

## **CORPORATE GOVERNANCE**

Corporate governance principles apply to AGORA S.A. and subsidiaries, in which Agora holds a majority stake. They are executed by Members of Management Board of AGORA S.A., directors of businesses and members of governing bodies (Management Board, Supervisory Board, General Meeting of Shareholders) of each entity in which Agora holds a majority stake, as well as Legal Department of the capital group.

As a public company, Agora is under obligation to inform the market about any events relevant to Agora and entities in its capital group, that might affect the investment decisions of current or potential shareholders.

### **PRINCIPLES APPLICABLE TO AGORA GROUP**

As part of internal regulations Agora implemented: *Rules of access to confidential information* and *Agora procedure for the circulation of sensitive information*, as well as publication of dates of *Agora financial statements* and *Regulations for making exchange transactions* by persons who due to their position, they have access to confidential information and Rules of providing information to the *Financial Supervision Authority (KNF)* and *Agora*.

We ensure equal access to information. Hence all data falling under the following categories: confidential information, proprietary information, information of special importance, financial performance data and information about the results of particular projects, information about the strategy, organizational changes, motivation schemes and HR, new products or services, other corporate subjects, are protected and can only be made public in a procedure specified in *Agora SA Procedure for the Circulation of Sensitive Information*.

With respect to all employees of Agora Group, we take every measure to eliminate the possibility of conflict of interest or any actions that might violate the non-competition clause.

Our priorities are transparency in relations with the market, communications with shareholders and investors, as well as non-discrimination in providing access to information served in an accessible form. We make every effort to issue current and periodic reports, financial statements as well as Management Board reports on the operations of Agora and non-financial statements with proper diligence, timely and in accordance with international reporting standards. We develop and streamline channels of communication with stakeholders.

### **RULES OF COMMUNICATIONS**

We continue to take every measure to ensure communications consistency and equal access to information about Agora as a publicly listed company. To this end we have appointed individuals to handle contacts with the media and public relations communications, including the Corporate Communications Department. Employees and collaborators should not contact the media and pass any information about the company, comment Agora's business operations, also in their capacity as a private individual. Our information policy is determined by: General principles of contacts with the media for the employees and

## GOVERNING BODIES

The company's governing bodies are: Supervisory Board, Management Board and General Meeting of Shareholders. Competence scopes and codes regulating the operations of the governing bodies are detailed in the organization's Statutes available on [www.agora.pl](http://www.agora.pl).

## Organizational structure



## MANAGEMENT BOARD

The Management Board of Agora S.A. may comprise of three to six people. The Management Board operates on the daily basis according to the rules set out in the Company's Statute and its By-laws. Members of the Management Board meet regularly at least once a week on formal sessions. All decisions of the Management Board are made collectively. However, each member of the Management Board personally manages relevant areas of the Group's operations. In 2019 Management Board of Agora S.A. had five members.

## MANAGEMENT BOARD OF AGORA S.A. IN 2019

- Bartosz Hojka - President of Board,



- Tomasz Jagiełło - Member of MB,



- Agnieszka Sadowska - Member of MB,



- Anna Kryńska-Godlewska – Member of MB,



- Grzegorz Kania – Member of MB,



The composition of the Management Board has did not change until the publication date of the report – 13 March 2020.

## **BY-LAWS OF ORGANIZATION AND FUNCTIONING OF THE MANAGEMENT BOARD**

Operating principles of Management Board of AGORA S.A. are specified in *By-laws of Organization and Operation of the Management Board* – a document that specifies all rules

## **SUPERVISORY BOARD**

The Supervisory Board consists of minimum five and maximum six members. The rules governing the Supervisory Board's activities are set in details in the Company's Statutes.

### **supervisory board of AGORA S.A. until 12 June 2019:**

- Andrzej Szlęzak - Chairman of the Supervisory Board
- Wanda Rapaczynski - Member of SB
- Dariusz Formela - Member of SB
- Tomasz Sielicki - Member of SB
- Andrzej Dobosz- Member of SB
- Maciej Wiśniewski - Member of SB

### **Supervisory board of AGORA S.A. since 12 June 2019:**

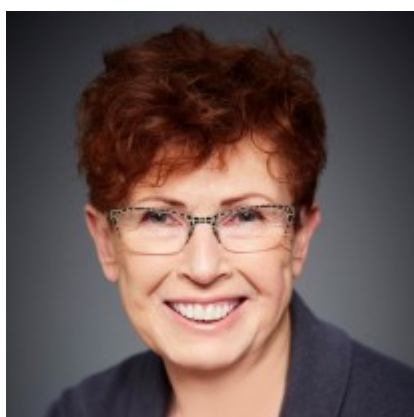
- Andrzej Szlęzak - Chairman of the Supervisory Board



- Tomasz Karusewicz - Member of SB
- Dariusz Formela - Member of SB



- Wanda Rapaczynski - Member of SB



- Tomasz Sielicki - Member of SB



- Maciej Wiśniewski - Member of SB



The composition of the Supervisory Board did not until the publication date of the report - 13 March 2020.

## **THE INDEPENDENCE CRITERIA FOR SUPER MEMBERS OF SUPERVISORY BOARD**

Members of Supervisory Board represent various areas of knowledge and have extensive professional experience, which allows them to view operations of the company and Agora Group at large from a broader perspective. Members of Supervisory Board are able to devote necessary time to fulfil their duties. Pursuant to the provisions of the company's statutes, at least half of the board members will meet the independence requirements set out in § 20, section 4. All members of the Supervisory Board of Agora S.A. meet the criteria of an independent Member of the Supervisory Board indicated in § 20, section 4 of the Company Statutes.

In accordance with their statements, the following Members of the Supervisory Board of Agora SA: Andrzej Szlęzak, Andrzej Dobosz, Dariusz Formela, Tomasz Sielicki, Maciej Wiśniewski, meet the independence criteria of a member of the Supervisory Board, defined by the European Commission in Annex II to the European Commission Recommendation 2005/162 / EC of on February 15, 2005 regarding the role of non-executive or supervisory directors of listed companies and committees of the (supervisory) board.

In line with the Code of Good Practices of WSE Listed Companies, at least two Members of Supervisory Board fulfil the independence requirement.

Members of Supervisory Board receive regular reports on all necessary information about the operations of Agora and Agora Group. Additionally, Agora provides Supervisory Board with access to professional, independent advisory services (within the financial capacity of the company) that might, as seen by Supervisory Board, be necessary to exercising effective supervision over the company.

Members of the Supervisory Board of Agora S.A. do not engage in a competitive activity against Agora SA. and they do not participate in a competitive company as a partner in a civil law partnership, partnership or as a member of the competitive body of a capital company or a member of the body of any competitive legal entity. They are not entered in the Register of Insolvent Debtors maintained pursuant to the Act on the National Court Register, nor have they been sentenced by a valid judgment for offenses specified in the provisions of the Penal Code and the Commercial Companies Code. Members of the Supervisory Board of Agora S.A. did not perform managerial or supervisory functions in entities which were in bankruptcy or liquidation during their term of office, were not deprived by the bankruptcy court of the right to run a business on their own account and as a member of the supervisory board, representative or proxy in a commercial company, state enterprise, cooperative, foundation or association.

# COMMITTEE AND COMMISSION ESTABLISHED WITHIN THE SUPERVISORY BOARD

There is one committee and one commission operating within the Supervisory Board: Audit Committee, and Human Resources and Remuneration Commission established in compliance with the Company Statutes, performing advisory role to the Supervisory Board. As at the date of submission of this Report (13 March 2020), the Committee and Commission are composed of the following members:

## AUDIT COMMITTEE:

- Dariusz Formela, Chairperson of the Audit Committee, an independent member of the Supervisory Board with knowledge and skills in the field of accounting acquired in the course of current professional activity,
- Tomasz Sielicki, a member of the Supervisory Board with knowledge about the business which the Company operates,
- Maciej Wiśniewski, an independent member of the Supervisory Board with knowledge and skills in the field of accounting acquired in the professional education in the Faculty of Finance and Banking at the Warsaw School of Economics and the Faculty of Finance at London Business School as well as in the course of current professional activity.

Competences and procedures of the Audit Committee were set with the By-laws of Audit Committee, is available on: [www.agora.pl](http://www.agora.pl). The Audit Committee is responsible for monitoring financial reporting of the Company and the Agora Group, as well as financial audit activities, performing supervisory functions with respect to monitoring of internal control systems, internal audit and risk management, and performing supervisory activities with respect to monitoring the independence of external auditors. In order to exercise its powers, the Audit Committee may require the Company to provide certain information on accounting, finance, internal audit and risk management that is necessary for the performance of the Audit Committee's activities, and may examine the Company's documents.

The meetings of the Audit Committee are convened when necessary, but at least four times per year. In 2019 the Audit Committee was convened ten times. Meetings of the Audit Committee are convened by its chairman on his own initiative or at the request of a member of the Audit Committee, as well as at the request of the Management Board, internal or external auditor.

Meetings of the Audit Committee may also be convened by the Chairman of the Supervisory Board. The Audit Committee submits to the Supervisory Board its motions, positions and recommendations in time for the Supervisory Board to take appropriate actions, as well as annual and half-yearly reports on its activities in a given financial year and an assessment



of the Company's situation in the areas within its competence.

## **HUMAN RESOURCES AND REMUNERATION COMMISSION:**

- Maciej Wiśniewski - Chairperson of the Human Resources and Remuneration Commission,
- Dariusz Formela,
- Tomasz Karusewicz,
- Andrzej Szlęzak.

In accordance with the By-laws of the Human Resources and Remuneration commission (available on [www.agora.pl](http://www.agora.pl)) responsibilities of the Commission include periodic assessment of the principles of remuneration of the Management Board members and providing the Supervisory Board with appropriate recommendations in this respect, making recommendations regarding the amount of remuneration and granting additional benefits to individual members of the Management Board for consideration by the Supervisory Board. When submitting the above recommendations to the Supervisory Board, the Commission should specify all forms of remuneration, in particular the fixed remuneration, the performance-based remuneration system and severance pay. Additionally, the Committee's competencies include advising the Supervisory Board on the selection criteria and the procedures for appointing Management Board members in cases provided for in the Company's Statutes, advising the Supervisory Board on the procedures to ensure proper succession of Management Board members in cases provided for in the Company's Statutes. Meetings of the Human Resources and Remuneration Commission are held as frequently as needed to ensure its proper operation, at least once a year. Meetings of the Commission are convened by its Chairperson on his/her own initiative or at the request of a member of the Commission, Supervisory Board or of the President of the Company's Management Board. Meetings of the Commission may also be convened by the Chairman of the Supervisory Board. The Commission submits to the Supervisory Board its motions, positions and recommendations in time for the Supervisory Board to take appropriate actions, as well as annual reports on its activities in a given financial year and an assessment of the Company's situation in the areas within its competence. Five meetings of the Commission were held in 2019.

## **GENDER STRUCTURE IN THE GOVERNING BODIES OF AGORA S.A.**

With respect to the diversity recommendation and equal membership of women and men in the governing bodies, Management Board of Agora pointed out that they do not have influence over the selection of their members. Under the diversity policy adopted by Agora Group, the choice of candidates to any positions is in the discretion of the Management Board and is determined primarily by criteria such as knowledge, experience and skills necessary for filling the position. Application of this principle to all employees of Agora Group allows for a healthy functioning of the organization and embracing new business challenges.

## AGORA Report 2019

Selection procedure for the Supervisory Board is specified in the Company's Statutes and other relevant laws and regulations. The Company has limited influence on the composition of the supervisory body as well as its activities. The procedure of appointing Members of the Management Board is also specified in the Statues of Agora Group. Only holders of A series shares have authority to nominate candidates. In the opinion of the company, priority criteria for selecting candidates are high qualifications, professional experience in Agora Group's core businesses and technical expertise to perform the responsibilities of Management Board Member.

Members of the Management Board have complementary experiences and skills. They are graduates of: Warsaw School of Economics, Silesian, Łódź and Edinburgh Universities, Wrocław Technical University, Warsaw Technical University, French Institute of Management, Harvard Business School (post-graduate courses), Wrocław University of Economics, School of Business of Warsaw Technical University.

It should be noted that the key aspect in the process of selecting governing executives and key managers is to ensure breadth and diversity, in particular in the area of professional experience, age, education and gender. The priorities are high qualifications and professional experience as well as expertise necessary to perform the function in question.

### **Gender structure in the governing bodies of agora S.A.**

#### **Gender structure in the governing bodies of agora S.A. - 2019**

	<b>Management Board</b>	<b>Supervisory Board</b>
As of end of year		
Men	3	5
Women	2	1

#### **Gender structure in the governing bodies of agora S.A. - 2018**

	<b>Management Board</b>	<b>Supervisory Board</b>
As of end of year		

	<b>Management Board</b>	<b>Supervisory Board</b>
Men	3	5
Women	2	1

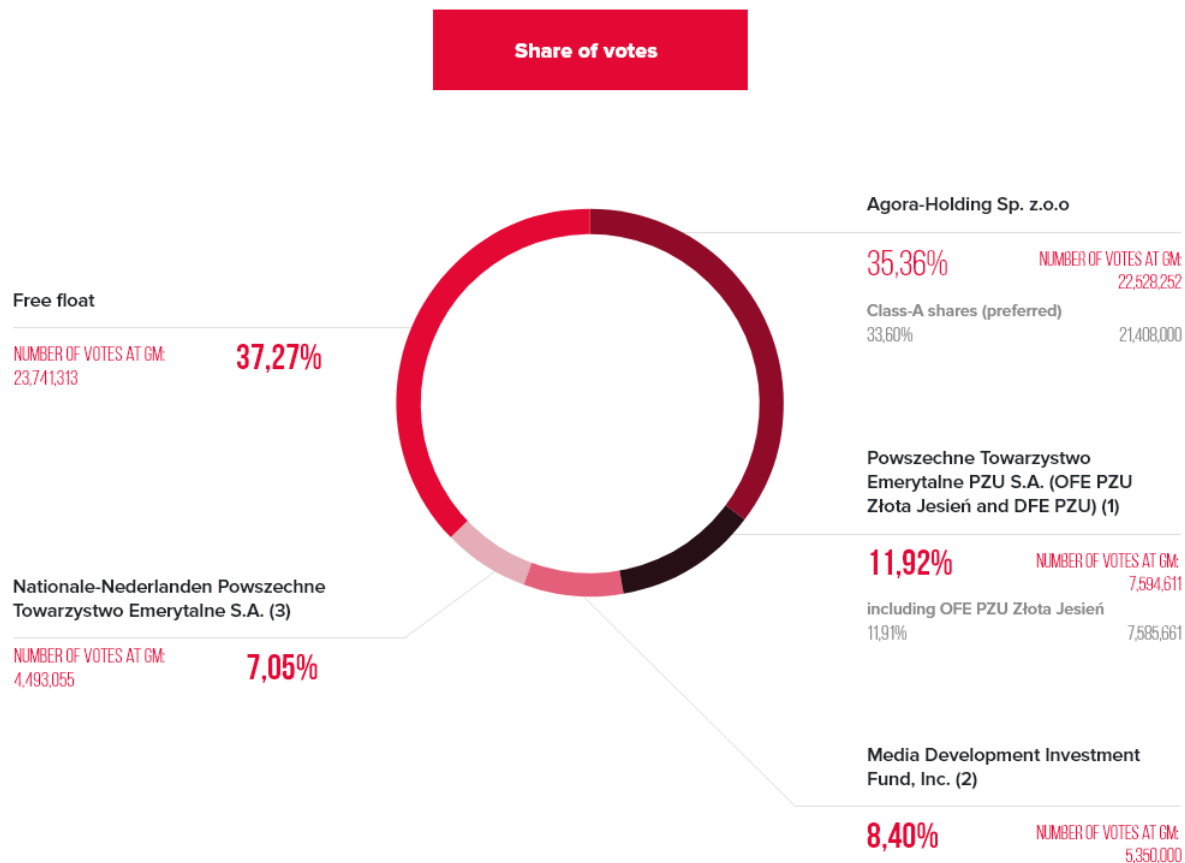
## **GENERAL MEETING OF SHAREHOLDERS**

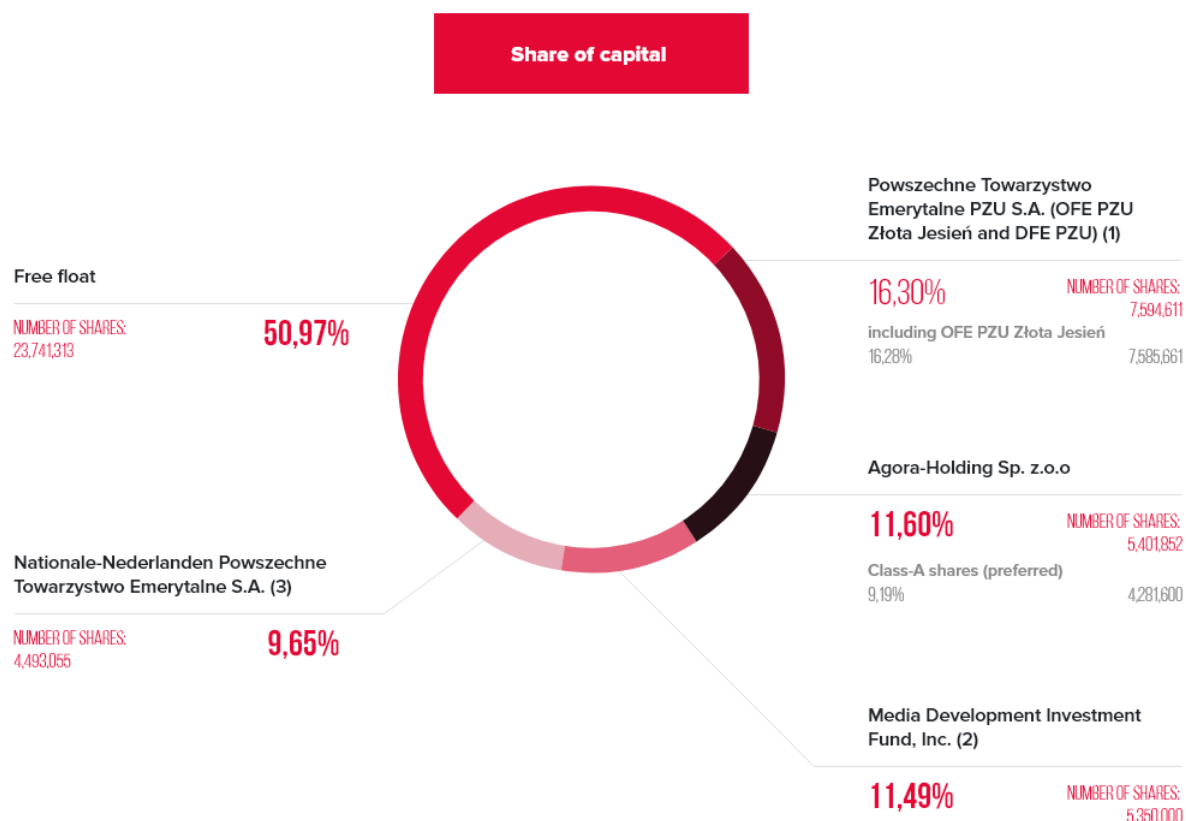
General Meeting of Shareholders of Agora S.A. is convened and arranged in accordance with the procedure and the rules provided for in the Commercial Companies Code, inter alia it approves the Company's financial statements decides about profit distribution or covering the loss, approves the performance of the members of the Company's governing bodies. The rules regarding the general meeting of shareholders are described in detail in §§ 13 - 17 of the Company's Statutes and the By-laws of the general meeting of shareholders (available on [www.agora.pl](http://www.agora.pl)). The Company informs about the dates of the consecutive general meetings of shareholders according to the law regulations, i.e. by the means of the regulatory filing.

## **SHAREHOLDERS**

According to the formal reports from shareholders, in particular under Article 69 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies, as of the day of the report the following shareholders were entitled to exercise over 5 percent of voting rights at the General Meeting of the Company.

### **Ownership structure**





(1) number of shares according to the shareholder's notification – as at 27 December 2012

(2) as in formal notification of 6 June 2016

(3) as in formal notification of 9 June 2016

As at 15 December 2017

\*proportion of voting rights and percentage of share capital of Agora S.A. were recalculated by the Company after registration of the reduction of Company's share capital on 23 August 2018.

Management Board of AGORA S.A. holds no information about contracts that might affect the distribution of shares among current shareholders in the future.