

**CONSOLIDATED REPORT ON PAYMENTS  
MADE TO PUBLIC ADMINISTRATION  
BY THE STALPRODUKT S.A. CAPITAL GROUP  
FOR THE FINANCIAL YEAR 2023**

# CONSOLIDATED REPORT ON PAYMENTS MADE TO PUBLIC ADMINISTRATION

## 1. Basis for preparation and scope of the Report on payments made to public administration

### Legal requirements

This report on payments to public administration was prepared on the basis of the provisions contained in Chapter 6a of the Act of September 29, 1994 on Accounting ("Act", consolidated text, Journal of Laws of 2023, item 120, as amended). Pursuant to these regulations, entities operating in the extractive industry or logging primary forests, provided that they meet the criteria specified in the Act, prepare, as at the balance sheet date, together with the annual consolidated financial statements, a consolidated statement of payments to public administration. The Act defines that an entity operating in the mining industry is understood as an entity that conducts activities consisting in exploration, search, discovery, exploitation and extraction of deposits of minerals, oil, natural gas or other raw materials, as part of the types of economic activity listed in section B in sections 05–08 of the Polish Classification of Activities.

### Reporting unit

According to the provisions of the above Act and Regulation, this consolidated report on payments made to public administration was prepared by the parent company in the Capital Group, i.e. Stalprodukt S.A. and includes payments to public administration made by a subsidiary (ZGH "Bolesław" S.A.) and its subsidiaries. The Report does not include payments to public administration made by joint ventures valued in the consolidated financial statements of ZGH "Bolesław" S.A. using the equity method.

### Activities covered by the reporting obligation

Payments made by the entities of the Stalprodukt S.A. Capital Group to public administration, as shown in this Report, relate to mining operations involving the exploration, search, discovery, exploitation and extraction of metals, rocks and sand. If a given payment relates both to activities covered by the reporting obligation and to other activities (e.g. steel activities), the amount disclosed in the Report is not divided, but disclosed in full.

### Public administration

Public administration means government or self-government administration bodies and entities supervised or controlled by these bodies, and in the case of other countries of the European Economic Area or countries outside the European Economic Area – state administration, regional or local authorities and entities supervised or controlled by these bodies.

### Project

A Project is understood as operating activity carried out on the basis of a contract, in particular a lease, a rental, a license or a concession, constituting the basis for payment obligations to public administrations of individual countries. If several such agreements are significantly related to each other, the operational activities carried out on their basis are considered as one project.

### Types of payments

Based on Article. 63f section 2 of the Act, this consolidated report on payments to public administration presents the following information:

- the total amount of payments made to the public administration of a given country, broken down by payments to the relevant levels of public administration;

- the total amount of payments divided into titles indicated in Art. 63e point 6 made to the appropriate level of public administration of a given country.

In 2023, the Group did not make any payments to public administration assigned to projects. The amounts paid to public administration constitute the value of cash transfers made in 2023 for individual titles, less any refunds received in 2023. No payments in kind were made to public administration in the reporting period.

This Consolidated Report on Payments to Public Administration includes the following titles:

- Taxes  
The Report shows corporate income tax transferred to the competent tax authorities by three indicated companies from the ZGH "Bolesław" S.A. Capital Group. The item does not include consumption taxes such as goods and services tax, personal income tax, excise tax or sales tax.
- Dividends  
Dividends subject to disclosure in the Report are payments other than dividends paid to public administration authorities for holding ordinary shares of ZGH BOLESŁAW S.A., unless they are dividends paid in place of receivables from production or royalties. In 2023, there were no payments for public administration in this respect.
- Concession fees and bonuses for discovery and production  
This category of payments to the public administration includes remuneration for the establishment of mining usufruct and mining fees for the extracted mineral.
- Other fees and benefits for granting the concession  
The fees disclosed in this Report constitute fees for:
  - perpetual usufruct of land,
  - real estate tax, agricultural and forestry tax,
  - exclusion of forest land from forest production
  - emissions of substances into the air,
  - discharge of mine and technological waters,
  - discharge of sewage and rainwater,
- Payments for infrastructure improvements - did not occur in 2023.
- Receivables from production and royalties - did not occur in 2023.

### **Applied exchange rates**

In this Report, the average exchange rate announced by the National Bank of Poland on 31 December 2023 was used to convert the financial data of foreign entities.

## 2. Payments to public administration made in 2023 (thousand x PLN)

Payments made to public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
Poland					
Montenegro					
<b>Total</b>					

### Poland

#### Zakłady Górniczo-Hutnicze "Bolesław" S.A.

Payments as broken down by levels of public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>11 643</b>	-	<b>665</b>	-	<b>12 308</b>
central	-	-	665	-	665
The National Fund for Environmental Protection and Water Management	-	-	-	-	-
Polish Waters National Water Management Authority	-	-	665	-	665
local	11 643	-	-	-	11 643
Regional Directorate of the State Forests	-	-	-	-	-
Tax offices (The First Mazowiecki Tax Office)	11 643	-	-	-	11 643
<b>Bodies of local authority administration:</b>	-	-	<b>14 510</b>	-	<b>14 510</b>
The Marshal's Office	-	-	705	-	705
County offices	-	-	1 250	-	1 250
Towns and borough	-	-	12 555	-	12 555
<b>Total</b>	<b>11 643</b>	-	<b>15 175</b>	-	<b>26 818</b>

## Boltech Sp. z o.o.

Payments as broken down by levels of public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>70</b>	<b>184</b>	<b>385</b>	-	<b>639</b>
Central	-	184	-	-	184
Ministry of Environment	-	184	-	-	184
The National Fund for Environmental Protection and Water Management	-	-	-	-	-
local	70	-	385	-	455
Regional Directorate of the State Forests	-	-	385	-	385
Tax offices (The First Mazowiecki Tax Office)	70	-	-	-	70
<b>Bodies of local authority administration:</b>	-	<b>276</b>	<b>1 368</b>	-	<b>1 644</b>
The Marshal's Office	-	-	29	-	29
County offices	-	-	250	-	250
Towns and borough	-	276	1 089	-	1 365
<b>Total</b>	<b>70</b>	<b>460</b>	<b>1 753</b>	-	<b>2 283</b>

## Montenegro Gradir Montenegro D. O. O.

Payments as broken down by levels of public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>304</b>	<b>1 764</b>	<b>73</b>	-	<b>2 141</b>
central	-	1 764	73	-	1 837
Ministry of Environment	-	1 764	5	-	1 769
CETI	-	-	68	-	68
local	304	-	-	-	304
Regional Directorate of the State Forests	-	-	-	-	-
Tax offices (Podgorica)	304	-	-	-	304
<b>Bodies of local authority administration:</b>	-	-	<b>1 266</b>	-	<b>1 266</b>
The Marshal's Office	-	-	-	-	-
County offices	-	-	-	-	-
Towns and borough	-	-	1 266	-	1 266
<b>Total</b>	<b>304</b>	<b>1 764</b>	<b>1 339</b>	-	<b>3 407</b>

## 2. Payments to public administration made in 2022 (thousand x PLN)

Payments made to public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
Poland	9 067	272	17 838	-	27 177
Montenegro	252	1 702	1 808	-	3 762
<b>Total</b>	<b>9 319</b>	<b>1 974</b>	<b>19 646</b>	-	<b>30 939</b>

### Poland

#### Zakłady Górniczo-Hutnicze "Bolesław" S.A.

Payments as broken down by levels of public administration	Taxes*	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>8 385</b>	-	<b>1 700</b>	-	<b>10 085</b>
central	-	-	1 374	-	1 374
The National Fund for Environmental Protection and Water Management	-	-	-	-	-
Polish Waters National Water Management Authority	-	-	1 374	-	1 374
local	8 385	-	326	-	8 711
Regional Directorate of the State Forests	-	-	326	-	326
Tax offices (the Małopolska Customs and Tax Office)	8 385	-	-	-	8 385
<b>Bodies of local authority administration:</b>	-	-	<b>14 600</b>	-	<b>14 600</b>
The Marshal's Office	-	-	996	-	996
County offices	-	-	1 244	-	1 244
Towns and borough	-	-	12 360	-	12 360
<b>Total</b>	<b>8 385</b>	-	<b>16 300</b>	-	<b>24 685</b>

\*The amount of personal income tax actually paid in the form of cash transfers to the account of the relevant Tax Office

## Boltech Sp. z o.o.

Payments as broken down by levels of public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>682</b>	<b>109</b>	<b>253</b>	-	<b>1 044</b>
Central	-	109	-	-	109
The National Fund for Environmental Protection and Water Management	-	109	-	-	109
Polish Waters National Water Management Authority	-	-	-	-	-
local	682	-	253	-	935
Regional Directorate of the State Forests	-	-	263	-	253
Tax offices (the Małopolska Customs and Tax Office)	682	-	-	-	682
<b>Bodies of local authority administration:</b>	-	<b>163</b>	<b>1 285</b>	-	<b>1 448</b>
The Marshal's Office	-	-	25	-	25
County offices	-	-	241	-	241
Towns and borough	-	163	1 019	-	1 182
<b>Total</b>	<b>682</b>	<b>272</b>	<b>1 538</b>	-	<b>2 492</b>

## Montenegro

### Gradir Montenegro D. O. O.

Payments as broken down by levels of public administration	Taxes	Concession fees and bonuses for discovery and production	Other fees and benefits for granting the concession	Payments for infrastructure improvements	Total payments to public administration
<b>Government administration bodies:</b>	<b>252</b>	<b>1 702</b>	<b>79</b>	-	<b>2 033</b>
central	-	1 702	79	-	1 781
Ministry of Environment	-	1 702	6	-	1 708
CETI	-	-	73	-	73
local	-	-	-	-	252
Regional Directorate of the State Forests	-	-	-	-	-
Tax offices	252	-	-	-	252
<b>Bodies of local authority administration:</b>	-	-	<b>1 729</b>	-	<b>1 729</b>
The Marshal's Office	-	-	-	-	-
County offices	-	-	-	-	-
Towns and borough	-	-	1 729	-	1 729
<b>Total</b>	<b>252</b>	<b>1 702</b>	<b>1 808</b>	-	<b>3 762</b>

Bochnia, April 29, 2024

Signatures of members of the Management Board of the Parent Company

.....  
Łukasz Mentel  
Member of the Board  
Chief Financial Officer

.....  
Piotr Janeczek  
Chief Executive Officer  
General Director