relation to specific circumstances

The PKP CARGO Group has adopted the following time horizons in accordance with the ESRS standard:

- ◆ short-term – corresponding to the reporting period (1 year),
- ◆ medium-term – between one and five years,
- ◆ long-term – more than five years.

The statement was prepared based on the requirements set forth in the ESRS standards. The information contained herein does not refer to any other legal provisions imposing an obligation to disclose sustainability information or to any generally accepted interpretations or frameworks for reporting in this area. The statement discloses data resulting from 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. This report on the Group's sustainability has undergone an external assurance review providing limited assurance.

The Group reports greenhouse gas emissions based on a methodology compliant with the GHG Protocol standard, to which the ESRS directly refers. The sources of indicators for the calculations are the following databases and sources: DERFA, KOBIZE, AIB, ERO, Ecoinvent, Exiobase. The primary input data for the emissions calculation included information such as purchase invoices, accounting and operational data and corporate data management systems. In the Scope 3 emissions calculations relating to the upstream and downstream value chain, estimates based on information from company systems were used in their entirety.



In 2025, in accordance with the guidelines of the ESRS Standard E1, Section 34(b), Categories 5, 6, 7, 9 and 13 of Scope 3 were not reported, as their emissions were immaterial (the total emissions in these categories were significantly less than 1% of the Group's total emissions). During the reporting period, due to the need to align the carbon footprint calculation method with the methodology used by the PKP Group, the approach to calculating Scope 3 Category 9 was changed. This change resulted in the transfer of most emissions from Category 9 to Category 4, causing Scope 3 Category 9 to become immaterial, as described in more detail in disclosure E1-6 under the subsection "Description of the adopted methodology."

In 2025, the approach to presenting the ESRS G1-6 indicator changed: the average number of days it takes an entity to settle an invoice from the start of the contractual or statutory payment term. In the current reporting period, the indicator was estimated based on the average accounts payable turnover ratio within the Group. In 2024, due to differences in the data structure of individual Group companies, the data was reported individually for each company using different methodologies. After recalculation, the ratio for 2024 amounted to 85 days. Since in the previous reporting period the ratio was reported separately for each Group company, it is not possible to identify the difference between the value reported for that period and the adjusted comparative figure.



The use of this ratio allows for the presentation of consistent data at the Group level; however, it involves estimates that have been identified as having a high level of measurement uncertainty – the accounts payable turnover ratio does not take into account information on actual contractual terms and reflects only the average settlement period. The ratio for each company was calculated as the quotient of the average balance of trade payables at the beginning and end of the reporting period and the total net purchases recognized in that period.

Liabilities include trade and investment liabilities arising exclusively from invoices. Purchases include net purchases of services, goods and materials as well as fixed assets resulting from purchase invoices. For data from PKP CARGO and PKP CARGOTABOR regarding the balance of liabilities, liabilities subject to remedial proceedings were excluded due to different repayment rules (as specified in the court-approved composition).

In 2025, the approach to presenting pollution data within the ESRS E2 disclosures also changed. In disclosure E2-4, the voluntary presentation of emission values was discontinued, regardless of potential exceedances (no exceedances were identified in 2024-2025). Furthermore, in disclosure E2-5, due to improvements in the quality of collected data, the substances used were reclassified in a manner that better reflects their chemical characteristics.



In 2025, the double materiality analysis was updated. As a result of the in-depth analysis and based on insights from emerging market practices, the E3 topics are no longer considered material. Furthermore, following the in-depth analysis, topic E5 regarding input resources was deemed material. Detailed changes are described in IRO-1.

During the current reporting period, a material error was identified in the presented value of the accident rate in Chapter S1. Due to an error in data aggregation, a lower-than-actual value of the ratio was reported. Following the correction, the ratio changed from 3.13 to 4.60.

Additionally, an omission error was identified in the previous report regarding the Group's energy intensity ratio. Consequently, the 2024 ratio was additionally reported in E1-6.

In 2025, the Group availed itself of the disclosure exemption pursuant to the European Commission Regulation of 11 July 2025, the so-called "Quick Fix," which amends the list of exemptions described in Appendix C to ESRS 1 – *List of phased-in disclosure requirements* – with respect to financial years beginning on or after 1 January 2025.

The Group availed itself of the following exemptions:

- ◆ SBM-3, paragraph 48(e) – expected financial impacts,
- ◆ E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities,
- ◆ E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities,
- ◆ ESRS E4 – Biodiversity and ecosystems (all disclosure requirements),
- ◆ E5-6 Anticipated financial effects from resource use and circular economy-related risks and opportunities,
- ◆ S1-7 Characteristics of non-employees in the undertaking's own workforce,
- ◆ S1-13 Training and skills development metrics,
- ◆ S1-14 Health and safety metrics,
- ◆ ESRS S2 – Workers in the value chain (all disclosure requirements),
- ◆ ESRS S3 – Affected communities (all disclosure requirements).

As a result of the materiality assessment, the Group identified the issues covered by standards E4 Biodiversity and Ecosystems, S2 Workers in the value chain and S3 Affected communities as material. These issues are directly related to the PKP CARGO Group's business model, which is based on rail freight transport. Currently, the Group has not set targets, actions or metrics for managing material impacts related to these issues. No policies dedicated to these issues have been adopted either. The issue of employee health and safety in the value chain is addressed indirectly in corporate documents – *the Code of Conduct for Business Partners of the PKP CARGO Group*.

The Group does not avail itself of the option to incorporate information by reference to another part of the report.

GOV-1

Role of administrative, management and supervisory bodies

The PKP CARGO Group is managed and supervised by the corporate bodies of its parent company, PKP CARGO S.A. under restructuring. As at the end of 2025, the Company was managed by a five-member Management Board. At the end of 2025, the President of the Management Board of PKP CARGO was dismissed. The Supervisory Board, one of whom was delegated to perform the duties of President of the Management Board of PKP CARGO, while another was dismissed from the position of member of the Supervisory Board. At the end of the reporting period, the Board included one employee representative.

Composition of administrative, management and supervisory bodies in the Company at the end of 2025

Number of persons on the Management Board	5
Number of persons on the Supervisory Board	8
Percentage of women on the Management Board	20%
Percentage of women on the Supervisory Board	25%
Number of independent members of the Supervisory Board	2
Number of non-executive members of the Supervisory Board	8



The Management Board consisted of:


Monika Starecka – Acting President of the PKP CARGO S.A. under restructuring Management Board.

In April 2024, she was appointed Director of the Finance Division at PKP S.A. In previous years, Monika Starecka held senior management positions at EY Polska, Grupa SMYK, Telepizza Poland, Vattenfall Heat Poland, Szybka Kolej Miejska, RTC Poland and other companies. Since January 2024, she has also served as

a member of the ENEA Supervisory Board. Since 2019, Monika Starecka has been running Equinox Consulting, a consulting firm providing financial and operational advisory services, soft skills training, coaching and mentoring sessions for entrepreneurs and members of corporate governing bodies. She has been a certified auditor since 2003. She is also certified as an International Coach by the International Coaching Community (ICC).



Paweł Miłek – Vice-President of the Management Board, Management Board Member in charge of Restructuring since 1 January 2025. Since 1997, he has served a trustee in bankruptcy proceedings and a supervisor and administrator in restructuring proceedings. He has worked as a legal counsel since January 2000. In 2022, he obtained the title of Qualified Restructuring Advisor. Served as Vice-Chairman of the Regional Disciplinary Court at the Regional Chamber of Legal Counsels in Wrocław. In 2021-2023, he served as President of the Lower Silesian Association of Trustees in Bankruptcy Proceedings..



Artur Warsocki – Management Board Member in charge of Commerce since 1 February 2025.

He started his professional career at Rafineria Gdańska S.A. in 1998. Since 2003, he continued work in the LOTOS S.A. Group, where he held successive managerial positions. In 2008-2012, as Sales Management Director, he was responsible for wholesale trading in fuels of the refinery. In

2012-2014, he was responsible for development of aviation fuel business, as a result of which aviation fuels started to be sold by LOTOS at all the key airports in Poland. As the President of the Management Board of LOTOS Tank, he was responsible for restructuring and transformation of the company into a joint venture with the international concern Air BP. In the newly established company, LOTOS-Air BP, he became President of the Management Board. Since 2015, he has been associated with the logistics sector. From 2015 to 2017, as Commercial Director of the CTL Logistics Group and Management Board Member of CTL Logistics GmbH, he developed the sales area for rail transport on the Polish and German markets. Since 2017, he has been involved in the logistics and freight forwarding industry at seaports in Poland.



Sebastian Miller – Management Board Member in charge of Operations since 1 January 2025.

He has many years of experience as a manager in the railway industry and previously in industry. From 2001, for over a decade, he managed contracts and projects at Polimex-Mostostal SA (formerly ZREW SA), ERBUD and MONCOBRA. In 2019-2024, he worked on the position of Technical Division Director,

managing maintenance and technical activity in Szybka Kolej Miejska w Warszawie (Urban Fast Transit Railway in Warsaw). In 2024, he was appointed Advisor to the President of the Management Board, responsible for supervision and reorganization of the Company's operations area.



Michał Łotoszyński – Management Board Member in charge of Finance since 17 February 2025.

He has 25 years of experience in finance and management, including in particular finance management, building new products and development of company strategies, performance of IT projects as well as restructuring, repairs and acquisitions of business entities.

Professionally, he has been associated, among other sectors, with banking. He worked at PKO Bank Polski, PKO S.A. Pension Fund and BOŚ Investment Mgt. At the Pension Fund, he co-developed an IT system for asset valuation based on the Embedded Value model and the amortization of acquisition costs over time. He managed a company renting passenger cars and delivery vans - 99RENT Sp. z o.o., where apart from ensuring its growth, he also built a system for managing short- and medium-term leases. Then, after acquiring a franchise of Enterprise/National/Alamo, he restored the company's position in the Polish market. He was Management Board Member in charge of Finance at PZU Tower (real estate management for the PZU Group), Arcus S.A. and Arcus Systemy Informatyczne. While working for Ciech S.A., he was responsible for restructuring, building the group's strategy, an IPO project and acquisitions of EU companies from the chemical industry.

At the end of 2025, the following persons were Members on the Supervisory Board in addition to those seconded to perform functions on the Management Board:

- ◆ Bogusław Nadolnik,
- ◆ Marzena Piszczek,
- ◆ Jacek Męcina,
- ◆ Tomasz Pietrek,
- ◆ Robert Stępień,
- ◆ Piotr Babski,
- ◆ Michał Wnorowski,



In the Group's Parent Company, oversight of sustainability issues in 2025 was exercised by the Strategy, Restructuring and Sustainability Committee. The Committee's responsibilities are defined in the Supervisory Board Bylaws and include supporting the Supervisory Board in defining and pursuing strategies, including ESG strategies, monitoring the pursuit of strategies by the Management Board, and issuing opinions on strategic documents, including those related to ESG, submitted to the Supervisory Board by the Management Board. As at the end of 2025, the Committee consisted of three Supervisory Board members. In 2025, the knowledge and experience of the Committee members were of a business nature, not directly related to sustainability issues. The Committee periodically reviewed topics related to ESG and their implementation within the organization.

In 2025, no separate controls or procedures were applied to manage the impacts, risks and opportunities described in this statement. With regard to the identified risks, a process was initiated to integrate them into the risk management system, which was presented to the aforementioned Committee. Concurrently, in 2025, preparatory work began to incorporate ESG risks into this system.

At the management level, issues related to sustainability are addressed on a case by case basis by the relevant substantive departments specializing in specific areas. Environmental issues are handled by dedicated units in charge of environmental protection. Human resources are jointly managed by the Human Resources Management Department, the Compliance Section and the Occupational Health and Safety Team.

Issues related to the impact of our operations on local communities, including the noise generated by our trains, are the responsibility of the Rolling Stock and Technical Support Department. Relations with suppliers are coordinated by the Purchasing Department, which collaborates with the Finance Department in the area of payments. Whistleblower protection is the responsibility of the Compliance Section.

All these activities are coordinated at the project level, with particularly intensity during the preparation of sustainability reports and the development of ESG strategies.

Sustainability reporting is carried out on a regular basis. Coordinators of relevant areas (Health and Safety, Compliance, Environment) prepare reports which are then submitted to the Management Board by the directors of specific units. Subsequently, these reports are discussed at Management Board meetings.

Quality and sustainability objectives are included in the Group's Integrated Management System Policy adopted by a resolution of the Management Board. As these objectives are not measurable, progress towards their achievement is not monitored. The objectives are not updated on a regular basis, but on an as-needed basis.

In 2025, the Group updated its double materiality analysis, the results of which were approved by the Management Board. Following the completion of the restructuring proceedings, the Group intends to use the outcomes of this analysis to review its objectives and establish appropriate indicators, of both a quantitative and qualitative nature.

GOV-2

Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

The PKP CARGO Group has not implemented formalized processes for systematically informing management and supervisory bodies about material impacts, risks and opportunities in the area of sustainability. The Management Board and the Supervisory Board are informed about material ESG topics in connection with specific operational events or in situations requiring decision-making as well as on a regular basis arising from reporting obligations set forth in the Group’s internal policies.

During the reporting period, information regarding material impacts, risks and opportunities was communicated to the governing bodies through existing management channels, including Management Board meetings, ongoing operational analyses and reviews resulting from applicable policies. The Management Board and the Supervisory Board were informed about occupational health and safety issues on a quarterly basis and in the form of an annual summary.

A report on the implementation of the Code of Ethics and the whistleblower protection system was submitted to the governing bodies on an annual basis.

Sustainability issues are not integrated into formal decision-making processes at the level of management and supervisory bodies in the areas of strategy, budget planning or risk management. In 2025, decisions and steps were taken regarding the management of identified material opportunities and risks related to sustainability at PKP CARGO, which will ultimately be extended to the entire Group.

During the reporting period, the Company’s management and supervisory bodies addressed the following topics related to sustainability issues.

List of material impacts, risks and opportunities addressed by the administrative, supervisory and management bodies during the reporting period

Topics related to material impacts/risks/opportunities	Body or Committee that addressed the topic	Form of addressing the topic	Period/Frequency
Negative impact on employees resulting from the ongoing restructuring process of the Company	Management Board, Supervisory Board	Meeting/information	On an ongoing basis
Risk of litigation and potential claims as a result of mass layoffs	Management Board, Supervisory Board	Meeting/information	On an ongoing basis/ every 2-3 months
Risk related to the costs of servicing the loan from the Guaranteed Employee Benefits Fund	Management Board, Supervisory Board	Meeting/information	On an ongoing basis
Risk of payment orders and penalties imposed by the State Labor Inspection Service in connection with outstanding amounts payable to laid-off employees	Management Board, Supervisory Board	Meeting/information	On an ongoing basis
Occupational health and safety (accidents, violations of OHS rules, OHS recommendations)	Management Board, Supervisory Board	Meeting/information	Quarterly/annually
Risk of losing staff due to inadequate employee compensation and training policies resulting in increased recruitment and induction costs for new workers,	Management Board, Supervisory Board	Meeting/information	On an ongoing basis
Functioning of the Code of Ethics, protection of whistleblowers	Management Board, Supervisory Board, Audit Committee	Meeting/report	Annually
Pursuit of the risk management policy	Management Board, Supervisory Board, Audit Committee	Meeting/report	Annually
Risk of increased costs related to the obligation to report environmental issues, internal training or calculating the carbon footprint in Scope 3	Management Board, Supervisory Board, Strategy, Restructuring and Sustainability Committee	Meeting/information	Q2 2025

GOV-3

Integration of sustainability performance into incentive systems

The Compensation policy for PKP CARGO Management Board and Supervisory Board members does not take into account the interconnection between the compensation of the organization’s management and supervisory bodies and the achievement of sustainability goals, including those related to climate.

GOV-4

Statement on due diligence

Detailed information on the Group’s application of the main aspects and stages of the due diligence process, along with references to the relevant sections of the sustainability statement, is provided in the table below.

Key elements of the due diligence process in the report

Key elements of the due diligence process	Sections in the sustainability statement
Inclusion of due diligence in corporate governance, strategy and business model	GOV-1, GOV-2, SBM-3
Engaging with affected stakeholders in all key steps of the due diligence	IRO-1, SBM-2, S1-2
Identification and assessment of adverse impacts	SBM-3, IRO-1
Taking action to mitigate identified adverse impacts	E1-2, E3-2, S1-4, S3-4
Tracking the effectiveness of these efforts and communicating	IRO-1

GOV-5

Risk management and internal controls over sustainability reporting

In 2025, the PKP CARGO Group did not have in place a developed and formalized internal control system related to sustainability reporting. During the preparation of this statement, two key risk areas were identified:

- ◆ limited comparability of data between organizational units – resulting primarily from the absence of uniform sustainability reporting standards, varying degrees of maturity of the processes used and insufficient resources responsible for collecting and processing such data;
- ◆ low degree of data availability from external entities, particularly in the supply chain – due to the large number of partners and suppliers cooperating with the Group.

The Group does not have in place a formally developed strategy for managing these risks, but ultimately intends to implement solutions including simplified control mechanisms, transparent data verification procedures and uniform guidelines that will improve data collection and reporting among subsidiaries, business partners and suppliers.



SBM-1

Strategy, business model and value chain

The PKP CARGO Group is a rail freight operator offering comprehensive logistics services in Poland and across the European Union. It also provides freight forwarding (domestic and international), terminal, siding and traction services as well as repair and maintenance of rolling stock and land reclamation services. The organization’s major customer groups include large enterprises – utility companies, heating plants, power plants, construction companies, chemical companies and the intermodal sector. The primary categories of transported cargo are hard coal and other fossil fuels as well as stone and aggregates.

During the reporting period, the Group did not offer any services or products prohibited in certain markets.

As at the end of 2025, the number of active employees in the Group was 12,958, of whom 8,376 worked at PKP CARGO S.A.

Number of employees as at 31 December 2025 by country

Country	PKP CARGO Group
Poland	11,649
Czech Republic	1,176
Hungary	115
Slovenia	18
Total workers	12,958



The Group’s total revenue in 2025 was PLN 3,875.0 million – the revenue generated by the companies is included in the Group’s CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025.

The PKP CARGO Group operates in the fossil fuel sector. The Group does not collect data that would permit a presentation of revenue broken down into proceeds from the transport of coal, crude oil and gas. At the same time, the Group is not involved in the production of chemicals, the cultivation and production of tobacco, nor is it active in the field of controversial weapons.

ESG Strategy of the Group

The strategic sustainability-related objectives related to material services provided are defined in the PKP CARGO Group ESG Strategy for 2024-2028. The organization aims to offer sustainable rail transport based on intermodal transport – this segment is being systematically developed.

The strategy defines eight operational objectives related to sustainability issues:

- ◆ integrate the ESG criteria into the rolling stock modernization and procurement process, taking into account the need for decarbonization in the Group's key business areas,
- ◆ reduce resource consumption and implement the circular economy principle,
- ◆ strengthen human capital by attracting the best talent and creating a safe, comfortable and diverse workplace,
- ◆ make efforts to change the energy consumption model towards increasing the share of renewable energy, taking into account the unique requirements of the rail transport market,
- ◆ raise awareness of the benefits of sustainable transition both within the organization and in its environment, including in the value chain,
- ◆ build a sustainable service offering based on ESG activities,
- ◆ deepen dialogue with stakeholders to better address their needs and build partnerships;
- ◆ optimize business and transport processes for ESG by using digital tools.

In connection with the initiation of remedial proceedings in July 2024, the PKP CARGO Group's business strategy was suspended. At the same time, the process of developing a restructuring plan began; this plan was finalized on 30 June 2025 and submitted by the Administrator to the PKP CARGO remedial proceedings file. The plan was approved on 18 March 2026. This document contains a description of the preliminary assumptions of the new strategy, which focuses on financial stabilization through the optimization of cash flows and the strengthening of revenues. Key actions include improved management of receivables and liabilities, renegotiation of financial terms, cost reduction and increased sales through the development of cooperation with customers and adjustment of the pricing strategy.

Description of the business model and supply chain

The PKP CARGO Group provides comprehensive transport services in Poland and internationally, including route planning, cargo management and documentation. Its offering is supplemented by freight forwarding, transshipment and intermodal services, that is solutions enabling the combination of different means of transport and streamlining the flow of cargo. Moreover, the Group's companies provide terminal and infrastructure services supporting both their own operations and those of other carriers. These include:



container storage and handling, transshipment and documentation services,



customs and freight forwarding services focusing on the formal handling of cross-border transport, including customs clearance and verification of the conformity of transport documents,



siding and traction services involving the management of sidings and the provision of locomotives and traction services at loading/unloading points.

The Group also provides technical and specialist services to support the reliability of rolling stock and non-standard services, often requiring special permits or qualifications. These include repairs and maintenance of rolling stock as well as special and military transport operations.

The year 2025 was a period of exceptional operational and financial challenges for the Group, which significantly shaped both decisions regarding resource allocation and the ability to generate value. More information on financial and operational results can be found in the Management Board Report on the Activity of PKP CARGO S.A. under restructuring and the PKP CARGO S.A. under restructuring Group for 2025.

Rail rolling stock constitutes a key component of tangible assets. Maintenance and repair of the fleet are primarily carried out at PKP CARGOTABOR's own facilities, which ensures the Group's independence from external maintenance service providers and allows it to control both costs and the schedule downtime. The skills and experience of employees are an equally important resource. Human resources management in 2025 was guided by the logic of restructuring: the aim of the measures taken was to preserve key operational competencies while reducing fixed costs. More information on measures related to the impact of restructuring on employees can be found in Disclosure S1-4.

Our own network of transshipment terminals and rolling stock repair facilities constitute a source of competitive advantage, ensuring operational independence and the ability to serve customers from various industries. The Group has access to sidings operated for industrial customers. Our freight licenses in 9 European Union countries, long-standing relationships with industrial customers, expertise in handling heavy bulk cargo (coal, aggregates, steel, chemicals, fuels) as well as brand recognition in Central European markets, constitute the resources that determine the Group's ability to build its market position amid intensified competition from private rail carriers and road operators.

The Group offers comprehensive logistics chain services from a single source: from bulk transport, through intermodal transport, to warehousing and terminal operations. Rail transport remains significantly lower in emissions than road transport, which meets customers' growing demands for reducing their carbon footprint. The availability of services in nine EU countries enables the handling of Central European transit without the need to engage multiple carriers.

Despite workforce reductions, the Restructuring Plan aims to maintain the Group as an operational entity, thereby protecting jobs. PKP CARGO remains a strategic component of Poland's transport infrastructure: it relieves road congestion, reduces CO₂ emissions compared to road transport and supports the European Green Deal by shifting transport modes toward rail.



Value chain of the PKP CARGO Group





SBM-2

Interests and views of stakeholders

The purpose of stakeholder engagement in the PKP CARGO Group is to build lasting, trust-based relationships, understand needs and align the organization’s activities with the changing market and social environment.

With regard to investors, customers and business partners, the primary objective is to better understand their viewpoints, needs and expectations. This permits the Group to effectively adjust its offering to market realities and respond to rapidly altering economic, regulatory and technological conditions.

Employee engagement focuses on creating a consistent organizational culture based on the organization’s values, such as respect, reliability, cooperation, transparency and responsibility.

In its relations with trade unions, the PKP CARGO Group strives to maintain a constructive dialogue that fosters the joint shaping of good working conditions and enables employees to have a real say on how their workplace functions.

The organization conducts communication activities through channels tailored to the specific characteristics and needs of various stakeholder groups, in accordance with the law and best practices applicable to public companies.

Key stakeholders of the PKP CARGO Group and their engagement channels

Stakeholders	Engagement channels
Shareholders, investors and market analysts	<ul style="list-style-type: none"> ◆ Current reports (137 reports in 2025), periodic reports (4 per year), ESG report (1 per year) ◆ Online earnings chats/conferences with individual and institutional investors (3 in 2025, including 2 recorded and made available on the Company’s website) ◆ In-person and online meetings with capital market analysts ◆ Ordinary shareholder meeting (1 in 2025), extraordinary shareholder meeting (1 in 2025) ◆ Dedicated subpage on the corporate website, updated on an ongoing basis
B2B customers	<ul style="list-style-type: none"> ◆ Meetings with customers in face-to-face and online formats ◆ Daily telephone contact with a group of customers ◆ Hotline, proposal form/enquiry form ◆ Conferences, trade fairs and industry meetings ◆ Market research ◆ Corporate websites, ESG reports
Suppliers, including counterparties and subcontractors	<ul style="list-style-type: none"> ◆ Ongoing telephone contact ◆ Meetings, subject-specific conferences ◆ Dedicated subpages on the corporate website ◆ Reporting irregularities to the Compliance Section
Employees and associates	<ul style="list-style-type: none"> ◆ Intranet ◆ Newsletter/internal communication ◆ Internship programs ◆ Training ◆ ESG reports, participation in double materiality analysis ◆ Processes for reporting breaches to the Compliance Section and the Ethics Committee ◆ Social programs and projects involving employees

Stakeholders	Engagement channels
Trade unions	<ul style="list-style-type: none"> ◆ Internal channels, such as the intranet site, mailings ◆ Formal correspondence with trade unions and employees ◆ Dedicated e-mail address for cooperation with trade unions
Experts and media	<ul style="list-style-type: none"> ◆ Active press office: corporate website ◆ Telephone and e-mail contact via dedicated addresses ◆ Regular press releases, mostly about the Group's business (30 press releases in 2025) ◆ Press publications, including interviews, articles and expert commentary (15 publications) ◆ Information in the news section of our website (nearly 65 publications) ◆ Campaigns, reports and communication platforms of external organizations, ESG reports
Non-governmental organizations	<ul style="list-style-type: none"> ◆ Ongoing cooperation ◆ Subject-specific meetings ◆ Operational contact
Local government units, local communities in the vicinity of units	<ul style="list-style-type: none"> ◆ One-on-one and group meetings ◆ Dedicated subpages on Group companies' websites
Environment and climate	<ul style="list-style-type: none"> ◆ Reporting of environmental indicators ◆ Participation in environmental meetings, training sessions and conferences ◆ Environmental social projects involving also external stakeholders

The PKP CARGO Group incorporated feedback from stakeholders during the update of its double materiality analysis, including an assessment of potential changes in the materiality of impacts, risks and opportunities identified in the previous reporting period. In 2025, a survey targeting the Group's key stakeholders was conducted. This process is described in detail in IRO-1 of this statement.

Furthermore, regarding employee matters, the Group cooperates continuously and directly with the trade unions representing employees. The scope of this cooperation is regulated by law and internal regulations and includes:

- ◆ monitoring the functioning of the Company Collective Bargaining Agreement and determining the directions for its changes,
- ◆ agreeing the labor, incentive and company social benefits fund bylaws, as well as and participation in the distribution of benefits from that fund,
- ◆ participating in distribution of funds earmarked for salaries,
- ◆ consulting changes in organizational structures,
- ◆ influencing the development of occupational health and safety conditions through participation in OHS commissions and oversight of Social Labor Inspectors,
- ◆ supervision of provident and loan associations.

The issues identified during the dialogue carried out as part of the double materiality process in 2025 did not result in a change in the Group's strategy or business model. Some of the identified impacts, related to occupational health and safety, the environment and pollution, are managed as part of ongoing operational activities. Due to the ongoing restructuring process, the organization actively and continuously takes measures to mitigate the negative impacts on employees – these issues are described in S1-4.

Some of the Group's material impacts were identified in the context of sustainability for the first time in 2024 – among them, employee safety in the value chain. The organization will gradually incorporate them into the management process by updating internal regulations, rolling out monitoring processes and engaging in broader dialogue with stakeholders.

The Group did not put in place any formal procedures for informing governing bodies about sustainability-related opinions and interests of stakeholders affected by the entity.

SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts, risks and opportunities in the PKP CARGO Group were identified during the double materiality analysis. As part of the 2025 reporting process, the identified impacts, risks and opportunities were reviewed for changes affecting the materiality assessment. Any changes in this regard are described in the subsequent paragraphs of SBM-3.

Material impacts, risks and opportunities identified by the PKP CARGO Group in the double materiality analysis process

Sustainability issues									
Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
E1 Climate change	Climate change adaptation	-	Impact on climate change due to the business model being based on coal transport	Actual negative	Own operations	All timeframes	Risk of lower Group revenues due to declining demand for coal and reduced coal transport volumes	Upstream	All timeframes
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of failed investments in low-carbon or environmental technologies	Own operations	Long
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of the absence of financing from the banking sector for investments or current operations in the event of failure to adapt to a low-carbon economy	Upstream	Medium and long
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of incurring costs related to the need to implement low-carbon solutions and technologies in own operations related to energy acquisition and use, including the replacement of fossil fuels	Own operations	All timeframes
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of incurring costs related to the replacement of services or products with low-carbon alternatives in the value chain as a result of newly adopted regulations	Whole value chain	All timeframes
E1 Climate change	Climate change adaptation	-	No material impacts	-	-	-	Risk of incurring increased costs related to environmental reporting obligations, outsourcing them, conducting internal training or calculating Scope 3 carbon footprint	Own operations	All timeframes
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of losing a business partner (e.g. a customer) in the value chain in the event of failure to transition to a low-carbon model by the entity	Downstream	All timeframes

Sustainability issues

Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Risk of a decline in share value due to increased investor concerns about adapting to a low-carbon model and stigmatization of the sector	Downstream	Medium and long
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Opportunity to increase the competitiveness of rail transport by including greenhouse gas emissions in the charging system	Own analysis	Medium and long
E1 Climate change	Climate change adaptation	-	No material impact	-	-	-	Opportunity to increase the competitiveness of rail transport by offering low-emission transport	Own operations	Long
E1 Climate change	Mitigation of climate change	-	Impact on climate change through greenhouse gas emissions.	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
E1 Climate change	Mitigation of climate change	-	Impact on climate change mitigation through the shift of freight transport from road to rail	Actual positive	Own operations	All timeframes	No material risks or opportunities	-	-
E1 Climate change	Mitigation of climate change	-	No material impact	-	-	-	Risk of disruptions in the value chain as a result of extreme weather phenomena	Whole value chain	Long
E1 Climate change	Mitigation of climate change	-	No material impact	-	-	-	Risk of threats caused by long-term climate change processes that may affect, without limitation, a decline in asset value or damage to facilities as a result of extreme weather phenomena	Whole value chain	All timeframes
E1 Climate change	Mitigation of climate change	-	No material impact	-	-	-	Risk of damage to infrastructure caused by extreme weather phenomena	Whole value chain	All timeframes
E1 Climate change	Energy	-	Impact on natural resource use through energy consumption (electricity, heat, natural gas and liquid fuels) for utility and transportation purposes.	Actual negative	Own operations	All timeframes	Risk of greater energy costs	Own operations	All three timeframes

Sustainability issues

Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
ESRS E2 Pollution	Air pollution	-	Impact on air pollution through emissions from fuel combustion in locomotives, cars and other equipment	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E2 Pollution	Water pollution	-	Impact on water quality through direct discharge of pollutants into rivers	Actual negative	Own operations	All timeframes	Risk of financial penalties and greater fees related to environmental irregularities	Own operations	All timeframes
							Risk of losing a customer due to the lack of all permits	Own operations	Long
ESRS E2 Pollution	Soil pollution	-	Impact on soil pollution through potential breakdowns and accidents during the handling and transport of raw materials	Potential negative	Own operations	All timeframes	Risk of financial penalties and greater fees related to environmental irregularities	Own operations	All timeframes
							Risk of losing a customer due to the lack of all permits	Own operations	Long
ESRS E2 Pollution	Soil pollution	-	Impact on the environment through the direct discharge of pollutants into the soil	Actual negative	Own operations	All timeframes	Risk of financial penalties and greater fees related to environmental irregularities	Own operations	All timeframes
ESRS E2 Pollution	Potentially hazardous substances	-	Impact on the natural environment and surroundings through the use in operational processes of substances and mixtures classified as potentially hazardous, which, even when handled with special care and used as intended, present multiple hazards.	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E2 Pollution	Microplastics	-	Impact on generation of pollution in the form of microplastics	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E4 Biodiversity and ecosystems	Direct factors contributing to biodiversity loss	Changes in land use, changes in freshwater and marine use	Impact on landscape and habitats through the use, expansion and maintenance of rail infrastructure	Potentially negative	Whole value chain	All timeframes	No material risks or opportunities	-	-

Sustainability issues

Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
ESRS E4 Biodiversity and ecosystems	Impact on the condition of species	Population size of the respective species	Impact on populations and overall condition of species caused by movement through their habitats	Potentially negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E4 Biodiversity and ecosystems	Impact on the extent and condition of ecosystems	Soil sealing	Impact on the condition of ecosystems through the conduct of our own operations in locations with high levels of soil sealing	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E5 circular economy	Resources input, including resource use	-	Impact on the level of natural resource exploitation resulting from the procurement of parts and other resources for the maintenance of the rolling stock and the conduct of day-to-day operations	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS E5 circular economy	Waste materials	-	Impact on the total amount of waste in the environment caused by the entity's operations, including used consumables, oils, rubber parts and industrial waste	Actual negative	Own operations	All timeframes	-	-	-
ESRS S1 Own workforce	Working conditions	Security of employment	Impact on employees resulting from the Company's ongoing restructuring process	Actual negative	Own operations	Short	Risk of litigation and potential claims as a result of mass layoffs	Own operations	Short and medium
							Risk associated with servicing the loan from the Guaranteed Employee Benefits Fund	Own operations	All timeframes
							Risk of payment orders and penalties imposed by the State Labor Inspection Service in connection with outstanding amounts payable	Own operations	Short and medium
ESRS S1 Own workforce	Working conditions	Collective bargaining, including the percentage of employees covered by collective bargaining agreements	Impact on employees' working conditions through termination of the Company Collective Bargaining Agreement	Actual negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Working conditions	Social dialog	Impact on employees' ability to participate in making decisions about their working environment and conditions due to a high degree of unionization	Actual positive	Own operations	All timeframes	No material risks or opportunities	-	-

Sustainability issues

Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
ESRS S1 Own workforce	Working conditions	Freedom of association, existence of works councils and employees' rights to information, consultation and participation	Impact on employees through discrimination against individuals on the grounds of non-membership or willingness to change trade union membership	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Working conditions	Occupational safety and health	Impact on the health and life of employees through work that is particularly likely to result in accidents	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Working conditions	Occupational safety and health	Impact on the health and life of employees through breaches of occupational health and safety rules, including failure to provide adequate health protection measures for blue-collar employees	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Working conditions	Occupational safety and health	Impact on employee health and life through work or jobs exposing them to occupational diseases	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Equal treatment and opportunities for all	Employee training and development	Impact on employees due to limited opportunities for skill enhancement and development	Actual negative	Own operations	Short and medium	Risk of losing staff due to inadequate employee compensation and training policies resulting in increased recruitment and induction costs for new workers	Own operations	Short and medium
ESRS S1 Own workforce	Equal treatment and opportunities for all	Measures to prevent violence and harassment in the workplace	Impact on employees due to limited implementation and awareness of the Anti-Mobbing and Anti-Discrimination Policy within the Group	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S1 Own workforce	Equal treatment and opportunities for all	Diversity	No material impact	-	-	-	Risk associated with the generational gap and loss of skilled staff reaching retirement age, resulting in the need to recruit and train new workers	Own operations	All timeframes
ESRS S2 Workers in the value chain	Working conditions	Occupational safety and health	Impact on the health and life of workers in the value chain through the impact of job type and working conditions on the likelihood of an accident	Potential negative	Upstream, downstream	All timeframes	No material risks or opportunities	-	-

Sustainability issues

Subject	Sub-topic	Smaller sub-topic units	Impacts	Type of impact	Place in the value chain	Timeframe	Risks and opportunities	Place in the value chain	Timeframe
ESRS S3 Affected communities	Economic, social and cultural rights of communities	Adequate housing conditions	Impact on the quality of life of local communities through noise generation	Actual negative	Own operations	All timeframes	Risk of restrictions on movement on rails and penalties for exceeding noise standards in connection with TSI Noise regulations	Own operations	Long
ESRS S3 Affected communities	Economic, social and cultural rights of communities	Impact on security	Impact on national security, including energy security, through the provision of what the state considers to be strategic transport services	Actual positive	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS S3 Affected communities	Economic, social and cultural rights of communities	-	Impact on local labor markets in Poland through the creation of over 12,000 jobs across the Group	Actual positive	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS G1 Business conduct	Management of relationships with suppliers, including payment practices	-	Impact on contractors and suppliers due to late payment	Actual negative	Own operations	All timeframes	Risk of litigation, enforcement proceedings and loss of business partners due to late payments	Upstream, downstream	All timeframes
ESRS G1 Business conduct	Whistleblower protection	-	Impact on the effectiveness of whistleblowing regulations related to stakeholders' limited awareness of how to unethical or illegal activities may be reported	Potential negative	Own operations	All timeframes	No material risks or opportunities	-	-
ESRS G1 Business conduct	Political involvement and lobbying	-	No material impact	-	-	-	Opportunity to boost involvement in the consultation of legislation and lobbying activities aimed at increasing investment in the development of the rail sector (especially freight rail transport) as an environmentally friendly means of transport	Whole value chain	All timeframes

In the double materiality analysis, the PKP CARGO Group considered material impacts under timeframes consistent with ESRS: short term (up to one year), medium term (one to five years) and long term (over five years).

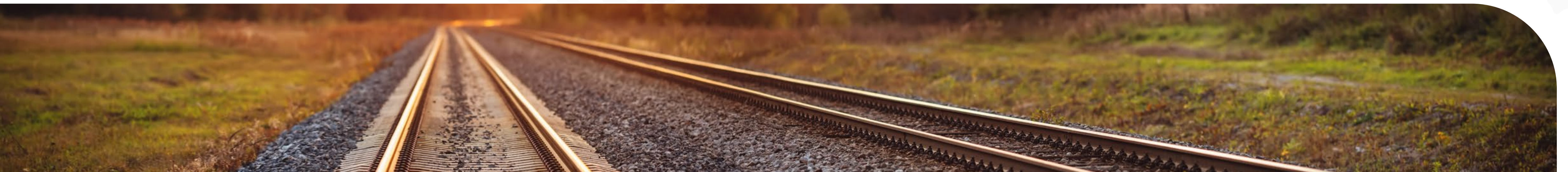
The PKP CARGO Group's material impacts, risks and opportunities result from the organization's strategy and business model related to rail transport and transshipment of cargo, predominantly coal. Social, environmental and corporate governance impacts, risks and opportunities are identified to the extent and in the manner described in Table 46: Material impacts, risks and opportunities identified by the PKP CARGO Group in the double materiality analysis. The identified material topics pertain to the cargo transported, the resources used to power and maintain the rolling stock and the sources of emissions into the environment. Moreover, as a major employer in a period of transition, PKP CARGO exerts a strong impact on its workers, manifesting itself in specific material topics, particularly in the social area. At the same time, the organization is aware of its role in ensuring national security by providing strategic transport services and, owing to a high level of unionization, enables its workers to shape their working environment.

During the reporting period, the Group did not conduct a resilience analysis of its business model and business strategy regarding the ability to mitigate material impacts and risks and to capitalize on material opportunities. The absence of such an analysis stems from the ongoing remedial proceedings of PKP CARGO S.A., which involve significant uncertainty regarding the future shape its operations – both in terms of its financial structure and strategic directions.

The statement for 2025 is based on the results of a double materiality analysis conducted in 2025. As a result of the process of verifying and updating the analysis described in more detail in IRO-1, there have been changes in the materiality of certain impacts, risks and opportunities with respect to their assessment across different time horizons. Four negative environmental impacts, which are reported for the first time as material in 2025, relate to the following topics: Soil contamination, Impact on the condition and extent of ecosystems, Direct drivers on biodiversity loss and Inputs, including resource use. In addition, a negative impact related to the topic of Water Discharges was deemed immaterial – it was verified that nearly all water use within the Group stems from social and residential purposes and rainwater drainage, rather than business operations. Due to the absence of all environmental permits, in 2025, a risk related to Water and Soil Pollution was identified (the risk was assessed as significant in the medium and long term). Under the sub-theme of Adaptation to Climate Change, a significant long-term opportunity was identified. Furthermore,

a negative impact on employees related to the topic of Training and Skills Development. These changes result from a deeper analysis of the issues in question, including within the scope of subsidiaries' operations. The Group does not report any additional disclosures of its own that extend beyond the topics covered in ESRS 1 AR 16.

The Group currently has no quantified decarbonization targets. As part of the double materiality analysis, an analysis of climate risks and opportunities was conducted using climate scenarios, a description of which is provided in IRO-1. The analysis covered the Central and Eastern European region (primarily Poland), that is the area where the Group conducts its operations and serves its main markets (downstream chain). As part of upstream activities, risks projected for the whole of Europe were considered. The analysis adopted three timeframes: up to one year (short), one to five years (medium) and over five years (long).



It was assessed that sudden weather phenomena, such as storms, flooding or landslides, might lead to the destruction or damage of transport infrastructure necessary for the provision of services, but also important for the operation of the value chain – the extraction of transported cargo necessary for energy production or supporting services. The consequences of the phenomena described above may include disruptions to ongoing operations, leading to a decline in revenues or share value. When adapting to climate change based on a zero-emission scenario, the Group recognizes the risks associated with the effectiveness of aligning its services with a low-emission model, including upgrades of infrastructure and rolling stock throughout the value chain. At the same time, the Group identifies opportunities related to the inclusion of road transport in the ETS and the offering of low-carbon transport, which may increase the competitiveness of rail transport.

In accordance with its business strategy, the Group is taking action to diversify the cargo it transports as broadly as possible in order to follow the global trend away from coal. The Group is capable of adaptation to emergency situations to a certain extent by aligning its transport services with current needs.



No areas of activity or assets were identified for which the transition to a climate-neutral economy had not been taken into consideration. No critical climate assumptions were made in the financial statements.

The PKP CARGO Group operates in and near areas sensitive to biodiversity due to its movement through these habitats. Furthermore, rail traffic arranged by the Group's companies throughout the country

may disrupt the lives of many animal species, but the Group does not have information that its activities have caused excessive deterioration of ecosystems in any location.

The process by which negative impacts on biodiversity and ecosystems were identified is associated with the provision of transport services through areas with varying degrees of protection and ecosystem status.

This may result in collisions with animals, noise-induced stress or general deterioration caused by pollution.

No specific species were identified as unambiguously negatively impacted by the Group. The Group does not have a material impact on land degradation or desertification.

IRO-1

Description of the process to identify and assess material impacts, risks and opportunities

Within the framework of the double materiality analysis process, the PKP CARGO Group assessed all sustainability-related issues in accordance with the requirements set forth in ESRS 1 AR 16. Corporate documents pertaining to the topics covered in the sustainability statement were also reviewed.

The process began with a detailed examination of the value chain. External ESG experts carried out an upstream and downstream analysis, taking into consideration core and supporting activities. The identified elements – resources, activities and relationships – were approved by the Group in an internal consultation process. The analysis of operations and relationships in terms of increased risk of negative impacts on people and the environment primarily covered first-order linkages. Further linkages were assessed based on industry expertise and the knowledge of employees involved in the reporting process, who possess knowledge of the companies' operational activities.

The impact materiality assessment was based on several key criteria:

- ◆ scale of impact (strength of impact on sustainability aspects),
- ◆ scope of impact (territorial or organizational scope of influence),
- ◆ likelihood of potential impacts occurring,
- ◆ possibility of reversing their effects (whether the impact is permanent or its effects may be counteracted).

In terms of financial materiality, an assessment was carried out of how ESG issues affect the organization's operations, financial standing and growth prospects. Key topics, their subtopics and more detailed aspects were analyzed, taking into account their interconnections with the business model and the whole value chain. The identified impacts were verified in terms of their associated risks and opportunities, analyzing their potential impact on the Group's financial situation of the Group.

The assessment covered potential financial impacts regarding costs, revenues, asset values and the cost of capital.

Risks and opportunities were assessed based on the following two parameters:

- ◆ extent of their potential impact on the Group's financial position, using a financial scale,
- ◆ probability of the respective risk materializing or the opportunity arising.

During the reporting period, the Group did not have a formalized risk management process in place under which sustainability-related risks would be prioritized relative to other types of risks. Consequently, no dedicated tools or methodologies were used to conduct a comparative assessment of these risks. The identification and assessment of ESG risks and opportunities was carried out as part of the materiality assessment process conducted for the purposes of this report.

All these materiality parameters were evaluated on a five-point scale based on quantitative and qualitative values, taking into consideration recognized sources of scientific knowledge and market data or data obtained directly from the organization. Moreover, issues that were on the borderline of materiality were considered on a case-by-case basis, taking into account their potential inclusion in the list of topics considered material.

In 2025, a review was conducted to determine whether there had been changes in the organization's operational and business activities that could have affected the assessments of impacts, risks and opportunities identified during the double materiality analysis carried out in the previous reporting period. Documents relating to topics material to the Group were also reviewed for changes. The analysis also covered reports from peer entities in the context of the disclosures they reported.

In 2025, the stakeholder dialogue was conducted in the form of an online survey. As in the previous year, the surveys were directed at representatives of stakeholder groups, in particular employees of the Group's eight companies and key external partners. The survey questionnaire was prepared based on the ESRS topics and subtopics across all three ESG areas, with particular emphasis on the material issues identified in the previous year. The findings from the survey were used to verify the assessments of impacts, risks and opportunities as part of the update to the double materiality analysis to which they relate. This activity was part of the due diligence process. In the analysis of collected data, particular attention was paid to the issue of human rights compliance in accordance with the provisions of the International Bill of Human Rights (including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), and the principles arising from the fundamental conventions referred to in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

The publication of this statement is intended to ensure full transparency and to inform all stakeholders about the organization's sustainability-related activities.

The process to identify and assess key impacts, risks and opportunities was carried out with the participation of representatives of all strategic areas of the PKP CARGO Group's operations. The working group included members of the investor relations division in charge of ESG issues and representatives of human resources management, compliance, legal services and occupational health and safety divisions. Additional support in evaluating materiality was provided by external specialists in environmental protection, social aspects of business and non-financial reporting. Within this framework, a series of workshops was held, the focus areas of which included analysis of identified impacts, climate scenarios and issues related to the due diligence process.

Before proceeding with the assessment, participants in the process were briefed on the adopted method and evaluation criteria, ensuring consistency in the approach used.

During the workshops, members of the reporting team reviewed the preliminarily identified impacts, risks and opportunities, verifying their classification, description and preliminary assessment. After the workshops concluded, they supplemented and corrected the assessments along with justifications and also verified the completeness of the analysis, reporting any omissions.

Work on identifying and assessing impacts, risks and opportunities was documented on an ongoing basis in a dedicated tool. After this stage was completed, materiality scores were calculated for each IRO and

materials summarizing the analysis were prepared. The results were reviewed by leaders of the relevant organizational areas, responsible, environmental protection, employee issues and business conduct. The comments received were taken into account and the updated analysis results were approved by the coordinating team. The final list of the most material impacts, potential risks and possible opportunities was approved by the Management Board.

The double materiality analysis update process lasted from November 2025 to February 2026. The Group verified the analysis results using the information sources described above. The PKP CARGO Group plans to update the analysis regularly, taking into account emerging data and changing market conditions.



E1.IRO-1

Description of the processes to identify and assess climate-related material impacts, risks and opportunities

The general framework and methodology for the process of identifying material impacts, risks and opportunities are described in this statement in Section IRO-1.

As part of the double materiality analysis process and the identification of key risks and opportunities, the PKP CARGO Group carried out certain elements of a resilience analysis of its strategy and business model regarding risks related to climate change. The first stage of this exercise was to define the scope of the Group's business across the value chain. It was established that the Group's core line of business is predominantly concentrated in Poland. Relationships downstream the value chain have a similar scope, whereas no dominant geographical region was identified upstream the value chain. The analysis considered the characteristics of the impact of each relationship and its placement within value chain structure.

The assessment took into account three timeframes: short term (up to one year), medium term (one to five years) and long term (over five years).

The specific nature of the Group's assets was also taken into account – due to the adopted operating model, they are largely considered fixed.

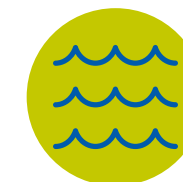
Among the sources used in the analysis were the following:

- ◆ Net Zero Emissions by 2050 (NZE) scenario, developed by the International Energy Agency,
- ◆ TCFD guidelines on scenario analysis for non-financial undertakings,
- ◆ IPCC Climate Change 2021 – The Physical Science Basis report.

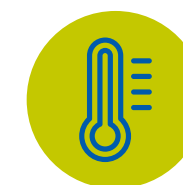
Climate change risks – both acute and long-term ones – were identified based on the high-emission IPCC SSP5-8.5 scenario. This scenario is one of five socio-economic development paths described by the IPCC and assumes rapid economic growth based on intense use of fossil fuels, with low levels of decarbonization.

As a result, global warming is projected to reach 4°C by the end of the 21st century. Greater social and economic inequalities and the absence of effective climate risk management mechanisms on a global scale are also expected.

The following physical risks were identified:



acute risks, that is sudden events such as floods, cyclones or avalanches, which may lead to unexpected, sudden events such as infrastructure damage and disruptions to business continuity or the value chain,



chronic risks, encompassing long-term phenomena, e.g., temperature changes, disruptions in air circulation or soil degradation, which may result in progressive damage to facilities and a decline in asset value.



Taking into consideration the area covered by the Group's business activity, an analysis of the effects of potential phenomena resulting from various climate scenarios was carried out.

The Net Zero Emissions Scenario for 2050, without assuming emissions reductions outside the power sector, presents a possible path to achieving net zero CO₂ emissions in this market segment, thus supporting the Paris Agreement targets. The adaptability of the Group's business model was analyzed within the framework of the assessment of the Group's strategy resilience to a low-carbon scenario.

In this context, the following transition risks were identified:

- ◆ changes in market expectations on the part of customers and investors (market risks),
- ◆ regulatory requirements for products and services (legal risks),
- ◆ emergence of new technologies or replacement of existing solutions (technological risks),
- ◆ reputational risk resulting from the public perception of the sector.

In the context of adaptation to climate change resulting from the zero-emission scenario, threats related to the need to adapt services to the realities of a low-carbon economy were identified, particularly in the context of the declining demand for coal, which is currently the Group's main cargo category. At the same time, potential opportunities were also identified, for example, related to the inclusion of road transport in the EU ETS, which may increase the competitiveness of rail transport or increasing the competitiveness of rail transport through the implementation of low-carbon solutions.

A detailed list of material risks, along with the assignment of appropriate time horizons, is provided in SBM-3.

E2.IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities related to pollution

Within the framework of the double materiality analysis process carried out in the previous reporting period, the PKP CARGO Group, with a view to determining its impacts, risks and opportunities related to pollution, conducted a review of its own locations, processes, resources and assets in accordance with ESRS requirements. This included an analysis of a variety of issues, including:

- ◆ processes carried out in this area, including location,
- ◆ documentation regarding permits for the release of pollutants into the environment,
- ◆ regular testing of wastewater discharged into water and soil,
- ◆ consumption of fuels and materials within the organization,
- ◆ additional information provided by environmental specialists working in the companies.

The only consultations conducted were carried out as part of the stakeholder dialogue described in disclosure IRO-1. The group identified five significant actual adverse impacts related to pollution and one significant potential adverse impact on environmental pollution, described in disclosure SBM-3. The organization also identified locations where pollution is a material issue and the types of activities related to these environmental impacts:

- ◆ air pollution resulting predominantly from fuel combustion in locomotive traffic, machinery and repair processes,
- ◆ soil and water pollution resulting from emissions, including rainwater and treated wastewater, to rivers and drainage ditches,
- ◆ use of potentially hazardous substances in track infrastructure repair processes and in rolling stock maintenance processes,
- ◆ emission of microplastics resulting from the abrasion of.

E4.IRO-1

Description of the processes to identify and assess material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems

The process of identifying material impacts, risks and opportunities related to biodiversity and ecosystems is described in this statement in disclosure IRO-1. The Group reviewed the CICES ecosystem services list and did not identify any specific services that would be disrupted.

Risks and opportunities related to physical changes and transitions associated with biodiversity and ecosystems were identified by analyzing the potential impact of the Group’s business model and key activities on biodiversity loss. The organization took into consideration the locations and areas of its business activities as well as its place in the value chain. In parallel the Group did not take into consideration any systemic risks, because it is only marginally dependent on natural resources.

In the process to identify biodiversity-related impacts, risks and opportunities, the Group did not consult with any affected communities on the assessment of the sustainability of shared biological resources and ecosystems. Communities were also not involved in the materiality assessment.

During the analysis, the Group’s business model was not verified using biodiversity or ecosystem scenarios.

The PKP CARGO Group operates in areas sensitive to biodiversity and in their vicinity. Furthermore, rail traffic arranged by the Group’s companies throughout the country may disrupt the lives of many animal species, but the organization does not have information that its activities have caused excessive deterioration of ecosystems in any location.

The Group has not identified any need to implement mitigation measures to protect biodiversity.

E5.IRO-1

Description of processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

The Group scrutinized its own resources, assets and activities to identify the main resources introduced into its infrastructure. Key processes and areas of business where waste is generated were identified and key materials forming waste streams were characterized. The analysis made use of reference databases such as EncoreNature, statistical databases published by Statistics Poland (GUS) and industry publications. It was assumed that the Group’s business is linear in relation to the reference data.

The only consultations conducted were carried out as part of the stakeholder dialogue described in disclosure IRO-1.



G1.IRO-1

Description of processes to identify and assess material impacts, risks and opportunities

In identifying material impacts, risks and opportunities, the PKP CARGO Group took into consideration contextual factors, including the sector and the specific nature and location of its operations. When analyzing the sites, the legal and economic environment was taken into account –in particular in the context of compliance with ESG regulations in various jurisdictions and potential exposure to risks in the area of corporate governance in foreign companies.



The nature and scale of the Group’s business and the specific nature of the rail transport industry required an analysis of the following key areas:

- ◆ procedures and scope of implementation of whistleblower protection regulations, including measures taken to familiarize workers with the procedure,
- ◆ regulations and procedures adopted by the Group, including in the areas of ethical standards, anti-corruption and reporting of irregularities and abuses (within the framework of a survey as part of which, as a result of the double materiality analysis, key external stakeholders and workers were evaluated in terms of their knowledge of internal regulations and procedures – such knowledge among workers is a prerequisite for ensuring the effectiveness of these regulations and procedures),
- ◆ supplier relationship management, in particular payment practices – due to the parent company’s remedial proceedings and the dispersed nature of the Group’s operations, the timely repayment of liabilities exerts a potentially material impact on the situation of undertakings in the organization’s value chain.

The history of penalties imposed by regulatory authorities, including incidents of corruption, was verified – in 2025 the PKP CARGO Group did not record any such cases.

IRO-2

Disclosure requirements in ESRS covered by the undertaking’s sustainability statement concerning material impacts, risks and opportunities

The process to identify material impacts, risks and opportunities that need to be disclosed in this statement was based on a double materiality analysis. Within the framework of this analysis, distinct impacts, risks and opportunities were assigned to specific 26 thematic areas identified in ESRS and then assessed for materiality using established thresholds.

The list of fulfilled requirements confirms that this statement complies with sustainability reporting standards.

Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

Disclosure no.	Disclosure name	Section
BP-1	Overall basis for preparing sustainability statements	General information
BP-2	Disclosures in relation to specific circumstances	General information
GOV-1	Role of administrative, management and supervisory bodies	General information
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	General information
GOV-3	Integration of sustainability performance into incentive systems	General information
GOV-4	Due diligence statement	General information
GOV-5	Risk management and internal controls over sustainability reporting	General information
SBM-1	Strategy, business model and value chain	General information

Disclosure no.	Disclosure name	Section
SBM-2	Stakeholder interests and opinions	General information
SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	General information
IRO-1	Description of processes to identify and assess material impacts, material risks and material opportunities	General information
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	General information
E1 GOV-3	Consideration of sustainability performance in incentive systems	General information
E1-1	Transition plan for climate change mitigation	Environmental information
E1 SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	General information
E1 IRO-1	Description of processes to identify and assess climate-related material impacts, risks and opportunities	General information
E1-2	Policies related to climate change mitigation and adaptation	Environmental information
E1-3	Climate policy actions and resources	Environmental information
E1-4	Targets related to climate change mitigation and adaptation	Environmental information
E1-5	Energy consumption and energy mix	Environmental information
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Environmental information
E1-7	GHG removals and mitigation projects financed through carbon credits	Immaterial
E1-8	Internal carbon pricing	Immaterial

Disclosure no.	Disclosure name	Section
E1-9	Expected financial impacts of material physical risks and transition risks and potential climate-related opportunities	Exemption in accordance with Appendix C of ESRS 1
E2 IRO-1	Description of processes to identify and assess material impacts, risks and opportunities related to pollution	General information
E2-1	Policies related to pollution	Environmental information
E2-2	Measures and resources related to pollution	Environmental information
E2-3	Targets related to pollution	Environmental information
E2-4	Pollution of air, water, and soil	Environmental information
E2-5	Substances of concern and substances of very high concern	Environmental information
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	Exemption in accordance with Appendix C of ESRS 1
E3 IRO-1	Material impacts, risks and opportunities and their interactions with strategy and business model	Immaterial
E3-1	Water and marine resource policies	Immaterial
E3-2	Activities and resources related to water and marine resources	Immaterial
E3-3	Targets related to water and marine resources	Immaterial
E3-4	Water consumption	Immaterial
E3-5	Anticipated financial impacts from water and marine resource-related impacts, risks and opportunities	Immaterial
E4 SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	General information

Disclosure no.	Disclosure name	Section
E4 IRO-1	Description of processes to identify and assess material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems	General information
E4-1	Biodiversity and ecosystem transition plan and integration of biodiversity and ecosystems into the strategy and business model	Exemption in accordance with Appendix C of ESRS 1
E4-2	Policies related to biodiversity and ecosystems	Exemption in accordance with Appendix C of ESRS 1
E4-3	Activities and resources related to biodiversity and ecosystems	Exemption in accordance with Appendix C of ESRS 1
E4-4	Targets related to biodiversity and ecosystems	Exemption in accordance with Appendix C of ESRS 1
E4-5	Impact measures related to changes in biodiversity and ecosystems	Exemption in accordance with Appendix C of ESRS 1
E4-6	Anticipated financial impacts of biodiversity and ecosystem-related impacts, risks and opportunities	Exemption in accordance with Appendix C of ESRS 1
E5 IRO-1	Description of processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	General information
E5-1	Policies related to resource use and circular economy	Environmental information
E5-2	Activities and resources related to resource use and circular economy	Environmental information
E5-3	Targets related to resource use and circular economy	Environmental information
E5-4	Input resources	Environmental information
E5-5	Resource outflows	Environmental information
E5-6	Expected financial effects of impacts, risks and opportunities related to resource use and circular economy	Exemption in accordance with Appendix C of ESRS
S1 SBM-2	Stakeholder interests and opinions	General information

Disclosure no.	Disclosure name	Section
S1 SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	Information about social issues
S1-1	Policies related to own workforce resources	Information about social issues
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Information about social issues
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Information about social issues
S1-4	Taking action on material impacts on own human resources and applying approaches to manage material risks and opportunities related to own human resources and the effectiveness of those actions	Information about social issues
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Information about social issues
S1-6	Characteristics of the undertaking's employees	Information about social issues
S1-7	Characteristics of non-employees in the undertaking's own workforce	Exemption in accordance with Appendix C of ESRS 1
S1-8	Collective bargaining coverage and social dialogue	Information about social issues
S1-9	Diversity metrics	Information about social issues
S1-10	Adequate wages	Information about social issues
S1-11	Social protection	Immaterial
S1-12	Persons with disabilities	Immaterial
S1-13	Training and skills development metrics	Exemption in accordance with Appendix C of ESRS 1

Disclosure no.	Disclosure name	Section
S1-14	Health and safety metrics	Information about social issues
S1-15	Work-life balance metrics	Immaterial
S1-16	Employee compensation metrics (pay gap and total employee compensation)	Immaterial
S1-17	Incidents, complaints and severe human rights impacts	Information about social issues
S2 SBM-2	Stakeholder interests and opinions	Exemption in accordance with Appendix C of ESRS 1
S2 SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	Exemption in accordance with Appendix C of ESRS 1
S2-1	Value chain workers policies	Exemption in accordance with Appendix C of ESRS 1
S2-2	Processes for engaging with value chain workers about impacts	Exemption in accordance with Appendix C of ESRS 1
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Exemption in accordance with Appendix C of ESRS 1
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Exemption in accordance with Appendix C of ESRS 1
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Exemption in accordance with Appendix C of ESRS 1
S3 SBM-2	Stakeholder interests and opinions	Exemption in accordance with Appendix C of ESRS 1
S3 SBM-3	Material impacts, risks and opportunities and their interactions with strategy and business model	Exemption in accordance with Appendix C of ESRS 1
S3-1	Policies related to affected communities	Exemption in accordance with Appendix C of ESRS 1

Disclosure no.	Disclosure name	Section
S3-2	Processes for engaging with affected communities about impacts	Exemption in accordance with Appendix C of ESRS 1
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Exemption in accordance with Appendix C of ESRS 1
S3-4	Taking action on material impacts on affected communities and applying approaches to manage material risks and opportunities related to these communities and the effectiveness of such actions	Exemption in accordance with Appendix C of ESRS 1
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Exemption in accordance with Appendix C of ESRS 1
G1 GOV-1	Role of administrative, management and supervisory bodies	General information
G1 IRO-1	Description of processes to identify and assess material impacts, risks and opportunities	General information
G1-1	Business conduct policies and corporate culture	Information related to corporate governance
G1-2	Management of relationships with suppliers	Information related to corporate governance
G1-3	Prevention and detection of corruption and bribery	Immaterial
G1-4	Incidents of corruption or bribery	Immaterial
G1-5	Political influence and lobbying	Information related to corporate governance
G1-6	Payment practices	Information related to corporate governance

List of data points included in cross-cutting standards and thematic standards that result from other EU regulations

Disclosure no. (ESRS, DR)	Data points	Data point name	Reference to the SFDR	Reference to the third pillar	Reference to the Benchmarks Regulation	Reference to European climate law	Page in the report
ESRS 2 GOV-1	21 d	Gender diversity of board members	x		x		(GOV-1), p. 9
ESRS 2 GOV-1	21 e	Percentage of independent members of governing bodies			x		(GOV-1), p. 9
ESRS 2 GOV-4	30	Statement on due diligence	x				(GOV-4), p. 13
ESRS 2 SBM-1	40 d (i)	Participation in activities related to fossil fuel activities	x	x	x		(SBM-1), p. 14
ESRS 2 SBM-1	40 d (ii)	Participation in activities related to the production of chemicals	x		x		Immaterial
ESRS 2 SBM-1	40 d (iii)	Participation in activities related to controversial weapons	x		x		Immaterial
ESRS 2 SBM-1	40 d (iv)	Participation in activities related to the cultivation and production of tobacco			x		Immaterial
ESRS E1-1	14	Transition plan to achieve climate neutrality by 2050				x	(E1-1), p. 54
ESRS E1-1	16 g	Undertakings excluded from the scope of the Paris Agreement-aligned benchmarks		x	x		Immaterial
ESRS E1-4	34	GHG emission reduction targets	x	x	x		(E1-4), p. 57
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by source (only for sectors with material climate impact)	x				(E1-5), p. 57
ESRS E1-5	37	Energy consumption and energy mix	x				(E1-5), p. 57

Disclosure no. (ESRS, DR)	Data points	Data point name	Reference to the SFDR	Reference to the third pillar	Reference to the Benchmarks Regulation	Reference to European climate law	Page in the report
ESRS E1-5	40–43	Energy intensity linked to activities in sectors with material climate impact	x				(E1-5), p. 57
ESRS E1-6	44	Gross scopes 1, 2 and 3 and total GHG emissions	x	x	x		(E1-6), p. 57
ESRS E1-6	53–55	Gross GHG emissions intensity	x	x	x		(E1-6), p. 59
ESRS E1-7	56	GHG removal and carbon dioxide emission units				x	Immaterial
ESRS E1-9	66	Exposure of the reference portfolio to climate-related physical risks			x		Exemption in accordance with Appendix C of ESRS 1
ESRS E1-9	66 a	Disaggregation of monetary amounts according to sudden and prolonged physical risks		x			Exemption in accordance with Appendix C of ESRS 1
ESRS E1-9	66 c	Location of material assets exposed to material physical risks		x			Exemption in accordance with Appendix C of ESRS 1
ESRS E1-9	67 c	Breakdown of the book value of real estate by energy efficiency class		x			Exemption in accordance with Appendix C of ESRS 1
ESRS E1-9	69	Degree of portfolio exposure to climate-related opportunities			x		Exemption in accordance with Appendix C of ESRS 1
ESRS E2-4	28	Quantity of each pollutant listed in Annex II to the E-PRTR Regulation emitted to air, water and soil	x				(E2-4), p. 70
ESRS E3-1	9	Water and marine resources	x				Immaterial
ESRS E3-1	13	Special policy	x				Immaterial

Disclosure no. (ESRS, DR)	Data points	Data point name	Reference to the SFDR	Reference to the third pillar	Reference to the Benchmarks Regulation	Reference to European climate law	Page in the report
ESRS E3-1	14	Sustainable oceans and seas practices	x				Immaterial
ESRS E3-4	28 c	Total amount of water recycled and reused	x				Immaterial
ESRS E3-4	29	Total water consumption in m ³ per net revenue from own operations	x				Immaterial
ESRS 2 SBM 3-E4	16 a (i)	Biodiversity-sensitive areas	x				Exemption in accordance with Appendix C of ESRS 1
ESRS 2 SBM 3-E4	16 b	Impact on terrestrial ecosystems	x				Exemption in accordance with Appendix C of ESRS 1
ESRS 2 SBM 3-E4	16 c	Endangered species	x				Exemption in accordance with Appendix C of ESRS 1
ESRS E4-2	24 b	Sustainable land/agriculture practices or policies	x				Immaterial
ESRS E4-2	24 c	Sustainable oceans/seas practices or policies	x				Immaterial
ESRS E4-2	24 d	Policies to counteract deforestation	x				Immaterial
ESRS E5-5	37 d	Non-recycled waste	x				(E5-5), p. 75
ESRS E5-5	39	Hazardous and radioactive waste	x				(E5-5), p. 75
ESRS 2 SBM-3-S1	14 f	Risk of forced labor	x				(SBM-3), p. 78
ESRS 2 SBM-3-S1	14 g	Risk of child labor	x				(SBM-3), p. 78
ESRS S1-1	20	Commitments to human rights policy	x				(S1-1), p. 78
ESRS S1-1	21	Due diligence strategies for issues covered by core International Labor Organization conventions			x		(S1-1), p. 80

Disclosure no. (ESRS, DR)	Data points	Data point name	Reference to the SFDR	Reference to the third pillar	Reference to the Benchmarks Regulation	Reference to European climate law	Page in the report
ESRS S1-1	22	Procedures and measures to prevent human trafficking	x				(S1-1), p. 80
ESRS S1-1	23	Policy or management system to prevent occupational accidents	x				(S1-1), p. 80
ESRS S1-3	32 c	Complaint handling mechanisms	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S1-14	88 b and c	Number of work-related deaths and number and rate of work-related accidents	x		x		(S1-14), p. 90
ESRS S1-14	88 e	Number of days lost due to injuries, accidents, fatalities or illnesses	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S1-16	97 a	Unadjusted gender pay gap	x		x		Immaterial
ESRS S1-16	97 b	Excessive CEO remuneration	x				Immaterial
ESRS S1-17	103 a	Cases of discrimination	x				(S1-17), p. 90
ESRS S1-17	104 a	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	x		x		(S1-17), p. 90
ESRS 2 SBM-3-S2	11 b	Material risk of incidents of child labor or forced labor in the value chain	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S2-1	17	Commitments to human rights policy	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S2-1	18	Value chain workers policies	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S2-1	19	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	x		x		Exemption in accordance with Appendix C of ESRS 1

Disclosure no. (ESRS, DR)	Data points	Data point name	Reference to the SFDR	Reference to the third pillar	Reference to the Benchmarks Regulation	Reference to European climate law	Page in the report
ESRS S2-1	19	Due diligence strategies for issues covered by the International Labor Organization's core convention nos. 1–8			x		Exemption in accordance with Appendix C of ESRS 1
ESRS S2-4	36	Issues and incidents related to human rights upstream and downstream the value chain	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S3-1	16	Commitments to human rights policy	x				Exemption in accordance with Appendix C of ESRS 1
ESRS S3-1	17	Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO principles or OECD guidelines	x		x		Exemption in accordance with Appendix C of ESRS 1
ESRS S3-4	36	Issues and incidents related to respect for human rights	x				Immaterial
ESRS S4-1	16	Consumers and end users policy	x				Immaterial
ESRS S4-1	17	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	x		x		Immaterial
ESRS S4-4	35	Issues and incidents related to respect for human rights	x				Immaterial
ESRS G1-1	10 b	United Nations Convention against Corruption	x				(G1-1), p. 94
ESRS G1-1	10 d	Protection of whistleblowers	x				(G1-1), p. 93
ESRS G1-4	24 a	Fines for breaches of anti-corruption and anti-bribery regulations	x		x		Immaterial
ESRS G1-4	24 b	Standards for combating corruption and bribery	x				Immaterial

02

Environmental information

EU Taxonomy

E1 Climate change

E2 Pollution

E5 Resource use and circular economy

1.



Environmental information – Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

In accordance with the EU Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment, OJ L 198 of 22.06.2020, pp. 13-43), the PKP CARGO under restructuring Group (hereinafter: “PKP CARGO Group”) is required to disclose the following information in its annual report:

- ◆ percentage of turnover derived from products or services related to activities classified as environmentally sustainable,
- ◆ percentage of capital expenditure (CapEx) allocated to assets or processes related to environmentally sustainable activities,

- ◆ percentage of operating expenses (OpEx) related to assets or processes that are part of environmentally sustainable activities.

In order for an activity to be classified as environmentally sustainable, it must be assessed for compliance with the requirements set forth in the EU Taxonomy. According to these regulations, an activity may be considered Taxonomy-aligned if it:

- ◆ contributes materially to the achievement of at least one of the six environmental objectives set forth in the EU Taxonomy,
- ◆ does no significant harm to any of the other environmental objectives of the EU Taxonomy,

- ◆ is carried out in accordance with minimum safeguards (assessed at the group level),
- ◆ fulfills the Technical Screening Criteria set forth in 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 does no significant

harm to any of the other environmental objectives, OJ L 2023/2486, 21.11.2023, and 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, OJ L 442, 9.12.2021, pp. 1–349. Collectively, these documents are referred to as technical screening criteria (TSCs).

The EU Taxonomy identifies six main environmental objectives that form the basis for assessing the sustainability of economic activities. These are:



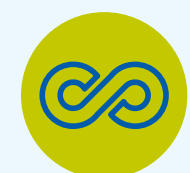
mitigation of climate change,



adaptation to climate change,



sustainable use and protection of water and marine resources,



transition to a circular economy,



prevention and control of pollution,



protection and restoration of biodiversity and ecosystems.

Within the framework of Taxonomy reporting, a comprehensive reporting process was implemented, broken down into the following four key stages:

1. assessment of compliance with minimum safeguards,
2. assessment of eligibility for the Taxonomy classification in terms of activities carried out,
3. assessment of compliance with Technical Screening Criteria and collection of supporting documentation,
4. assignment of financial data to determine Taxonomy-eligible and Taxonomy-aligned turnover, CapEx and OpEx.

These disclosures were prepared, taking into account the amendments introduced by the Commission Delegated Regulation (EU) 2026/73 of 4 July 2025.

EU Taxonomy reporting process

Organization of the reporting process within the PKP CARGO Group

The Financial Controlling Section in the Controlling Department in the Controlling Section of PKP CARGO S.A. under restructuring, in cooperation with the Energy, Climate and Environment Protection Department in the Infrastructure Section of PKP CARGO S.A. under restructuring and the Non-Financial Reporting Section in the Management Board Office and Investor Relations Department of PKP CARGO S.A. under restructuring, was responsible for coordinating the Taxonomy reporting process in the PKP CARGO Group under restructuring. As a rule, the organizational units responsible for accounting were responsible for the implementation of tasks within the subsidiaries.

In order to ensure a uniform approach to the process within all companies of the PKP CARGO Group, work was carried out within a working group and information for reporting purposes was collected using standardized documents. The Financial Controlling Section of PKP CARGO S.A. under restructuring ensured a uniform approach across all subsidiaries and that the same rules for determining reported KPIs were applied as in financial reporting.

Assessment of compliance with minimum safeguards

In order for an economic activity to be considered Taxonomy-aligned, it must be carried out in accordance with the minimum safeguards set forth in Article 18 of the EU Taxonomy. This means that the activity should:

- ◆ comply with the OECD Guidelines for Multinational Enterprises,
- ◆ be consistent with the UN Guiding Principles on Business and Human Rights,
- ◆ and take into consideration the “do no significant harm” principle referred to in Article 2(17) of Regulation (EU) 2019/2088.

Within the framework of its assessment of activities in 2025, the PKP CARGO Group confirmed its compliance with the minimum safeguards.

Assessment of eligibility for classification under the Taxonomy in terms of conducted activities

Within the framework of the reporting process, the activities of the PKP CARGO Group were analyzed in terms of their eligibility for classification under the EU Taxonomy. The identification of Taxonomy-eligible activities was carried out on the basis of the descriptions contained in the annexes to the delegated regulations specifying the Technical Screening Criteria.

The following activities were identified in the PKP CARGO Group under the first environmental objective – Climate Change Mitigation (CCM):

- ◆ CCM 3.3 – Manufacture of low carbon technologies for transport,
- ◆ CCM 6.2 – Freight rail transport,
- ◆ CCM 6.14 – Infrastructure for rail transport.

No eligible activities were identified for the other environmental objectives.

Assessment of the compliance of activities with the Technical Screening Criteria and collection of supporting documentation

The PKP CARGO Group, in assessing the compliance of its activities with the EU Taxonomy criteria, conducted an analysis of the criteria for material contribution and no significant harm based on the TSCs. As a result of the verification of these criteria, it was concluded that the following areas of the PKP CARGO Group's activities are compliant with the requirements of the EU Taxonomy:

- ◆ CCM 3.3 – Manufacture of low carbon technologies for transport,
- ◆ CCM 6.2 – Freight rail transport,
- ◆ CCM 6.14 – Infrastructure for rail transport.



Assignment of financial data to determine Taxonomy-eligible and Taxonomy-aligned turnover, CapEx and OpEx

Under this stage, turnover, capital expenditure (CapEx) and operating expenditure (OpEx) were allocated to the distinct activities identified in the previous analysis. Turnover and CapEx were determined in a manner consistent with the principles applied in the financial reporting of the PKP CARGO Group. For OpEx, the definition of operating expenses resulting from the provisions of the EU Taxonomy was adopted.

Based on the data collected during the analysis of the Taxonomy-eligibility and Taxonomy-alignment, the PKP CARGO Group developed the required tables and prepared descriptions in accordance with the applicable regulatory requirements.

Accounting principles

The basis for calculating turnover ratios, capital expenditure (CapEx) and operating expenditure (OpEx) were the definitions contained in Annex I to Commission Delegated Regulation (EU) 2021/2178.

Distinct types of activity were assigned to only one activity qualifying for the Taxonomy. No portion of the Group's turnover, CapEx or OpEx was double-counted. In cases where revenue (turnover) generated from the respective activity was considered eligible for the Taxonomy, also the CapEx and OpEx related to this activity were assigned to it in full and excluded from other activities. The remaining CapEx and OpEx values (not related to the eligible turnover-generating activities) were evaluated in terms of their possible inclusion in other categories of eligible activities. Distinct CapEx and OpEx items were ascribed to only one activity. In situations where it seemed reasonable to ascribe them to more than one activity, the most suitable one was selected.



Turnover

The calculation of the share of turnover eligible for the Taxonomy was based on the following principles:

- ◆ for the turnover ratio, adopted as the basis for the calculation (the ratio denominator) was the consolidated revenues from contracts with customers,
- ◆ in turn, plugged into the numerator was the consolidated revenue generated from activities eligible for Taxonomy.

Turnover was calculated based on consolidated revenues from contracts with customers included in the "Consolidated Financial Statements of the PKP CARGO under restructuring Group for the financial year ended 31 December 2025, in accordance with EU IFRS."

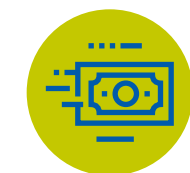


CapEx

The calculation of the CapEx ratio eligible for the Taxonomy was based on the following principles:

- ◆ the calculation (ratio denominator) was based on the PKP CARGO Group's consolidated capital expenditures, which included: rolling stock, other property, plant and equipment, intangible assets and right-of-use assets,
- ◆ capital expenditures related to activities eligible for the Taxonomy were plugged into the numerator.

Consolidated capital expenditure was used to calculate CapEx, as presented in section 4.6. The Company's and the PKP CARGO Group's investments in the "Management Board Report on the activities of PKP CARGO S.A. under restructuring and the PKP CARGO under restructuring Group for 2025."



OpEx

The calculation of the OpEx ratio eligible for the Taxonomy was based on the following principles:

- ◆ the denominator was the cost categories specified in the Taxonomy definition of OpEx, including all direct costs incurred to maintain the PKP CARGO Group's assets in working condition. These included costs such as: maintenance and repair of wagons and locomotives, track infrastructure and container terminals, costs of repairs and renovations of other real estate, costs related to repairs and renovations of machinery and equipment and motor vehicles, costs of cleaning, building security, IT infrastructure maintenance, costs of equipment legalization, short-term lease of fixed assets.
- ◆ OpEx related to activities eligible for the Taxonomy were plugged into the numerator.



Other information

No economic activity was identified that would meet the Technical Screening Criteria for two or more environmental objectives at the same time.

The Group does not conduct, finance or have exposure to activities specified in sections 4.26–4.31 of Annexes I and II to Commission Delegated Regulation (EU) 2021/2139, that is those related to energy generation from nuclear processes or energy generation from fossil gas fuels.

Results

Table 50 KPI Summary

Financial year (N)		2025														
					Allocation in accordance with environmental goals of Taxonomy-aligned activity											
Key performance indicator	Total	Share of Taxonomy-eligible activity	Taxonomy-aligned activity	Share of Taxonomy-aligned activity	Mitigation of climate change	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity	Share of supporting activities	Share of transition-supporting activities	Activity not subject to assessment and deemed immaterial	Taxonomy-aligned activity in the previous financial year (2024)	Share of Taxonomy-aligned activity in the previous financial year (2024)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Text	PLN million	%	PLN million	%	%	%	%	%	%	%	%	%	%	PLN million	%	
Turnover	3,785.9	81.6%	1,469.7	38.8%	38.8%						1.2%		1.6%	1,641.6	36.8%	
Capital expenditures	424.2	83.1%	13.4	31.9%	31.9%						31.9%		0.1%	175.7	29.8%	
Operating expenses	342.6	68.0%	60.0	17.5%	17.5%						16.4%		2.1%	74.8	22.2%	



Turnover

Within the framework of the analysis of Taxonomy-alignment, the turnover of the PKP CARGO Group in 2025 was analyzed.

The following activities were classified as Taxonomy-eligible and Taxonomy-aligned in the context of turnover:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. The part of revenue generated from the repair of electric locomotives with zero direct emissions of CO₂ in exhaust gases when operated on tracks with the necessary infrastructure and using locomotives fitted with conventional engines where such infrastructure is unavailable (electric-and-combustion) and repair services of freight wagons which are not intended for transport of fossil fuel was classified as Taxonomy-aligned;

- ◆ CCM 6.2 – Freight rail transport – that is the rental and operation of means of freight transport on mainline rail networks as well as short line freight railroads. Revenue generated from the carriage of goods, excluding fossil fuels, using locomotives and wagons with zero direct emissions of CO₂ in exhaust gases when operated on tracks with the necessary infrastructure and using locomotives fitted with conventional engines where such infrastructure is unavailable (electric-and-combustion) was classified as Taxonomy-aligned. Short-term lease of electric locomotives and freight wagons not intended for the carriage of fossil fuels was also classified as aligned;

- ◆ CCM 6.14. – that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of revenue generated from the maintenance and operation of electrified trackside infrastructure and from the provision of infrastructure and installations intended for the transshipment of cargo in intermodal connections, that is terminal infrastructure and load-bearing structures for the loading, unloading and handling of cargo was classified as aligned.

The alignment assessment also confirmed compliance with the DNSH principle for activities.

The following activities were classified as Taxonomy-eligible but non-Taxonomy-aligned in the context of turnover:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. The part of revenue regarding repair services of diesel locomotives and freight wagons intended primarily for the transport of fossil fuels was classified as non-aligned.

- ◆ CCM 6.2 – Freight rail transport – that is the rental and operation of means of freight transport on main-line rail networks as well as short line freight railroads. Revenue from the carriage of goods by locomotives using conventional combustion engines and revenue from the carriage of fossil fuels was classified as non-aligned. The part of revenue regarding lease of diesel locomotives and freight wagons intended primarily for the transport of fossil fuels was classified as non-aligned;
- ◆ CCM 6.14 – Infrastructure for rail transport that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of revenue from the maintenance and operation services of non-electrified trackside infrastructure and from the provision of infrastructure and installations (terminal infrastructure and load-bearing structures) intended for the transshipment of cargo as part of non-intermodal services was classified as non-aligned.

Revenue from contracts with customers accounted for PLN 1,469.1 million of Taxonomy-aligned turnover, and the remaining PLN 0.7 million of Taxonomy-aligned turnover was revenue from lease of electric locomotives.

The value of Taxonomy-aligned turnover which was generated for own consumption (consolidation exclusions) within distinct activities was as follows:

- ◆ CCM 3.3 – Manufacture of low carbon technologies for transport – PLN 180.7 million;
- ◆ CCM 6.2 – Freight rail transport – PLN 241.7 million;
- ◆ CCM 6.14 – Infrastructure for rail transport – PLN 3.6 million;

Turnover is at a similar level to the previous reporting period;

Activities that generated turnover of less than 2% and were not related to the core business of PKP CARGO Group were deemed immaterial, i.e.:



turnover related to road transport of goods – accounts for 1.5% of turnover;



turnover related to lease of spaces – accounts for 0.1% of turnover.



Turnover

Reported key performance indicator

Turnover

Financial year (N)

2025

Environmental goal of Taxonomy-aligned activity

Business activities	Code	Key performance indicator for Taxonomy-eligible activity (share of Taxonomy-eligible turnover)	Key performance indicator for Taxonomy-aligned activity (monetary value of turnover)	Key performance indicator for Taxonomy-aligned activity (share of Taxonomy-aligned turnover)	Mitigation of climate change	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity	Supporting activity	Transition-supporting activity	"Share of Taxonomy-aligned activity in Taxonomy-eligible activity"
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	PLN million	%	%	%	%	%	%	%	%	%	%
"Manufacture of low carbon technologies for transport"	CCM 3.3	0.6%	6.8	0.2%	0.2%						0.2%		0.2%
Cargo rail transport	CCM 6.2	70.3%	1,426.2	37.7%	37.7%								46.1%
Infrastructure for rail transport	CCM 6.14	10.8%	36.8	1.0%	1.0%						1.0%		1.2%
Total Taxonomy-aligned activity broken down by goal					38.8%								
Total key performance indicator – turnover		81.6%	1,469.7	38.8%	38,8%							1.2%	47.5%

CapEx

As part of the Taxonomy-alignment assessment, capital expenditures incurred in 2025 were analyzed.

The following activities were classified as Taxonomy-eligible and recognized as Taxonomy-aligned in the context of capital expenditures:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. Capital expenditures on the electric locomotives with zero direct emissions of CO₂ in exhaust gases when operated on tracks with the necessary infrastructure and using locomotives fitted with conventional engines where such infrastructure is unavailable (electric-and-combustion) and expenditures on freight wagons which are not intended for transport of fossil fuel were classified as Taxonomy-aligned;
- ◆ CCM 6.14. – Infrastructure for rail transport that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of expenditure which related to the electrified trackside infrastructure and the infrastructure and installations intended for the transshipment of cargo in intermodal connections, that is terminal infrastructure and load-bearing structures for the loading, unloading and handling of cargo was classified as aligned.

The alignment assessment also confirmed compliance with the DNSH principle for activities.

The following activities were classified as Taxonomy-eligible but non-Taxonomy-aligned in the context of capital expenditures:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. Capital expenditures on diesel locomotives and freight wagons intended primarily for the transport of fossil fuels was classified as non-aligned;
- ◆ CCM 6.14. – Infrastructure for rail transport that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering

services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of expenditure which related to the non-electrified trackside infrastructure and the infrastructure and installations intended for the transshipment of cargo in intermodal connections, that is terminal infrastructure and load-bearing structures for the loading, unloading and handling of cargo was classified as non-aligned.

All Taxonomy-aligned capital expenditures constituted increases in property, plant and equipment. The increases presented were unrelated to acquisitions resulting from business combinations.

The value of Taxonomy-aligned CapEx is at a similar level to that of the previous reporting period.

Capital expenditures that generated turnover of less than 2% and were not related to the major projects in the PKP CARGO Group were deemed immaterial, i.e.:



capital expenditures related to passenger cars – account for 0.1% of CapEx.



CapEx

Reported key performance indicator **Capital expenditures**

Financial year (N)		2025													
					Environmental goal of Taxonomy-aligned activity										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
Business activities	Code	Key performance indicator for Taxonomy-eligible activity (share of Taxonomy-eligible capital expenditures)	Key performance indicator for Taxonomy-aligned activity (monetary value of capital expenditures)	Key performance indicator for Taxonomy-aligned activity (share of Taxonomy-aligned capital expenditures)	Mitigation of climate change	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity	Supporting activity	Transition-supporting activity	"Share of Taxonomy-aligned activity in Taxonomy-eligible activity"		
Text		%	mIn PLN	%	%	%	%	%	%	%	%	%	%		
"Manufacture of low carbon technologies for transport"	CCM 3.3	80.3%	123.8	29.2%	29.2%						29.2%		35.1%		
Infrastructure for rail transport	CCM 6.14	2.8%	11.6	2.7%	2.7%						2.7%		3.3%		
Total Taxonomy-aligned activity broken down by goal					31.9%										
Total key performance indicator – capital expenditures		83.1%	135.4	31.9%	31.9%						31.9%		38.4%		

OpEx

As part of the Taxonomy-alignment assessment, operating expenses incurred in 2025 were analyzed.

The following activities were classified as Taxonomy-eligible and Taxonomy-aligned in the context of operating expenses:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. In particular, costs of repair and maintenance of the electric locomotives with zero direct emissions of CO₂ in exhaust gases when operated on tracks with the necessary infrastructure and using locomotives fitted with conventional engines where such infrastructure is unavailable (electric-and-combustion) and costs of repair of freight wagons which are not intended for transport of fossil fuel were classified as Taxonomy-aligned;
- ◆ CCM 6.2 – Freight rail transport – that is the rental and operation of means of freight transport on mainline rail networks as well as short line freight railroads. Costs of short-term lease of electric locomotives and freight wagons not intended for the carriage of fossil fuels were classified as Taxonomy-aligned;

- ◆ CCM 6.14. – Infrastructure for rail transport that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of costs which related to the maintenance and operation of electrified trackside infrastructure and the infrastructure and installations intended for the transshipment of cargo in intermodal connections, that is terminal infrastructure and load-bearing structures for the loading, unloading and handling of cargo was classified as aligned.

The alignment assessment also confirmed compliance with the DNSH principle for activities.

The following activities were classified as Taxonomy-eligible but non-Taxonomy-aligned in the context of operating expenses:

- ◆ CCM 3.3. manufacture of low carbon technologies for transport – that is the repair, maintenance, modernization, reassignment and retrofitting of low-emission transport vehicles and rolling stock. Expenses related to the repair and maintenance of diesel locomotives

and those freight wagons that are predominantly intended for the carriage of fossil fuels were classified as non-aligned.

- ◆ CCM 6.2 – Freight rail transport – that is the rental and operation of means of freight transport on mainline rail networks as well as short line freight railroads. Costs of the short-term lease of diesel locomotives and those freight wagons that are predominantly intended for the carriage of fossil fuels were classified as non-aligned.
- ◆ CCM 6.14. – Infrastructure for rail transport that is the construction, modernization, operation and maintenance of surface and underground railroads, bridges, tunnels, stations, terminals and rail service infrastructure facilities, and safety and traffic management systems, including the provision of architectural and engineering services, design services, construction oversight services, and surveying and mapping services, etc., conducting physical, chemical and other analytical tests on all types of materials and products. The part of costs which related to the maintenance and operation of non-electrified trackside infrastructure and the infrastructure and installations intended for the transshipment of cargo in non-intermodal connections, that is terminal infrastructure and load-bearing structures for the loading, unloading and handling of cargo was classified as non-aligned.





The value of Taxonomy-aligned operating expenses components, within distinct activities, was as follows:

- ◆ CCM 3.3 – Manufacture of low carbon technologies for transport – costs of ongoing repairs of electric locomotives (PLN 47.8 million) and wagons not intended for the transport of fossil fuels (PLN 7.7 million);
- ◆ CCM 6.2 – Freight rail transport – costs of lease of electric locomotives (PLN 0.1 million) and costs of lease of wagons not intended for the transport of fossil fuels (PLN 3.8 million);
- ◆ CCM 6.14 – Infrastructure for rail transport – costs of maintenance and repairs of terminals intended for the transshipment of cargo as part of intermodal services (PLN 0.6 million).

Other operating expenses related to the ongoing maintenance of property, plant and equipment, but non-Taxonomy-aligned or non-Taxonomy-eligible were the following: maintenance and repair of diesel locomotives and wagons intended for the transport of fossil fuels, maintenance and repair of track infrastructure and terminals intended for the transshipment of cargo as part of non-intermodal services, costs of repairs and renovations of other real estate, costs related to repairs and renovations of machinery and equipment and motor vehicles, costs of cleaning and security of buildings, IT infrastructure maintenance costs, equipment legalization costs, non-Taxonomy-aligned short-term lease of fixed assets.

Operating expenses that generated turnover of less than 2% in the PKP CARGO Group were deemed immaterial, i.e.:



expenses related to passenger cars – account for 1.1% of OpEx.,



expenses related to road transport and delivery vans fleet – account for 1.0% of OpEx.,



expenses related to renovations of buildings – account for 0.1% of OpEx.

ESRS E1 Climate change

ESRS 2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

A description of the strategy and business model is provided in this statement in section 10.1 ESRS 2 GENERAL INFORMATION.

ESRS 2 IRO-1

Description of the processes to identify and assess climate-related material impacts, risks and opportunities

The impacts, risks and opportunities of the PKP CARGO Group were identified in the double materiality analysis. A detailed description of the analysis is provided in this statement in section 10.1 ESRS 2 GENERAL INFORMATION

E1-1

Transition plan for climate change mitigation

In 2025, the Group did not have a transition plan in place for climate change mitigation. Further proceedings in the climate issues is dependent on the provisions of the Restructuring Plan which will form a basis for definition of future strategy and directions both for the Company and the whole Group.



E1-2

Policies related to climate change mitigation and adaptation

In 2025, the PKP CARGO Group did not have one policy in place related to management of material topics of climate change. There were different regulations in individual subsidiaries supporting the management of this issue.

PKP CARGO, in accordance with the implemented Integrated Management System Book (IMS Book), aims to reduce its climate impact by pursuing energy transition and carbon footprint reduction initiatives, promoting rail transport as an eco-friendly mode of transportation, investing in modern rolling stock, and ensuring the rational use of raw materials, supplies, energy, and water, in accordance with legal requirements, environmental protection principles, and sustainable development guidelines. The matters resulting from the Integrated Management System implemented at the Company have been described in section *E2 Pollution*.

The Company communicates its values and commitments regarding sustainability through provisions in the regulations made available to customers. The Rules and regulations for the carriage of goods by PKP CARGO S.A., governing the sale of services, the acceptance of cargo loads, the transport of cargo loads, and the delivery of cargo loads, the Company has concluded the Sustainability Declaration of PKP CARGO S.A. As part of this declaration, it undertakes, among other things, to adhere to the principles of sustainable development with regard to protecting the natural environment, the social environment and transparency in corporate governance, and notes that the choice of rail transport, due to its low emissions and energy consumption, aligns with efforts to reduce the negative impact of transport on the environment and climate. The Company also highlights in the declaration its expectation that customers' business activities support the aforementioned principles and values.

PKP CARGO SERVICE implemented the Energy Management System compliant with the requirements of ISO 50001:2018 standard, being part of its Integrated Management System. The Policy is made available publicly on the website, and documentation regarding the Energy Management System is made available to the employees in the Intranet.

The above regulation specifies the manner in which PKP CARGO SERVICE manages the use of energy to improve the energy performance. The document sets forth, in particular, the rules for conducting a periodic energy review, which serves as the basis for preparing a report covering:

- ◆ analysis of energy consumption in key areas of operation,
- ◆ identification of major energy consumers,
- ◆ assessment of factors affecting energy consumption levels,
- ◆ identification of opportunities to improve energy efficiency,
- ◆ analysis of trends and a comparison of results with previous periods,
- ◆ recommendations for technical and organizational measures aimed at reducing energy consumption and emissions associated with its use.

The results of energy review form a basis for updating of energy targets and action plans, as well as they support the decision-making process regarding investments and infrastructure modernization. The report is also used to monitor progress in energy efficiency and CO₂ emissions reduction.

PKP CARGO INTERNATIONAL implemented the Integrated Management System (Total Management System) compliant with the environmental management standard ISO 14001 and energy management standard 50001. As part of this initiative, the company aims, among other things, to reduce its environmental impact through measures aimed at energy transition, lowering energy consumption, reducing its carbon footprint, and implementing eco-friendly modes of transportation, such as rail transport. These matters are specifically described in the Sustainability Policy and TMS, which form part of the Integrated Management System and have been published on the company's website.

E1-3

Climate policy actions and resources

The policies described above cover the scope of in-house operations within the activities of individual subsidiaries. The management boards of individual entities are responsible for their implementation. The companies that have implemented these regulations did not conduct formal consultations with stakeholders during their development. At the same time, these policies take into account the interests of the “silent stakeholder” – the natural environment – through measures aimed at improving energy efficiency and reducing the consumption of energy derived from fossil fuels.

The other subsidiaries have not implemented policies regarding the management of climate change issues that go beyond compliance with legal requirements. The companies do not currently plan to implement any additional regulations in this area. In the medium term, there are plans to review the feasibility of implementing such regulations.

In 2025, the PKP CARGO Group did not have in place the action plan related to climate change adaptation or mitigation. However, individual subsidiaries undertook certain actions to optimize the energy consumption and reduce emissions in Scope 1 and 2 as part of own operations.

PKP CARGO has updated the *Integrated Management System Policy* through introduction of provision committing it to mitigate the climate impact and reduce carbon footprint.

In the reporting period PKP CARGO concluded an agreement for the supply in 2026 of 100% of non-traction electricity from renewable energy sources. The agreement covers such companies as PKP CARGOTABOR, PKP CARGO CONNECT, PKP CARGO TERMINALE and PKP CARGOTOR. With regard to traction electricity, PKP CARGO concluded an agreement for the purchase in 2026 of 150,000 MWh of energy covered with guarantees of origin from renewable energy sources. In 2027, the Company plans to enter into contracts for the supply of 100% green electricity – for both traction and non-traction purposes. However, the expected GHG emission reduction has not been estimated.

In 2025, the Company generated energy from renewable sources (solar collectors) and plans to continue doing so in the short and medium term. As part of its efforts to improve energy efficiency, the company also installed heat pumps as a heat source at several locations.

PKP CARGO SERVICE continued in the reporting year the lighting modernization process, replacing traditional lighting with LED. These actions are taken in the short and medium term. In addition, as part of the ongoing modernization plans, three locomotives were refurbished, resulting in lower diesel fuel consumption. The effects of these measures, in the form of reduced fuel demand, are expected in the short and medium term.

PKP CARGO INTERNATIONAL is currently developing a decarbonization plan designed to provide a realistic framework for the controlled reduction of emissions in areas over which the company has direct or indirect influence. In 2025 PKP CARGO INTERNATIONAL produced renewable energy, and in the medium term, further growth in energy consumption from renewable sources and a reduction in GHG emissions are expected. There are also plans to improve the transparency and quality of the data required for Scope 3 reporting.

No significant financial resources have been allocated for these tasks.

The Group’s other subsidiaries have not undertaken any initiatives related to climate change adaptation or mitigation. Further planning of activities depends on the approval of the Restructuring Plan, which will serve as the basis for developing strategic directions for both the Company and the entire Group.



E1-4

Targets related to climate change mitigation and adaptation

In 2025, the PKP CARGO Group did not have any climate change mitigation or adaptation targets, including GHG emission reduction targets. At the same time, PKP CARGO INTERNATIONAL plans to set measurable, results-oriented targets in the short term in connection with the implementation of decarbonization plan.

Further proceedings in the climate issues, including target-setting, is dependent on the acceptance of the Restructuring Plan which forms a basis for development of strategic actions directions both for the Company and the entire Group. Nevertheless, the subsidiaries have taken steps to determine their carbon footprint, which is an important first step toward paving a way toward decarbonization in the future. In addition, utility consumption is continuously monitored with the aim of achieving overall resource savings.

E1-5

Energy consumption and energy mix

The Group measured the severity of its environmental impact by monitoring its energy mix. The table below presents the Group's total energy consumption in 2025, broken down by main sources. The data are expressed in megawatt-hours (MWh) and as the percentage share of each source in total consumption – the largest share is accounted for by fuels derived from crude oil and petroleum products as well as electricity, heat, steam and cooling purchased or obtained from the grid from fossil fuel sources.

Total energy consumption of the PKP CARGO Group in 2025 and 2024 broken down by main sources of its origin

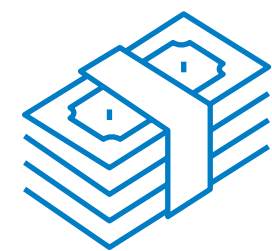
	Unit	Quantity 2025	Quantity 2024
1) Fuel consumption from coal and coal products	MWh	10,395	16,913
2) Fuel consumption from crude oil and petroleum products	MWh	260,554	536,975
3) Fuel consumption from natural gas	MWh	6,634	97,666
4) Fuel consumption from other fossil sources	MWh	133	161
5) Consumption of purchased or obtained electricity, heat, steam and cooling from fossil fuel sources	MWh	436,249	514,471
6) Total energy consumption from fossil fuels (calculated as the sum of lines 1–5)	MWh	713,965	1,166,186
Share of fossil sources in total energy consumption	%	99.2	99.90
7) Total energy consumption from nuclear sources	MWh	0	0
Share of consumption from nuclear sources in total energy consumption	%	0	0.00
8) Fuel consumption for renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	MWh	0	275
9) Consumption of purchased or obtained electricity, heat, steam and cooling from fossil fuel sources	MWh	5,814	868
10) Renewable energy consumption generated independently without the use of fuel	MWh	11	37
11) Total renewable and low-carbon energy consumption (calculated as the sum of lines 8–10)	MWh	5,825	1,180
Share of renewable sources in total energy consumption	%	0.8	0.10
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	719,790	1,167,366



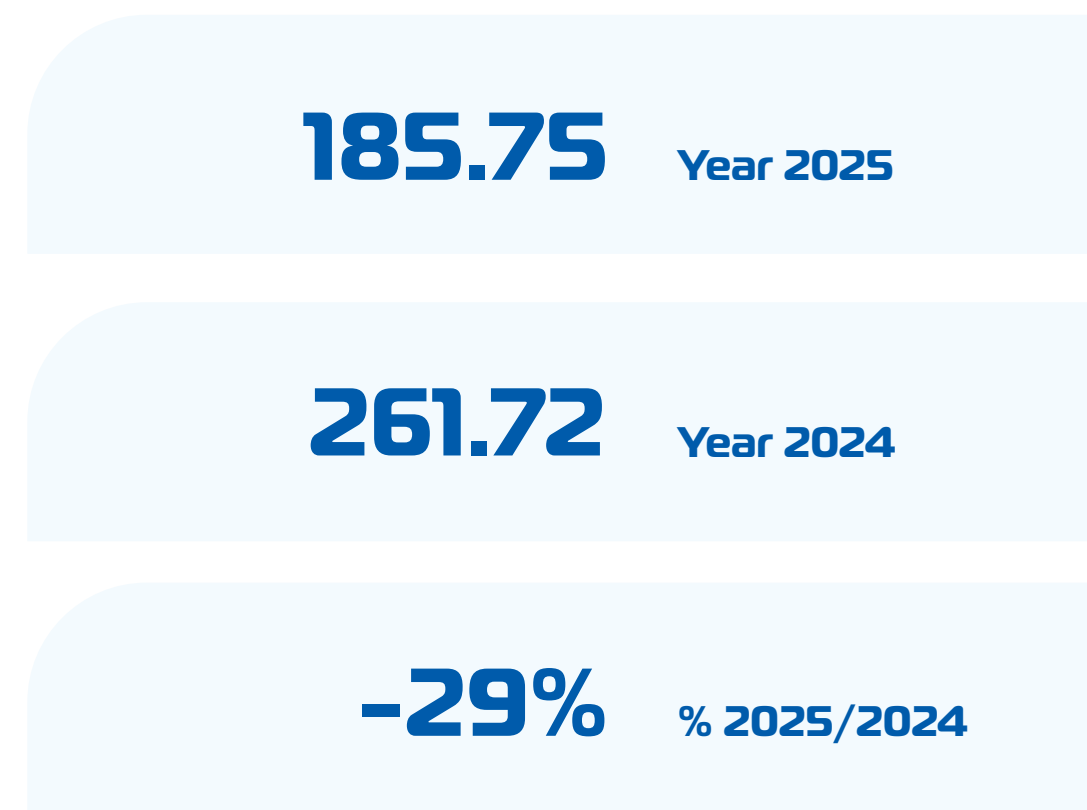
The data presented in the table above are consistent with the general methodology for calculating the carbon footprint, as described in detail in Disclosure E1-6. The data on directly consumed fuels was sourced from purchase records and invoices. For the energy corresponding to Scope 2 emissions, the data was sourced from meter readings and invoices. Item 10) includes energy generated on-site using solar collectors and heat pumps, but does not include energy drawn by the pumps from the grid.

The following table presents information on energy consumption in relation to the PKP CARGO Group's net revenue (details regarding the revenues in the GROUP'S CONSOLIDATED FINANCIAL STATEMENTS, NOTES 2.1 AND 2.3). The ratio was calculated by dividing total energy consumption by total net revenue. It is assumed that all of the Group's operations are related to activities in a sector that has a significant impact on the climate.

Energy consumption indicator of the PKP CARGO Group in 2025 and 2024



Total energy consumption across the Group's operations in the Transport sector as a percentage of total net revenue (MWh/million PLN)



E1-6

Gross Scopes 1, 2, 3 and Total GHG emissions

The results of the carbon footprint calculation broken down into Scope 1, Scope 2 and Scope 3 for each category are presented below. The table below contains summary of calculations. A detailed description of the methodology used is provided later in this section.

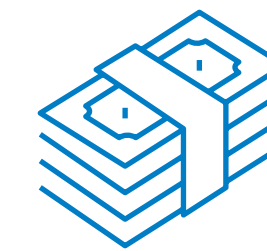
Greenhouse gas (GHG) emissions of the PKP CARGO Group in 2025 and 2024

	Unit	Year 2025	Base year 2024
GHG emissions in Scope 1			
Gross GHG emissions in Scope 1	Mg CO ₂ e	2,472	6,247
Gross biogenic emissions in Scope 1	%		0
Percentage of GHG emissions in Scope 1 from a regulated emissions trading system	GHG emissions in Scope 2		0
GHG emissions in Scope 2			
Gross GHG emissions in Scope 2 according to the location-based method	Mg CO ₂ e	329,500	350,134
Gross GHG emissions in Scope 2 according to the market-based method	Mg CO ₂ e	329 500	350 134

	Unit	Year 2025	Base year 2024
GHG emissions in Scope 3			
Total indirect gross GHG emissions in Scope 3	Mg CO ₂ e	3,816,558	1,763,997
1 Purchased freight and services	Mg CO ₂ e	53,129	200,551
2 Capital goods	Mg CO ₂ e	27,236	11,505
3 Fuel and energy activities not included in Scope 1 or 2	Mg CO ₂ e	115,127	184,753
4 Upstream transportation and distribution	Mg CO ₂ e	3,568,306	65,280
5 Waste generated from operations	Mg CO ₂ e	-	2,343
6 Business commuting	Mg CO ₂ e	-	279
7 Employee commuting	Mg CO ₂ e	-	4,948
8 Upstream leased assets	Mg CO ₂ e	-	5,494
9 Downstream transportation	Mg CO ₂ e	-	1,223,931
11 Use of sold products	Mg CO ₂ e	52,760	64,374
13 Downstream leased assets	Mg CO ₂ e	-	536
Total GHG emissions			
Total GHG emissions in Scopes 1+2 (location-based) +3	Mg CO ₂ e	4,103,775	2,140,035
Total GHG emissions in Scopes 1+2 (market-based) +3	Mg CO ₂ e	4,211,867	2,240,735

The table below presents GHG emission intensity in relation to the PKP CARGO Group's net revenue (for details on revenue, see the GROUP'S CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP, NOTES 2.1 AND 2.3). This indicator was calculated by dividing total net revenue by the total amount of GHG emissions determined using the location-based and market-based methods.

GHG emission intensity of the PKP CARGO Group in 2025 and 2024

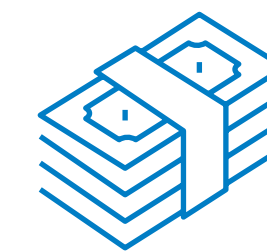


Total GHG emissions (location-based method) to net revenue (in CO₂ t equivalents per million PLN)

1,059.04 Year 2025

479.79 Year 2024

121% % 2025/2024



Total GHG emissions (market-based method) to net revenue (in CO₂ t equivalents per million PLN)

1,089.51 Year 2025

502.36 Year 2024

117% % 2025/2024



Description of the methodology used

The calculation methodology covers Scope 1, Scope 2 and Scope 3 emissions. All calculations were performed in accordance with the GHG Protocol guidelines, ensuring their compliance with international GHG emission reporting standards.

Three emission scopes were taken into account in the calculations:

- ◆ **Scope 1** – direct emissions related to the Group’s assets (units, offices, fleet, machinery).
- ◆ **Scope 2** – indirect emissions resulting from the purchase of electricity, heat, cooling or process steam.
- ◆ **Scope 3** – other indirect emissions, including the purchase of capital goods and services, emissions related to fuels and energy, waste, transport, employee commuting, business commuting and the use of sold products.

The analysis covers the calculation period from 1 January 2025 to 31 December 2025. The base year for the calculations is 2024. The scope of the calculation covers the whole Group.

The methodology for calculating the carbon footprint in Scope 3 for 2025 is based on the use of a basic equation for determining emissions c_f , which takes into account emission sources and their emission factors.

$$c_f = \sum f_{i,j} a_{i,j} g_j$$

where:

- ◆ $f_{i,j}$ is the emission factor for a specific activity (a_i) and greenhouse gas (g_j),
- ◆ a_i is the activity carried out (such as combustion of fossil fuels, consumption of raw materials),
- ◆ g_j is the global warming potential of the greenhouse gas in question,

Because in Scope 3 the vast majority of factors are expressed in kilograms or tons of carbon dioxide equivalent ($kgCO_2e$ or tCO_2e), the above equation is simplified to:

$$c_f = \sum f_i g_j$$

The latest global warming potential (GWP) values published by the IPCC based on a 100-year time horizon were used to calculate CO_2eq emissions (AR6). These factors are used for Scope 1 and Scope 2 emissions as well as for most of the indicators used in Scope 3. The monetary indicators for methane, nitrous oxide, and sulfur hexafluoride have been updated to reflect the AR6 global warming potentials for 2025, but this has no material impact on the values of the indicators.

Organizational boundaries and emission scopes

The Group's emissions were calculated in accordance with the following assumptions.

The report includes the following companies based on actual and financial data:

- ◆ PKP CARGO S.A. under restructuring,
- ◆ PKP CARGO SERVICE sp. z o.o.,
- ◆ PKP CARGOTABOR sp. z o.o. under restructuring,
- ◆ PKP CARGO TERMINALE sp. z o.o.,
- ◆ CARGOSPED TERMINAL BRANIEWO sp. z o.o.,
- ◆ CARGOTOR sp. z o.o.,
- ◆ PKP CARGO CONNECT sp. z o.o.,
- ◆ PKP CARGO INTERNATIONAL a.s.

Due to the immaterial emissions resulting from operating activities, the following companies were excluded:

- ◆ Terminale Przeladunkowe Sławków Medyka sp. z o.o.,
- ◆ Transgaz S.A.,
- ◆ PKP CARGO CONNECT GmbH.

Due to the absence of operating activities, the following companies were excluded:

- ◆ PKP CARGO TABOR USŁUGI sp. z o.o. under liquidation (100%),
- ◆ ONECARGO CONNECT sp. z o.o. (100%),
- ◆ PKP Linia Chełmska Szerokotorowa sp. z o.o. (100%),
- ◆ CENTRALNYTERMINAL MULTIMODALNY sp. z o.o. (100%),
- ◆ MIĘDZYNARODOWA SPEDYCJA MIRTRANS sp. z o.o. (Under liquidation) (43,99%),
- ◆ INTERCONTAINERINTERFRIGOSA. (under liquidation) (0.71%).

Due to their immateriality, the following companies in which the parent company held a stake of less than or equal to 20% were excluded:

- ◆ **COSCO SHIPPING Lines (Poland) Sp. z o.o. (20%)** – company excluded due to the nature of its business (office activities) – in 2023, the costs incurred for materials and energy were PLN 269 thousand, which means that the emissions included in Category 15 of Scope 3 will be below 0.01% of the Group's total emissions.
- ◆ **EUROTERMINAL SŁAWKÓW sp. z o.o. (9,32%)** – company excluded due to estimated emissions – according to the report for 2024, the company spent PLN 6,121,501.57 on materials and energy (in this case, emissions resulting from a maximum of approx. PLN 600 thousand spent on energy should be included). Assuming, for simplicity, the purchase of electricity related to transshipment infrastructure at a final price of PLN 1 per kWh, the estimated emissions were 310 tCO₂e, representing less than 0.01% of the Group's total emissions.
- ◆ **BUREAU CENTRAL DE CLEARING S.O.R.I. (1,34%)** – this is an office company that does not generate material emissions, which combined with its marginal share, warrants its exclusion.
- ◆ **RUDOPORT S.A. (1,11%)** – based on information from the 2023 financial statements, it was determined that, as the company does not employ any workforce, it is a technical undertaking that does not generate any emissions.

- ◆ **IDEON S.A. (0,15%)** – the company published its last report for 2017, generating cash flows of PLN 14 million at the time. With a share of 0.15%, it is an immaterial source of emissions below 0.01%.

The Group took into account all 15 Scope 3 emission categories, although in accordance with the ESRS methodology, some categories were deemed immaterial. They are recalculated at least once every 3 years.

Based on the assessment of activities, all categories were analyzed and those applicable to the Group's activities were identified:

- ◆ Category 1: Purchased goods and services,
- ◆ Category 2: Capital goods,
- ◆ Category 3: Fuel and energy activities (not included in Scope 1 or 2),
- ◆ Category 4: Upstream transportation and distribution,
- ◆ Category 5: Waste generated in operations,
- ◆ Category 6: Business commuting,
- ◆ Category 7: Employee commuting,
- ◆ Category 8: Upstream leased assets,
- ◆ Category 9: Downstream transportation,
- ◆ Category 11: Use of sold products,
- ◆ Category 13: Downstream leased assets.



Other categories (10, 12, 14) are not subject to reporting as they are unrelated to the Group's activities (they do not generate emissions during use). Only in the case of category 15 was it decided to exclude companies in which the Group holds an equity stake due to immaterial emissions.

On the basis of 2024 results, the following categories were deemed immaterial:

- ◆ Category 2: Capital goods (in the case of CARGOS-PED, TERMINAL BRANIEWO, CARGOTOR, PKP CARGO SERVICE),
- ◆ Category 4: Upstream transportation and distribution (in the case of PKP CARGOTABOR, PKP CARGOS-PED TERMINAL BRANIEWO, CARGOTOR, PKP CARGO SERVICE),
- ◆ Category 5: Waste generated in operations,
- ◆ Category 6: Business commuting,
- ◆ Category 7: Employee commuting,
- ◆ Category 9: Downstream transportation,
- ◆ Category 13: Downstream leased assets.

The total value of exclusions does not exceed 0.38% of total emissions of 2024. Emissions recognized in 2024 in Category 9 were included in Category 4.

Sources of data and emission indicators

The data used to calculate GHG emissions were obtained from various sources, depending on the scope of emissions. The primary input data consisted of actual information such as purchase invoices, accounting data, company data management systems, operational data and surveys in the case of employee commuting data.

The table below provides an overview of the data sources used for Scopes 1, 2 and 3. The table contains abbreviated database names:

- ◆ KOBIZE – Emission factors for electricity for 2024, December 2025,
- ◆ DEFRA – Greenhouse gas reporting: conversion factors, July 2025,
- ◆ AIB – European Residual Mixes, Results of the calculation of Residual Mixes for the calendar year 2024, May 2025,
- ◆ URE (Energy Regulatory Office) – Heat energy in figures 2024, URE, November 2025,
- ◆ Ecoinvent 3.12,
- ◆ Exiobase 3.8.

The data and indicators were adjusted to Polish economic and energy conditions, taking into account exchange rate differences and inflation.

Sources of data and indicators used to calculate the carbon footprint

Scope/Category	Data sources	Databases
Scope 1	Extracts from the undertaking's internal systems covering the consumption of distinct liquid, solid and gaseous fuels. Refrigerant leaks. Expenditure on the purchase of natural gas	DEFRA 2025, stoichiometric equation for emissions from the combustion of acetylene
Scope 2	Extracts from the undertaking's internal systems covering electricity, heat and cooling consumption (physical and financial data)	Location-based method: KOBIZE (December 2025), Market-based method: AIB (May 2025) and supplier indicators
Category 1: Purchased goods and services	Extracts from internal company systems covering the weight of raw materials purchased. Extract from the accounting system covering distinct services and other non-raw material expenses	Goods: Ecoinvent 3.12 (physical factors), Exiobase 3.8 (monetary factors), Services: Exiobase 3.8 (monetary factors for distinct services)
Category 2: Capital goods	Summary of expenditure for specific investments and fixed assets	Exiobase 3.8 (monetary factors)
Category 3: Fuel and energy-related activities (not included in Scope 1 or 2)	Data for Scope 1 and 2, including energy distributed to other undertakings	DEFRA (July 2025, AIB (May 2025), KOBIZE (December 2025), URE – Energy Regulatory Office
Category 4 Upstream transportation and distribution	List of raw materials purchased, transport distances and means of transport	Exiobase 3.8 (monetary factors for auxiliary transport services) (DEFRA (July 2025)
Category 11: Use of sold products	Data on electricity, heat and natural gas consumption by own and partner facilities	DEFRA (July 2025)

Biogenic emissions from fuel combustion in vehicles were determined based on the DEFRA database.

Approach to reporting and extrapolating data

The measurement of Scope 3 emissions is based on data from specific segments of the value chain, upstream (before the service is created) and downstream (in the later stages of the service's life).

Primary data obtained from suppliers and partners in the value chain accounted for 0% of emissions.

Recalculation policy

A policy of recalculating emissions in the base year was adopted, whereby recalculations were made when projected changes in emissions exceeded 5%. Material changes in emissions that require recalculation may result from:

- ◆ changes in organizational structure, such as the purchase or sale of an equity stake or a demerger of the organization,
- ◆ outsourcing or insourcing of activities resulting in emissions,
- ◆ changes in the carbon footprint calculation methodology, improvements in the accuracy of emission factors or more accurate data on activities,
- ◆ improvements in the accuracy of emission factors, particularly in the context of the carbon footprint of energy in calculations based on market data,
- ◆ identification of material errors in calculations.

Limitations resulting from the methodology adopted

Despite a clearly defined methodological framework, there are certain calculation limitations that may arise from data availability, scientific uncertainty (including the properties of the factors used) and estimates. For selected Scope 3 categories, monetary factors were used instead of physical factors, especially for services and capital goods.

Emissions and intensity data were not independently verified by an external body.

E1-7

GHG removals and mitigation projects financed through carbon credits

The Group does not currently carry out or plan to implement any GHG removals or storage projects within the framework of its own operations or those in which it participates on an upstream or downstream basis.

E1-8

Internal carbon pricing

The Group does not use any internal carbon pricing systems.

E1-9

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The Group makes use of the option to omit disclosure of the anticipated financial impacts of material physical risks and transition risks and potential opportunities related to climate change in accordance with Commission Delegated Regulation (EU) 2025/1416 of 11 July 2025, amending Delegated Regulation (EU) 2023/2772 as regards the postponement of the date of application of the disclosure requirements for certain entities in Appendix C (OJ EU L 2025, p. 1416).

ESRS E2 Pollution

ESRS 2 IRO-1

Description of the processes to identify and assess climate-related material impacts, risks and opportunities

The impacts, risks and opportunities of the PKP CARGO Group were identified in the double materiality analysis. A detailed description of the analysis is provided in this statement in section 10.1 ESRS 2 GENERAL INFORMATION



E2-1

Policies related to pollution

The Group does not have a uniform pollution policy in place – this area is managed through policies and procedures adopted by some companies. In the Group’s parent company, pollution prevention is part of the Integrated Management System Policy. In the Policy, the Company declares that it strives, without limitation, to:

- ◆ protect the natural environment by taking responsible actions to prevent its pollution, including by promoting and deploying rail transport as an environmentally friendly form of freight carriage,
- ◆ reasonably use raw materials, other materials and energy and water in accordance with the legal requirements of environmental protection and sustainable development,
- ◆ invest in a modern rolling stock,
- ◆ improve the qualifications of employees in the spirit of responsibility for the quality of services offered and the natural environment.

The provisions of the Policy emphasize that environmental management in the Company, including pollution, is carried out in accordance with the PN-EN ISO 14001:2015-9 standard. The Policy is available on the PKP CARGO S.A. website. The document has been adopted by the Company’s Management Board, and the Integrated Management System Officer is responsible for taking the necessary steps to ensure the proper functioning of the IMS. This regulation was

adopted in consideration of the interests of the so-called silent stakeholder, that is the natural environment.

The Integrated Management System Manual, adopted by a decision of the President of the Management Board, includes an indication of the basic objectives in the environmental management area. *The Integrated Management System Process and Procedure Manual*, which is a document complementary to the IMS Manual, describes the following environmental processes related to pollution:

- ◆ 3.1.1 Managing water and sewage,
- ◆ 3.1.2.1 Managing emissions into air from technology processes and combustion of fuel in installations and equipment,
- ◆ 3.1.2.2 Managing equipment containing substances that deplete the ozone layer and fluorinated greenhouse gases,
- ◆ 3.1.5 Managing noise emissions to the environment,
- ◆ 3.1.7 Managing threats of damage to the environment.

The Integrated Management System Policy does not contain any provisions on mitigating the adverse effects of pollution. The issues of operating installations and equipment that cause emissions to the environment in a manner that minimizes their impact on the environment and monitoring those impacts, actions in the event of emergencies, handling hazardous substances and environmental requirements for suppliers and

service providers at PKP CARGO are governed by *the requirements of the Environmental and Climate Protection Guidelines in PKP CARGO S.A. under restructuring Cs*. In accordance with the Instructions, units responsible for the repair of rail tracks and the replacement of wooden rail sleepers impregnated with creosote or other hazardous substances are required to consider the possibility of replacing such sleepers with components that do not contain any hazardous substances, if this is justified and technologically feasible. The use, storage and transport of hazardous chemicals and mixtures thereof are permitted if that rules and measures are in place to ensure the protection of workers' health and life, fire protection of buildings, structures and the site, and protection of the environment. The basic protection of the environment against leaks of hazardous substances is the storage of containers with liquid hazardous substances on a sealed substrate, resistant to such substances, with the use of drip trays to catch leaks and the use of sorption mats and sorbents. For solid substances, appropriate insulation from the ground and protection against weather phenomena must be provided. If the hazardous substances or asbestos products stored or transported are waste, specific regulations on their handling must also be observed.

With regard to the prevention of incidents and emergencies, the Environmental and Climate Protection Guidelines in *PKP CARGO S.A. under restructuring Cs* describe, among other aspects, the prevention and repair of environmental damage, the procedure to be

followed in the event of damage or the risk of a serious accident and the procedure to be followed in the event of historical soil contamination. Moreover, the processes for dealing with emergency situations are included in the Collection of Processes and Procedures of the Integrated Management System, a document complementary to the *Integrated Management System Manual*, which describes the process for dealing with environmental hazards. In the event of an incident threatening environmental pollution, the Company supervises the site of the accident and notifies the relevant services responsible for restraining the negative impact on the environment.

The pollution policies implemented at PKP CARGO support the EU Action Plan for Zero Pollution of Air, Water and Soil in the following areas:

- ◆ improving air quality in connection with rail transport, which is environmentally friendly and prevents an increase in pollution levels in the land transport sector,
- ◆ reducing exposure to traffic noise by replacing cast iron brake blocks with composite ones.

In subsidiaries, pollution-related issues are governed by individually established internal policies of varying degrees of complexity. As part of their operations, they define the proper procedures for conducting processes, as well as for preventing pollution incidents and accidents; and, should such incidents occur, for minimizing their impact on people and the environment. The management



boards of individual entities are responsible for their implementation. The companies that have implemented these regulations did not conduct formal consultations with stakeholders during their development. At the same time, these policies take into account the interests of the "silent stakeholder" – the natural environment – through measures aimed at optimizing the use of resources, fuels and energy, which directly translates into the reduction in pollution. The policies described do not include provisions regarding the minimization or reduction of the use of potentially hazardous substances and SVHCs.

The environmental policy of PKP CARGO CONNECT based on PN EN ISO 14001 standard refers to, among others, the subject of air pollution. The objective set forth in the Policy is to provide comprehensive services of the highest quality, while monitoring and minimizing the organization's environmental impact and adhering to safe work practices. The Policy obliges the company to comply with all legal requirements essential for the environment, including laws, regulations and administrative duties concerning environmental

protection, to systematically identify and mitigate risks arising from material environmental aspects; and to reduce emissions of pollutants into the atmosphere.

General assumptions resulting from the Integrated Management System adopted in PKP CARGO INTERNATIONAL have been described in disclosure E1-2. The policy of mitigating the negative effects of pollution is implemented by adhering to the guidelines set forth in internal directives and operational instructions regarding compliance with environmental protection principles.

The rules for preventing incidents and emergencies, as well as procedures for responding to environmental hazards, are set forth in internal directives, including *Water Protection* and *Emergencies*, as well as in the specific emergency response plans of individual workplaces. As part of efforts to prevent incidents and emergencies, these guidelines set forth rules for the proper operation of emission-causing equipment and procedures for handling hazardous substances, including their storage and transport.

In the case of environmental hazard, these documents describe, among others, the prevention and repair of environmental damage, the procedure to be followed in the event of damage or the risk of a serious accident to the rail infrastructure or rail siding, and the procedure to be followed in the event of historical soil contamination.

PKP CARGO INTERNATIONAL

Organizes environmental protection training for employees (including train drivers) and also takes care of the technical condition of machines and rolling stock. In the event of an incident or accident that poses a threat to the environment, the company monitors the site of the accident, notifies the relevant authorities responsible for mitigating the negative impact on the environment, and cooperates with those authorities and environmental protection agencies.

PKP CARGOTABOR

The internal *“Instructions for handling installations and equipment causing emissions”* are in place at PKP CARGOTABOR. The Instructions generally address the need to comply with environmental regulations, prevent incidents, and mitigate the impacts of operations.

PKP CARGO SERVICE

As part of the *PW 3-3 Data monitoring, measurement and analysis procedure* resulting from the Integrated Management System functioning in the Company, monitors and measures environmental aspects related to direct and indirect emissions contributing to air pollution, such as fuel consumption, process gases, and traction and non-traction electricity consumption.

The remaining subsidiaries in the PKP CARGO Group do not have in place any policies related directly to pollution. These issues are addressed in accordance with applicable environmental regulations, with an emphasis on fulfilling the obligations arising therefrom.

E2-2

Actions and resources related to pollution

Steps related to pollution are taken within the PKP CARGO Group by each company within the organization. Those pursued by the Group’s parent company in 2025 focused on:

- ◆ continuing the process of replacing coal-fired boilers to meet anti-smog requirements (a total of 6 boilers were decommissioned; regulations require the Company to urgently replace 7 boilers, with 2 more to be decommissioned in the short term, and another 5 boilers and 2 furnaces in the medium term),
- ◆ remediation of historical pollution; for the Żurawica site – continuation of on-site remediation, that is the cleaning of soil and groundwater at the site of contamination (application of a biopreparation, monitoring of free petroleum product in technological wells, scraping of the free phase of the petroleum product, laboratory tests),
- ◆ remediation of historical contamination; for the Szczecin site – continuation and completion of bioremediation works, consisting of spraying green areas with a ready-made biopreparation and injection into application holes,

- ◆ replacement of cast iron brake blocks with composite inserts in 192 wagons,
- ◆ reducing the amount of asbestos in locomotives by 120 kg,
- ◆ monitoring the consequences of incidents in transport,
- ◆ efforts to regularize the legal status at:
 - ◆ the Jaworzno Szczakowa site (work was carried out on a water law permit for the discharge of industrial wastewater into the sewer system; work will continue in 2026),
 - ◆ the Szczecin site (in connection with the acquisition of the new location, the water permit issued to the previous land user was transferred to the Company).

Some of the measures will be continued in the short to medium term.

In 2025, no need was identified to take remedial action with respect to persons affected by actual adverse effects of pollution.

The taking of the measures described above did not require any material financial expenditures in the reporting period. Also, no such expenditures are currently planned.

In the mitigation hierarchy, the measures taken by PKP CARGO are assigned to the following classes:

- ◆ pollution reduction (decommissioning of coal-fired boilers, asbestos removal, replacement of brake blocks in wagons),
- ◆ restoring, regenerating and transforming ecosystems where pollution has occurred (remediation of historical pollution at two sites).

AWT Rekultivace, a member of the PKP CARGO INTERNATIONAL Group, has its business model based on providing comprehensive services related to reclamation, earthworks, construction, demolition and design activities. In addition, it provides services in the field of road transport and heavy mechanization. The scope of work primarily involves waste management, including sorting, recycling and disposal. These activities are mainly applied in the reclamation of former mines, the revitalization of spoil heaps and landfills, the restoration of post-industrial areas as well as during earthworks related to the construction of transport and water infrastructure and during demolition work. The Company also carries out tasks related to the construction of municipal waste landfills and the disposal of industrial waste. These include, among others, waste transport, decontamination of contaminated soil and restoration of landscapes damaged by mining and industrial activities.

The company holds ISO 9001, 14001, 45001 and 50001 certifications and intends to renew them in the short and medium term. Its activities, classified as “restoring, regenerating and transforming ecosystems,” did not require any material financial expenditures.

PKP CARGOTABOR

Business model is based on the repair, maintenance and upgrade of rolling stock, the performance of routine and periodic repairs of freight cars and locomotives, inspection and periodic checks, regeneration and production of assemblies and subassemblies for traction and rolling stock. These activities, translating into the operation of rolling stock in optimal condition with limited consumption of raw materials and other materials, contribute to reduced pollution levels.

PKP CARGOSERVICE

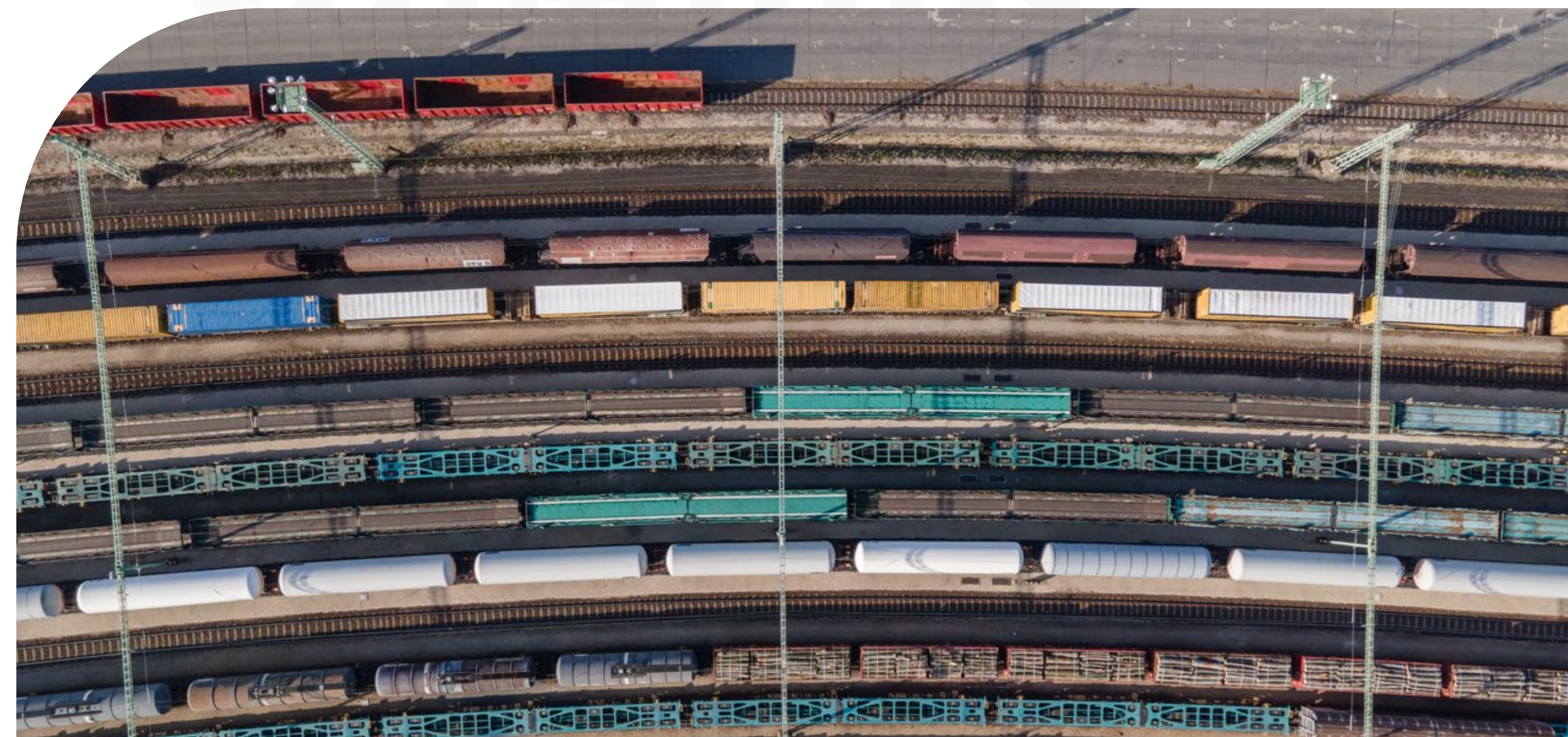
During the reporting period, PKP CARGO SERVICE replaced its hard coal-fired boilers with low-emission heating systems during the reporting period; in addition, four passenger cars meeting the EURO 6 standard were put into service.

PKP CARGO CONNECT

Is in the process of obtaining a water permit to discharge wastewater consisting of a mixture of rainwater and snowmelt from roads and yards, rainwater from roofs and drainage water from subgrade drainage at the Medyka Transshipment Terminal.

Other subsidiaries in the PKP CARGO Group did not undertake any additional actions in 2025 related to material impacts concerning pollution, limiting themselves to monitoring the law and fulfilling regulatory obligations.

In 2025, the PKP CARGO Group did not take any measures related to pollution in the value chain.



E2-3

Targets related to pollution

In the PKP CARGO Group, environmental management targets, including pollution, were adopted by the parent company, as specified in the Integrated Management System Manual. The adopted objectives indirectly pertain to the prevention of soil, air and water pollution. They stem from the Group's efforts to minimize its impact on the environment and are based on applicable legal requirements:

1. Carrying out tasks related to the transport of cargo, taking into consideration the principles of environmental protection, in particular:
 - ◆ striving to increase the share of rail transport in the transport of cargo, which will contribute to reducing the negative impact of land freight transport on the climate and the environment,
 - ◆ making efforts to change the traction electricity consumption model towards increasing the share of renewable energy, taking into account the unique requirements of the rail transport market,
 - ◆ ensuring the safe transport of hazardous materials.

2. Aiming to satisfy all requirements following from Polish and European Union laws about using technical infrastructure and background facilities to protect the climate and reduce emissions to the environment.
3. Taking into consideration environmental and climate protection aspects in the selection of new investments, solutions, purchases and technologies.
4. Reasonable use of environmental resources by:
 - ◆ improving the environmental quality of the rolling stock,
 - ◆ preventing the occurrence of waste and minimizing the occurrence of waste that may not be prevented,
 - ◆ reducing water and heat losses in transmission systems through thermal modernization of maintenance and repair facilities striving to increase the share of renewable energy sources in the energy used.
5. Implementing, maintaining, improving and standardizing internal rules for handling operated installations and equipment as well as waste generated within the organization.

6. Educating and improving the environmental awareness of workers.

The targets are relative in nature, apply to PKP CARGO S.A. under restructuring and do not require the determination of baseline values. The company did not specify a timeframe for the adopted targets or milestones, assuming that these are ongoing activities.

The objectives related to pollution pertain to the prevention of pollution and the achievement of full legal compliance with environmental protection regulations. No conclusive scientific evidence was used to set them; the process was based on assessments of PKP CARGO's. During the year, on a quarterly basis, the workers collect information on whether the release of pollutants into the environment is within the permissible standards and complies with the provisions of environmental decisions and permits issued, assess whether all permits and licenses for environmental use were obtained in accordance with the applicable legal requirements and analyze the outcomes of external and internal inspections and audits, complaints submitted by external parties, penalties imposed on the Company and any other irregularities and failures in environmental protection.

This process is also used by the Company to monitor and evaluate the effectiveness of the process to pursue the objectives. Additionally, at the end of each reporting year, the Environmental Protection Team prepares a document titled "Report on the status of environmental and climate protection at PKP CARGO S.A. under restructuring." A permanent element of the review is the presentation of environmental objectives and tasks to be achieved in the coming years.

The objectives were not consulted with stakeholders.



Achievement of the objectives set for 2025 at PKP CARGO S.A. under restructuring



The objective related to the performance of tasks in the field of freight transport, taking into consideration the principles of environmental protection, may be considered achieved. In 2025, no railway incidents involving the transport of dangerous goods were recorded. Regarding the 2024 incident involving a leak of aviation fuel onto the tracks, the entity responsible for the incident has not yet been identified. In response to a request from the Regional Directorate for Environmental Protection in Wrocław, the Company plans to conduct soil and ground testing in 2026 (after obtaining access to the rail infrastructure from its manager) and to develop a corrective action plan.



The objective of complying with all requirements under national and European Union laws concerning the use of technical infrastructure and facilities to protect the climate and reduce emissions to the environment was partially fulfilled – the situation with water permits was partly straightened out. However, these are not all the permits required to achieve full legal compliance. Due to the ongoing restructuring process at PKP CARGO S.A., the final requirements for obtaining water permits will be determined after the selection of the locations to remain within the Company’s structure and the determination of the manner of their use.



The objective related to the reasonable use of environmental resources by improving the environmental quality of the rolling stock was achieved by replacing brake blocks (as described in E2-3 Targets related to pollution), which is a measure aimed at protecting the environment against noise pollution.

The overall direction of activities at AWT Rekulivace and PKP CARGOTABOR is to continue activities leading to the restoration of ecosystems (AWT Rekulivace) or the reduction of waste generation (PKP CARGOTABOR). Accordingly, it is impossible to specify the nature of the objective, the year or the baseline values – these are ongoing activities. The adopted business model directly refers to the prevention of soil, air and water pollution.

No other companies in the PKP CARGO Group set or currently intend to set any pollution-related targets. The companies monitor their processes for compliance with legal requirements.




E2-4

Pollution of air, water, and soil

The PKP CARGO Group does not exceed the emission parameters specified in Annex II to Regulation No. 166/2006 of the European Parliament and of the Council (Regulation on the European Pollutant Release and Transfer Register).

For the Parent Company, the volume of distinct emissions into the air was calculated on the basis of the amounts of fuel and materials consumed, available theoretical literature indicators, KOBiZE metrics and specific indicators from the safety data sheets of the substances used. The quality of wastewater discharged is tested by certified laboratories at the frequency required by water permits and national water-law regulations. Information on the measurements taken is sent to local environmental protection authorities in accordance with the applicable laws.

To collect data on direct air emissions, PKP CARGO uses specialized software that gathers information on environmental use and related emissions for specific business locations. Data on emissions of pollutants into water and soil (drainage ditches) are obtained by environmental protection staff at each site, and relevant statements are submitted to the State Water Management Authority.

The detailed approach to emission calculations is described below. For the most part, individual companies measure emissions based on theoretical calculations and, if necessary, on periodic measurements; direct measurements are not performed unless required. The Group does not possess data enabling it to determine the degree of uncertainty.

The largest direct emissions into the air at PKP CARGO are unorganized emissions and emissions from installations that are not subject to measurement requirements. At other locations, the Company does not use emission measurement results to calculate air emissions. This is because the measurements reflect instantaneous emissions that occurred on the day the measurements were taken. Theoretical calculations, based on the type and quantity of products used throughout the year, allow for a more comprehensive reflection of annual emission volumes. For emissions to water and soil, theoretical calculations serve as the basis.

Other companies have different approaches to collecting pollution data. PKP CARGO CONNECT bases its indicators on KOBiZE metrics and data related to fuel combustion installations (e.g., light fuel oil, liquefied gas) and installations for the storage or transshipment of crude oil and its derivatives, LPG or CNG.

At PKP CARGO INTERNATIONAL, periodic measurements are conducted and calculations based on them are used to prepare legally required reports. PKP CARGO TERMINALE determines the volume of emissions based on fuel consumption, while CARGOSPED TERMINAL BRANIEWO obtains data on the amount of air pollutants from the Emission Summary and the quantitative summary of fuel consumption, also based on the KOBiZE database. No microplastics are used in any own operations, but emissions occur during the braking of trains fitted with composite brake pads. The Group is not in possession of any accurate figures to calculate or estimate the weight of microplastics generated in this process.

E2-5

Substances of concern and substances of very high concern

The PKP CARGO Group does not use or produce any SVHC substances in any of its processes. They also do not leave the Group’s infrastructure in any form.

The organization does not have the technical capability to specify the quantities of potentially hazardous substances used in its operations, classifying them according to their main hazard class. Approximately 70% of the data presented was calculated based on materials actually used. For the remainder, it was assumed that 100% of the substances purchased in 2025 were used.

Weights of potentially hazardous substances used in the PKP CARGO Group in 2025 and 2024

Class	Weight (tons)	
	2025	2024
Aldehydes	0.19	0.16
Alcohols	23.71	28.18
Amines	0.05	0.07
Gasoline, kerosene	13.39	3.00
Aromatic hydrocarbons	37.58	37.88
Aliphatic hydrocarbons	27.33	32.91
Other compounds	16.86	12.92
Esters	7.28	0.56
Organic and inorganic acids	0.18	2.08
Phosphates	0.01	0.37
Ketones	2.97	4.08
Ethers	0.28	0.56

The classification of potentially hazardous substances included in the table above has been updated compared to last year. The changes include separating Amines (0.07 t) into a separate category, incorporating the Metals and metal oxides category (0.62 t) into the Other compounds category (the value increased from 12.30 to 12.92 t) and renaming the category from Other inorganic compounds to Organic and inorganic acids. The categories remain unchanged.



E2-6

Anticipated financial effects from pollution-related impacts, risks and opportunities

The Group makes use of the option to omit disclosure of the anticipated financial impacts of risks and opportunities related to pollution in accordance with Commission Delegated Regulation (EU) 2025/1416 of 11 July 2025, amending Delegated Regulation (EU) 2023/2772 as regards the postponement of the date of application of the disclosure requirements for certain entities in Appendix C (OJ EU L 2025, p. 1416).

In 2025, the Group did not record any railway incidents resulting in property damage, environmental protection costs or costs of remedying damage, including fines or penalties imposed by regulatory or government authorities.

ESRS E5 Resource use and circular economy

ESRS 2 IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

The impacts, risks and opportunities of the PKP CARGO Group were identified in the double materiality analysis. A detailed description of the analysis is provided in this statement in section 10.1 ESRS 2 GENERAL INFORMATION



E5-1

Policies related to resource use and circular economy

The PKP CARGO Group does not have a uniform policy regarding resource use and the circular economy. However, regulations regarding waste management are in place at the level of individual entities within the Group. The adopted documents focus on ensuring compliance with legal regulations and do not refer to third-party initiatives. Their implementation takes into account the interests of stakeholders regarding waste reduction in the local environment. All policies described below are internal documents and are not made available to third parties.

◆ PKP CARGO

in addition to the Integrated Management System Policy described in previous chapters, which obligates the Company to manage resources rationally, the “Instructions on compliance with environmental and climate protection principles at PKP CARGO S.A. under restructuring.” Section VI of the Instructions regulates waste management and the placing of products and packaging on the market. The Instructions define the obligations of waste managers, including requirements for obtaining decisions, permits, authorizations and entries in the BDO as well as rules for classifying waste, maintaining records of it and its handling and accepting waste into storage and its collection. The purpose of the Instructions

is to establish a waste management hierarchy, ensure compliance with national regulations and defining employees’ responsibilities regarding waste management. The Director of the Infrastructure Office at PKP CARGO S.A. under restructuring is responsible for implementing the provisions of the Instructions.

◆ PKP CARGO CONNECT

In its Environmental Policy, the company commits to managing waste in an environmentally friendly manner and in compliance with environmental protection laws.

◆ PKP CARGO INTERNATIONAL

– the Integrated Management System implemented at the company also includes a commitment to prevent waste generation, reduce its volume and ensure proper management.

◆ PKP CARGO TERMINALE

a procedure regarding waste management has been implemented.

◆ PKP CARGO TABOR

a waste management procedure has been implemented.

◆ **PKP CARGOSERVICE**

in addition to the Integrated Management System described in previous chapters, which obligates the company to manage resources rationally, a document titled *“Waste management principles in the operational areas of PKP CARGO SERVICE sp. z o.o.”* has been implemented, which regulates in detail the rules for handling waste generated by the company. The document includes general information on waste as well as rules for its storage, transport, transfer and record-keeping. Waste management is also monitored under Procedure *PW 3-3 Monitoring, Measurement and Data Analysis, which monitors the environmental aspect of waste management.* The procedure includes an Environmental Monitoring and Measurement Plan, which specifies control and measurement activities, the persons responsible for them, monitoring methods and related deadlines, including deadlines for recording and reporting waste generated by the company.



Responsibility for implementing the described policies lies with the management boards of the individual companies.

The documents and regulations in force within the PKP CARGO Group refer to the rational use of raw materials but do not contain direct provisions regarding increasing the share of secondary resources or the use renewable resources.

E5-2

Activities and resources related to resource use and circular economy

The PKP CARGO Group’s subsidiaries do not have action plans regarding resource use and the circular economy. In 2025, the Group’s subsidiaries’ activities in this area did not, in principle, go beyond meeting legal requirements.

It is assumed that the rational use of resources will continue, compliance with legal requirements will be maintained, existing processes will be kept at the highest possible level and certifications will be renewed periodically.

These activities do not involve significant financial expenditures. The nature of the identified impacts in the area of the circular economy does not require corrective measures.



E5-3

Targets related to resource use and circular economy

In 2025, the PKP CARGO Group did not have any targets related to resource use or circular economy. Due to the ongoing restructuring process, the Group is unable to determine, as at the date of this report, whether or when it will set targets in this area.

E5-4

Resource inflows

The core business of the PKP CARGO Group is rail transport; therefore, locomotives and wagons – in particular for PKP CARGO S.A. and PKP CARGO INTERNATIONAL – as well as other specialized machinery and equipment used in operations. Other assets in use include chemical substances and mixtures, mainly lubricants, oils, solvents and paints, necessary for the operation of rolling stock and the conduct of operational processes as well as material resources such as gravel and aggregate, used in the repair and maintenance of rail infrastructure.

The data presented in the table below is derived from invoices, inventory systems or other internal record-keeping systems. Resources that did not fit into the adopted categories or were of insignificant importance were omitted. The Group does not have information on the quantities or percentage of resources derived from recycling or that would be reused.

Resources introduced by the PKP CARGO Group in 2025

Resource	PKP CARGO Group	
	Quantity	Unit
	2025	
Electric locomotives	474	Units
Diesel locomotives	475	Units
Wagons	44,879	Units
Other vehicles and specialized equipment	611	Units
Rail sleepers, switch plates, half-switches	178	Units
Rails	1,076	Units
Chemical substances and mixtures	130	Units
Technical materials	130	Units

Topic E-5 regarding inputs was identified as material in 2025 – therefore, data in this regard was disclosed for the first time in the current reporting period. The table therefore does not include comparative data for the previous financial year.

E5-5

Resource outflows

The Group makes every effort to minimize the amount of waste generated, focusing on repairs, refurbishment and the reuse of available resources.

When this is not possible for technical or economic reasons, the generated waste is first sorted in a manner that enables its material recovery.

Balance of waste generated by the PKP CARGO Group, data for 2024 and 2025

Waste category	Grupa PKP Cargo					
	Total weight (tons)		Hazardous waste (tons)		Non-hazardous waste (tons)	
	2025	2024	2025	2024	2025	2024
a) Total amount of waste generated	229,713	31,534	1,975	2,257	227,738	29,276
b) Total amount of waste for which disposal was avoided:	25,083	5,663	1,415	1,410	23,668	4,252
– Preparation for reuse	1,256	1,653	1,255	1,278	1	375
– Recycling	23,603	4,010	1	132	23,602	3,877
– Other recovery processes	224	0	159	0	65	0
c) Amount of waste sent for disposal:	319	637	31	175	288	462
– Incineration	25	160	22	160	3	0
– Landfilling	294	326	9	4	285	323
– Other disposal processes	0	151	0	11	0	139

Waste management by the PKP CARGO Group in 2025 and 2024

Waste category	PKP CARGO Group	
	Value	
	2025	2024*
Waste subjected to recycling or other recovery processes	10%	-
Waste subjected to disposal processes	<1%	-
No data	89%	-

* Due to the lack of precise data on waste management for 2024, estimates and presentation were omitted

In the PKP CARGO Group, the most significant waste categories consisted of wagons (approx. 195 thousand tons) that were taken out of service, waste from the repair and maintenance of rolling stock and the maintenance of supporting infrastructure. The main materials forming these streams are iron and its alloys as well as hazardous waste such as oils, lubricants, packaging for hazardous products and sorbents.

The weight of waste generated is determined using certified scales, *Waste Transfer Sheets and waste records in the BDO system*. Detailed data on the method of management could be determined for only 10% the total weight of waste generated. This is mainly due to the inclusion in the table above of wagons taken out of service and classified as waste, which, as at the date of this report, had not yet been transferred to a recipient and for which *no Waste Transfer Form* had been issued. Due to the diverse business models of the subsidiaries and the variety of possible methods for waste management, no attempt was made to estimate the data. The Group does not generate radioactive waste.



03

Information about social issues

SI Own workforce



SBM-3

Material impacts, risks and opportunities and their interactions with strategy and business model

The scope of this statement covers all persons working within the PKP CARGO Group.

Within the Group’s own workforce, two categories of employees are distinguished:

- ◆ persons employed under an employment contract – employees,
- ◆ persons who are not employees, but who perform specific work or tasks for the Group companies on the basis of other forms of employment.

During the double materiality analysis, the organization identified eight material adverse impacts on its own workforce, which are linked to individual cases and are not systemic in nature.

The actual negative impacts on PKP CARGO employees identified in the analysis stem primarily from the ongoing restructuring process, which began in 2024. The actual negative impact on employees was assessed as significant in the short term – mass layoffs were carried out in 2025. Furthermore, due to its financial situation, the Company delayed the payment of employee benefits, including amounts owed to former employees. The negative impact on employees resulting from limited opportunities for skill enhancement and development was also deemed significant in the short and medium term.

In the current reporting period, training activities have focused primarily on mandatory training to maintain professional qualifications.

In addition to the restructuring-related impacts noted above, the analysis also revealed a significant negative impact on working conditions across all three-time horizons due to the termination in 2024 of the Company Collective Bargaining Agreement in force at PKP CARGO (subject to a two-year notice period). Furthermore, in 2025, PKP CARGO Terminale terminated its company collective bargaining agreement and PKP CARGOTABOR amended its company collective bargaining agreement, without limitation, by temporarily modifying the operating rules of the Company Social Benefits Fund (regarding the amount of the contribution) and other changes modifying employee entitlements in connection with the ongoing restructuring process.

These impacts generate material risks to the Company's finances, potentially related to court proceedings, penalties imposed by the State Labor Inspectorate and the risk of servicing a loan from the Guaranteed Benefits Fund for the payment of these amounts due to the workforce.

The PKP CARGO Group is also exposed to the risk of losing employees due to the generation gap and the current compensation and training policies (including due to restrictions resulting from the restructuring process), which may translate into increased costs of recruiting and onboarding new employees. The identified risks do not pertain to any specific groups of people.

The potential negative impact on the Group's workers in the area of occupational health and safety related to the impact on the health and life of workers, which results directly from the nature of rail jobs, was also considered material. Moreover, due to the limited scope of implementation and awareness of the Anti-Mobbing and Anti-Discrimination Policy in the Group, one potential negative impact was identified in the area of prevention of violence in the workplace.

The double materiality analysis identified one positive impact of the Group related to the high level of unionization and the opportunities for workers to have a say in their working conditions. However, the stakeholder dialogue conducted during the double materiality analysis also revealed a potential negative impact related to the possibility of discrimination based on trade union membership status, which was deemed material. The scope of cooperation with the employee side is described in more detail in the report under disclosure S1-2.

A list of all identified impacts, risks and opportunities regarding the Group's own workforce is provided in Chapter 10.1 General Information of the ESRS 2, in Section SBM-3.

In 2025, the Group did not identify any material impacts on workers resulting from transition plans aimed at reducing the negative impact on the natural environment and increasing the environmental and climate-neutral nature of its operations. The Group also does not operate in areas with an increased risk of child labor or forced or compulsory labor.

S1-1






Policies related to own workforce

The PKP CARGO Group manages identified impacts on its own employees based on internal regulations – these are adopted either at the Group-wide level or at the level of individual companies comprising the organization. The Management Board of the Parent Company is responsible for the implementation of Group regulations. As regards documents adopted in companies, responsibility for their implementation lies with the management boards of those companies.

Employee matters are all Group companies addressed by the PKP CARGO Group Code of Ethics. In the "Relations Among Us" section, this document emphasizes the Group's commitment to respecting fundamental human rights in accordance with international conventions, excluding any forms of forced labor, modern slavery and child labor. It is prohibited to employ persons under the age of 15 or to engage youths (under the age of 18) in hazardous work, overtime or night shifts.

Internal relations within the company are based on honesty, openness, mutual respect and trust. The Group declares equal access to employment, promotion and opportunities for professional and personal development, and all conflicts are resolved through objective dialogue. The Code prohibits all forms of discrimination against employees – based on age, gender, disability, race, religion, sexual orientation, nationality, origin, political activity or union membership – as well as harassment. Nepotism, construed as the use of one's professional position to favor family members at the expense of the powers of others, is particularly frowned upon. Workers are required to take care of the company's property, use it exclusively for business purposes, protect confidential information and comply with occupational health and safety regulations. In external contacts, professionalism, providing accurate information and responding to any breach of company ethics are required. More information about the Code, including external standards, scope, stakeholder engagement and methods of making the regulations available – can be found in section G1-1.

At PKP CARGO, employee relations are also governed by the Human Resources Policy, which constitutes a set of standards in the area of human resources management. Although some provisions of the document do not account for temporary changes resulting from the restructuring process, in accordance with the provisions of the Policy, the Company, among other things:

- 
ensures the professional development of its workers through training programs, professional adaptation, internships and scholarships,
- 
takes a comprehensive approach to health and safety, promoting a safety culture, conducting regular training and examinations and offering health and social benefits to employees and their families,
- 
maintains low employee turnover thanks to attractive employment conditions, ongoing opportunities for development and career advancement through internal recruitment processes,
- 
conducts a partnership-based social dialogue through regular communication with employee representatives,
- 
takes into consideration fair market practices and environmental protection in its daily operations and promotes equal treatment and diversity among its workers and in its business environment.

The Director of the HR Office is responsible for implementing the provisions of the Policy. The document does not directly refer to external standards or initiatives and its provisions were not consulted with employees. The document is available on the Company's Intranet.

Moreover, the PKP CARGO Group's parent company has adopted, by way of a Management Board resolution, an Anti-Mobbing and Anti-Discrimination Policy. It sets out rules for counteracting mobbing and discrimination, including harassment (also sexual harassment), in the workplace. In accordance with its provisions, the Company does not tolerate any psychological, physical or sexual harassment of workers, or any other form of violence in the workplace. Workers may not be discriminated against on any grounds, either directly or indirectly. Every employee is required to treat other employees equally. The Policy also commits the Company to take the following actions:

- ◆ preventive measures, aimed at preventing bullying and discrimination, in particular by conducting an information policy and ongoing monitoring of social relations among employees,
- ◆ intervention measures to immediately eliminate instances of harassment and discrimination, to eliminate their effects, to prevent the occurrence of such phenomena in the future, and to apply appropriate sanctions to those responsible.

The document is made available to employees both in paper form and on the Company's Intranet.



PKP CARGO also has a training policy in place: *the Professional Qualification Improvement System at PKP CARGO S.A. under restructuring*. The policy covers all forms of professional development, ranging from mandatory and optional training, periodic/ad hoc briefings, to subsidies for courses and studies (including postgraduate programs). The main objective of the policy is to ensure equal opportunities for professional development for employees, regardless of age, gender and background and to increase work efficiency and safety (especially in rail traffic and rolling stock maintenance). The policy provides for the cyclical planning of training in line with current business needs.

The policy is made available to all employees as a separate document on the Intranet as well as in onboarding materials for new employees.

Issues related to occupational safety are described in *PKP CARGO's Integrated Management System Policy*. The document requires the organization to create, in consultation with workers, safe and ergonomic working conditions, prevent accidents at work and occupational diseases in accordance with legal requirements by establishing and respecting procedures to protect the life and health of workers.

The Company's Management Board is responsible for implementing this Policy. The document is based on the requirements of

- ◆ PN-EN ISO 9001:2015-10,
- ◆ PN-EN ISO 14001:2015-9,
- ◆ PN-EN/IEC 27001:2017-06
- ◆ and PN-ISO 45001:2018-06.

The Company publishes it on its website, while the Integrated Management System Manual is available to employees on the intranet.

Issues related to respect for human rights in the PKP CARGO Group are governed in the Code of Ethics and other internal regulations. In this report, these issues are described in detail in disclosure G1-1. The regulations adopted by the Group ensure:

- ◆ respect for the dignity of workers and their rights,
- ◆ prohibition of harassment and discrimination,
- ◆ equal treatment in employment,
- ◆ right to safe and healthy working conditions,
- ◆ right to rest,
- ◆ satisfaction of workers' social and cultural needs.

In individual subsidiaries of the Group, in addition to the documents applicable throughout the organization described above, other detailed regulations related to employee matters have also been adopted. All companies have implemented health and safety regulations. In addition, some companies have implemented policies regarding the prevention of violence and harassment in the workplace, including at PKP CARGO INTERNATIONAL (*Principles for the Prevention of Mobbing at PKP CARGO INTERNATIONAL a.s.*), PKP CARGO SERVICE (*Anti-Mobbing and Anti-Discrimination Procedure*) and PKP CARGOTOR (*Anti-Mobbing Policy*).

Any human rights breaches concerning the company's own workers are dealt with in accordance with *the Regulations for reporting irregularities and abuses in the PKP CARGO Group*.

In the Company, cooperation with workers takes place primarily through their authorized representatives from trade unions – the Company respects ILO Conventions, the Labor Code and national legislation in this area. Internal regulations concerning employee rights and obligations are consulted with trade unions. Despite the restructuring process, the Company's management supports dialogue based on the principle of equality between the parties, which it considers a natural evolution of social dialogue in a market economy, globalization and increased competition, and as a factor conducive to business development and job preservation.

In 2025, there were no regulations in force in the PKP CARGO Group concerning the inclusion of or activities for groups particularly vulnerable to marginalization among its own workforce.




S1-2

Processes for engaging with own workforce and workers' representatives about impacts

The PKP CARGO Group consults its decisions related to material impacts on workers. The only representatives of workers in their relations with the employer are trade unions – their importance and role in the parent company is emphasized by the high level of unionization among workers and their participation in the management of the Company through the secondment of representatives to the Supervisory Board. Cooperation with employee representatives concerns in particular the modification of regulations in force at the Company in line with the expectations of the staff and the current needs and capabilities of the employer. The consultations include:

- ◆ laying down the direction of changes in the Company Collective Bargaining Agreement,
- ◆ agreeing on work regulations, bonus schemes and the company social benefits fund, and participation in the allocation of benefits from this fund.
- ◆ participating in distribution of funds earmarked for salaries,
- ◆ consulting changes to organizational structures and framework organizational rules and regulations,
- ◆ influencing the development of occupational health and safety conditions through participation in OHS commissions and oversight over SIP,

- ◆ consulting the intent to terminate, dissolve or amend the content of the employment contract; agreeing upon the changes to employment contracts of persons subject to special protection,
- ◆ participation in the procedure of imposing penalties for breach of order.

Moreover, in consultation with employee representatives, the Company pursues initiatives and measures aimed at improving and increasing work efficiency, taking into consideration current market trends.

Social dialogue at PKP CARGO takes place between the President of the Management Board or an authorized representative of the employer and the relevant bodies of the company-level and inter-company trade union organizations. The President of the Management Board is responsible for ensuring cooperation with the trade union side. Cooperation with trade unions is an ongoing process and discussions take place as needed by the employer or in response to requests raised by employees. In 2025, the Management Board of PKP CARGO engaged in intensive dialogue with trade union organizations regarding the restructuring measures undertaken, which primarily concerned the gradual reorganization of specific management areas and the mass layoffs carried out.

The Company did not enter into any global or local agreements with employee representatives on respect for human rights. No general process of cooperation with its own human resources was implemented to gain insight into the opinions of people who may be particularly vulnerable or marginalized. However, *the Anti-Mobbing and Anti-Discrimination Policy* and the institution of Trusted Representatives operating at PKP CARGO enable the Company to identify the types of breaches reported by workers.

The effectiveness of cooperation with workers at PKP CARGO is assessed on the basis of jointly developed positions. The negotiations resulted in agreements and compositions regarding employee regulations.

Cooperation with own workers also takes place in other subsidiaries of the PKP CARGO Group: Trade unions operate in all companies and matters of significance to employees – including provisions of internal regulations – are consulted with them. The relevant management bodies of the companies or designated representatives are responsible for cooperation with trade unions.

S1-3

Processes to remediate negative impacts and channels for own workers to raise concerns

Remedial measures related to material negative impacts on workers in the PKP CARGO Group are implemented at the level of distinct companies, which, when a negative impact is identified, develop remedial measures tailored to the nature and circumstances of the situation.

In the parent company, an Anti-Mobbing and Anti-Discrimination Policy applies to negative impacts on workers related to discrimination and harassment. It introduces procedures and remedial measures to deal with irregularities – any breach of the Policy should be reported to the Trusted Representative, who initially investigates it and may propose a solution to the problem. If the proposal is accepted by all interested parties, the Trusted Representative prepares a report on the matter for the Anti-Mobbing Committee. If no agreement is reached, the case is dealt with by the Committee. After the proceedings are completed, the Committee prepares a report describing the findings, conclusions and actions taken. The report includes information on the possibility of referring the case to court. Then, it is delivered to all interested parties and the employer.

If the situation requires diagnostic and therapeutic consultation, the employee is entitled to receive the assistance of a psychologist or psychiatrist at the employer’s expense.

The Group has also implemented a policy under which individual subsidiaries define the channels through which their employees can report concerns or needs. This issue is governed by the Rules for reporting irregularities and abuses in the PKP CARGO Group. A description of the policy and information on the handling of complaints can be found in this statement in section G1-1. The regulations are disseminated among workers on the intranet of the Group’s member companies.

The PKP CARGO Compliance Section is responsible for tracking and monitoring reports for PKP CARGO; in subsidiaries, Compliance Coordinators are designated to carry out this task. Once a year, the Head of the PKP CARGO Compliance Section reports to the Management Board of the parent company and the Audit Committee of the Supervisory Board on matters related to the functioning of the Code of Ethics, summarizing reported violations of the Code and the corrective actions taken. The Group companies have not implemented any processes to assess employee confidence in the channels for reporting irregularities.

The parent company of the PKP CARGO Group has implemented a Whistleblower Protection Procedure. In accordance with its provisions, every whistleblower is entitled to full protection against retaliation and the company undertakes not to take any such action. All subsidiaries in the Group have implemented their own whistleblower protection regulations.



S1-4

Taking action on material impacts on own human resources and applying approaches to manage material risks and opportunities related to own human resources and the effectiveness of those actions

In 2025, the companies of the PKP CARGO Group managed activities related to material impacts, risks and opportunities associated with employees.



Security of employment

At the Parent Company, in light of the negative impact resulting from the ongoing remedial proceedings as well as the mass layoffs carried out in 2024, activities during the reporting period focused on securing funds for the severance pay and compensation for the shortened notice period. In October 2025, the Company's Management Board decided to settle all outstanding employee liabilities, including retirement and disability severance pay, long-service awards and compensation for unused vacation time. The benefits were paid in the amount of the principal debt, without interest. The funds allocated for the aforementioned payments come from the Company's current operating activities. Receivables arising from the mass layoffs carried out in 2025 were paid on an ongoing basis and were financed from funds obtained from the sale of freight cars withdrawn from operational use.

As a result of these measures, the risk of litigation and potential claims was mitigated as well as the risk of payment orders and penalties imposed by the National Labor Inspectorate (PIP).

In 2025, measures were also taken to mitigate the risk associated with the loan from the FGŚP, which in 2024 enabled the financing of a significant portion of the liabilities arising from the mass layoffs. PKP CARGO is taking steps to reduce the costs of servicing the loan. The Company also prepared a comprehensive support program for workers affected by the mass layoffs in 2025, which they may also benefit from after the notice period. The forms of support offered to laid-off employees included, among others:

- ◆ launching a dedicated e-mail address to which workers may send questions about mass layoffs,
- ◆ possibility of psychological support over the phone,
- ◆ signing letters of intent with companies from the TFL sector potentially interested in including the departing workers in their own recruitment processes and, as a result, hiring them; moreover, the Company organized open meetings between workers and these companies, enabling them to obtain detailed information about the offers (such job fairs were organized at each of the Company's facilities and at branch offices in small towns where there was a reported need),
- ◆ consultations with Social Insurance Institution (ZUS) representatives, an agent from the Labor Office and a dedicated job agent – presentation of the situation on the local labor market, current programs and opportunities to improve or supplement existing qualifications,
- ◆ development and distribution to departing workers of a guide containing tips on self-presentation during the recruitment process and information on job search methods,
- ◆ assistance in preparing application documents as well as for job interviews through simulations,
- ◆ training in the use of office software.



Collective bargaining, including the percentage of employees covered by collective bargaining agreements

In connection with the termination of the Company Collective Bargaining Agreement in June 2024, negotiations with the Social Partners were initiated during the reporting period to develop the provisions of a new document. The Company's long-standing Collective Bargaining Agreement has shaped the compensation system for years, significantly influencing the cost structure. It is necessary to adapt its provisions to the dynamics of market changes. Savings will be sought primarily in those employee compensation components that are sporadic and do not determine the level of monthly pay.

In July 2025, the trade unions that are parties to the Agreement initiated the execution of an Additional Protocol to the existing Company-Level Collective Bargaining Agreement, intended to introduce necessary changes adapting its provisions to current transport market conditions, employee needs and the specific nature of work in various occupational groups. The negotiations that have started reflect the joint efforts of the employer and trade unions to find alternative ways of further reducing the Company's current costs while also protecting jobs. Work in this area is planned to be finalized in 2026.



Social dialogue, freedom of association, existence of works councils and employees' rights to information, consultation and participation

A double materiality analysis revealed a positive impact of the PKP CARGO Group related to employees' ability to co-determine their work environment and conditions through high unionization rates as well as a potential negative impact regarding union membership status. The dialogue with the social partners at the parent company, which also addressed these impacts, focused during the reporting period on the reorganization of specific management areas due to the implementation of the "single employer" concept. Consequently, the Company's Trade Union Organizations consulted on drafts of new regulations – the PKP CARGO S.A. under restructuring Bonus Bylaws, the PKP CARGO S.A. under restructuring Labor Bylaws and the Bylaws of the PKP CARGO S.A. under restructuring Company Social Benefits Fund for 2026. Following successful consultations, these documents entered into force.

At the same time, in accordance with the provisions of the Trade Unions Act, trade unions are independent in their statutory activities from employers. Accordingly, PKP CARGO has no right to interfere in relations between the organization and its members.



Occupational safety and health

In 2025, PKP CARGO also took measures related to potential negative impacts on occupational health and safety. The causes of accidents at work are analyzed on an ongoing basis and the results are reported quarterly to the Management Board. A detailed health and safety report is prepared for the Company every six months. The occupational health and safety services systematically carry out inspections and reviews of workstations and monitor the condition of the rail infrastructure at the Company's work sites, reporting any detected irregularities to managers. Ongoing supervision of the implementation of plans to improve working conditions is also conducted and regular occupational safety and health training sessions are organized. Activities related to occupational safety and health are consulted with employee representatives.



Measures to prevent violence and harassment in the workplace

With regard to the potential negative impact on workers resulting from the limited implementation and awareness of the Anti-Mobbing and Anti-Discrimination Policy, PKP CARGO informed its workers about the introduction of the regulations and the Policy was made available in paper form to workers in blue collar jobs and in electronic form on the company's intranet.

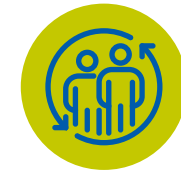




Adequate pay, training and skill development

Subsidiaries take their own measures regarding the risk of employee turnover through compensation and training policies. In 2025, PKP CARGO began work on developing new compensation standards for its employees. The goal of this initiative is to build a new, unified compensation system that includes an incentive component, which will have a tangible impact on both employees' circumstances and the efficiency of the transport process. Its principles are being consulted with employee representatives on an ongoing basis.

The risk of employee turnover related to training policy is managed primarily through the implementation of retention strategies that combine competency development and knowledge transfer. The Company uses loyalty agreements linked to training and an extensive onboarding process, including comprehensive onboarding and e-learning training for new employees.



Diversity

During the reporting period, PKP CARGO also continued the following activities related to the risk of a generational gap and the loss of qualified employees reaching retirement age:

- ◆ analysis of competency needs in key operational areas and multi-year workforce planning,
- ◆ basic training – new workers had the opportunity to undergo appropriate vocational training aimed at ensuring proper preparation and implementation of key functions in the Company,
- ◆ reorganization of the employment structure to align the number of employees in specific occupational groups with the Company's actual needs and to streamline processes,
- ◆ resuming cooperation with vocational schools in the area of internships as part of a strategy to recruit and retain new staff and minimize the generation gap,
- ◆ compensation policy – initiating work on a more modern compensation system,
- ◆ mentoring initiatives to facilitate knowledge transfer among employees.

These measures were taken with a view to maintaining an adequate level of workforce competence, minimizing the risks associated with the

generation gap and the costs of recruiting and training new workers as well as to align employment with the Company's actual business needs. In parallel, in order to minimize the risk of a generational gap, recruitment activities in the coming years will focus on attracting younger workers, which should enable knowledge transfer within the organization.

As a result of the assessment, no significant negative impacts on the Company's own workforce or tensions between preventing such impacts and business pressures arising from operational practices were identified. Issues related to impacts resulting from the restructuring process as well as the Company's approach and actions in this regard, are described above.

A significant portion of the described activities is ongoing, resulting from the day-to-day operations of the relevant units responsible for the respective issue (HR, Occupational Health and Safety). Organizing these areas to structure actions in relation to identified impacts, risks and opportunities – and consequently, disclosing plans, financial resources and quantitative and qualitative information regarding progress – requires the completion of the restructuring

process, which will set the future direction and framework for the Company's operations. PKP CARGO and its other subsidiaries have not implemented any formal processes for tracking or evaluating the effectiveness of actions and initiatives in the area of identified impacts or the identification of necessary actions. The Group has not adopted a plan for transitioning to a climate-neutral economy. Consequently, no information is reported regarding measures to mitigate negative impacts on its own workforce associated with such a plan.

To manage material impacts on employees, the Group utilizes its own resources, including:

- ◆ **financial**
 - budgets for HR activities and initiatives related to workplace safety,
- ◆ **human resources**
 - departments and specialized teams focusing on specific HR and occupational health and safety issues.

S1-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group has not set binding targets for its subsidiaries regarding all material impacts on employees.

PKP CARGO has set targets related to impacts on occupational health and safety. These are included in the *Integrated Management System Policy* and cover, in particular:

- ◆ continuous measures to reduce the number of accidents at work, occupational diseases and near misses,
- ◆ reduction in the number of people working in conditions of exposure to harmful, dangerous and arduous factors, along with proposals to eliminate or reduce hazards,
- ◆ appropriate selection of collective or individual protective equipment to prevent threats to the life and health of workers,
- ◆ improvement in working conditions,
- ◆ promotion of an appropriate safety culture at work,
- ◆ improvement in workforce qualifications in the field of occupational health and safety,
- ◆ implementation of new occupational health and safety standards at workstations,
- ◆ promoting physical activity among employees (sports activities, sports cards).

Targets related to employee health and safety are relative in nature and do not have set target levels or base-line values. They are implemented in the Company on an ongoing basis and the objectives were set based on the knowledge and experience of the entity's occupational health and safety teams and external and internal health and safety standards. No interested parties were involved in the process of setting the objectives. No interested parties were involved in the process of setting the objectives. The targets did not change during the reporting period, but the companies pursued intermediate goals by increasing the number of inspections, timely rectification of non-conformities and pre-shift briefings.



S1-6

Characteristics of the undertaking's employees

The characteristics of the Group's workers refer to the eight companies covered by this sustainability statement. As at the end of 2025, the PKP CARGO Group employed 12,958 individuals under employment contracts – 9,961 men (77%) and 2,997 women (23%).

The table below presents the number of people employed as at 31 December 2025. The number of staff is provided in terms of the number of workers rather than full-time equivalents. Full-time, active employees were included.

Number of workers of the PKP CARGO Group in 2025 and 2024 by gender

Gender	PKP CARGO S.A. under restructuring		PKP CARGO Group	
	2025	2024	2025	2024
Women	2,156	2,517	2,997	3,443
Men	6,220	7,269	9,961	11,291
Total workers	8,376	9,786	12,958	14,734

In 2025, there were no workers in the Group who declared a gender other than male/female or who did not disclose their gender.

The number of employees as at 31 December 2025, is consistent with the number of employees reported in Section 4.5 Employment-related information.

In 2025, 90% of the Group's workers were employed in Poland. The remaining 10% were workers of PKP CARGO INTERNATIONAL, the only entity within the PKP CARGO Group employing staff outside Poland. PKP CARGO INTERNATIONAL workers perform their duties in the Czech Republic, Slovenia and Hungary.

Number of workers of the PKP CARGO Group in 2025 and 2024 by country

Country	PKP CARGO Group	
	2025	2024
Poland	11,649	13,322
Other: Czech Republic, Slovenia, Hungary	1,309	1,412
Total workers	12,958	14,734

Number of PKP CARGO Group workers in 2025 and 2024 by type of contract and gender

	Women		Men		Total workers	
	2025	2024	2025	2024	2025	2024
PKP CARGO S.A. under restructuring						
Total number of employees	2,156	2,517	6,220	7,269	8,376	9,786
Number of workers employed for an indefinite term	2,125	2,419	6,170	7,065	8,295	9,484
Number of workers employed for a fixed term	31	98	50	204	81	302
Number of employees without guaranteed working hours	0	0	0	0	0	0
Number of full-time workers	2,150	2,508	6,194	7,235	8,344	9,744
Number of part-time workers	6	8	26	34	32	42
PKP CARGO Group						
Total number of employees	2,997	3,387	9,961	11,347	12,958	14,734
Number of workers employed for an indefinite term	2,929	3,224	9,617	10,743	12,546	13,967
Number of workers employed for a fixed term	68	170	344	597	412	767
Number of employees without guaranteed working hours	0	0	0	0	0	0
Number of full-time workers	2,978	3,314	9,921	10,608	12,899	13,922
Number of part-time workers	19	73	40	739	59	812



Turnover rates

During the year, the Group recorded the departure of 2,238 workers and the turnover rate was 16.04%, calculated as the ratio of the number of workers who left during the year to the average number of workers.

Number of workers who left the Group in 2025 and 2024 and employee turnover rate

	2025	2024
PKP CARGO S.A. under restructuring		
Number of workers who left the organization in the reporting period	1,555	4,723
Turnover rate	16.81%	36.62%
PKP CARGO Group		
Number of workers who left the organization in the reporting period	2,238	5,752
Turnover rate	16.04%	31.08%

The turnover rate in 2025 was influenced by mass layoffs carried out at PKP CARGO under restructuring as well as other natural employee departures (e.g., retirements, termination of employment by the employee).

The data have been obtained from internal HR reporting systems and internal data collection processes of the Group. The metrics have not been validated by an additional independent external entity. This information applies to all HR metrics included in section S1 *Own workforce*.

S1-8

Collective bargaining coverage and social dialogue

Freedom of association is one of the fundamental rights of PKP CARGO Group workers. The management boards of each Group member company are required to cooperate with trade unions in the performance of Collective Bargaining Agreements and other regulations governing working and pay conditions as well as other benefits granted to workers, regardless of their trade union membership.

Percentage of PKP CARGO Group employees covered by a collective bargaining agreement and the percentage of employees represented by employee representatives, by country with a significant number of employees (in the EEA), as at 31 December 2025 and 31 December 2024

Countries	Percentage of workers covered by collective bargaining agreements		Percentage of workers represented by employee representatives	
	2025	2024	2025	2024
Poland	99.66%	83%	100%	100%

Percentage of PKP CARGO Group employees represented by employee representatives by country for countries with a significant number of employees (in the EEA), as at 31 December 2025 and 31 December 2024

Coverage	PKP CARGO Group			
	Scope of collective bargaining		Social dialogue	
	Workers – EEA (for countries where the entity has >50 workers representing >10% of the total number of workers)		Representation at the workplace (EEA only) (for countries where the entity has >50 workers representing >10% of the total number of workers)	
	2025	2024	2025	2024
0-19%				
20-39%				
40-59%				
60-79%				
80-100%	Poland	Poland	Poland	Poland

The PKP CARGO Group is not a party to any agreements with workers on representation by the European Works Council (EWC), the Works Council of the European Societas Europaea (SE) or the Works Council of the Societas Cooperativa Europaea (SCE).

S1-9

Diversity metrics

Within the framework of its diversity metrics reporting, the Group presents data on the age structure of its workers broken down into three age groups. Under the double materiality analysis, the Group identified a material risk related to the generation gap and the loss of skilled workers reaching retirement age, which translates into the need to recruit and train new workers.

Age structure of PKP CARGO Group workers in 2025 and 2024

Total number of workers by age group	Data for 2025		Data for 2024	
	Number	Percentage	number	percentage
PKP CARGO S.A. under restructuring				
below 30 years	562	6.7%	784	8%
30 to 50 years	3,135	37.4%	3,939	40.3%
over 50 years	4,679	55.9%	5,063	51.7%
PKP CARGO Group				
below 30 years	1,009	7.8%	1,294	8.8%
30 to 50 years	5,291	40.8%	6,204	42.1%
over 50 years	6,658	51.4%	7,236	49.1%

Currently, workers over 50 years of age account for more than half of all Group workers. Measures addressing the risk of a generational gap are described in more detail in disclosure S1-4.

S1-10

Adequate wages

People employed by the Group receive employee compensation in accordance with the applicable reference indicators, which means that they receive employee compensation at least equal to (or higher than) the national minimum wage.



S1-14

Health and safety metrics

The PKP CARGO Group has not put in place a uniform Health and Safety Management System – the organization of this area varies and is determined at the level of distinct companies. In parallel, all Group workers are covered by an occupational health and safety management system based on legal requirements or recognized standards and guidelines. PKP CARGO, PKP CARGO INTERNATIONAL and PKP CARGO SERVICE have implemented, as part of their Integrated Management Systems, occupational health and safety management systems based on the ISO 45001 standard.

In 2025, the Group recorded no fatal accidents resulting from work-related injuries or illnesses. A total of 99 accidents occurred in the companies, of which the largest number, 38, occurred in the parent company. The accident rate in 2025 was 4.49.

Key occupational health and safety management metrics in the PKP CARGO Group, data for 2025 and 2024

Category	Data for 2025		Data for 2024	
	Value	Unit	Value	Unit
Percentage of employees covered by the occupational health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	Percentage	100%	percentage
Number of fatalities due to work-related injuries and ill health related to work	0	Number	1	number
Number and rate of recordable work-related injuries among workers:				
Number	99	Number	125	number
Ratio	4.49	Average number per million hours worked	4.61	Average number per million hours worked

All Group companies report health and safety issues in accordance with the applicable regulations. In the parent company, the outcomes of accident cause analysis are reported quarterly to the Management Board. A detailed OHS report is prepared every six months. The source of the presented data is a report summarizing safety incident statistics prepared for the entire Group by the OHS team of PKP CARGO.

S1-17

Incidents, complaints and severe human rights impacts

In 2025, two complaints were received through internal whistleblowing channels – one each to PKP CARGO INTERNATIONAL and PKP CARGO CONNECT. No complaints were filed with the national contact points for the OECD Guidelines for Multinational Enterprises.

During the reporting period, no cases of discrimination or harassment were recorded within the PKP CARGO Group. No serious human rights incidents involving employees were reported either.

The source of the reported data on incidents and complaints submitted by employees are records maintained in accordance with the internal procedures of the relevant organizational units responsible for compliance within individual companies. The data have not been validated by an additional independent external entity.

Data is collected quarterly and as part of the annual summary. The data is not subject to approval by external bodies other than the certification service provider. The work-related injury rate was calculated in accordance with ESRS guidelines by dividing the relevant number of cases by the total number of hours worked by employees constituting the company’s own workforce and multiplying by 1,000,000.





04

Information related to corporate governance

G1 Business conduct

G1-1

Business conduct policies and corporate culture

Issues related to organizational culture, in particular ethics, respect for dignity and the prevention of abuse, are addressed at the management level through the adoption and application of internal regulations. The corporate culture promotes values such as integrity, responsibility, transparency, respect for human rights, zero tolerance for discrimination, violence and harassment and responsible conduct in internal and external relations.

Issues concerning business conduct, including those related to compliance, are supervised and regularly discussed by management bodies. The Compliance Officer reports quarterly to the President of the Management Board and the Chairman of the Supervisory Board's Audit Committee on the number of irregularities reported within the Group. In addition, the aforementioned Committee and the Management Board of PKP CARGO S.A. receive an annual report on the functioning of key internal regulations, which includes a summary of reported violations within the Group and corrective actions taken in connection with the identified violations.

The PKP CARGO Group's policies related to material impacts, risks and opportunities associated with business conduct and corporate culture identified during the double materiality analysis are as follows:

- ◆ in terms of impacts related to supplier relationship management, including payment practices:
 - ◆ *Code of Conduct for Business Partners of the PKP CARGO Group,*
 - ◆ *Code of Ethics of the PKP CARGO Group,*
- ◆ regarding whistleblower protection, each company has adopted appropriate regulations complying with the provisions of the Act; the parent company has implemented a Procedure for Reporting Violations and Whistleblower Protection at PKP CARGO S.A. under restructuring,
- ◆ in the area of reporting irregularities, *the Rules for reporting irregularities and abuses, adopted by the PKP CARGO Group.*

The Code of Conduct for Business Partners of the PKP CARGO Group defines the foundations of the relationship between the Group and its business partners, which includes standards related to business ethics, employee rights, human rights and respect for the natural environment. The Group's business partners include suppliers, counterparties, subcontractors and customers who cooperate with the organization to achieve mutual economic benefits. The Code imposes numerous obligations on suppliers, such as: prevent conflicts of interest, introduce a zero-tolerance policy for corruption, respect human and employee rights, prevent discrimination and workplace harassment, and guarantee fair working conditions for their staff. Moreover, the provisions of these regulations require business partners to respect human rights as set forth in the Universal Declaration of Human Rights, the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Group companies require business partners to comply with the Code of Conduct for Business Partners in newly concluded or amended contracts or agreements.

The Code of Ethics of the PKP CARGO Group is a declaration of the Group's commitment to building relationships with suppliers based on mutual trust, professionalism, mutual respect and responsibility for actions. The Code is a manifestation of the Group's commitment to the reliable preparation of procurement procedures and to ensuring that all applicants for cooperation have equal access to information. In the document, the Group emphasizes its due diligence in signing contracts with suppliers and its commitment to the proper course of cooperation, in accordance with the time schedule. The provisions of the Code of Ethics are based on the human rights set forth in the Universal Declaration of Human Rights, and incorporate the rights contained in the International Bill of Human Rights and the 1998 International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

The Management Board of PKP CARGO S.A. is responsible for implementing the provisions of the codes. The documents are public and available on the organization's website. Moreover, the content of agreements with the Group's suppliers refers to the provisions of the Code of Conduct for Business Partners and includes a link to the document on the Internet. *The Code of Ethics of the PKP CARGO Group* was consulted by the Parent Company with its subsidiaries during its development. The Group did not carry out any consultations with stakeholders when developing *the Code of Conduct for Business Partners*. The Group companies enable stakeholders to report irregularities on the basis of either the policies in force across the organization or the regulations adopted in distinct companies. *The Code of Conduct for Business Partners of the PKP CARGO Group* comprehensively describes the methods of reporting breaches of its provisions, the protection of whistleblowers and the manner of handling reports. In accordance with the provisions of the Code, a person wishing to report a breach in the respective area may submit a report of the breach of the Code anonymously, through an external entity or by name, to the PKP CARGO Ethics Officer or the Compliance Coordinator of the subsidiary to which the report relates. Contact details for reporting are available on each company's website. By choosing an

anonymous reporting channel, the whistleblower is guaranteed complete anonymity, as this channel is operated by an external entity and the dialogue is conducted using a PIN code.

When considering a report, the Ethics Officer or the Compliance Coordinator has the right to access the company's information and documents necessary to clarify the matter. He or she is also authorized to enter the premises of the company concerned and his or her actions are always carried out in accordance with the rules of access to legally protected information.

No retaliatory measures are taken against any whistleblowers reporting reasonable suspicions of irregularities in good faith.

Breaches of *the Code of Ethics of the PKP CARGO Group* are reported in accordance with *the Regulations for reporting irregularities and abuses in the PKP CARGO Group*. The Regulations describe the methods available to workers and other stakeholders for reporting information, which are identical to the solutions presented in the Code of Conduct for Business Partners.

Additional instruments for reporting notifications of violations of the Code of Ethics are a dedicated telephone line, an e-mail address and special report form, which are accessible in the manner described on the Group's website. Upon receiving a report of a breach, the Ethics Officer or the Compliance Coordinator promptly enters it in the Register of Reports of Breaches of the Code of Ethics. It then conducts a preliminary analysis of the report. When assessing the credibility of the allegations, it may decide to initiate an investigation. When considering the report, he or she has the right to access information and documents of the company in which he or she is employed as well as its real estate (buildings) necessary to clarify the matter, subject to the rules of access to legally protected information. The investigation should be completed as soon as possible after receiving information about the breach of the Code of Ethics, but no later than 3 months after confirming receipt of the report. In special cases, this period may be extended to six months.



The PKP CARGO Group's Parent Company has additionally introduced a Whistleblower Protection Procedure. In accordance with its provisions, every whistleblower is entitled to full protection against retaliation and the Company undertakes not to take any such action. In accordance with statutory requirements, the document was consulted with civil society. All subsidiaries in the Group have implemented their own whistleblower protection regulations.

During the reporting period, the Anti-Corruption and Gift Policy in force at PKP CARGO S.A. did not refer to the United Nations Convention against Corruption. In 2025, work was carried out on the implementation within *the Group of the PKP CARGO Group Anti-Corruption Policy and the PKP CARGO Group Anti-Corruption Procedure*. The policy will be made available to the Group's business partners, while the procedure, as a more detailed document, will define the rights and obligations of employees in combating corruption. The new regulations will ensure compliance with the Convention. Their implementation is planned for the first half of 2026. The Group has no additional procedures for investigating incidents related to corruption and bribery.

The organization has not implemented policies regarding political engagement and lobbying activities – in 2025, the Group and its subsidiaries did not engage in such activities. There are currently no plans to implement such regulations.

The Group's companies have not adopted training policies regarding business conduct. In the Parent Company, the need to conduct training in this area stems from *the Anti-Corruption and Gift Policy of PKP CARGO S.A. and the PKP CARGO Group Code of Ethics*. Training is conducted for both employees and management. The Head of the Compliance Section reports quarterly to the President of the Management Board of PKP CARGO and the Chairman of the Audit Committee of the Supervisory Board on Group-wide data regarding the number of training sessions conducted and educational and communication activities in the area of compliance. In addition, the aforementioned management bodies receive an annual report summarizing activities in this area. Internal regulations require mandatory participation in training sessions but do not specify their frequency. This depends on the availability of employees and the Department's resources.



G1-2

Management of relationships with suppliers

In 2025, the PKP CARGO Group did not have any policies in place to prevent late payments. The Group's Parent Company has an Accounting Document Circulation Instruction and a Liquidity Management Policy in place, which describe procedures aimed at ensuring the proper circulation and forwarding of documents for payment within a time limit enabling their settlement on the agreed payment date. The company remains in remedial proceedings, which impose a number of restrictions regarding the settlement of liabilities. For instance, the Company is unable to settle liabilities that arose before the opening of the restructuring procedure and, in parallel, it must settle post-restructuring liabilities as one of the conditions for conducting the restructuring procedure, in accordance with restructuring law.

Among the subsidiaries, PKP CARGO INTERNATIONAL adopted a regulation according to which payments in the company are to be settled within 30 days – the provisions of the document do not distinguish between counterparties in terms of size.



PKP CARGO minimizes risks in the supply chain through implemented and updated purchasing plans and monitoring of the performance of purchase contracts. The Company's procurement procedures take into account social, environmental and economic effects if they may be achieved in the context of the subject matter of the contract. The environmental effect is achieved through the selection of the subject matter of the contract, which limits the amount of energy consumed and is adapted to European standards for pollutant and noise emissions. The criteria for evaluating proposals are always aimed at the objective selection of contractors and maximum competitiveness of the process. Each time, the Company also examines possible grounds for excluding a contractor for failure to meet the conditions for participation in the procedure.

The Company monitors compliance of the contract performance with the conditions specified in the procedure and maintains ongoing communication with counterparties to enable it to respond to any deviations. The performance of the contract is always completed with the preparation of a contractor evaluation sheet. The outcome of the evaluation is communicated to the contractor.

The approach of the Group companies to relations with suppliers and the impact of the supply chain on sustainability issues is based on *the Code of Conduct for Business Partners of the PKP CARGO Group*. The document is presented in section G1-1. The Code also describes the organization's approach to social and environmental criteria, referring in detail to the requirements for suppliers related to:

- ◆ human rights,
- ◆ health and safety of employees,
- ◆ prevention of harassment and discrimination,
- ◆ fair working conditions and employee compensation,
- ◆ prohibition of child labor and forced labor,
- ◆ freedom of association,
- ◆ appropriate waste management and reduction of GHG emissions,
- ◆ identification of environmental risks and development of preventive measures.

In procurement procedures involving the collection of waste, PKP CARGO requires that the counterparty hold the appropriate environmental permits for its collection, processing and transport. The Company takes similar measures in procedures for the sale of waste, e.g., scrap metal, used oil and rolling stock wrecks. Bidders who fail to document their permits are excluded from the proceedings. In all proceedings, the Company also verifies that suppliers are not subject to sanctions, economic, financial, commercial or administrative restrictions resulting from generally applicable laws in connection with the war in Ukraine.



G1-6

Payment practices

During the reporting period, PKP CARGO did not apply standard payment terms in contracts with suppliers and commercial transactions were not classified by supplier category. With regard to payment practices towards counterparties, the Company takes measures to balance the turnover of liabilities and receivables to the greatest degree possible. Different payment terms are applied depending on individually negotiated conditions. The maximum payment term used in contracts is 60 days. Different payment terms are applied in the Group's other companies. Furthermore, the Group's companies have not implemented formal procedures for monitoring payment delays with respect to suppliers that are small and medium-sized enterprises (SMEs).

The Group does not have data available to report the average time it takes to settle an invoice from the start of the contractual or statutory calculation period. Therefore, the average time to settle trade payables is presented as the accounts payable turnover ratio. The ratio reflects the average settlement time, not compliance with contractual terms.

In 2025, the average number of days, calculated as the accounts payable turnover ratio, amounted to an average of 108 days for the Group's companies. The ratio for each company was calculated as the quotient of the average balance of trade payables at the beginning and end of the reporting period

and the total value of net purchases recognized during that period. Liabilities include trade and investment liabilities arising exclusively from invoices. Purchases include net purchases of services, goods and materials as well as fixed assets resulting from purchase invoices. For data from PKP CARGO and PKP CARGOTABOR regarding the balance of liabilities, liabilities subject to remedial proceedings were excluded due to different repayment terms (determined on the basis of a composition approved by the court). The final value is presented as an average ratio for all Group companies. Its relatively high value results from the high ratio at CARGO TERMINALE, which has signed settlement agreements extending payment terms and from the ratio at CARGOTOR, where the high reading stems directly from the fact that liabilities are based primarily on settlements with related entities within the entire PKP Group.

Average time taken by the PKP CARGO Group to settle an invoice, as at 31 December 2025 and 31 December 2024

	Data for 2025	Data for 2024
Average time taken by an entity to settle an invoice in days	108	85

In 2025, some Group companies were parties to legal proceedings pending during the reporting period due to payment delays – this situation concerned PKP CARGO CONNECT (2 proceedings) and PKP CARGOTABOR (3 proceedings).

G1-5

Political influence and lobbying

During the reporting period, the PKP CARGO Group and its subsidiaries did not engage in any lobbying activities. The Group did not provide any funding for political purposes.

