

Appendix 1 to Resolution No. 17/2023 of the Supervisory Board of INTER CARS S.A. of May 16th 2023

Report of the Supervisory Board of Inter Cars S.A. on its activities in 2022,

including the assessments prepared in accordance with the Code of Best Practice for WSE Listed Companies 2021

Acting pursuant to Art. 382.3 and Art. 382.3¹ of the Commercial Companies Code, the Supervisory Board of Inter Cars S.A of Warsaw (the “**Company**”) hereby submits to the General Meeting a report on the Supervisory Board’s activities in the period **from January 1st to December 31st 2022**, including the assessments prepared in accordance with the Code of Best Practice for WSE Listed Companies 2021 (the “**WSE Best Practice**”).

I. Activities of the Supervisory Board and its committees in 2022

1) Composition of the Supervisory Board and its committees

As at January 1st 2022, the composition of the Company's Supervisory Board was as follows:

- 1) Andrzej Oliszewski – Chairman of the Supervisory Board;
- 2) Jacek Podgórski – Independent Member of the Supervisory Board;
- 3) Radosław Kudła – Independent Member of the Supervisory Board;
- 4) Tomasz Rusak – Member of the Supervisory Board;
- 5) Piotr Płoszajski – Member of the Supervisory Board;
- 6) Jacek Klimczak – Member of the Supervisory Board.

In the reporting period, the composition of the Supervisory Board did not change.

Currently, there are at least two members on the Supervisory Board who meet the criteria of independence from the Company and entities with significant links to the Company pursuant to Annex II to the Commission Recommendation of February 15th 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board, the relevant criteria specified in the WSE Best Practice, and the independence criteria specified in Art. 129.3 of the Act on Statutory Auditors, Audit Firms, and Public Oversight of May 11th 2017.

Since September 25th 2017, there has been an audit committee operating within the Supervisory Board in compliance with Art. 128 and Art. 129 of the Act on Statutory Auditors, Audit Firms and Public Oversight of May 11th 2017 (the “**Audit Committee**”).

As at January 1st 2022, the Audit Committee consisted of the following Supervisory Board members:

- 1) Piotr Płoszajski – Chairman of the Committee (independent member of the Supervisory Board);
- 2) Andrzej Oliszewski – Member of the Committee;
- 3) Jacek Podgórski – Member of the Committee (independent member of the Supervisory Board).
- 4) Radosław Kudła – Member of the Supervisory Board.

On September 1st 2022, Piotr Płoszajski, having served as Meetings of the Supervisory Board for 12 years, resigned as Chairman and Member of the Audit Committee of the Supervisory Board, with effect from the date of the next Supervisory Board meeting and election of a new Chairman of the Audit Committee. On September 28th 2022, the Supervisory Board elected Radosław Kudła as Chairman of the Audit Committee of the Supervisory Board and determined that as of September 28th 2022, the Audit Committee would be composed of three persons.

Since September 28th 2022, the Audit Committee has been composed of the following Supervisory Board members:

- 1) Radosław Kudła – Chairman of the Committee (independent member of the Supervisory Board);
- 2) Andrzej Oliszewski – Member of the Committee;
- 3) Jacek Podgórski – Member of the Committee (independent member of the Supervisory Board).

As at the date of authorisation of this report, the composition of the Audit Committee did not change. The Audit Committee operates within the Supervisory Board and is appointed to supervise the financial reporting process, the effectiveness of the internal control, internal audit and risk management systems, and to monitor the performance of financial audit activities.

2) Meetings of the Supervisory Board and its committees

In the reporting period, the Supervisory Board held five meetings, during which it passed resolutions required under the applicable laws and regulations, and took positions on matters covered by the agendas of the respective

meetings. The meetings were held on April 25th, April 29th, May 30th, September 28th, and November 23rd. At the meeting on April 29th five out of the six members of the Supervisory Board were present, while at the other meetings all of the Supervisory Board members were present. The Supervisory Board meetings were also attended by members of the Management Board and other representatives of the Company, which enabled the Supervisory Board to obtain comprehensive answers and explanations on matters covered by the respective agendas. The Supervisory Board was also kept informed, by email, of all material aspects of the Company's operations. Furthermore, the Supervisory Board was provided with all requested information and materials prepared by the Company's Management Board.

During its meetings, the Supervisory Board resolved on a number of matters, on the appointment of the Management Board for a new term of office, changing the remuneration of Management Board members, amending the Rules of the Incentive Scheme for Members of the Company's Management Board, electing the Chairman of the Audit Committee, and expressing an opinion on amending the Company's Articles of Association and the Rules of Procedure for the Supervisory Board. In addition, during the reporting period, the Supervisory Board passed six resolutions by written ballot, which included granting consent to a Management Board Member to serving on a governing body of a non-Group company, approval of the Rules of Procedure for the Management Board, amendment and restatement of the Detailed Rules for Attending Management Board Meeting via Electronic Means of Communication, granting consent to the acquisition by the Company of real property, and receipt of a statement on the implementation of the Company's tax strategy in 2021. Over the reporting period, the Supervisory Board passed a total of 34 resolutions.

During the meetings, the Supervisory Board also discussed other material matters as presented thereto by the Management Board, including sales performance, sales growth (including growth in export sales), the Company's and the Group's financial position in Poland and abroad, and the Group's financial performance, as well as reviewing any adjustments made to the financial statements. In addition, the Audit Committee reported to the Supervisory Board, keeping it informed of the Committee's activities and of its recommendations and assessments regarding tasks and activities performed by the internal audit unit.

In the reporting period, the Audit Committee held seven meetings on February 24th, March 24th, April 25th, April 29th, September 1st, September 28th, and December 14th.

In the reporting period, the Audit Committee performed the audit committee tasks laid down in applicable laws. Matters discussed during the Audit Committee meetings included: (i) activities of the internal audit function in 2021, including in particular issues related to the manner in which it performs its responsibilities, the internal audit department's priority tasks and high risk areas, and progress on delivery of different tasks specified in the internal audit plan; (ii) progress in the auditor's work; (iii) the Company's and the Group's financial performance; (iv) performance of the internal audit budget and plan in 2021, together with other activities; (v) the progress on implementing recommendations from prior audits at the Group; and (vii) certain compliance-related matters. At its meetings, the Audit Committee passed a number of resolutions, including a resolution to adopt the internal audit plan and budget for 2022 and a resolution to adopt a recommendation upon assessment of the Company's and the Inter Cars Group's financial statements for 2021 and the Directors' Reports on the Company's and the Group's operations in the financial year 2021. At its meeting on December 14th 2022, the Audit Committee resolved to recommend that the Supervisory Board initiate a competitive bidding procedure to select an audit firm to audit the financial statements of the Company and other key Group entities for 2023 and 2024 in accordance with the '*Policy and Procedures for the Selection of an Audit Firm to Audit the Financial Statements of Inter Cars S.A.*'

In 2022, the Audit Committee also gave its consent to each instance of provision of permitted non-audit services by the audit firm or members of its network.

In the reporting period, the Audit Committee passed one resolution outside of a meeting to approve the amount of annual bonuses due to the Internal Audit Manager and the acting Internal Audit Manager for 2021. In the reporting period, the Audit Committee passed a total of 18 resolutions.

3) Information on the performance of the obligations under the Commercial Companies Code, other laws and regulations, and the Company's Articles of Association

In the reporting period, the Supervisory Board exercised ongoing supervision over the Company's activities in each area of its business, remaining in direct contact with the Management Board. The Supervisory Board assessed, among other things, the Company's economic standing, financial liquidity and ability to settle liabilities. The Supervisory Board also considered opportunities and methods for the Company's further development. As part of the supervision over the Inter Cars Group, the Supervisory Board analysed development prospects and current financial results of the Group companies. The Supervisory Board gave its opinions on the Group's draft business plans, budgets and strategic objectives, analysed the management methods and current financial condition of the Company, and discussed the implementation and delivery of the budget and material projects. The Supervisory Board also reviewed the findings of internal audits performed in selected areas of the Company's and the Inter Cars Group's operations.

Pursuant to Art. 90g.1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, to Art. 14.1 of the Company's Articles of Association and to the '*Remuneration Policy for Members of the Management Board and Supervisory Board of Inter Cars S.A. of Warsaw*', the Supervisory Board adopted the Report on the Remuneration of Members of the Management Board and Supervisory Board of Inter Cars S.A. for 2021 and submitted it to the General Meeting, asking that the latter provide an opinion on the Report.

Within the prescribed deadline, the Supervisory Board assessed the Directors' Reports on the Company's and the Inter Cars Group's operations in 2021, the Management Board's proposal on the distribution of net profit for 2021, as well as the separate and consolidated financial statements for the financial year 2021, and submitted a written report on the results and findings of its assessment to the General Meeting.

The Supervisory Board also adopted a brief assessment of the Company's standing in accordance with the corporate governance policy applied by the Company.

In the reporting period, the Supervisory Board did not exercise its powers under Art. 383 of the Commercial Companies Code, i.e. it did not suspend, for good reason, any or all members of the Management Board, nor did it delegate Supervisory Board members to temporarily perform the duties of Management Board members.

The Supervisory Board operates in accordance with the corporate governance rules set out in the WSE Best Practice. In 2022, there were no instances of non-compliance of the Supervisory Board with the corporate governance policy applied by the Company.

4) Assessment of the discharge by the Management Board of its obligation to report information to the Supervisory Board

The Supervisory Board was updated by the Management Board on the Company's situation on an ongoing basis, including on the situation of its subsidiaries and other related parties to the best of the Management Board's knowledge. Also, in order to bring the Company's Articles of Association in line with the amended Commercial Companies Code, which entered into force on October 13th 2022 pursuant to the Act Amending the Commercial Companies Code and certain other acts, dated February 9th 2022 (Dz.U. of 2022, item 807), the General Meeting resolved to amend the Articles of Association so as to specify how the Management Board is required to discharge its reporting obligations. In accordance with the amendments, the scope of periodic information to be provided by the Management Board under Art. 380¹ of the Commercial Companies Code is determined by the Supervisory Board. This ensures that the Supervisory Board only receives information that it actually needs.

In view of the foregoing, the Supervisory Board assesses that the Management Board duly discharged its reporting obligations under Art. 380¹ of the Commercial Companies Code.

As the scope of information and reports submitted by the Management Board was sufficient, the Supervisory Board did not exercise its power to request additional information, documents, reports or clarifications from the Management Board under Art. 382.4 of the Commercial Companies Code.

In 2022, the Supervisory Board did not exercise its power to have, at the Company's expense, a third-party advisor (advisor to the Supervisory Board) examine a specific aspect of the Company's business or assets or prepare an analysis of or expert opinion on a related matter under Art. 382¹ of the Commercial Companies Code.

5) Assessment of work of the Supervisory Board

In the financial year from January 1st 2022 to December 31st 2022, the Supervisory Board, acting conscientiously and with due diligence, performed its duties stipulated in the Articles of Association and the Rules of Procedure for the Supervisory Board.

The role of the Supervisory Board is to exercise ongoing supervision over the Company's activities in each area of its business, in accordance with the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board adopted by the General Meeting. Other key objectives of the Supervisory Board's efforts are to supervise the Company's Management Board and monitor its activities, and to ensure stability of the Company, its controlled development and strengthening of its market position.

Taking into account the work and involvement of the Supervisory Board, and based on the findings discussed above and the Supervisory Board's general activity in 2022, the Supervisory Board is of the opinion that in the reporting period it fulfilled its statutory duties in a proper manner and for the benefit of the Company, in line with best market practices. In 2022, the Supervisory Board exercised effective and efficient supervision over the

Company, and its cooperation with the Management Board was good and properly organised. Therefore, we move that the members of the Supervisory Board be granted discharge from liability in respect of their duties in the reporting period.

II. Results of the assessment of the Company's financial statements for 2022, the Directors' Report on the Company's operations in 2022, and the Management Board's proposal on the distribution of the Company's net profit for 2022

This assessment of the Company's financial statements for 2022, the Directors' Report on the operations of the Inter Cars Group in 2022, prepared together with the Directors' Report on the operations of the Company in 2022, and the Management Board's proposal regarding distribution of the Company's net profit for 2022 as well as the results of this assessment have been prepared in accordance with Art. 382.3 and Art. 382.3¹ of the Commercial Companies Code, for submission to the General Meeting, and include the Supervisory Board's assessment of the separate and consolidated financial statements of Inter Cars S.A. and the Inter Cars Group for the year ended December 31st 2022, and the Directors' Report on the operations of the Inter Cars Group in the year ended December 31st 2022, prepared together with the Directors' Report on the operations of Inter Cars S.A., in terms of their completeness, accuracy and consistency with the underlying accounting records and supporting documents, as adopted by the Supervisory Board's Resolution No. 8/2023 of April 26th 2023. This document also includes the report on the assessment of the consolidated financial statements of the Inter Cars Group for 2022.

The Directors' Report on the operations of the Inter Cars Group in the financial year 2022, prepared together with the Directors' Report on the operations of the Company in 2022, as well as the separate and consolidated financial statements, contain all necessary information on the operations of the Company and its Group in the financial year, and the Supervisory Board gives a favourable assessment of the reports and financial statements. In the opinion of the Supervisory Board, the Company's financial statements and periodic reports are prepared in accordance with applicable laws and the accounting policies applied by the Company.

The financial statements have been audited in accordance with applicable laws by an independent auditor appointed by PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp. k. of Warsaw (formerly: PricewaterhouseCoopers sp. z o.o. of Warsaw), an audit firm, who issued an unqualified opinion on the financial statements. The Supervisory Board reviewed the auditor's reports, and obtained all necessary information on results of the audit from the Supervisory Board's Audit Committee; the Supervisory Board has not expressed any reservations or presented any comments pertaining to the above. The Supervisory Board also approved, by Resolution No. 8/2023 of April 26th 2023, the Supervisory Board's assessment of the separate and consolidated financial statements of Inter Cars S.A. and the Inter Cars Group for the year ended December 31st 2022, as well as the Directors' Report on the operations of the Inter Cars Group in the year ended December 31st 2022, prepared together with the Directors' Report on the operations Inter Cars S.A., in terms of their completeness, accuracy and consistency with the underlying accounting records and supporting documents.

Therefore, the Supervisory Board decided to submit for receipt by the General Meeting the following documents as submitted by the Management Board, which the Supervisory Board has favourably assessed and approved: the Directors' Report on the operations of the Inter Cars Group in 2022, prepared together with the Directors' Report on the operations of the Company in 2022, the Company's separate financial statements for the financial year 2022 together with the auditor's report, comprising: (i) the balance sheet as at December 31st 2022, showing total assets and total equity and liabilities of PLN 6,237,170 thousand (six billion, two hundred and thirty-seven million, one hundred and seventy thousand złoty); (ii) the statement of profit or loss for the period January 1st–December 31st 2022, showing a net profit of PLN 542,599 thousand (five hundred and forty-two million, five hundred and ninety-nine thousand złoty); (iii) the statement of changes in equity for the financial year January 1st–December 31st 2022, showing an increase in equity of PLN 522,480 thousand (five hundred and twenty-two million, four hundred and eighty thousand złoty); (iv) the statement of cash flows for the financial year January 1st–December 31st 2022, showing a net increase in cash of PLN 49,679 thousand (forty-nine million, six hundred and seventy-nine thousand złoty); (v) supplementary information, comprising the introduction and notes to the financial statements; and the audited consolidated financial statements of the Inter Cars Group for the financial year 2022 together with the auditor's report,, comprising: (i) the consolidated balance sheet of the Inter Cars Group as at December 31st 2022, showing total assets and total equity and liabilities of PLN 8,005,541 thousand (eight billion, five million, five hundred and forty-one thousand złoty); (ii) the consolidated statement of profit or loss of the Inter Cars Group for the financial year January 1st–December 31st 2022, showing a net profit of PLN 745,698 thousand (seven hundred and forty-five million, six hundred and ninety-eight thousand złoty); (iii) the statement of changes in consolidated equity of the Inter Cars Group for the financial year January 1st–December 31st 2022, showing an increase in equity of PLN 726,041 thousand (seven hundred and twenty-six million, forty-one thousand złoty); (iv) the consolidated statement of cash flows of the Inter Cars Group for the financial year January 1st–December 31st 2022, showing a net increase in cash of PLN 116,526 thousand (one hundred and sixteen million, five hundred and twenty-six thousand złoty); (v) supplementary information, comprising the introduction and notes to the consolidated financial statements.

Furthermore, the Supervisory Board acknowledged, positively assessed and endorsed the Management Board's proposal that the Company's total earnings for 2022, of PLN 542,598,278.02 (five hundred and forty-two million, five hundred and ninety-eight thousand, two hundred and seventy-eight zloty, 02/100) be allocated as follows: PLN 10,059,351.00 (ten million, fifty-nine thousand, three hundred and fifty-one zloty) to dividend payments of PLN 0.71 (seventy-one grosz) per share and the balance of PLN 532,538,927.02 (five hundred and thirty-two million, five hundred and thirty-eight thousand, nine hundred and twenty-seven zloty, 02/100) to statutory reserve funds, and that the dividend record date and dividend payment date be set for June 19th 2023 and June 26th 2023, respectively.

Accordingly, the Supervisory Board recommends that the General Meeting resolve to distribute the Company's profit for 2022 as proposed by the Management Board.

III. Assessment of the Company's standing, including evaluation of its internal systems and functions

This evaluation is the Supervisory Board's assessment of the Company's standing and includes evaluation of the Company's internal control, risk management and compliance systems and the internal audit function, in accordance with Art. 382.3¹(2) of the Commercial Companies Code and the Company's corporate governance policy. The Supervisory Board performed this assessment on the basis of the Directors' Reports on the Company's and the Inter Cars Group's operations in 2022, the separate and consolidated financial statements for 2022, as well as information obtained by the Supervisory Board while performing its duties.

A. Assessment of the Company's standing

The Supervisory Board gives a positive opinion on the Management Board's achievements in 2022, which should be viewed as a period of robust performance by the entire Inter Cars Group (the "Group").

Throughout 2022, the global markets endured multiple disruptions, largely attributable to the Russian invasion of Ukraine. The continuing war gradually brought about an economic and energy crisis. However, the Group navigated through these turbulent times, achieving record-high results.

In 2022, the Inter Cars Group reported revenue of PLN 15,285,101 thousand, which represents a 24.9% year-on-year improvement, and delivered net profit in excess of PLN 746m, up 6.6% on the previous year. In 2022, the Group opened 42 new branches, and as at December 31st 2022 its sales network comprised 618 points of sale across 19 countries.

In the Supervisory Board's opinion, the key drivers of the Group's performance in 2022 were continuing strong demand and increased manufacturing costs, which inevitably led to higher prices of end products, as well as successful expansion into foreign markets. Demand for spare parts was further supported by a decline in new passenger car sales (as measured by the number of new registrations) in Europe relative to the first six months of 2021. Reduced sales of new cars necessitated extension of the lifespans of existing vehicles, which in turn increased the demand for their repair and servicing.

The Group's net profit was also affected by a PLN 75m impairment loss recognised at the end of March 2022 on destroyed property, plant and equipment and inventories which had been located at the central warehouse in Kiev, Ukraine. The warehouse was destroyed as a result of the Russian Federation's military attacks on Ukraine.

Sales performance was also enhanced by continued optimisation of inventory management, involving both optimisation of stock levels across various merchandise categories and optimisation of the supply chain, including a shift towards greater reliance on direct deliveries from manufacturers.

The Supervisory Board positively assesses the Group's growth in Poland and abroad. The Group's activities have helped to further strengthen Inter Cars' leading position in Central and Eastern Europe. The Supervisory Board also favourably assesses the results posted by all of the Group subsidiaries in 2022. In 2022, the fastest growing markets of the Group included Serbia, Greece, and Moldova. These are new markets where the Group continues to expand its offering. Romania is the Group's second largest market (after Poland). With 62 branches, Inter Cars ranks third on the Romanian market. The Group recorded a year-on-year increase in revenue in excess of 17% across all of its geographies.

The Supervisory Board was once again delighted to learn of new accolades and awards received by the Group's www.motointegrator.de online store from reputable German consumer organizations and trade magazines (e.g. SERVICE Champions, CHIP Leading Shops, TOP Shop, TREND Shop). Moreover, in 2022 the German TV station NTV and Deutsches Institut für Service-Qualität included motointegrator.de in their 'DEUTSCHLANDS BESTE ONLINE-SHOPS 2022' list, ranking it among Germany's top online stores in the automotive parts industry.

The Supervisory Board also welcomed the news that Inter Cars was among the employers awarded the 'Investor in Human Capital 2022' certificate by the Experience Institute. This prestigious recognition is granted based on employee feedback expressed in satisfaction and engagement surveys, which give employees an opportunity to

share their views on various aspects of the work environment fostered by their employers. What is more, the *Wprost* weekly ranked Inter Cars among the top ten employers in Poland.

The Supervisory Board would like to emphasise that, in addition to the distribution of parts and automotive products, the Group is also engaged in manufacturing activities closely related to the automotive industry, which expand the distribution network's value chain. Lauber Sp. z o.o., engaged in regeneration of automotive parts and subassemblies, and Feber Sp. z o.o., a manufacturer of semi-trailers, are positive contributors to the Group's financial results. The Group's offering also includes sale of Isuzu and Ford Truck vans and trucks by Q-Service Truck Sp. z o.o., Poland's first authorised dealer of the brands. The company is also an authorised representative of ZF Friedrichshafen AG for the sale and repairs of manual, automated and automatic truck gearboxes. In 2022, the company secured further licences from ZF Friedrichshafen AG for AVE electric portal axles for city buses and ZF ECOLIFE automatic transmissions.

The Supervisory Board also expresses its appreciation of the Company's fulfilment of the highest standards in corporate social responsibility, reporting, investor relations management, corporate governance, information policy, as well as environmental, social and economic impacts. Inter Cars S.A. is among the companies that met the criteria defined by the WSE and its stock was included in the WIG-ESG index. The level of compliance with ESG criteria is verified based on Sustainalytics' reports and assessment of compliance with the code of best practice. The Company was also awarded a 'Silver CSR Leaf' by the *Polityka* weekly and named among the leading Climate Conscious Companies.

B. Assessment of the internal control, risk management and compliance systems and the internal audit function, and information about measures taken by the Supervisory Board to perform the assessment

The Company does not fully comply with the WSE Best Practice with respect to the implementation and maintenance of efficient internal control, risk management and compliance systems, as well as maintenance of the internal audit function. The internal control and risk management systems are dispersed, reflecting the organisational structure, and are maintained to a large extent by the Finance Division and the Operating Division, as described below.

The Company operates a compliance programme adopted by the Management Board in the second half of 2017, which includes in particular the Code of Conduct and Good Practice, Fraud Prevention Policy, Conflict of Interest Management Policy, Information Confidentiality Policy, Anti-Mobbing Policy, as well as Occupational Health and Safety and Environmental Policy. The programme is designed to ensure compliance of the Company's activities with the law, business standards and other market requirements by ensuring that the compliance risk is properly managed. Such processes as managing risks of fraud and conflicts of interest have been defined within the framework of the programme.

The Supervisory Board reviews the internal audit and risk management systems on an ongoing basis, which includes assessment of the process of preparation of separate and consolidated financial statements. The assessment is based on information provided by the Company's Management Board, Chief Financial Officer, and the Audit Committee. The Supervisory Board also assesses components of the compliance system on an ongoing basis, with the assessment based on information provided by the Company's Management Board, the Legal Counsel, and the Audit Committee.

The Audit Committee supports the Supervisory Board in the day-to-day pursuit of its supervisory tasks by monitoring the Company's financial reporting process, financial audit tasks, the auditor's independence, and the effectiveness of the internal control and risk management systems, and of the internal audit function.

Following establishment of a separate internal audit unit in Q1 2018, the organisation and effectiveness of risk management and control processes are also periodically audited by the internal audit unit, reporting functionally to the Audit Committee. In addition, the Audit Committee approves annual plans of internal audits, and any changes of such plans require prior consent from the Audit Committee. In 2022, internal audits were performed in selected areas of the Company's and the Group's operations. Relevant recommendations were provided on an ongoing basis to the Management Board, the Audit Committee and the Supervisory Board.

Financial statements and periodic reports are prepared in accordance with the applicable laws and the Company's accounting policies by the Chief Financial Officer, and are reviewed on an ongoing basis by the Management Board, which is responsible for the accuracy and consistency of information disclosed by the Company, and for the applied accounting policies. Financial statements are prepared exclusively by persons having access to relevant financial data. All financial data contained in the financial statements and periodic reports are sourced from the financial and accounting system, where all business events are recorded in accordance with the Company's accounting policies (approved by the Management Board), based on International Accounting Standards and International Financial Reporting Standards. The Company continuously monitors changes to the regulatory framework and regulations applicable to stock exchange reporting, and makes preparations sufficiently

in advance to incorporate any required changes. The financial reporting process is also monitored by the Audit Committee, which reviews the Company's interim and annual reports and monitors individual stages of the process for compliance and correctness. The Audit Committee's tasks additionally include reviewing and giving opinions on the rules of the financial reporting systems used by the Company.

Once approved by the Management Board, financial statements are reviewed or audited by an independent auditor – the audit firm selected from among reputed audit firms and appointed by the Supervisory Board, taking into account recommendations of the Audit Committee. Based on circumstances identified during the audit of financial statements, the Finance Division, acting in communication with the audit firm, attempts to formulate recommendations on how to enhance the Company's internal control system, for possible implementation.

The Finance Division and Division Heads prepare periodic management information reports, including analyses of key financial data and operating indicators of the business segments, and submit them to the Management Board.

In view of the above, the Supervisory Board gives a positive opinion on the Company's internal control, risk management and compliance systems.

IV. Assessment of the Company's compliance with corporate governance requirements as specified in the Stock Exchange Rules and in the statutory regulations governing current and periodic information to be published by issuers of securities, and information about measures taken by the Supervisory Board to perform the assessment

The Supervisory Board performed its assessment on the basis of the Directors' Reports on the Company's and the Inter Cars Group's operations in 2022 and the statement of compliance by the Company with corporate governance standards as released on the Company's corporate website.

In the opinion of the Supervisory Board, the Company made every effort to ensure application of and due compliance with the disclosure requirements imposed by law and other regulations. To ensure transparency and effectiveness of its disclosure policy, the Company provided the shareholders, analysts and investors with swift and reliable access to relevant information.

The Company fully complied with the statutory disclosure requirements where they apply to current and periodic reports. In 2022, the Company published 35 current reports and 5 periodic reports. All reports are available on the Company's website at <http://inwestor.intercars.com.pl/pl/>, in the 'Reports' and 'Corporate Governance' tabs.

In addition, the statement of compliance by the Company with corporate governance standards, which is included in the Directors' Report on the Company's operations in 2022, covers all aspects of the Company's governance whose disclosure is required under applicable regulations. In the opinion of the Supervisory Board, the statement addresses the corporate governance of Inter Cars S.A. in a detailed and reliable manner.

In the Supervisory Board's opinion, the information disclosed by the Company is compliant with the relevant requirements and gives a true and fair view of the application of the corporate governance policy.

V. Assessment of the reasonableness of the Company's charitable giving and sponsorship policies, including assessment of the reasonableness of the Company's and the Group's expenses on supporting cultural initiatives, sports, charitable institutions, media outlets, non-profit organisations, trade unions, etc.

The Company's charitable giving and CSR policies have been incorporated into its sustainability strategy, which is described in detail in its non-financial statement. Furthermore, as part of the compliance programme, the Company implemented a system of supervision of charitable donations provided by the Company. Prior approval by the Company's Chief Legal Officer must be secured for all key charitable and sponsorship projects. A statement of expenditure incurred by the Company and its Group to support cultural initiatives, sports, charitable institutions, media outlets, non-profit organisations and trade unions in 2022 is presented in the non-financial statement. In order to maximise the Company's positive social impacts, the Inter Cars Foundation was established in 2021. Its mission is to support widely-available, safe, sustainable and climate-friendly mobility solutions. The Foundation focuses its activities in four key areas, i.e. developing the competencies of the future, environmental protection, health protection, and traffic safety. The Foundation's internal oversight body is its Board, which evaluates the Foundation's annual and longer term activity programmes and approves its annual activity and financial reports. In 2022, the Foundation carried out a variety of initiatives, including the 'Accelerator' scholarship programme, which is designed to support ambitious high school students who demonstrate a keen interest and aptitude in fields spanning from automotive technology and mechanics to mechatronics and electronics to computer science and logistics. Another noteworthy project is the 'Inter Dobro'

grants programme, which is dedicated to financing volunteer efforts spearheaded by Group employees or associates. To qualify for a grant, a proposal must be submitted by a team of at least two, and it is essential that the proposed initiative aligns with the focus and activities of the Inter Cars Foundation.

In 2022, the Company's CSR and charitable efforts were focused primarily on supporting children and teenagers' physical and intellectual development as well as saving their lives and improving their health. They were mainly dedicated to helping young people in hardship.

The Company supports sports activities and runs educational programmes for school children, and supports charity initiatives.

The Company has been sponsoring athletes, including mobility-impaired ones, competing in such disciplines as car racing, cycling, rugby, and running.

The Company, in partnership with automotive vocational schools, also runs an educational programme for young students. As part of the initiative, it provides, among other things, selected schools with modern equipment for vehicle repair and diagnostics, and holds theoretical training sessions.

Although the Company does not have a defined sponsorship and charitable giving policy, the Supervisory Board evaluates the Company's activities, including expenses, in this area as reasonable and desirable.

In the future, the Company may also develop a sponsorship and charitable policy document, which would reflect the Company's activities in this respect.

VI. Implementation of the diversity policy for the Management Board and the Supervisory Board, including achievement of diversity targets and criteria

The Company does not have in place a diversity policy applicable to the Management Board or the Supervisory Board, approved by the Supervisory Board or the General Meeting, respectively.

Nevertheless, the Company is committed to fostering diversity within its governing bodies, recognising the value of cultivating an environment which encompasses a broad spectrum of expertise and qualifications and is conducive to fulfilling the individual potential of each person. All appointment decisions for the Supervisory Board and Management Board are made by the General Meeting and the Supervisory Board, respectively, and are primarily guided by the needs and interests of the Company. The main focus when recruiting members of the Supervisory and Management Board is therefore placed on a candidate's skills, expertise, know-how and industry experience.

While no official diversity policy has been adopted, it is worth noting that the current composition of the Supervisory Board is diverse in terms of its members' educational background, age, expertise, and industry experience. Similarly, the Management Board can also boast a diverse membership, representing various educational backgrounds, expertise, and industry experience.

VII. Final considerations

In the opinion of the Supervisory Board, the Management Board used all reasonable effort to ensure delivery of good financial results by the Inter Cars Group. Therefore, the Supervisory Board positively assesses the Management Board's efforts to further the Company's and the Inter Cars Group's key strategic objectives. The Supervisory Board recommends that the General Meeting grant discharge from liability to all members of the Company's Management Board in respect of their duties in 2022.