

Current report number 08/2023

Dated: 11th of May 2023

Subject: Content of the draft resolutions of the Ordinary Shareholders Meeting dated 6th June 2023.

General legal basis:

Offering Act, article 56 clause 1 item 2 – current and periodic information

Contents:

The Management Board of Arctic Paper S.A. („Company”) submits the content of the draft resolutions, which will be subject to discussion of the Ordinary Shareholders Meeting dated 6th of June 2023 – **attachment no.1.**

Concurrently with reference to the current report, the Company provides documents relevant to the resolutions, which were not previously disclosed to the public:

1. “Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for the year 2022” together with report of the independent auditor - **attachment no. 2.**
2. Report on the activities of the Supervisory Board of Arctic Paper S.A. in 2022 - **attachment no. 3.**

Legal basis for publication:

Minister of Finance directive of March 29, 2018 on current and periodic information provided by issuers of securities, and on conditions of equivalence of information required to be provided under non-Member State law, §19, clause 1, item 2.

DRAFTS OF THE RESOLUTIONS:

Secret ballot

**RESOLUTION No. 1/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: appointment of the Chairman of the Ordinary Shareholders Meeting

Acting pursuant to art. 409 § 1 of the Commercial Companies Code and pursuant to article 3 section 1 of the Rules of the Shareholders Meeting of Arctic Paper S.A., the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą („**Company**”) hereby adopted the following resolution (hereinafter the “**Resolution**”):

§ 1

[●] is appointed as the Chairman of the Ordinary Shareholders Meeting.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 1/2023:

Pursuant to art. 409 § 1 of the Commercial Companies Code, the Chairman of the Shareholders Meeting is elected from among the persons entitled to participate in the Ordinary Shareholders Meeting. According to point 3.1. of the Rules of the Shareholders Meeting of Arctic Paper S.A., the person opening the Shareholders Meeting immediately orders the election, in a secret ballot, of the Chairman of the Shareholders Meeting. The Chairman of the Shareholders Meeting is elected from among participants with the right to vote.

Therefore, adopting a resolution is of procedural nature and is necessary for the proper organization and course of the Shareholders Meeting.



**RESOLUTION No. 2/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: adoption of the agenda of the Shareholders Meeting

§ 1

Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą („**Company**”) hereby adopted the following agenda of the Shareholders Meeting of the Company, made public in accordance with art. 402² of the Commercial Companies Code,:

1. Opening the meeting and electing the Chairman of the Ordinary Shareholders Meeting;
2. Confirming that the Shareholders Meeting was convened correctly and is able to adopt resolutions;
3. Adopting the agenda;
4. Adopting a resolution on non-appointment of a Returning Committee of the Shareholders Meeting;
5. Adopting a resolution on the consideration and approval of the Management Board's report on the operations of the Company for the financial year 2022;
6. Adopting a resolution on the consideration and approval of the Company's financial statement for the financial year 2022;
7. Adoption of resolutions on consideration and approval of:
 - a) the Management Board's report on the operations of the Arctic Paper S.A. Capital Group for the financial year 2022;
 - b) consolidated financial statement of the Arctic Paper S.A. Capital Group along with non-financial information of the Arctic Paper S.A. Capital Group for the financial year 2022.
8. Introduction of the Supervisory Board's assessment of the Company's financial statement and the consolidated financial statement of the Arctic Paper S.A. Capital Group and the Management Board's report on the Company's operations and the Management Board's report on the operations of the Arctic Paper S.A. Capital Group. for the financial year 2022;
9. Consideration and approval of the report on the activities of the Supervisory Board of the Company for the financial year 2022;



ARCTIC PAPER

10. Adopting a resolution on the distribution of the Company's net profit for the financial year 2022;
11. Adoption of resolutions on the acknowledgment of performance of duties by the Management Board Members in the financial year 2022;
12. Adoption of resolutions on the acknowledgment of performance of duties by the Supervisory Board Members in the financial year 2022;
13. Introduction to the content of the Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for the year 2022 together with the Independent Auditor's Report on the performance of the remuneration report evaluation service;
14. Adoption of a resolution on issuing an opinion on the Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for the year 2022;
15. Adopting a resolution on the remuneration of members of the Supervisory Board;
16. Closing the meeting.

§ 2

The Resolution shall become effective upon adoption hereof.

Grounds to the draft resolution OSM No. 2/2023:

Pursuant to Art. 409 § 2 of the Commercial Companies Code and point 8.3 of the Rules of the Shareholders Meeting of Arctic Paper S.A. the Chairman of the Shareholders Meeting manages the course of the Shareholders Meeting in accordance with the adopted agenda. He may not, without the consent of the Shareholders Meeting, remove or change the order of items on the agenda.

Therefore, adopting a resolution is of procedural nature and is necessary for the proper organization of the Shareholders Meeting.



ARCTIC PAPER

Open ballot

**RESOLUTION No. 3/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: waiving the appointment of the Scrutiny Committee of the Shareholders Meeting

The Shareholders Meeting of of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution (hereinafter the "**Resolution**"):

§ 1

It is resolved to waive the appointment of the Scrutiny Committee while entrusting the Chairman of the Meeting with the Committee's duties in respect of the vote count.

§ 2

The Resolution shall become effective upon adoption hereof.

Grounds to the draft resolution OSM No. 3/2023:

Pursuant to point 12.4 of the Rules of the Shareholders Meeting of Arctic Paper S.A. voting may take place using the electronic cards method, and the votes do not have to be counted by Scrutiny Committee. Therefore, adopting a resolution is of procedural nature and is necessary for the proper organization of the General Meeting.



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Open ballot

**RESOLUTION No. 4/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: consideration and approval of the Management Board's report on the
operations of the Company for the financial year 2022**

Acting pursuant to art. 393 item 1 and art. 395 § 2 item 1 of the Commercial Companies Code and pursuant to art. 18 section 1 item a) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting, after consideration of the Management Board's report on the Company's operations in the financial year 2022, decided to approve the same.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 4/2023:

Pursuant to article 393 §1 and article 395 §2 point 1 of the Commercial Companies Code consideration and approval of the Management Board's report on the operations of Arctic Paper S.A. for the financial year 2021 is subject to consideration and approval by the Shareholders General Meeting.

On 28th of March 2023 the Supervisory Board of Arctic Paper S.A. has positively assessed the above-mentioned report as prepared in accordance with the applicable regulations and compliant with the books, documents and the actual state of affairs.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the Management Board's report on the activities of Arctic Paper S.A.



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Open ballot

**RESOLUTION No. 5/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: consideration and approval of the Company's financial statement for the
financial year 2022**

Acting pursuant to art. 393 item 1 and art. 395 § 2 item 1 of the Commercial Companies Code and pursuant to art. 18 section 1 item a) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą (**"Company"**) hereby adopted the following resolution(hereinafter the **"Resolution"**):

§ 1

The Shareholders Meeting, after consideration of the financial statements of the Company comprising introduction, statement of financial position, statement of profit and loss, statement of total comprehensive income, statement of changes in equity, statement of cash flow and additional explanatory notes for the financial year 2022, decided to approve the same.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 5/2023:

Pursuant to article 393 §1 and article 395 §2 point 1 of the Commercial Companies Code consideration and approval of the standalone financial statement of Arctic Paper S.A. for the financial year 2022 is subject to consideration and approval by the Shareholders Meeting.

On 28th of March 2023 the Supervisory Board of Arctic Paper S.A. has positively assessed the above-mentioned report as being correctly prepared in terms of content and form, compliant with the books and documents as well as with the actual state, and accurately reflecting the financial result and the financial situation of the Company in the financial year 2022.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the standalone financial statement of Arctic Paper S.A.



ARCTIC PAPER

Open ballot

**RESOLUTION No. 6/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: consideration and approval of the Management Board's report on the
operations of the Arctic Paper S.A. Capital Group for the financial year 2022**

Acting pursuant to art. 393 item 1 and art. 395 § 2 item 1 and art. 395 § 5 of the Commercial Companies Code, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting, after consideration of the of the Management Board's report on the operations of the Arctic Paper S.A. Capital Group for the financial year 2022, decided to approve the same.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 6/2023:

Pursuant to article 393 §1 and article. 395 §2 point 1 and article 395 §5 of the Commercial Companies Code consideration and approval of the Management Board's report on the operations of the Arctic Paper S.A. Capital Group for the financial year 2022 is subject to consideration and approval by the Shareholders Meeting.

On 28th of March 2023 the Supervisory Board of Arctic Paper S.A. has positively assessed the above-mentioned report as prepared in accordance with the applicable regulations on activity reports and compliant with the books, documents and the actual state of affairs. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the Management Board's report on the operations of the Arctic Paper S.A. Capital Group.



**RESOLUTION No. 7/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: consideration and approval of consolidated financial statement of the
Arctic Paper S.A. Capital Group along with non-financial information of the Arctic
Paper S.A. Capital Group for the financial year 2022**

Acting pursuant to art. 393 item 1 and art. 395 § 2 item 1 and art. 395 § 5 of the Commercial Companies Code, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting, after consideration of consolidated financial statement of the Arctic Paper S.A. Capital Group along with non-financial information of the Arctic Paper S.A. Capital Group for the financial year 2022, decided to approve the same.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 7/2023:

Pursuant to art. 393 §1 and art. 395 §2 point 1 and art. 395 §5 of the Commercial Companies Code review and approval of the consolidated financial statement of the Arctic Paper S.A. Capital Group for the financial year 2022 is subject to consideration and approval by the Shareholders Meeting.

On 28th of March 2023 the Supervisory Board of Arctic Paper S.A. has positively assessed the above-mentioned report as being correctly prepared in terms of content and form, compliant with the books and documents as well as with the actual state, and accurately reflecting the financial result and the financial situation of the Company in the financial year 2022.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the consolidated financial statement of the Arctic Paper S.A. Capital Group.



ARCTIC PAPER

Open ballot

**RESOLUTION No. 8/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: Consideration and approval of the report on the activities of the
Supervisory Board of the Company for the financial year 2022**

Acting pursuant to art. 382 §3 of the Commercial Companies Code and art. 15 section 2 of the of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting, after consideration of the report on the activities of the Supervisory Board of the Company for the financial year 2022, decided to approve the same.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 8/2023:

Pursuant to art. 382 §3 of the Commercial Companies Code and point 15.2 of the Articles of Association, the Supervisory Board submits to the Shareholders meeting an annual written report on the results of the assessment of financial statements in terms of their compliance with the books and documents, as well as with the actual state of affairs, and the management board's motions regarding the distribution of profit or coverage of loss.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the Report on the activities of the Supervisory Board of Arctic Paper S.A.



Open ballot

**RESOLUTION No. 9/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: the distribution of the Company's net profit for the financial year 2022

Acting pursuant to art. 395 § 2 item 2 of the Commercial Companies Code and pursuant to art. 18 section 1 item c) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting, having reviewed the motion of the Management Board regarding the payment of dividend, decides to allocate part of the Company's net profit for the financial year 2022, in the amount of PLN 187,077,014.10 (in words: one hundred eighty seven million seventy seven thousand fourteen zlotys 10/100) for payment of dividend among the Company's shareholders.

The dividend per share will amount to PLN 2.70 gross (say: two zlotys and seventy groszy). The remaining part of the Company's net profit, in the amount of PLN 35,829,075.47 (say: thirty-five million eight hundred and twenty-nine thousand seventy-five zlotys 47/100) will be allocated to the Company's supplementary capital.

§ 2

The dividend day is 15th of June 2023 and dividend payment date is 21st of June 2023.

§ 3

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 9/2023:

On 15th of February 2023, in the current report no. 3/2023, the Management Board of Arctic Paper S.A. informed about the intention to recommend to the Shareholders Meeting of the Company the payment of dividend in the amount of PLN 2.70 gross per share. On 9th of May 2023, the Management Board of the Company informed in the current report no. 5/2023 about the adoption by the Supervisory Board of the Company of a resolution approving the submission to the Shareholders Meeting of the recommendation of the Management Board of the Company regarding the payment of dividend to shareholders. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting in order to approve the recommended profit distribution.

Secret ballot

**RESOLUTION No. 10/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: acknowledgment of performance of duties by a Management Board
Member**

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mr. Michał Jarczyński, in connection with the performance of the function of the President of the Management Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 10/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. , after analyzing and assessing the standalone and consolidated financial statement and the report on the activities of the Company and the Capital Group, recommends the Shareholders Meeting of the Company to grant a vote of approval for the performance of duties in the financial year 2022 to Mr. Michał Jarczyński.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



**RESOLUTION No. 11/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

**regarding: acknowledgment of performance of duties by a Management Board
Member**

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mr. Göran Eklund, in connection with the performance of the function of the Member of the Management Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 11/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. , after analyzing and assessing the standalone and consolidated financial statement and the report on the activities of the Company and the Capital Group, recommends the Shareholders Meeting of the Company to grant a vote of approval for the performance of duties in the financial year 2022 to Mr. Göran Eklund.

Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



ARCTIC PAPER

Secret ballot

**RESOLUTION No. 12/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: acknowledgment of performance of duties by a Supervisory Board Member

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą ("**Company**") hereby adopted the following resolution(hereinafter the "**Resolution**"):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mr. Per Lundeen, in connection with the performance of the function of the Chairman of the Supervisory Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 12/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. in the financial year 2022, has performed tasks in accordance with generally applicable laws, including the Code of Commercial Companies, as well as the Articles of Association and the Best Practices of WSE Listed Companies, and submitted a request to the Shareholders Meeting to grant a vote of approval for the performance of duties to members of the Supervisory Board in the financial year 2022. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



**RESOLUTION No. 13/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: acknowledgment of performance of duties by a Supervisory Board Member

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą (**"Company"**) hereby adopted the following resolution (hereinafter the **"Resolution"**):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mr. Thomas Onstad, in connection with the performance of the function of the Member of the Supervisory Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 13/2022:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. in the financial year 2022, has performed tasks in accordance with generally applicable laws, including the Code of Commercial Companies, as well as the Articles of Association and the Best Practices of WSE Listed Companies, and submitted a request to the Shareholders Meeting to grant a vote of approval for the performance of duties to members of the Supervisory Board in the financial year 2022. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



ARCTIC PAPER

Secret ballot

**RESOLUTION No. 14/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: acknowledgment of performance of duties by a Supervisory Board Member

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą (**"Company"**) hereby adopted the following resolution(hereinafter the **"Resolution"**):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mr. Roger Mattsson, in connection with the performance of the function of the Member of the Supervisory Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 14/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. in the financial year 2022, has performed tasks in accordance with generally applicable laws, including the Code of Commercial Companies, as well as the Articles of Association and the Best Practices of WSE Listed Companies, and submitted a request to the Shareholders Meeting to grant a vote of approval for the performance of duties to members of the Supervisory Board in the financial year 2022. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



**RESOLUTION No. 15/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: acknowledgment of performance of duties by a Supervisory Board Member

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą (**“Company”**) hereby adopted the following resolution(hereinafter the **“Resolution”**):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mrs. Zofia Dzik, in connection with the performance of the function of the Member of the Supervisory Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 15/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. in the financial year 2022, has performed tasks in accordance with generally applicable laws, including the Code of Commercial Companies, as well as the Articles of Association and the Best Practices of WSE Listed Companies, and submitted a request to the Shareholders Meeting to grant a vote of approval for the performance of duties to members of the Supervisory Board in the financial year 2022. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.



**RESOLUTION No. 16/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: acknowledgment of performance of duties by a Supervisory Board Member

Acting pursuant to art. 393 item 1 i art. 395 § 2 item 3 of the Commercial Companies Code and pursuant to art. 18 section 1 item b) of the Articles of Association, the Shareholders Meeting of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą (**"Company"**) hereby adopted the following resolution(hereinafter the **"Resolution"**):

§ 1

The Shareholders Meeting of the Company grants a vote of approval for the performance of duties in the financial year 2022 to Mrs. Anna Jakubowski, in connection with the performance of the function of the Member of the Supervisory Board of the Company in the period from 1st of January 2022 until 31st of December 2022.

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 16/2023:

The subject of the Shareholders Meeting is to acknowledge the fulfillment of duties by members of the company's governing bodies. Supervisory Board of Arctic Paper S.A. in the financial year 2022, has performed tasks in accordance with generally applicable laws, including the Code of Commercial Companies, as well as the Articles of Association and the Best Practices of WSE Listed Companies, and submitted a request to the Shareholders Meeting to grant a vote of approval for the performance of duties to members of the Supervisory Board in the financial year 2022. Therefore, it is necessary to submit this draft resolution to the Shareholders Meeting for the purpose of granting a vote of approval.

Open ballot

**RESOLUTION No. 17/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: adoption of a resolution on issuing an opinion on the “Remuneration report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for the year 2022”

Acting pursuant to art. 90g section 1 and section 6 of the Act of July 29, 2005 on public offering and the conditions for introducing financial instruments to an organized trading system and on public companies (Journal of Laws of 2021, item 1983, as amended), the Shareholders Meeting of Arctic Paper S.A. based in Kostrzyn nad Odrą ("**Company**") hereby adopts the following resolution (hereinafter: the "**Resolution**"):

§ 1

The Shareholders Meeting of the Company gives a positive opinion on the "Remuneration report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for the year 2022".

§ 2

The resolution shall become effective in the date of adoption hereof.

Grounds to the draft resolution OSM No. 17/2023:

On 31 August 2020 by resolution no. 18/2020 the Shareholders Meeting of Arctic Paper S.A. has approved “Remuneration Policy for the Members of the Management Board and Supervisory Board of Arctic Paper S.A.”

In accordance with Art. 7.1 of the Policy, the Supervisory Board shall annually prepare a Remuneration Report in order to provide the Shareholders Meeting with an information on the remuneration received in the preceding financial year by the Management Board and the Supervisory Board of the Company. The report is reviewed by the auditor. Report of the independent auditor on the performance of the service giving reasonable assurance for the assessment of the remuneration report is attached to current report no 8/2023 – “Content of the draft resolutions of the Ordinary Shareholders Meeting dated 6th of June 2023, attachment no.2”.

The Supervisory Board has prepared a remuneration report for year 2022. Pursuant to Art. 90 g item 6 of the Act on public offering and the conditions for introducing financial instruments to an organized trading system and on public companies, the Shareholders Meeting adopts a resolution on the remuneration report. The resolution is of an advisory nature.

In 2022, the Company did not apply deviations from the Remuneration Policy, deviations from its temporary application, or deviations from the procedure for implementing the Policy.



**RESOLUTION No. 18/2023
of the Ordinary Shareholders Meeting of
Arctic Paper S.A.
6th of June 2023**

regarding: remuneration of members of the Supervisory Board

Acting pursuant to point 6 item 3 of Bylaws of Supervisory Board of Arctic Paper S.A. and art. 392 of the Commercial Companies Code, the Shareholders Meeting of Arctic Paper S.A. based in Kostrzyn nad Odrą ("**Company**") hereby adopts the following resolution (hereinafter: the "**Resolution**"):

§ 1

The following monthly remuneration of the members of the Supervisory Board of Arctic Paper S.A. shall be fixed:

- 1) Chairman of the Supervisory Board – 24,000.00 zł (in words: twenty four thousand złotych) gross,
- 2) Member of the Supervisory Board – 12,000.00 zł (in words: twelve thousand złotych) gross,
- 3) Member of the Supervisory Board (including the Chairman of the Supervisory Board) for sitting on each of the committees of the Supervisory Board – 3,000.00 zł (in words: three thousand złotych) gross.

§ 2

- 1) The remuneration shall be paid in arrears by the 10th day of the month directly following the month to which the remuneration applies.
- 2) The remuneration is calculated pro rata to the number of days in office in the case when the appointment or the recall occurred during the calendar month.
- 3) The remuneration of the Supervisory Board member (including the Chairman of the Supervisory Board) is charged to the operating expenses of the Company. The Company also incurs other costs related to the performance of duties by the Supervisory Board members (including the Chairman of the Supervisory Board).

§ 3

The Resolution shall become effective upon adoption hereof.

Grounds to the draft resolution OSM No. 18/2023:

In accordance with §6 point 3 of the Remuneration Policy of Members of the Management Board and Supervisory Board of Arctic Paper S.A. the remuneration of members of the Supervisory Board is determined by the General Meeting in the form of resolution.

**Remuneration Report
of Members of the Management Board and Supervisory Board
of Arctic Paper S.A.
for year 2022**

The binding Remuneration Policy for the Members of the Management Board and Supervisory Board of Arctic Paper S.A. ("the Company", "the Policy") was approved on 31 August 2020 by Resolution No. 18 of the Annual General Meeting of Shareholders of Arctic Paper S.A.

In accordance with Art. 7.1 of the Policy, the Supervisory Board shall annually prepare a Remuneration Report in order to provide the General Meeting with information on the remuneration received in the preceding financial year by the Management Board and the Supervisory Board of the Company. The report is reviewed by the auditor.

The General Meeting shall adopt a resolution with an opinion on the remuneration report. The nature of such resolution is advisory.

In 2021 the Supervisory Board of Arctic Paper S.A. prepared first remuneration report for 2019 and 2020 combined.

On 20th April, 2022 the Supervisory Board has adopted "Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for year 2021" and recommended its submission to the Annual General Meeting of the Company.

"Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for year 2021" was assessed by Grant Thornton Polska spółka z ograniczoną odpowiedzialnością sp. k.. On 22nd April 2022 the auditor has issued a report with an opinion on the Remuneration Report which was enclosed to the draft of the resolution of the Annual General Meeting. On 22nd June 2022 the Annual General Meeting of Arctic Paper S.A. by Resolution No. 19/2022, expressed its positive opinion on the submitted report.

In 2022, the Company did not apply deviations from the Remuneration Policy, deviations from its temporary application, or deviations from the procedure for implementing the Policy.

The current version of the Policy is available on the website of Arctic Paper S.A.

All values presented in the report are expressed in Polish zlotys.

I. Components of the remuneration of the Management Board and the Supervisory Board in 2022

1.1 Management Board

In reference to §4 point 7 of Remuneration Policy, the remuneration of the Members of the Management Board of Arctic Paper S.A. consists of the following elements:

- Fixed remuneration – due to the members of the Management Board of Arctic Paper S.A. for the function they hold;
- Variable remuneration – rewards for achieving short, medium or long-term objectives in line with the Company's strategy;
- Additional benefits – including those not directly of a pecuniary nature, allowances and benefits such as: use of a company car (including for private purposes), co-financing of health care (including for immediate family members such as spouse and minor children), coverage of premiums under life insurance contracts and D&O (Directors&Officers) liability insurance contracts.

Fixed Remuneration shall be the only mandatory part of remuneration disbursed to the Members of the Management Board of Arctic Paper S.A. In 2022, the remuneration of Management Board of Arctic Paper S.A. consisted of fixed remuneration and variable remuneration.

1.2 Supervisory Board

In 2022, the remuneration of the Supervisory Board of Arctic Paper S.A. consisted exclusively of fixed remuneration based on the appointment as Chairman of the Supervisory Board or Member of the Supervisory Board by the General Meeting of Shareholders of the Company ("General Meeting").

Members of the Supervisory Board who serve on committees of the Supervisory Board are entitled to additional monthly remuneration in an amount to be determined by the General Meeting by resolution.

II. Total remuneration

2.1 Management Board

Remuneration charged at Arctic Paper S.A. in 2022

Management Board	Fixed remuneration for performance of duties	Variable remuneration	Additional benefits	TOTAL
Michał Jarczyński – President of the Management Board	803 375	316 250	-	1 119 625
Göran Eklund – Member of the Management Board	26 347	-	-	26 347
TOTAL	829 722	316 250	-	1 145 972

Proportions of individual remuneration components

Management Board	Fixed remuneration for performance of duties	Variable remuneration	Additional benefits	TOTAL
Michał Jarczyński – President of the Management Board	72%	28%	-	100%
Göran Eklund – Member of the Management Board	100%	-	-	100%
TOTAL	72%	28%	-	100%

The remuneration of the Management Board of Arctic Paper S.A. in 2022 consisted of 72 % fixed remuneration by virtue of appointment, the amount of which was determined respectively by Resolutions of the Supervisory Board of Arctic Paper S.A. No. 03/08/2017 of 30 August 2017 on the remuneration of the Member of the Management Board and No. 03/12/2018 of 10 December 2018 on the remuneration of the President of the Management Board and employment agreement concluded with President of the Management Board on 1st October 2022.

The variable remuneration represented 28% of the total remuneration of the Management Board in 2022.

In accordance with the Remuneration Policy, the value of the variable remuneration of the President of the Management Board of Arctic Paper S.A. in 2022 did not exceed 50% of the gross Fixed Remuneration for the year.

The allocation of variable remuneration to the members of the Management Board is based on the result of the Supervisory Board's assessment of their work efficiency and the achievement of the objectives set. The selection of indicators (as well as their level of detail) for individual Board Members is considered on an individual basis, taking into account their scope of duties and responsibilities.

The amount of the variable remuneration shall be determined in particular on the basis of

- Quantitative indicators e.g. specific levels of financial indicators;
- Targeted indicators e.g. implementation of investment, financial, modernisation and environmental projects.

The remuneration of the members of the Management Board of Arctic Paper S.A. did not include cash or non-cash benefits granted to the close relatives of members of the Management Board of Arctic Paper S.A.

2.2 Supervisory Board

The only component of the remuneration of the Supervisory Board of Arctic Paper S.A. in 2022 was cash remuneration on appointment. The remuneration is based on Resolution No. 20/2022 of the Annual General Meeting of the Company of 22 June 2022 on the determination of the principles and amount of remuneration of the Members of the Supervisory Board of the Company.

Remuneration charged at Arctic Paper S.A. in 2022

Supervisory Board	Cash remuneration on appointment	Additional cash remuneration	TOTAL
Per Lundeen – Chairman of the SVB	340 057	-	340 057
Thomas Onstad – Member of the SVB	161 970	-	161 970
Roger Mattsson – Member of the SVB	227 010	-	227 010
Zofia Dzik – Member of the SVB	199 326	-	199 326
Anna Jakubowski – Member of the SVB	169 999	-	169 999
TOTAL	1 098 361	-	1 098 361

Proportions of individual remuneration components

Supervisory Board	Cash remuneration on appointment	Additional cash remuneration	TOTAL
Per Lundeen – Chairman of the SVB	100%	-	100%
Thomas Onstad – Member of the SVB	100%	-	100%
Roger Mattsson – Member of the SVB	100%	-	100%
Zofia Dzik - Member of the SVB	100%	-	100%
Anna Jakubowski – Member of the SVB	100%	-	100%
TOTAL	100%	-	100%

The remuneration of the members of the Supervisory Board of Arctic Paper S.A. did not include cash or non-cash benefits granted to the close relatives of members of the Supervisory Board of Arctic Paper S.A.

III. Compatibility of the remuneration of the members of the Management Board and Supervisory Board with the adopted Remuneration Policy, including how it contributes to the Company's long-term performance.

The current Remuneration Policy has been in force in Arctic Paper S.A. since 31 August 2020. The remunerations paid so far to the Members of the Management Board and the Supervisory Board of Arctic Paper S.A. meet the requirements of the adopted Remuneration Policy.

The remuneration of the Members of the Management Board and the Supervisory Board of Arctic Paper S.A. is awarded and paid in the form provided for by the Remuneration Policy.

The remuneration of the Members of the Management Board and the Supervisory Board of Arctic Paper S.A. contributes to the implementation of the business strategy and the long-term development of the Arctic Paper S.A. group, among other things, through adequate remuneration, which is determined based on the scope of duties performed and the competence and experience required to properly manage and supervise the Company.

The amount of remuneration of the Members of the Management Board and the Supervisory Board of Arctic Paper S.A. takes into account the current financial situation of the Company and its size and business environment.

IV. Information on how the performance criteria were applied.

The objectives set for the implementation by the members of the Management Board may be non-financial (e.g. qualitative indicators, purposeful indicators – process improvements, involvement, innovations) or financial (e.g. the Company's results, specific levels of particular financial indicators). The performance evaluation forms the basis for determining the individual level of variable remuneration.

Performance evaluation, which includes financial and non-financial criteria, takes place annually. The Remuneration Committee makes a recommendation to the Supervisory Board on the value of the variable remuneration of the members of the Management Board. The final decision on the amount of the annual bonus awarded to individual members of the Management Board is taken by the Supervisory Board.

V. Information on changes, on an annual basis, in remuneration, the Company's results and the average remuneration of the Company's employees who are not members of the Management Board or the Supervisory Board.

	2018	2019		2020		2021		2022	
Fixed remuneration of Members of Supervisory Board Arctic Paper S.A.	Amount	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Per Lundeen	300 321	300 000	0%	300 000	0%	300 000	0%	340 057	13%
Thomas Onstad	150 000	150 000	0%	150 794	1%	150 000	-1%	161 970	8%
Roger Mattsson	210 000	210 000	0%	210 000	0%	210 000	0%	227 010	8%
Mariusz Grendowicz (till 22.06.2021)	180 252	180 000	0%	181 906	1%	87 919	*	-	-
Dorota Raben (from 28.05.2019 till 22.06.2021)	-	84 881	-	155 223	*	71 667	*	-	-
Maciej Georg (till 28.05.2019)	150 000	62 500	*	-	-	-	-	-	-
Zofia Dzik (from 22.06.2021)	-	-	-	-	-	87 692	*	199 326	*
Anna Jakubowski (from 22.06.2021)	-	-	-	-	-	75 177	*	169 999	*
Fixed and variable remuneration of Members of Management Board Arctic Paper S.A.	2018	2019		2020		2021		2022	
	Amount	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Michał Jarczyński (from 01.02.2019)	-	660 000	-	1 011 702	53%	1 454 448	44%	1 119 625	-23%
Göran Eklund (from 01.09.2017)	1 012 852	1 175 964	16%	1 403 495	19%	1 511 232	8%	1 495 890	-1%
Per Skoglund (till 31.01.2019)	3 925 570	138 316	*	-	-	-	-	-	-
Average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board	15 218	9 824	-35%	12 664	29%	14 636	16%	14 589	0%
Consolidated revenue in thousands PLN	3 158 210	3 117 118	-1,3%	2 847 450	-8,7%	3 412 576	19,8%	4 894 276	43,4%

*no comparability of data for individual years due to the performance of the function by the member only for a part of the financial year

VI. Amount of remuneration from entities belonging to the Arctic Paper S.A. Capital Group.

6.1 Management Board

2022

Michał Jarczyński - Arctic Paper Kostrzyn S.A.	724 200
Michał Jarczyński - Arctic Paper Munkedals AB	39 699
Michał Jarczyński - Arctic Paper Grycksbo AB	39 699
Göran Eklund - Arctic Paper Munkedals AB	1 469 543

6.2. Supervisory Board

2022

Per Lundeen – Arctic Paper Munkedals AB	58 748
Per Lundeen – Arctic Paper Grycksbo AB	69 142
Per Lundeen - Rottneros AB	264 660
Roger Mattsson - Rottneros AB	132 330

In 2022, the other Members of the Supervisory Board did not receive remuneration from entities belonging to the Arctic Paper S.A. Capital Group.

VII. The number of financial instruments granted or offered and the main conditions for the exercise of the rights attached to those instruments, including the price and exercise date and any modification thereof.

Arctic Paper S.A. does not envisage granting or offering financial instruments.

VIII. Information on the use of the option to claim back variable remuneration components.

In accordance with the Remuneration Policy, the Company assumes the possibility of recovery and also of deferring the granting or payment of the Variable Remuneration, in the event of:

- a) violation of a non-compete prohibition while holding a function of a Member of the Management Board and after a year following the end of a legal relation binding a Member of the Management Board and the Company;
- b) the disclosure of irregularities in the management of the Company resulting in damage;

No circumstances have arisen in 2022 that would justify the exercise of the option to seek repayment or defer the award or payment of the Variable Remuneration.

IX. Information on deviations from the procedure for implementing the Remuneration Policy.

To the knowledge of the Supervisory Board, there have been no deviations from the procedure for implementing the Remuneration Policy

[signatures on the following page]

PODPISY / SIGNATURES

Per Lundeen

Thomas Onstad

Zofia Dzik

Anna Jakubowski

Roger Mattsson

Independent auditor's report on a reasonable assurance engagement on the assessment of a remuneration report

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For Shareholders and the Supervisory Board of Arctic Paper S.A.

We have been engaged to assess the attached remuneration report of Arctic Paper S.A. (Company) with its registered office in Kostrzyn nad Odrą for the year 2022 as regards the completeness of the information included therein, required pursuant to Article 90g sections 1-5 and 8 of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading and on public companies (consolidated text: Journal of Laws of 2022, item 2554) (Public Offering Act).

Identification of the criteria and description of the subject matter of the engagement

The remuneration report was prepared by the Company's Supervisory Board in order to meet the requirements of Article 90g section 1 of the Public Offering Act. The applicable requirements for the remuneration report are set out in the Public Offering Act.

The requirements described in the preceding sentence set out the basis for the preparation of a remuneration report and, in our opinion, constitute appropriate criteria for us to make a conclusion that provides reasonable assurance.

In accordance with the requirements of Article 90g section 10 of the Public Offering Act, a remuneration report shall be assessed by a statutory auditor as regards the inclusion of information required under Article 90g section 1-5 and 8 of the Public Offering Act. This report fulfils the above requirement.

The statutory auditor's assessment which forms the basis for us to make a conclusion that provides reasonable assurance, as referred to in the preceding sentence, shall be understood as an assessment of whether the scope of information presented in the remuneration report is complete, in all material respects, and whether the information has been disclosed in sufficient detail required by the Public Offering Act.

Responsibility of the Supervisory Board Members

In accordance with the Public Offering Act, Members of the Company's Supervisory Board are responsible for preparing a remuneration report in accordance with applicable laws, in particular for the completeness of the report and for the information contained there.

The Supervisory Board's responsibility also includes the design, implementation and maintenance of an internal control system ensuring the preparation of a complete remuneration report free from material misstatements due to fraud or error.

Auditor's responsibility

Our objective was to assess the completeness of the information contained in the attached remuneration report against the criterion set out in the *Identification of the criteria and description of the subject matter of the engagement* section and to express, on the basis of the evidence obtained, an independent conclusion on the performed reasonable assurance engagement.

We completed the engagement in accordance with the regulations of the National Standard for Assurance Engagements other than Audits or Reviews 3000 (R) in the wording of International Standard on Assurance Engagements (ISAE) 3000 (revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, adopted by resolution of the National Chamber of Statutory Auditors No 3436/52e/2019 of 8 April 2019, as amended (NSAE 3000 (R)).

The standard imposes on a statutory auditor an obligation to plan and perform procedures in such a manner as to obtain reasonable assurance that a remuneration report has been prepared in accordance with the specified criteria.

Reasonable assurance means a high level of assurance, but it does not guarantee that an engagement performed in accordance with NSAE 3000 (R) would always detect an existing material misstatement.

The selection of the procedures depends on the statutory auditor's judgement, including their estimation of the risks of material misstatement, whether due to fraud or error. When assessing the risk, the statutory auditor considers internal control associated with the preparation of a complete report in order to plan the relevant procedures which are to provide the auditor with sufficient and appropriate evidence. The assessment of the functioning of the internal control system was not conducted for the purpose of expressing a conclusion on the effectiveness of its operation.

Summary of work performed and limitations of our procedures

The procedures planned and performed by us included in particular:

- reading the content of the remuneration report and comparing the information contained therein with the applicable requirements,
- reading the resolutions of the Company's General Meeting concerning the remuneration policy for Members of the Management Board and the Supervisory Board, as well as the Supervisory Board's resolutions that further specify the above resolutions,
- preparation (by comparison with corporate documents) of a list of persons for whom information is required to be included in the remuneration report and determining (by enquiring the persons responsible for preparing the report and, where we deemed it appropriate, also directly the persons subject to the requirement to include information) whether all information required in the criteria has been disclosed.

Our procedures were only aimed at obtaining evidence that the information provided by the Supervisory Board in the remuneration report complies (in terms of its completeness) with the applicable requirements. Our work was not intended to assess the sufficiency of the information contained in the remuneration report in terms of the purpose of preparation of remuneration report, nor to assess the correctness and accuracy of the information contained there, in particular as regards the amounts disclosed, including the previous years' estimates, figures, dates, inclusion in the breakdown, allocation methods, compliance with the adopted remuneration policy.

The remuneration report was not audited within the meaning of the National Auditing Standards. During our assurance procedures, we did not audit or review the information used to prepare the remuneration report and, therefore, we are not responsible for issuing or updating any reports or opinions on the Company's historical financial information.

We believe that the evidence we have obtained provides sufficient and appropriate basis for us to express the following conclusion.

Ethical requirements, including independence

In performing the engagement, the statutory auditor and the audit firm complied with the requirements of independence and other ethical requirements set out in the *International Code of Ethics for Professional Accountants* (including the *International Independence Standards*) of the International Ethics Standards Board for Accountants, adopted by Resolution No 3431/52a/2019 of the National Chamber of Statutory Auditors of 25 March 2019 on the principles of professional ethics of statutory auditors (IESBA Code). The IESBA Code is based on fundamental principles relating to integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We also complied with other independence and ethical requirements that apply to this assurance engagement in Poland.

Quality management requirements

The audit firm applies national quality control standards in the wording adopted by resolution of the Council of the Polish Audit Oversight Agency No 38/I/2022 of November 15, 2022, which requires the audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

The statutory auditor's conclusion is based on the considerations described above, therefore, the conclusion should be read in the light of these considerations.

In our opinion, the attached remuneration report contains, in all material respects, all the elements listed in Article 90g sections 1-5 and 8 of the Public Offering Act.

Limitation of use

This report has been prepared by Grant Thornton Polska Prosta spółka akcyjna (Grant Thornton) for the General Meeting of Shareholders and the Supervisory Board of the Company and is intended solely for the purpose described in the *Identification of the criteria and description of the subject matter of the engagement* section and should not be used for any other purposes.

Therefore, Grant Thornton assumes no liability associated with this report and arising out of any contractual or non-contractual relationship (including due to negligence) towards third parties in the context of this report. This does not release us from liability in situations where such release is excluded by operation of law.

Elżbieta Grześkowiak

Statutory auditor No. 5014 performing the engagement on behalf of
Grant Thornton Polska Prosta spółka akcyjna,
Poznań, ul. Abpa Antoniego Baraniaka 88 E, Audit Firm No. 4055

Poznań, 9th May 2023

REPORT ON THE ACTIVITIES OF THE SUPERVISORY BOARD

of ARCTIC PAPER S.A.(“the Company”, “Arctic Paper”) in 2022

The Supervisory Board presents a report on its activities in the financial year 2022, including in particular the results of the assessment of the Management Board's report on the Company's operations in the financial year 2022, the Company's financial statements for 2022, and the evaluation of the Supervisory Board, including the internal control system, the management of material risks for the Company and the internal audit function.

1. Composition of the Supervisory Board and Management Board of the Company

As of 31st of December 2022, the Supervisory Board was composed of:

- Per Lundeen – Chairman of the Supervisory Board appointed on 14th of September 2016,
- Roger Mattsson – Vice-Chairman of the Supervisory Board appointed on 16th of September 2014,
- Thomas Onstad – Member of the Supervisory Board appointed on 22nd of October 2008,
- Zofia Dzik – Member of the Supervisory Board appointed 22nd of June 2021 (an independent member),
- Anna Jakubowski – Member of the Supervisory Board appointed on 22nd of June 2021(an independent member).

The independence of Mrs Anna Jakubowski and Mrs Zofia Dzik has been verified based on the submitted declaration on meeting the independence criteria of members of the supervisory board within the meaning of Annex II to the Recommendation of the European Commission of 15th of February 2005 on the role of non-executive directors or supervisory board members of listed companies and committees of the supervisory board), taking into account the provisions of Rules 2.3 "Best Practices of Companies Listed on the Warsaw Stock Exchange 2021" and the independence criteria indicated in art. 129 section 3 of the Act on statutory auditors, auditing companies and public supervision (Journal of Laws 2020, item 1415).

On 22nd of June 2021 Annual General Meeting of Arctic Paper appointed the Supervisory Board in the above composition for another joint term of office.

On 31st of December 2022 the Management Board was composed of:

- Michał Jarczyński – President of the Management Board,
- Göran Eklund – Member of the Management Board.

2. Activities of the Supervisory Board

The Arctic Paper Supervisory Board operates under the provisions of the Code of Commercial Companies as well as on the basis of the Company's Articles of Association and Rules of the Supervisory Board dated 24th November 2016.

In 2022, the Supervisory Board exercised permanent supervision over the Company's activities in all areas. The Supervisory Board paid special attention to the analysis of the financial results and the implementation of the Arctic Paper - 4P business strategy, approved by the Supervisory Board of the Company on 4th October 2021.

During the reporting period the Supervisory Board conducted its activities in the course of meetings convened by the Chairman. Some of the Supervisory Board Meetings were held by means of distance communication as on-line meetings. All meetings were minuted and decisions were taken by the Supervisory Board either in the form of resolutions or stated in the minutes.

In the reporting period, i.e. from 1st of January 2022 to 31st of December 2022, ten meetings of the Supervisory Board of Arctic Paper S.A. were held on the following dates:

1. 10th of February 2022,
2. 20nd of April 2022,
3. 8th of July 2022,
4. 8th of September 2022,
5. 13th of December 2022.

All Supervisory Board meetings were convened properly. The Supervisory Board meetings were also attended by Members of the Management Board and invited guests.

The Supervisory Board performed its duties collectively, as well as with the support of the Audit Committee, the Remuneration Committee and the Risk Committee.

Audit Committee

Since 5th of August 2021 the Audit Committee is composed of:

- Anna Jakubowski – Chairman of the Audit Committee, a member meeting the independence criteria; according to a statement made by Mrs. Anna Jakubowski, she fulfils the condition of knowledge and skills in the field of accounting or auditing of financial statements;
- Zofia Dzik – Member of the Audit Committee, meeting the independence criteria; according to a statement made by Mrs. Zofia Dzik, she fulfils the condition of knowledge and skills in the field of accounting or auditing of financial statements;
- Roger Mattsson - Member of the Audit Committee - due to his long-term experience as the financial controller at the Arctic Paper Group and over three years in the Audit Committee, Mr Roger Mattsson meets the requirement of knowledge and know-how of the Company's business as required of members of the Audit Committee. Additionally, he has knowledge and skills in the sphere of accounting or auditing financial statements.

The basic task of the Audit Committee is advisory to the Supervisory Board on issues of proper implementation and control of the financial reporting processes in the Company, effectiveness of the internal control and risk management systems and cooperating with certified auditors.

In reference to the new regulations on the selection of the auditor, in particular the provisions of:

- (i) the Act of 11th of May 2017 on statutory auditors, audit firms and public supervision (the “Act on Statutory Auditors”),
- (ii) Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16th of April 2014 on specific requirements on the statutory audits of annual financial statements of public interest entities (“Regulation 537/2017”),

Audit Committee carries out its works related to the auditor’s appointment procedure and performance of services other than statutory audit based on policies: “Policy and procedure for the selection of the audit firm to carry out the statutory and voluntary audit of consolidated and separate financial statements of Arctic Paper S.A.” and “Policy on provision of allowed services by an audit firm that carries out an audit, by entities related to such audit firm, and by a network member of an audit firm which are not audit services of statutory consolidated and separate financial statements of Arctic Paper S.A.”

According to the regulations applicable to the Company, the Company's Supervisory Board shall select – by way of a resolution and acting under a recommendation of the Audit Committee – the auditor authorised to carry out the audit.

On 23rd of October 2019 the Supervisory Board based on Audit Committee recommendation, has appointed KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k., as auditor for the Company to conduct the audit of financial statement for years 2020-2022.

On 22nd of February 2023 the Supervisory Board based on the recommendation of Audit Committee on selection of an audit firm conducting an audit of the financial statements, took a decision to select PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k. as an auditor for the Company and the Group for the period 2023-2024. The Audit Committee’s recommendation was made pursuant to the selection procedure in line with the “Policy and procedure of selecting an audit firm to conduct a statutory and voluntary audit of consolidated and separate financial statements of Arctic Paper S.A. with its registered office in Kostrzyn nad Odrą”.

Remuneration Committee

Since 9th of February 2017 the Remuneration Committee is composed of:

- Per Lundeen - Chairman of the Remuneration Committee,
- Thomas Onstad - Member of the Remuneration Committee,
- Roger Mattsson - Member of the Remuneration Committee.

The basic task of the Remuneration Committee is advisory to the Supervisory Board on issues related to remuneration policy, bonus policy and other issues related to the remuneration of the employees, members of the Company’s authorities and the authorities of Capital Group companies.

On 31st of August 2020, the Annual General Meeting of the Company, bearing in mind art. 90d.1 in connection with art. 90c.2.1 of the Act of 29th of July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies (i.e. Journal of Laws of 2019, item 623 as amended amended) adopted the "Remuneration Policy for Members of the Management Board and Members of the Supervisory Board of Arctic Paper S.A". Under the above-mentioned Acts, all public companies, including the Company, were obliged to adopt, by resolution of Annual General Meeting, the Remuneration Policy of Management Board and Supervisory Board Members, which is the rules for determining the remuneration of Members of the Management Board and Supervisory Board and to publish a remuneration report. The Company shall pay remuneration to the Members of the Management Board and the Supervisory Board solely in compliance with the adopted policy. The policy prepared by the Company was drawn up in accordance with the principles set out in the above-mentioned Act and refers to the required elements related to remuneration and other terms of employment for Members of the Management Board and Members of the Supervisory Board. The policy received an opinion from the Remuneration Committee operating at the Supervisory Board, as well as by the Supervisory Board.

In accordance with Art. 7.1 of the Policy, the Supervisory Board shall annually prepare a Remuneration Report in order to provide the Annual General Meeting with information on the remuneration received in the preceding financial year by the Management Board and the Supervisory Board of the Company. The report is reviewed by the auditor.

On 9th of May 2023 the Supervisory Board has adopted a resolution adopting "Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for year 2022" and recommends its submission to the Annual General Meeting of the Company.

"Remuneration Report of Members of the Management Board and Supervisory Board of Arctic Paper S.A. for year 2022" was assessed by Grant Thornton Polska spółka z ograniczoną odpowiedzialnością sp. k.. On 9th of May 2023 the auditor has issued a report with an opinion on the Remuneration Report which is enclosed to the draft of the resolution of the Annual General Meeting.

The Annual General Meeting shall adopt a resolution with an opinion on the remuneration report. The nature of such resolution is advisory.

Risk Committee

Since 5th of August 2021 the Audit Committee is composed of:

- Per Lundeen – Chairman of the Risk Committee;
- Zofia Dzik – Member of the Risk Committee, meeting the independence criteria;
- Roger Mattsson – Member of the Risk Committee.

The basic task of the Risk Committee is advisory to the Supervisory Board on issues related to the proper identification, assessment and control of potential risks, i.e. opportunities and threats to realization of the Company's strategic goals, with particular consideration for financial risk, related to both external factors (such as volatility of exchange rates, interest rates, general international economic condition) and internal factors (such as cash flows, liquidity management, variation of budget and financial forecasts).

3. Assessment of the internal control, risk management, compliance systems and the internal audit function.

The Company has not established dedicated units to be involved in risk management, internal audit and compliance. However, the Company states that managers of each division of the Company report directly to the relevant members of the Management Board. The external entities that provide consultancy services, including legal consulting and performing audits, have regular and direct contact with the Company's Management Board.

The Company's Supervisory Board and Management Board monitor the internal processes of the Company's operations at joint meetings. The Supervisory Board assesses the operational processes of the Company and formulates recommendations relating to current and planned processes of the Company's operations.

4. Assessment of compliance by the Company with its disclosure duties in 2022.

On 29th March 2021, the Supervisory Board of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) by Resolution No. 13/1834/2021 adopted new corporate governance rules for companies listed on the WSE Main Market – “Best Practice of GPW Listed Companies 2021” (“Best Practice 2021”, “DPSN2021”).

“Best Practice 2021” came into force on 1st of July 2021.

Application by companies of the principles of corporate governance contained in the “Best Practice 2021” is voluntary, but reporting on their application is an obligation of every listed company, enshrined in the Regulations of the WSE. Companies had to publish their first reports on the application of “DPSN2021” by 31st July 2021.

Pursuant to § 29 (3) of the Rules of the Warsaw Stock Exchange, on 29th July 2021 the Management Board of Arctic Paper S.A. published in the form of an EBI report the first statement regarding the Company's application of the principles contained in “Best Practice of GPW Listed Companies 2021” and then updated it with subsequent EBI reports.

Arctic Paper S.A. was striving at applying corporate governance rules as set forth in the document “Best Practice of GPW Listed Companies 2021”. In 2022, Arctic Paper S.A. did not apply the following rules:

Disclosure Policy, Investor Communication

Rule 1.3.2

Rule 1.4.2

Internal Systems and Functions

Rule 3.3

Rule 3.10

General Meeting, Shareholders Relations

Rule 4.1

Rule 4.3

In the opinion of the Supervisory Board, Arctic Paper S.A. has made all reasonable efforts to apply the corporate governance rules as specified in the document "Best Practice of GPW Listed Companies 2021" to the greatest possible extent subject to the size and nature of the Company's operations.

5. Assessment of the rationality of the Company's policy with respect to its sponsorship, charity or similar activities.

In 2022 Arctic Paper S.A. was not involved in any sponsorship, charity or similar activity.

6. Information on the total remuneration payable by the Company for all audits commissioned (advisers of the supervisory board) by the supervisory board during the financial year.

There were no orders in question in a given financial year.

7. Assessment of the Management Board's report on the Company's operations in the financial year 2022, the Company's financial statements for the financial year 2022 and the Management's proposal regarding the distribution of profit generated by the Company in the financial year 2022.

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and in conjunction with the provisions of Art. 18.2 of the Company's Articles of Association, the Supervisory Board has analysed the consolidated and the Company's standalone financial statements for the period from 1st of January 2022 to 31st of December 2022 prepared by the Management Board and reviewed by the Company's auditor by KPMG Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa, consisting of:

- Consolidated balance sheet as at 31st of December 2022, with assets and liabilities amounting to PLN thousand 3,254,485 and standalone balance sheet as at 31 December 2022, with assets and liabilities amounting to PLN thousand 1,144,888,
- Consolidated profit and loss account for the period from 1st of January 2022 to 31st of December 2022, showing a net profit of PLN thousand 756,822 and standalone profit and loss account for the same period showing a net profit of PLN thousand 222,906,
- Consolidated statement of changes in equity for the period from 1st of January 2022 to 31st of December 2022 showing an increase in equity of PLN thousand 809,186 and standalone statement of changes in equity for the period from 1st of January 2022 to 31st of December 2022 showing an increase in equity of PLN thousand 199,910,
- Consolidated cash flow statement for the period from 1st of January 2021 to 31st of December 2021, showing an increase in net cash of PLN thousand of 326,916 and standalone cash flow statement for the period from 1st of January 2021 to 31st of December 2021, showing an increase in net cash of PLN thousand 198,306,
- Accounting principles (policies) and additional explanatory notes.

The Supervisory Board has examined the Management Board's report on the Company's operations in the financial year 2022.

Pursuant to article 70.1.14 and article 71.1.12 of the Regulation of the Minister of Finance of 29th of March 2018, on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognised as equivalent, the Supervisory Board of Arctic Paper S.A. evaluates that:

- the financial statements of Arctic Paper S.A. for the financial year ended 31st of December 2022, as well as with the report of an independent certified auditor on the audit of the Company's annual standalone financial statements for the financial year ended 31st of December 2022, prepared by KPMG Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa,
- the consolidated financial statements of the Arctic Paper Group for the financial year ended 31st of December 2022, as well as with the report of an independent auditor on the audit of the annual consolidated financial statements for the financial year ended 31st of December 2022, prepared by KPMG Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa,

have been prepared correctly in terms of substance and form, in accordance with the books and documents, as well as with the facts, and accurately reflects the financial result and assets of the Company and Arctic Paper Group in the financial year 2022.

The Supervisory Board of Arctic Paper S.A., after review of the reports of the Management Board of Arctic Paper S.A. on the activities of the Arctic Paper Group and the Company for 2022, states that reports have been prepared in accordance with the relevant applicable regulations regarding the reports on the activities and is in accordance with the books, documents and the actual state.

The Supervisory Board adopts the report, expresses its approval for the activities of the Management Board in 2022 and recommends that the Annual General Meeting discharges the Members of the Management Board for the performance of their duties in the financial year 2022:

- Mr Michał Jarczyński for a period from 1st of January 2022 until 31st of December 2022,
- Mr Göran Eklund for a period from 1st of January 2022 until 31st of December 2022.

The Supervisory Board requests the Annual General Meeting to grant discharge to members of the Supervisory Board for the performance of their duties in the financial year 2022.

8. Proposal regarding the distribution of profit generated by the Company in the financial year 2022

On 9th May 2023 the Supervisory Board of the Company adopted a resolution approving the submission to the Annual General Meeting of the recommendation of the Management's Board regarding payment of dividend to the shareholders from the Company's net profit of the financial year 2022 in the total amount of PLN 187,077,014.10 - 2.70 PLN gross per share. The remaining part of the profit, in the amount of 35,829,075.47 PLN will be allocated to the Company's supplementary capital.

The Management Board's recommendation and the Supervisory Board's opinion will be presented as a subject of the resolution of the Annual General Meeting.

9. Assessment of the Company's condition

In 2022, Arctic Paper achieved very good results. It was a time of very dynamic changes, many factors had a significant impact on the Company's operations, which modified its activities on an ongoing basis, adapting them to the changing business environment.

The war in Ukraine also affected the Company's operations to some extent.

The post-pandemic recovery in the European economy was conducive to increasing sales. Inflation factors played a significant role, which resulted in an increase in production costs.

This was particularly noticeable on the energy market, but the increase in costs also affected other components, such as services or transport.

Arctic Paper noticed high demand for pulp throughout the year. A strong market impulse related to the recovery of the global economy after the pandemic, as well as the continuation of the trend of replacing plastic packaging with products made of natural raw materials, such as pulp, enabled the Company to increase revenues in this segment.

The European energy market was very volatile during 2022, and concerns about its availability resulted in very large price fluctuations.

Arctic Paper implements numerous investment projects aimed to significantly increase energy self-sufficiency - both in the paper and pulp segments.

The company consistently implements the 4P Strategy, and the results achieved confirm that Arctic Paper is a reliable and solid partner for its clients and meets the expectations of shareholders.

[Per Lundeen, Chairman of the Supervisory Board of Arctic Paper S.A
on behalf of the Supervisory Board of Arctic Paper S.A.]