



**REPORT OF THE SUPERVISORY BOARD  
AUTO PARTNER S.A.  
FINANCIAL YEAR 2024**

**Bieruń, 28 April 2025**

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## **I. Report of the Supervisory Board on its activities for the financial year 2024, including the Supervisory Board's self-assessment**

### **1. Composition of the Supervisory Board**

From 1 January to 31 December 2024, the Supervisory Board consisted of:

- Jarosław Plisz – Chair of the Supervisory Board,
- Bogumił Woźny – Deputy Chair of the Supervisory Board,
- Bogumił Kamiński – Member of the Supervisory Board,
- Mateusz Melich – Member of the Supervisory Board,
- Andrzej Urban – Member of the Supervisory Board.

### **2. Form and mode of supervision**

Throughout 2024, as mandated by the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board, the Supervisory Board continuously monitored the Company's activities across all areas and performed financial oversight of its affairs in terms of the advisability and reasonableness of its spending.

Apart from the members of the Supervisory Board, the following persons attended its meetings: members of the Management Board, Chief Financial Officer, and Chief Accountant. The Supervisory Board members maintained regular communication with the Management Board and were actively involved in all material matters concerning the Company.

From 1 January to 31 December 2024, the Supervisory Board convened six times (23 January 2024, 10 April 2024, 26 April 2024, 29 May 2024, 13 September 2024, and 18 December 2024) and held eleven votes via means of remote communication as provided for in Art. 20.3 of the Company's Articles of Association (24 June 2024 (two votes), 7 August 2024 (one vote), 21 August 2024 (two votes), 25 September 2024 (one vote), 23 October 2024 (three votes), 21 November 2024 (one vote), an 18 December 2024 (one vote) ), ultimately passing a total of 34 resolutions to decide matters, issue approval and give advice.

At each Supervisory Board meeting, the Management Board reported information on all material matters related to the Company's operations, as included in the agenda.

For a more detailed description of the Supervisory Board's activities in 2024, please refer to the minutes of its meetings, which are archived together with Supervisory Board resolutions at the Company's registered office at ul. Ekonomiczna 20, Bieruń, Poland.

In 2024, the Supervisory Board passed the following resolutions:

<b>LIST OF RESOLUTIONS OF AUTO PARTNER SUPERVISORY BOARD IN 2024</b>		
<b>Number</b>	<b>Date</b>	<b>Subject matter</b>
Resolution No. 1	23 January 2024	change of remuneration amounts for members of the Management Board
Resolution No. 2	23 January 2024	approval of the Rules of the 2024–2025 Incentive Scheme for members of the Auto Partner S.A. Management Board, providing for the payment of additional remuneration tied to the Company’s financial performance for members appointed to the Management Board
Resolution No. 3	23 January 2024	authorisation of a member of the Supervisory Board to sign an agreement to offset mutual claims and obligations between the Company and President of the Management Board
Resolution No. 4	23 January 2024	execution of an annex to the employment contract with Vice President of the Management Board
Resolution No. 1	10 April 2024	authorisation of the Supervisory Board’s representations
Resolution No. 2	10 April 2024	to authorise the Supervisory Board's assessment of the 2023 financial statements and Directors’ Report
Resolution No. 3	10 April 2024	recommendation for the Annual General Meeting to approve the separate financial statements of Auto Partner S.A. for the financial year 2023
Resolution No. 4	10 April 2024	recommendation for the Annual General Meeting to approve the Directors’ Report on the operations of Auto Partner S.A. and the Auto Partner Group in the financial year 2023
Resolution No. 5	10 April 2024	recommendation for the Annual General Meeting to approve the consolidated financial statements of the Auto Partner Group for the financial year 2023
Resolution No. 6	10 April 2024	opinion on the proposed allocation of net profit and payment of dividend for 2023
Resolution No. 7	10 April 2024	authorisation of a member of the Supervisory Board to sign an agreement to offset mutual claims and obligations between the Company and President of the Management Board
Resolution No. 1	26 April 2024	authorisation of the Report of the Supervisory Board on its activities for the financial year 2023
Resolution No. 2	26 April 2024	proposal for the Annual General Meeting to discharge Aleksander Górecki from liability for his activities as President of the Management Board in 2023
Resolution No. 3	26 April 2024	proposal for the Annual General Meeting to discharge Andrzej Manowski from liability for his activities as Vice President of the Management Board in 2023

Resolution No. 4	26 April 2024	proposal for the Annual General Meeting to discharge Piotr Janta from liability for his activities as Vice President of the Management Board in 2023
Resolution No. 5	26 April 2024	proposal for the Annual General Meeting to discharge Tomasz Werbiński from liability for his activities as Member of the Management Board in 2023
Resolution No. 6	26 April 2024	opinion on the proposed amendments to the Company's Articles of Association
Resolution No. 7	26 April 2024	authorisation of the Supervisory Board's Report on Remuneration of Members of the Management Board and the Supervisory Board of Auto Partner S.A. for 2023
Resolution No. 8	26 April 2024	authorisation of the Supervisory Board's representation
Resolution No. 9	26 April 2024	Remuneration Policy for Members of the Management Board and the Supervisory Board of Auto Partner S.A.
Resolution No. 1	24 June 2024	opinion on the proposed amendment to the Company's Articles of Association
Resolution No. 2	24 June 2024	consent to the execution of an amendment to the agreement with PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. of Warsaw
Resolution No. 1	7 August 2024	selection of an audit firm to perform assurance services in relation to the Auto Partner Group's Sustainability Statement for 2024
Resolution No. 1	21 August 2024	opinion on the proposed execution of an investment credit facility agreement with Credit Agricole Bank Polska Spółka Akcyjna of Wrocław
Resolution No. 2	21 August 2024	authorisation of a member of the Supervisory Board to sign an agreement to offset mutual claims and obligations between the Company and President of the Management Board
Resolution No. 1	13 September 2024	adoption of restatements of the Company's Articles of Association
Resolution No. 2	13 September 2024	determine the rules the Management Board's performance of its reporting obligations under Article 380(1) of the Commercial Companies Code
Resolution No. 3	13 September 2024	authorisation of a member of the Supervisory Board to sign an agreement to offset mutual claims and obligations between the Company and President of the Management Board
Resolution No. 1	25 September 2024	opinion on the proposed execution of an amendment to the credit facility agreement with ING Bank Śląski S.A.
Resolution No. 1	23 October 2024	consent to the establishment of a foreign company domiciled in Germany
Resolution No. 2	23 October 2024	consent to the establishment of a foreign company domiciled in the Czech Republic

Resolution No. 3	23 October 2024	opinion on the proposed amendments to the multi-purpose facility agreement with BNP Paribas S.A., and the revolving credit facility agreement with BNP Paribas
Resolution No. 1	21 November 2024	opinion on the proposed amendment to the flexible revolving credit facility agreement with mBank S.A. of Warsaw
Resolution No. 1	18 December 2024	consent to the execution of agreements to offset mutual rights and obligations with the President of the Management Board

### 3. Satisfaction of the independence criteria by members of the Supervisory Board

At least two Supervisory Board members must each meet all the applicable independence criteria (independent Supervisory Board members).

Members of the Supervisory Board submitted representations on whether they satisfy the independence criteria to both the Supervisory Board and the Management Board. The Supervisory Board assessed whether there were any links or circumstances which might affect the satisfaction of the independence criteria by particular Supervisory Board members.

In 2024, out of the five members of the Supervisory Board, four were independent and submitted relevant written representations to that effect. These were:

- Bogumił Kamiński – Member of the Supervisory Board,
- Bogumił Woźny – Deputy Chair of the Supervisory Board,
- Mateusz Melich – Member of the Supervisory Board,
- Andrzej Urban – Member of the Supervisory Board.

Each of the independent Supervisory Board members represented that:

- He satisfies the independence criteria under Art. 129.3 of the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017;
- He satisfies the independence criteria under Principle 2.3 of Best Practice for GPW-Listed Companies 2021, i.e. he does not have any actual and material links with any Company shareholder holding 5% or more of total voting rights in the Company.

### 4. Supervisory Board Committees

In 2024, the Supervisory Board, consisting of five members, i.e. the minimum number required by law, did not have a remuneration committee.

The Supervisory Board had an Audit Committee, which was composed of:

- Bogumił Woźny – Chair of the Audit Committee,
- Bogumił Kamiński – Member of the Audit Committee,
- Jarosław Plisz – Member of the Audit Committee,
- Mateusz Melich – Member of the Audit Committee.

The Audit Committee was appointed pursuant to Art. 128 of the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017.

The Committee meets the definition of audit committee under Regulation (EU) No. 537/2014 of the European Parliament and of the Council on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC. The members of the Audit Committee who have knowledge and skills in the field of accounting or financial auditing are Bogumił Jarosław Woźny and Bogumił Kamiński.

Jarosław Plisz is a member of the Audit Committee having knowledge and skills related the industry in which the Company operates.

The Audit Committee operates on the basis of the following documents adopted by the Supervisory Board:

- the Rules of Procedure for the Audit Committee of Auto Partner S.A.,
- the Policy for Selection of an Audit Firm to Audit Statutory Financial Statements of Auto Partner S.A. and the Auto Partner Group,
- the Procedure for Selection of an Audit Firm to Audit Statutory Financial Statements of Auto Partner S.A. and the Auto Partner Group,
- the Policy for Provision by the Selected Audit Firm of Permitted Non-Audit Services to Auto Partner S.A. and the Auto Partner Group.

For details on the activities of the Audit Committee in 2024, please refer to the separate Report of the Auto Partner Supervisory Board's Audit Committee on its activities.

## **5. Self-assessment of the Supervisory Board**

The Supervisory Board assesses that acting as a collective body, it effectively, reliably, and efficiently oversaw the Company's activities across all areas, discharging its responsibilities in compliance with the Commercial Companies Code, the Company's Articles of Association, the Rules of Procedure for the Supervisory Board, and the corporate governance principles of Best Practice for GPW-Listed Companies 2021 as adopted by the Company, and all other applicable laws and regulations. All members of the Supervisory Board are highly qualified and have the necessary experience to perform supervisory responsibilities, and the representation of the requisite number of independent members on the Supervisory Board has been ensured. The Supervisory Board convened on a regular basis, and its meetings were quorate and satisfied other procedural conditions to pass legal binding resolutions. All tabled resolutions were voted on in compliance with the Rules of Procedure for the Supervisory Board, and most were carried unanimously.

Moreover, all members of the Supervisory Board maintain ongoing communication with the Management Board, which is required to provide the Supervisory Board with access to relevant information and data on the Company's business performance. The Supervisory Board is actively engaged in overseeing the Company's operations, including through monitoring its sales and financial performance on an ongoing basis and reviewing all matters that are of key importance to Auto Partner S.A. and its Group.

Members of the Supervisory Board have the option to seek independent advice, in particular following material changes in the Company's legal or regulatory environment. The Supervisory Board assesses that its members devote the adequate amount of time to the Company's affairs to ensure proper performance of their supervisory responsibilities.

## **6. Proposal for the General Meeting to discharge Supervisory Board members from liability for their activities in the financial year 2024**

The Supervisory Board hereby proposes that the Annual General Meeting resolve to discharge all members of the Supervisory Board from liability for their activities in 2024.

## **II. Assessment of the Company's position on a consolidated basis**

In compliance with Best Practice for GPW-Listed Companies 2021, which is the corporate governance code followed by the Company, at its meeting held on 28 April 2025, the Supervisory Board assessed the positions of Auto Partner Spółka Akcyjna and the Auto Partner Group in 2024.

### **1. Overview of the operations of Auto Partner S.A. and its Group**

The Group operates under the name of Auto Partner (the "Group"), with Auto Partner S.A. of Bieruń (the "Company") as the Parent.

As at 31 December 2024, the Group also included the following subsidiaries:

- Maxgear Spółka z ograniczoną odpowiedzialnością of Tychy (wholly-owned by the Parent);
- Maxgear Spółka z ograniczoną odpowiedzialnością spółka komandytowa of Bieruń (the Parent is a limited partner in the company, entitled to a 99% share in its profits);
- AP Auto Partner CZ s.r.o. of Prague, the Czech Republic (wholly-owned by the Parent), and
- Auto Partner Česká republika s.r.o. of Ostrava, the Czech Republic (wholly-owned by the Parent);
- AP Auto Partner RO s.r.l of Bucharest, Romania (wholly-owned by the Parent).
- Auto Partner Deutschland GmbH in der Organisation of Gelsenkirchen, Germany (wholly-owned by the Parent).

The Group is a specialised logistics operator whose principal business activity consists in the organisation of distribution of vehicle spare parts directly from manufacturers to end users. The Group is an importer and distributor of parts for passenger cars and delivery vehicles in the market for spare parts classified in accordance with the GVO regulations and directives of the European Union. The Group operates as a platform



for sale, mainly via online channels, and supply logistics of spare parts, which are delivered on a just-in-time basis to distributed customers: repair workshops and stores.

The Group offers a wide range of spare parts. The key product category is spare parts for European, Japanese and Korean cars.

The Group is also consistently expanding its sales of parts for motorcycles and motor scooters, and operates in the area of distribution of tools and equipment for repair workshops. It also offers specialist training to its customers to improve their qualifications. The Group has also been actively developing its independent repair workshop brand of MaXserwis, which brings together the cooperating businesses.

## **2. Key events affecting the business of Auto Partner S.A. and the Auto Partner Group in 2024**

The key events that affected the business of Auto Partner S.A. and the Auto Partner Group in 2024 included:

- On 24 January 2024, the Company entered into an agreement with Global One Automotive GmbH of Frankfurt whereby it advanced a loan of EUR 750,000.00 to Global One. The loan interest rate was set at 4.2%. The agreement was concluded for a definite term until 31 July 2024. The Company holds 6.25% of shares in Global One Automotive GmbH as a participant in the International Purchasing Group (since 2017).
- On 23 January 2024, the Supervisory Board approved the Rules of the 2024–2025 Incentive Scheme for members of the Auto Partner S.A. Management Board, providing for the payment of additional remuneration tied to the Company's financial performance for members appointed to the Management Board. The Scheme is intended for the following members of the Company's Management Board: Andrzej Manowski, Piotr Janta and Tomasz Werbiński. The purpose of the Scheme is to establish mechanisms to encourage activities that would ensure long-term growth of the shareholder value, reduce turnover of the Company's management staff, and reward their contribution to the shareholder value growth. For detailed rules of awarding incentive bonuses, visit the Company's website at <https://ir.autopartner.com/lad-korporacyjny/#polityka-wynagrodzen>. The total amount of bonuses to be paid in accordance with the Rules will not exceed PLN 5,600,000 over the entire duration of the Scheme. In the first year of the Scheme, the total amount of bonuses for 2024 to be paid in accordance with the Rules will not exceed PLN 2,800,000.
- On 23 January 2024, the General Meeting of Maxgear Sp. z o.o. approved the Rules of the Incentive Scheme for Members of the Management Board of Maxgear sp. z o.o., Grzegorz Pal and Arkadiusz Cieplak, for 2024–2025. Its

terms will be the same as those applying to members of the Auto Partner S.A. Management Board. The total amount of Bonuses to be paid in accordance with the Rules will not exceed PLN 2,000,000 during the term of the Scheme. In the first year of the Scheme, the total amount of bonuses for 2024 to be paid in accordance with the Rules will not exceed PLN 1,000,000.

- On 28 March 2024, the Management Board of the Company resolved on the submission of a proposal to the Annual General Meeting regarding dividend payment from the Company's net profit for the financial year 2023. Pursuant to the resolution, the Management Board recommended a dividend payment to the Company's shareholders totalling PLN 19,593,000 (nineteen million, five hundred and ninety-three thousand złoty), or PLN 0.15 (fifteen grosz) per share. At its meeting held on 10 April 2024, the Supervisory Board resolved to endorse the Management Board's proposal. On 24 May 2024, the Annual General Meeting resolved to allocate the Company's net profit for 2023 in accordance with the Management Board's proposal. The dividend record date was set for 3 June 2024. The payment was made on 18 June 2024.
- On 24 May 2024, the Annual General Meeting resolved to amend the Company's Articles of Association. The amendments were published in ESPI Current Report No. 13/2024 on 24 May 2024. On 31 May 2024, they were registered by the District Court for Katowice Wschód, 8th Division of the National Court Register.
- On 26 June 2024, the Management Board, upon receiving endorsement from the Supervisory Board, convened an Extraordinary General Meeting for 23 July 2024. With a view to amending the Articles of Association so as to grant the Supervisory Board the authority to appoint an auditor to perform an assurance engagement for the Auto Partner Group's sustainability reporting. The amendment was registered by the District Court for Katowice Wschód, 8th Division of the National Court Register, on 5 August 2024.

Furthermore, in 2024, the Company executed the following credit facility agreements and amendments to credit facility agreements:

- On 5 September 2024, an investment credit facility agreement was signed with Credit Agricole Bank Polska Spółka Akcyjna of Wrocław. Under the agreement, an investment credit facility of PLN 10,000,000 (ten million złoty) was advanced to the Company to finance and refinance Auto Partner S.A.'s investment expenditure. The facility is repayable by 12 September 2029. The interest rate was set at 1M WIBOR plus margin.
- On 25 September 2024, an amendment was signed to the multi-product facility agreement concluded with ING Bank Śląski S.A. of Katowice on 19 October 2015. The amendment extended the availability period of the credit facility granted under the multi-product facility agreement until 9 October 2027. The amount of the facility is PLN 177,000,000. Other material terms of the agreement remain unchanged. Proceeds of the facility will be used to finance

the Company's working capital in connection with continued fast growth of Auto Partner S.A.

- On 25 October 2024, the Company and BNP Paribas Bank Polska S.A. executed:
  - ✓ Amendment 2 to the revolving credit facility agreement of 24 January 2022, which extended the availability period of the facility until 15 September 2026;
  - ✓ Amendment 4 to the multi-purpose credit facility agreement of 13 September 2021, which extended the availability period of the facility until 15 September 2026.
- On 25 November 2024, an amendment was signed to the flexible revolving credit facility agreement with mBank S.A. of Warsaw, which was concluded on 5 April 2023. The amendment has extended the term of the facility until 30 September 2025.

### **3. Assessment of the financial performance of Auto Partner S.A. and the Auto Partner Group**

In the opinion of the Supervisory Board, Auto Partner S.A. and its Group delivered satisfactory financial performance in 2024.

The Group's revenue in 2024 exceeded PLN 4.1 billion, an increase of 13% year on year. EBITDA reached nearly PLN 344 million (down 1% y/y), with net profit at PLN 208 million (down 7% y/y). In the fourth quarter alone, with revenue of PLN 995.9 million (up 8% y/y), the Group posted a net profit of PLN 60.8 million (up 19.8% y/y).

The following events and factors had a bearing on the Group's business in and financial results for 2024:

- continued expansion and sales growth,
- efforts to maintain gross margin levels despite the pressure on gross margin, including due to the sale in the early months of the year of goods purchased in the second half of 2023, which was a period of relatively weak PLN exchange rates, with the current relatively low EUR/PLN exchange rate (also continuing to affect the value of a significant portion of the Group's sales, translated into PLN as the reporting currency) and USD/PLN exchange rate, compounded by the pressure from price reductions by certain suppliers in 2024;
- higher remuneration paid to the Company's employees and service providers as a consequence of inflation and a material increase in the minimum wage, partly offset by otherwise strong overall cost discipline;
- recognition of an approximately PLN 2 million loss in the third quarter of 2024 due to the flooding of the Kłodzko branch during the flood in south-western Poland in September 2024, and subsequent recognition in the fourth quarter of 2024 of insurance compensation that fully covered the property losses after the insurer's final adjustment of the claim.

The Supervisory Board gives a positive assessment of the position of Auto Partner S.A. and its Group in 2024 and its growth prospects in the coming years.

### **III. Assessment of the Company's discharge of its disclosure obligations**

In 2024, Auto Partner S.A. complied with the corporate governance principles defined in Best Practice for GPW-Listed Companies 2021 ("Best Practice 2021") as adopted by the Supervisory Board of the Warsaw Stock Exchange by Resolution No. 13/1834/2021 on 29 March 2021. To access the entire text of Best Practice 2021, please go to <http://corp-gov.gpw.pl>.

On 30 July 2021, Auto Partner S.A. decided to apply and follow the corporate governance principles of Best Practice 2021. The Company disclosed publicly the extent of its compliance with Best Practice 2021 by publishing the relevant compliance statement on its corporate website at <https://autopartner.com/lad-korporacyjny/>.

The Supervisory Board, having reviewed the Company's corporate governance statement as included in the Directors' Report on the operations of Auto Partner S.A. and the Auto Partner Group in the financial year 2024, assesses that the Company's corporate governance disclosures meet the relevant requirements and give a true a fair view of its compliance with the applicable corporate governance principles. The Supervisory Board is of the opinion that the Company's corporate governance disclosures meet the relevant requirements and give a true a fair view of its compliance with the applicable corporate governance principles. The Supervisory Board did not identify any breaches by the Company of the Best Practice 2021 principles that it elected to apply or any Best Practice 2021 principles that the Company did not apply other than those indicated its compliance statement. In the Supervisory Board's opinion, the Company's disclosures on compliance with Best Practice 2021 are true, accurate, and consistent.

Also, the Supervisory Board assesses that in 2024 the Management Board properly performed its reporting obligations towards the Supervisory Board, in particular under the Commercial Companies Code. At the Supervisory Board meetings, the Management Board presented information required under Art. 380(1) of the Commercial Companies Code on material aspects of the Company's operations. The rules set out in the Commercial Companies Code were further specified by the Supervisory Board under the authorisation provided for in Art. 16.5 a) of the Company's Articles of Association. Moreover, the manner in which the Management Board prepared and submitted to the Supervisory Board the requested information, documents, reports, and clarifications was unobjectionable.

#### **IV. Assessment of the Company's internal control, risk management, and compliance systems and internal audit function**

This assessment is based on:

- The Report to the Audit Committee and Supervisory Board on adherence by Auto Partner S.A. to the compliance system the Anti-Corruption Code in the financial year 2024;
- The Report of the Auto Partner S.A. Management Board to the Supervisory Board on the effectiveness of the Company's internal control, risk management, and compliance systems and internal audit function in 2024;
- the Supervisory Board's own findings and conclusions.

##### **1. Internal control system**

Auto Partner S.A. and other Auto Partner Group companies have a distributed internal control system in place. The system is suited to the Group's needs and ensures effectiveness, reliability, completeness, compliance with laws and internal regulations, as well as validity of financial and management information. Internal control is one of the functions in day-to-day management of the Group, carried out directly by the Company's Management Board, Chief Financial Officer, the Controlling Department, the Internal Control Department, other employees in management positions, and the Group's legal services. Together, these units form the Group's internal control system, which provides an adequate level of security for its operations and enable active management of risks, particularly those that could adversely impact the financial results of the Auto Partner Group.

Inspection activities are conducted at all stages of the Company's operations. Financial and accounting documents are subject to substantive, formal, and accounting checks. Given that the Group's organisational structure is largely decentralised, with operations spanning 118 locations (branches) across Poland, it is essential to ensure that the branches' ongoing activities are properly controlled. In 2024, the Internal Control Department carried out a total 128 inspections at Auto Partner S.A.'s branches (including agent-operated ones). These included unannounced inspections, encompassing: checking the timely receipt of deliveries and the prompt execution of transfers between branches, overseeing the timely departure of vehicles for local routes, verifying the correct display of goods in the sales area, assessing the methods of securing cash and verifying its amount against the cash report, conducting anti-robbery tests, ensuring the timely settlement of cash receivables, performing inventory sampling of the 200 most expensive and 300 best-selling items, checking the orderliness of the sales floor and warehouse, ensuring the compliance of third-party vehicles with relevant contract terms and conditions, verifying the maintenance of transport documentation, and monitoring fire safety and surveillance systems, including the alarm system. The initial inspection of each branch was intended to

identify any irregularities, set deadlines for their correction, gather information on challenges faced by the branch, and establish a reference point for future inspections. Following each visit, a report was prepared, including control points, detailed photographic documentation of all branch premises (including the warehouse), and a final score on a scale from 1 to 10, awarded based on a pre-defined algorithm. After each inspection, the final report and access to the photographs were provided to the Management Board of Auto Partner S.A. and the Macroregion Director responsible for the respective branch. The Internal Control Specialist meets weekly with the Vice President of the Management Board to review the course of inspections and share observations and comments.

Each month, the individual reports are archived in a summary file consolidating the partial and final scores for each branch.

An employee has been designated at the Analysis and Corporate Control Department to monitor/audit the Company's warehouses on an ongoing basis.

The Company also operates a functional control system, whose scope includes forecasting, budgeting, reporting, and analysis of data and key performance indicators. This system is supported by an integrated IT system based on a data warehouse that was created and continues to be developed by the Company's IT services. It is tailored to the specific requirements of users and the nature of the Group's operations. This solution integrates data from the Company's other IT tools, including ERP and CRM systems. For data presentation and analysis, Microsoft Power BI, which is based on multidimensional data structures, is used.

The comprehensive nature of the control system ensures timely and accurate disclosure of facts relating to material elements of the Company's business. It allows the Management Board and the Supervisory Board to obtain full view of the Group's financial condition, operating performance, assets, and efficiency of management. The Management Board assesses that Auto Partner S.A.'s control system ensures complete disclosure of business transactions, correct assignment of supporting documents, and correct valuation of the resources at each registration stage, thus ensuring that the financial statements are prepared correctly and enabling the Management Board to conduct the operations of the Company and the Group based on verified and complete information.

## **2. Risk management system**

The Management Board, supported by Chief Financial Officer, assesses and manages the Company's business risks on an ongoing basis. The Management Board is responsible for monitoring and identifying the risks.

The enterprise risk is managed by the Management Boards of individual Group companies. The key role within the Group's risk management framework is played by the Management Board of Auto Partner S.A., in particular Vice President of the Management Board, Chief Sales Officer, and Chief Financial Officer, who oversee the management of sales risks and financial and credit risks, respectively. The persons

appointed to these positions have the adequate knowledge of the Company and its environment as well as holding the requisite qualifications and authorisations. As part of its risk management procedures, the Group carries out verification and reconciliation of risk management protocols, mainly those that apply to the following risks related to the Company's and the Group's operations:

- Risk of changes in the bonus policies applied by spare parts suppliers (manufacturers)
- Risk related to unsuccessful strategy implementation or adoption of a wrong development strategy
- Risk of a decline in demand for certain goods offered by the Company
- Risk related to the structure of the Group's debt
- Currency risk
- Risk related to the concentration of stocks (merchandise) in the central warehouse
- Risk of loss of key personnel and inability to hire qualified workforce
- Risk related to the IT system
- Risk related to the operation of the Group's main warehouse
- Risk related to fire hazards at Group locations

The Group is also exposed to the following non-recurring risk:

Impact of political and economic developments in Ukraine on the Company's and the Group's operations,

The Group identified no impact of the war in Ukraine on its operations in 2024. The Company's exposure to the Ukrainian market is negligible, accounting for less than 0.5% of its monthly revenue. To manifest solidarity with Ukraine, the Company suspended its business on the Russian and Belarusian markets, closed all representative offices and discontinued the export of aftermarket parts to both Russia and Belarus. The Company's exports to the Russian and Belarusian markets accounted for 0.1% and 0.02%, respectively, of its monthly revenue.

The Supervisory Board shares the Management Board's opinion that the situation in Ukraine did not have a material impact, whether direct or indirect, on the Company's operations, business continuity or financial condition. There were no indications of asset impairment linked to the conflict in Ukraine, as the Company does not possess any non-financial assets in the country that could be affected by military operations there. Assuming that the armed conflict in Ukraine does not extend to neighbouring countries, particularly Poland and other EU nations, it is not expected to significantly affect the Company's sales volumes, cash flows, and profitability in the long term.

However, the Supervisory Board wishes to emphasise that this expectation, while based on the best knowledge of the Supervisory Board, may differ from the actual impact given uncertainty arising from the unpredictable nature and effects of the Russian Federation's military actions in Ukraine on the economic landscape of Poland

and Europe, and consequently, their influence on the Company's sales volumes, cash flows, and profitability.

The Supervisory Board and the Management Board are jointly monitoring the situation to the extent it could potentially affect the Company's or the Group's business in future periods.

### **3. Compliance system**

The Group has in place the following compliance policies, procedures, and regulations:

- Code of Ethics (amended in December 2024),
- Auto Partner Anti-Corruption Code,
- Procedure for preventing discrimination, harassment and workplace bullying at Auto Partner S.A.,
- Procedure for handling inspections/searches at Auto Partner S.A.,
- Auto Partner Procurement Procedure,
- Auto Partner Whistleblowing Rules.

Since 2020, the Company has been operating a dedicated compliance unit.

The Report to the Audit Committee and Supervisory Board on adherence by Auto Partner S.A. to the compliance system and the Anti-Corruption Code in the financial year 2024 was presented to the Supervisory Board on 21 March 2025.

The introduction of the Anti-Corruption Code was preceded by a risk assessment conducted by an independent third party, which evaluated the potential for corruption across the Group's supply chain. The majority of potential risks were assessed as low, indicating that any occurrence of corruption would be on a small scale and isolated, without broader impact on the Company's ongoing operations, financial capabilities, or key business partners. The analysis of the Group's business partners (both suppliers and customers) as well as intermediaries and agents showed that these are reputable entities and that the contracts with them are standard for the industry. The purpose of implementing the Anti-Corruption Code was to reduce the risk of corruption in both internal and external relations. The Code defines conduct that is considered unethical, specifies the corruption prevention responsibilities of the Management Board and Supervisory Board, outlines the whistleblower protection procedure, lays down the rules for appointing the Compliance Officer, methods for identifying corruption risks, know-your-customer and supplier screening procedures, guidelines for handling conflicts of interest, gift giving and accepting policies, and donations and sponsorship policies, and includes sample anti-corruption clauses. It also mandates the maintenance of two registers: a record of Code violation reports and a record of donations and gifts.

The Company is fully committed to supporting employees' and trading partners' reporting of any misconduct (whistleblowing). Whistleblowers are provided with the option to report misconduct to various, independent bodies – for instance, misconduct



within the Management Board should be reported to the Supervisory Board, while misconduct by an employee's line manager or other superiors or individuals should be reported to the Management Board. All misconduct may also be reported to the Compliance Officer. The choice of which entity to report to lies with the whistleblower. Accordingly, the Company has created dedicated email addresses for the Management Board ([sygnal.zar zad@autopartner.com](mailto:sygnal.zar zad@autopartner.com)), the Supervisory Board ([sygnal.rada@autopartner.com](mailto:sygnal.rada@autopartner.com)), and the Compliance Officer, to which misconduct reports can be sent. There is also the option to send reports via traditional mail to the Company's registered address.

In 2024, no misconduct was reported to the Management Board or Supervisory Board. The Compliance Officer received seven reports of alleged violations of labour regulations. The reports were submitted in accordance with the Procedure for preventing discrimination, harassment and workplace bullying at Auto Partner S.A. To investigate these incidents, an investigative committee was formed (which also included employee representatives). In the course of its proceedings, the committee interviewed the complainants, the persons accused of misconduct, and their colleagues/witnesses. Adequate disciplinary actions were taken against those found to have committed the reported misconduct.

In summary, throughout 2024, Auto Partner S.A. maintained an effective and transparent compliance framework aimed at ensuring that the Company operates ethically and lawfully. The Company's management and staff actively engaged in efforts to reduce the risk of non-compliance, corruption, and other misconduct.

These initiatives included:

- prevention – aimed at preventing corruption, non-compliance, and other misconduct;
- detection – focused on detecting, investigating, and eliminating any potential corruption, non-compliance, and other misconduct;
- analysis – involving the review and analysis of identified cases of misconduct.

#### **4. Internal audit**

In 2024, the Company did not have a separate internal audit function. In accordance with applicable laws, as part of the reporting control process, the Management Board has the financial statements reviewed or audited, as appropriate, by an independent auditor. The auditor is selected by the Company's Supervisory Board based on recommendations from the Audit Committee. The financial statements are prepared in accordance with appropriate procedures, in cooperation with individual departments of the Company under the supervision of the competent Member of the Management Board, i.e. Chief Financial Officer. The Company applies accounting policies approved by the Management Board, which define the rules for measuring assets, equity and liabilities and determining profit or loss.

## **V. Assessment of the reasonableness of the Company's sponsorship, charitable or other similar policy**

The Supervisory Board has reviewed the information on the Company's sponsorship, charitable and other similar activities, as included by the Management Board in the Directors' Report on the Company's operations in the financial year 2024. The Supervisory Board assesses that these activities in 2024 were consistent, reasonable and transparent. The objectives selected in this area fit within the business profile of Auto Partner S.A. and have a positive impact on the environment, while building an image of Auto Partner S.A. as a socially responsible company, which is also in line with the Auto Partner Code of Ethics. The Auto Partner Group and its employees engage in social outreach initiatives in the region, being aware that the Company is a corporate citizen in the community in which it operates.

### Charitable activities

- Fundraising at the Group head office and branches for the 32nd Finale of the Great Orchestra of Christmas Charity (WOŚP);
- In-kind donations for the Śląskie Hospicjum dla Dzieci Świetlikowo Foundation of Tychy
- Charitable collection for the survivors of a gas explosion in Tychy
- Support for activities aimed at combating animal homelessness
- 'Dog in the Office Day' organised at the head office and branches of Auto Partner S.A.,
- Relief efforts for flood survivors in the Nysa and Kłodzko regions
- Charitable drive for families covered by the Szlachetna Paczka (Noble Gift) campaign organised by the Wiosna Association.

Established in 2023, the Auto Partner Foundation actively engages in efforts to achieve its objectives, including:

- social assistance,
- charitable activities,
- educational initiatives,
- health protection and awareness,
- promotion of volunteering,
- environmental protection, animal welfare and preserving natural heritage,
- cultural activities,
- promotion of physical fitness and sports,
- relief for survivors of natural disasters, armed conflicts, and wars in Poland and abroad,
- public order and safety initiatives.

In 2024, the Auto Partner Foundation provided relief to the survivors of a gas explosion in Tychy, made in-kind donations to the Ukraine-based Bratnie Serce Foundation,

funded assistance for the people affected by floods in southern Poland, and was involved in providing support to families covered by the Szlachetna Paczka (Noble Gift) campaign organised by the Wiosna Association. The Foundation also sponsored the Polonia Tychy Women's Sports Club, purchased furniture for the Children and Families Support Centre in Czechowice-Dziedzice, and donated pet food to animal shelters.

#### Sponsorship activities

Auto Partner sponsored the TVN TURBO RALLY TEAM, featuring driver Łukasz Byśkiniewicz, supported Paweł Korpuliński, a drift driver and Polish Drift Champion 2023 & 2024, and contributed to the organisation of four SpeedGames events and Polish Drift Masters Championship in 2024, as well as charitable events such as Hockey with Stars in Tychy. It also continued its collaboration with automotive journalist Patryk Mikiciuk.

Total value of CSR donations: PLN 1,303,588.00

Total value of support provided in other forms, including sponsorship: PLN 1,255,689.80

The Company discloses all beneficiaries in an in-house register, which includes all donations made to charitable organisations.

The Company discloses all beneficiaries in an in-house register, which includes all donations made to charitable organisations.

In light of the established standards and policies, all sponsorship and charitable activities undertaken in 2024 were conducted in a rational, transparent, and consistent manner. The chosen objectives align with the business profile of Auto Partner S.A. and have a positive impact on the environment, contributing to building the image of Auto Partner S.A. as a socially responsible company.

## **VI. Information on the degree of implementation of the diversity policy with respect to the Management Board, Supervisory Board and other key senior personnel of the Company**

The Company has not adopted a separate diversity policy and does not follow such policy with respect to its governing bodies and key managers. The decisive criterion for the selection of members of the Company's governing bodies and key managers is, first and foremost, appropriate qualifications and knowledge required to serve in a given position.

Respect for diversity and protection against discrimination are addressed in the Auto Partner S.A. Work Rules, in the Code of Ethics of the Auto Partner Group, and in the Procedure for the Prevention of Discrimination, Harassment and Workplace Bullying. In those documents, the employer has made a commitment to respect diversity, and in particular to ensure equal treatment of employees with regard to entering into and

terminating employment relationships, terms of employment, promotion and access to training, regardless of sex, age, disability, race, religion, nationality, political beliefs, union membership, ethnic origin, creed, sexual orientation, and regardless of whether a given person is employed for a definite or indefinite term and on a full-time or part-time basis. This approach applies to all employees, regardless of their position, and it is prohibited to take decisions on those matters on the basis of non-substantive reasons. No discrimination is tolerated within the Auto Partner Group. The Group is open to diversity and views it as a material resource that contributes to its value growth. Additionally, the Code of Ethics, the Procedure for Preventing Discrimination, Harassment and Workplace Bullying, and the Whistleblowing Rules establish mechanisms to be used in resolving doubts and reporting potential misconduct. The purpose of the regulations applicable at the Auto Partner Group is to protect the dignity and rights of employees and take appropriate measures against offenders.

Auto Partner S.A. believes that this solution is sufficient and effective. Although the Auto Partner Group is also active outside the Polish market, and employs many foreign nationals and thus makes up a multicultural organisation, no social problems related to nationality or ethnic origin were identified. The positive assessment of this aspect has been confirmed by inspections carried out by the National Labour Inspectorate (PIP).

The tables below present the composition of the Company's governing bodies, broken down by gender and age.

**Management Board of Auto Partner S.A.**

total	4
women	0
men	4
<30 years of age	0
31–40 years of age	1
41–50 years of age	2
>50 years of age	1
foreign nationals	0

**Supervisory Board of Auto Partner S.A.**

total	5
women	0
men	5
<30 years of age	0
31–40 years of age	0

41–50 years of age	2
>50 years of age	3
foreign nationals	0

## **VII. Assessment of the Auto Partner S.A. Management Board's proposal on the allocation of the Company's net profit for the financial year 2024**

In 2024, Auto Partner Spółka Akcyjna earned a net profit of **PLN 208,156,696.18**. In the performance of its responsibilities under the Articles of Association, the Supervisory Board has considered the Management Board's proposal on the allocation of the Company's net profit for 2024 and accordingly endorses the following 2024 net profit allocation:

- The amount of PLN 19,593,000 (nineteen million, five hundred and ninety-three thousand złoty) to be distributed as dividend of PLN 0.15 (fifteen grosz) per share;
- The balance of PLN 188,563,696.18 (one hundred and eighty-eight million, five hundred and sixty-three thousand, six hundred and ninety-six złoty, 18/100) to be allocated to the Company's statutory reserve funds.

This endorsement is also included in the Supervisory Board Resolution No. 6 of 14 April 2024.

## **VIII. Aggregate amount of consideration payable by the Company for any audits ordered by the Supervisory Board in the financial year from third parties**

In 2024, the Supervisory Board did not contract any third-party advisers.

## **IX. Recommendations**

The Supervisory Board refrained from presenting the details of the Company's or the Group's financial performance, as these are exhaustively discussed in the relevant financial statements, the Directors' Report on the Company's and the Group's operations, and in the auditor's reports and opinions, all of which were reviewed by the Supervisory Board at its meeting on 10 April 2024.

On 14 April 2025, having analysed the relevant documents, the Supervisory Board authorised its 2024 reporting containing assessments of:

- The separate financial statements of Auto Partner S.A. for the financial year ended 31 December 2024,

- The Directors' Report on the operations of Auto Partner S.A. and the Auto Partner Group in the financial year 2024,
- The consolidated financial statements of the Auto Partner Group for the financial year ended 31 December 2024.

The Supervisory Board concluded that the above documents comply with the applicable legal and regulatory requirements and give a true, fair and complete view of the Company's and the Group's business and that the Management Board's recommendation on the allocation of the 2024 net profit is reasonable in light of the Company's growth plans.

In the Supervisory Board's opinion, the Management Board made diligent efforts to ensure that the Company would achieve profit, and the Supervisory Board positively assesses the Management Board's actions aimed at furthering the Company's key strategic objectives. Considering the results of the assessment of the financial statements and the Directors' Report, and taking into account the overall conditions and circumstances in which the Company operated in 2024, the Supervisory Board, by submitting this Report, proposes that the Annual General Meeting of Auto Partner Spółka Akcyjna:

- approve the financial statements of Auto Partner S.A. and the consolidated financial statements of the Auto Partner Group for the financial year 2024,
- approve the Directors' Report on the operations of Auto Partner S.A. and the Auto Partner Group in the financial year 2024,
- resolve to allocate the 2024 net profit as proposed by the Management Board,
- grant discharge from liability to members of the Management Board and the Supervisory Board for their activities in 2024.

The Supervisory Board's assessment of the audit of the separate and consolidated financial statements and the Directors' Report on the operations of Auto Partner S.A. and the Auto Partner Group in the financial year 2024 was prepared on 14 April 2025 and is included in a separate document.

The Supervisory Board discussed and resolved to authorise this Report on 28 April 2025.

Bieruń, 28 April 2025

For the Supervisory Board:

Chair of the Supervisory Board – Jarosław Plisz

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