

Report of the Supervisory Board of Echo Investment S.A. (the Company) on the results of:

- evaluation of the standalone financial statements of Echo Investment S.A. and the consolidated financial statements of the Echo Investment Capital Group in 2021;
- evaluation of the Management Board report on the operations of Echo Investment S.A. and the Echo Investment Capital Group for 2021;
- evaluation of the standing of Echo Investment S.A. and the Echo Investment Group of Companies in 2021;
- evaluation of the Management Board's proposals on the allocation of 2021 net profit;
- work of the Supervisory Board of Echo Investment S.A. in 2021.

1. CONCLUSIONS FROM EVALUATION OF THE STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS, THE MANAGEMENT BOARD REPORT ON THE OPERATIONS OF THE COMPANY AND THE ECHO INVESTMENT CAPITAL GROUP FOR 2021, AND THE STANDING OF THE COMPANY AND THE ECHO INVESTMENT CAPITAL GROUP IN 2021

Acting under Article 382.3 of the Polish Code of Commercial Companies and Clauses 70.1.14 and 71.1.12 of the Regulation of the Minister of Finance governing current and periodical information published by issuers of securities and conditions whereunder information required by law of a non-member state may be considered as equivalent dated 29 March 2018, the Supervisory Board has approved the following documents submitted by the Management Board and confirmed that they comply with the books, documents and facts:

- a) standalone financial statements for 2021, comprising:
 - standalone statement of financial position as at 31 December 2021, with total assets, equity and liabilities amounting to PLN 3.526.016 thousand;
 - standalone profit and loss account for the period from 1 January 2021 to 31 December 2021, with the revenue amounting to 437.722 thousand, the gross profit amounting to 32.435 thousand and the net profit amounting to PLN 27.842 thousand;
 - standalone cash flow statement for the period from 1 January 2021 to 31 December 2021, revealing a balance sheet decrease in net cash of PLN 33.198 thousand;
 - standalone statement of changes in equity, revealing an equity amounting to PLN 1.152.684 thousand;
 - explanatory notes;
- b) consolidated financial statements for 2021, comprising:
 - consolidated statement of financial position as at 31 December 2021, with total assets, equity and liabilities amounting to PLN 6.434.880 thousand;
 - consolidated profit and loss account for the period from 1 January 2021 to 31 December 2021, with the revenue amounting to PLN 1.532.665 thousand, the gross profit amounting to PLN 261.892 thousand and the net profit amounting to PLN 205.431 thousand;
 - consolidated cash flow statement for the period from 1 January 2021 to 31 December 2021, revealing a balance sheet increase in net cash of PLN 261.583 thousand;
 - consolidated statement of changes in equity, revealing an equity amounting to PLN 1.863.537 thousand;
 - explanatory notes;
- c) Management Board report on the operations of Echo Investment S.A. and its Group for 2021.

The standalone and consolidated financial statements were audited by the audit firm Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Sp.k. with its registered office in Warsaw, entered in the list of entities authorized to audit financial statements maintained by the Polish National Chamber of Statutory Auditors under no. 73 (Statutory Auditor or Auditor), which was selected by the Supervisory Board to audit the standalone and consolidated financial statements of the Company and which entered into an agreement with the Management Board of Echo Investment S.A.

The Supervisory Board represents that:

- a) The auditor and the members of the auditing team met the requirements to carry out an impartial and independent report on the annual audit of the financial statements in compliance with regulations in force, good practices in auditing and professional ethics;
- b) The regulations governing rotation of the Auditor and the key statutory auditor as well as applicable periods of grace are not violated;
- c) Echo Investment S.A. has a policy governing selection of the auditing company and a policy governing provision by an auditing firm, its affiliate or a member of its network of additional services that do not constitute an audit, including services that are conditionally exempt from the prohibition on being provided by an auditing firm.

The Supervisory Board reviewed opinions and reports of the Statutory Auditor regarding the standalone and consolidated financial statements; the said statements were also subject to verification, review and evaluation by the Audit Committee of the Company's Supervisory Board, which advised the Supervisory Board to approve them.

The Supervisory Board finds that the data included in the standalone financial statements of Echo Investment S.A. and the consolidated financial statements of the Echo Investment Capital Group reflect the Group's assets and financial standing in a correct and reliable manner. Furthermore, the financial statements and the report on the activity of the Management Board contain all information relevant for the evaluation of the results of the business operations, profitability and identification of all risks. The Supervisory Board also confirms that the financial information contained in the report of the Management Board on operations of Echo Investment S.A. and the Echo Investment

Capital Group comes directly from the audited financial statements and is consistent therewith. These statements of the Supervisory Board are based on the standalone and consolidated financial statements and the content of the opinion and report of a Statutory Auditor.

The Statutory Auditor's opinion confirms that the financial statements have been correctly prepared in all material aspects, in accordance with accounting principles of the International Financial Reporting Standards and related interpretations published in the form of European Commission regulations; and in the scope not governed by these Standards, in accordance with the provisions of the Accounting Act of 29 September 1994 and the executive regulations issued on its basis and on the basis of properly maintained accounting books.

2. ASSESSMENT OF THE APPLICATION BY THE COMPANY OF CORPORATE GOVERNANCE RULES AND THE MANNER OF FULFILLMENT OF INFORMATION OBLIGATIONS CONCERNING THEIR APPLICATION, SPECIFIED IN THE STOCK EXCHANGE RULES AND REGULATIONS CONCERNING CURRENT AND PERIODICAL INFORMATION SUBMITTED BY ISSUERS OF SECURITIES, INCLUDING INFORMATION ABOUT ACTIVITIES WHICH HAVE BEEN TAKEN BY THE SUPERVISORY BOARD TO CARRY OUT SUCH ASSESSMENT.

From the beginning of 2021 the Issuer observed the "Good Practices of WSE Listed Companies 2016" ("GPLC 2016"), and from 1 July 2021 the "Good Practices of WSE Listed Companies 2021" (hereinafter: GPLC 2021") entered into force.

The Supervisory Board was made aware by the Management Board of the Issuer of the new regulations forming a set of rules constituting the Good Practices of WSE Listed Companies 2021 and the information on the scope of application by the Issuer of the rules included in the Good Practices of WSE Listed Companies na GPW 2021". An appropriate report in this respect was published by Echo Investment S.A. on 30 July 2021 r.

"According to the current status of application of the Good Practice the Company does not apply 8 principles: 1.4.1., 1.4.2., 2.1., 2.2., 2.11.6., 4.1., 4.3., 6.3

In accordance with the apply or explain principle, the Company published explanations to the principles that are not applied:

1.4.1. explain how climate change considerations are integrated into the decision-making processes of the company and its group entities, highlighting the resulting risks;

The principle is not applied.

Company's comment: The Issuer intends to apply the principle in the future. Data describing this topic will be presented in the Issuer's ESG report for 2021.

1.4.2. present the value of the pay equity ratio paid to its employees, calculated as a percentage of the difference between the average monthly pay (including bonuses, prizes and other allowances) of women and men for the last year, and present information on the actions taken to eliminate possible inequalities in this respect, together with a presentation of the risks involved and the time horizon over which equality is planned to be achieved.

The principle is not applied.

Company's comment : Issuer intends to apply the principle in the future. Data describing this topic will be presented in the Issuer's ESG report for 2021.

2.1. The company should have a diversity policy for the management board and the supervisory board, adopted by the supervisory board or the general meeting respectively. The diversity policy sets out diversity objectives and criteria in areas such as gender, field of study, specialist knowledge, age and work experience, among others, and indicates when and how the achievement of these objectives will be monitored. In terms of gender diversity, the condition for ensuring the diversity of the company's bodies is that the minority participation in the respective body is no less than 30%.

The principle is not applied.

Company's comment: The Company has a diversity policy with respect to its employees; however, due to the fact that the General Meeting and the Supervisory Board have not thus far adopted resolutions in this respect, the Company has not adopted a diversity policy with respect to gender diversity of the Management Board and the Supervisory Board. In order to confirm that the Management Board of the Issuer applies the diversity policy when employing broadly understood managerial staff, including all directors and managers, the Issuer informs that the diversity ratio reflecting the participation of women in the so-defined managerial staff amounts to approx. 30%.

2.2. The persons deciding on the election of the members of the company's management or supervisory board should ensure the comprehensiveness of these bodies by selecting diversity in their composition, making it possible, inter alia, to achieve the target ratio of a minimum minority shareholding set at not less than 30%, in line with the objectives set out in the adopted diversity policy referred to in principle 2.1.

The principle is not applied.

Company's comment: Due to the fact that the General Meeting and the Supervisory Board have not thus far passed resolutions in this respect, the Company has not adopted a gender diversity policy with respect to the Management Board and the Supervisory Board.

2.11.6. information on the extent to which the diversity policy is implemented in relation to the management board and the supervisory board, including the achievement of the objectives referred to in principle 2.1.

The principle is not applied.

Company's comment: The Company does not apply principle 2.1.; therefore, the Supervisory Board Report will not contain information referred to in principle 2.11.6.

4.1. The company should enable shareholders to participate in a general meeting using electronic means of communication (e- meeting) if this is justified by the expectations of shareholders communicated to the company, as long as it is able to provide the technical infrastructure necessary for holding such a general meeting.

The principle is not applied.

Company's comment: The principle is not applied. Bearing in mind the legal risks related to e-meetings and the present shareholding structure, the Issuer decided that it will presently not hold General Meetings using electronic means of communication (e-meeting). As soon as the risks related to general shareholders meetings so conducted are eliminated and such need is notified by a significant number of shareholders, the Issuer will consider putting this principle into practice.

4.3. The company provides a publicly available real-time broadcast of the general meeting.

The principle is not applied.

Company's comment: The principle is not applied. The Company does not provide a publicly available real-time broadcast of the general meeting but after the end of the general meeting it makes audio video recording of the general meeting available on its website.

6.3. If one of the company's incentive programs is a managerial options program, then the realization of the options program should be conditional on the fulfilment by the entitled persons, within a period of at least three years, of pre-determined, realistic and appropriate financial and non-financial and sustainable development objectives for the company, and the price set for the acquisition of shares by the entitled persons or the settlement of the options may not differ from the value of the shares at the time of the adoption of the program.

The principle is not applied.

Company's comment: The Company is a party to agreements pursuant to which any entitled persons will be able to acquire shares at below-market prices, provided, however, that appropriate long-term financial objectives are achieved and as long as relevant resolutions are passed by the General Meeting. The execution of such agreements in July 2021 was the subject matter of a current report."

In the opinion of the Supervisory Board, the Company correctly fulfills information obligations concerning the application of corporate governance rules, arising from the Stock Exchange Rules and regulations concerning current and periodical information submitted by issuers of securities, ensuring equal access to information for all capital market stakeholders.

All information significant for investors are posted on the website of Echo Investment S.A., in the tab Investor Relations (<https://www.echo.com.pl/relacje-inwestorskie>). This section also contains a tab dedicated to corporate governance which includes a full report concerning the application by the company of the principles included in GPLC 2021.

3. ASSESSMENT OF THE APPROPRIATENESS OF SPONSORSHIP AND DONATION EXPENDITURE INCURRED BY THE COMPANY AND ITS GROUP WITH THE VALUE OF SPENDING FOR SUCH PURPOSES.

Implementing principle 1.5 of the Good Practices of WSE Listed Companies 2021, the Supervisory Board made the Issuer aware of the Company's expenditure on sponsorship and donations of Echo Investment S.A. and the Echo Investment Group for 2021.

The Issuer's sponsorship and donation expenditure amounted to PLN 277 thousand, including donations in kind and in the form of services of PLN 53 thousand.

Sponsorship and donation spending of the Issuer's Group amount to PLN 7 thousand, including donations in kind of PLN 4 thousand.

The Supervisory Board of Echo Investment S.A. positively assessed the above expenditure.

4. ASSESSMENT OF THE STANDING OF ECHO INVESTMENT S.A. AND THE ECHO INVESTMENT GROUP IN 2021

The most important events and events relevant for the operations of the Company and its Group presented by the Management Board are related to agreements concluded in 2021 and concerning:

4.1 Acquisition of a majority stake in Archicom S.A.

On 22 April 2021 Echo Investment executed an agreement for acquisition of a block of shares of Archicom S.A. representing a total of approx. 66.01% of the share capital and carrying approx. 65.99% of all votes. The sellers were the company's founders, Dorota Jarodzka-Śródka, Kazimierz Śródka and Rafał Jarodzki. The price for shares amounted to PLN 429 million. Echo Investment paid PLN 241 million on the date of execution of the transaction and the remaining PLN 188 million – in issued bonds. Subsidiaries which conduct development activity outside of Wrocław and adjacent municipalities and activity related to architectural and design services were excluded from the scope of the transaction. Further, on the transaction closing date an option agreement was executed, pursuant to which Echo Investment S.A. or an entity indicated by the Company is authorized to purchase the shares of Archicom S.A. remaining in the hands of the sellers, constituting 8.31% of the share capital, carrying 13.32% of the total number of votes at the general meeting. The option may be exercised until 15 March 2023. The acquisition conforms to the strategic goal of Echo Investment, consisting in becoming a nationwide leader in the residential sector. Archicom operates mainly in Wrocław, and since 2016 it has been listed on the Stock Exchange.

4.2 Sale of office buildings and acquisition of real estate

- Biura przy Willi in Warsaw

On 11 March 2021 the Echo Investment Group executed a sale agreement concerning the building known as Biura przy Willi which belongs to the Browary Warszawskie complex. The new owner is KGAL Group, a leading independent investment and asset manager. The building was sold for approx. EUR 86.7 million.

- Biura przy Warzelni in Warsaw

On 5 August 2021 Deka Immobilien, an international investment and asset management company, bought Biura przy Warzelni, the largest office building comprising Browary Warszawskie, as well as the historical Warzelnia. The buildings were sold for approx. EUR 152.3 million.

- Moje Miejsce I in Warsaw

On 7 October 2021 the office building known as Moje Miejsce I which forms part of a multi-use “destination” project in Dolny Mokotów in Warsaw was sold to an institutional investor operating on the real estate market. The office building has an area of 19 thousand square meters and is almost fully leased to reputable tenants such as Havas Group, Mastercard, Hebe, Corteva, Boehringer Ingelheim and CitySpace. The value of the transaction amount to EUR 47.3 million.

- Fuzja in Łódź

On 23 December 2021 the Echo Investment Group signed a preliminary sale agreement concerning three office buildings comprising the complex known as Fuzja in Łódź. The new owner will be the KGAL Group, a leading independent project and asset manager. The value of the transaction on the date of execution of the preliminary agreement amounted to EUR 56.4 million increased by VAT.

- Purchase of real estate in Warsaw and consent of the City Council of Warsaw to the execution of a residential project thereon

On 21 October 2021 Echo Investment signed a final purchase agreement concerning the purchase of the right of perpetual usufruct of land and the ownership title to buildings located in Warsaw at Domaniewska, Wołoska and Postępu Streets. The sellers are: MBP 1 Sp. z o.o. and MBP 2 Sp. z o.o., which comprise the Immofinanz group. The total area of the land properties being the subject of the transaction amounts to 46.1 thousand square meters. The value of the transaction amounted to PLN 221.6 million. The project will be carried out jointly with Archicom which on 4 November 2021 signed a preliminary purchase agreement concerning the purchase of a part of a plot from Echo Investment, on which approx. 260 apartments will be built.

4.3 Financing

- Issue of bonds of a total value of PLN 195 million

On 17 March 2021 institutional investors subscribed for bonds of Echo Investment S.A. of a total value of PLN 195 million. Bonds have a maturity date of 4 years. Their interest rate was determined on the basis of a variable WIBOR 6M rate increased by a margin for investors.

- Facility agreement for construction of 1.4 thousand Resi4Rent units

A banking consortium consisting of Bank Pekao acting as the leader, Bank Gospodarstwa Krajowego and Bank BNP Paribas, granted a construction and investment facility for more than PLN 248 million and a VAT facility for PLN 15 million for construction of five further Resi4Rent projects.

- Establishment of a bond issue program for individual investors

On 26 August 2021 the Management Board of Echo Investment S.A. passed a resolution to establish a public bond issue program up to PLN 300 million or an EUR equivalent thereof. Bonds will be offered in a public offering to be carried out after the approval of the base prospectus by the Financial Supervision Authority.

- Issue of bonds worth PLN 172 million for institutional investors

On 10 November 2021 Echo Investment S.A. issued coupon bonds of a total value of PLN 172 million, under the Bond Issue Program executed with mBank. The nominal value and the issue price of one bond amounts to PLN 10 thousand. The maturity date falls on 10 November 2025. Bonds are unsecured and were introduced to an alternative trading system operated by Giełda Papierów Wartościowych w Warszawie S.A.

- Facility agreement for the construction of an office project to be known as Brain Park in Kraków

PKO Bank Polski, as the facility agent, and Bank Pekao S.A., as the security agent, granted an EUR 65.6 million construction and investment facility and PLN 9 million VAT facility for the construction of an office complex to be known as Brain Park in Kraków at Pokoju and Fabryczna Streets.

4.4 Dividends

- Resolution of the Ordinary General Shareholders Meeting on payment of dividend

The Ordinary General Shareholders Meeting of Echo Investment S.A. was held on 28 June 2021 passed a resolution on allocation of the generated profit. The net profit generated by the Company in the fiscal year 2020 of PLN 57,824,852.68, increased by PLN 45,347,792.82 from the Dividend Fund, totaling PLN 103,172,645.50 – was allocated for distribution among all shareholders of the Company. The amount

of the dividend attributable to one share amounted to PLN 0.25. The record date was scheduled for 26 July 2021, and the payment date – for 5 August 2021. The resolution was fully implemented.

- Resolution on conditional payment of interim dividend from profit for 2021.

On 18 November 2021 the Management Board Echo Investment S.A. passed a resolution to pay to the Company's shareholders an advance towards future dividend for the fiscal year 2021. The total amount allocated for an advance amounted to PLN 90.8 million, i.e. PLN 0.22 per 1 share. The advance consisted of PLN 14 million, which did not exceed a half of the Company's net profit generated in the first half of 2021, declared in the financial statement audited by the auditor Deloitte Audyt Sp. z o.o. Sp.k., and PLN 76.8 million from the Dividend Fund. The interim dividend was paid on 28 December 2021.

4.5 Publication of the first sustainable development report of Echo Investment

The concept of sustainable urban development, "destinations" projects, greenery and tree protection, good relations with customers and neighbors, as well as safety on construction sites constitute the priorities described in the first sustainable development report 2020 of Echo Investment. This is the first publication of the Company on the ESG goals, management and activities. The publication also describes the Company's key projects in the area of sustainable development.

The Supervisory Board of the Company positively assesses the events presented by the Company as events having a significant impact on the operation of the Company and its Group and it fully shares the Company's view that these are events significant both for the Company and its Group.

5. IMPACT OF THE COVID-19 PANDEMIC ON THE OPERATIONS AND FINANCIAL RESULTS OF THE ECHO INVESTMENT CAPITAL GROUP

Since March 2020 the operations of the Group of Echo Investment S.A. have been subject to many macroeconomic and environmental risks related to the spread of SAR-S-CoV-2 and COVID-19. Restrictions imposed by the government directly affected the Group's business processes and work organization. On 17 March 2020 the Company published a current report concerning a potential impact on the pandemic on the operations of the Company in which it enumerated potentially affected areas and related risks.

Impact of the coronavirus pandemic on the operations and results of the Echo Investment Group in the future.

In accordance with the announcements of the authorities, the second half of 2021 was free from major restrictions affecting the economy. The Management Board Echo Investment does not expect the pandemic to significantly affect the Group's activities and financial condition in the future as well as its subcontractors, employees, suppliers or customers. The proof of this is the fact that despite consecutive pandemic waves in the second half of 2021 the Group achieved very good results in sales of apartments and rental and sale of commercial buildings, and work on its construction sites was continued without any interruptions, and financial institutions as well as individual investors were and are willing to provide funding to the Group.

6. REPORT ON ACTIVITY OF SUPERVISORY BOARD IN 2021

In 2021, the Supervisory Board of Echo Investment S.A. conducted its operations in accordance with its rules and regulations, the Company's Articles of Associations, the "Good Practice of GPW Listed Companies" and generally applicable law, always bearing in mind the best interest of the Company and the good of its Shareholders and other Stakeholders.

In 2021, the Members of the Supervisory Board stayed in permanent touch with the Members of the Management Board, holding numerous consultations on specific areas of the Company operations, maintaining ongoing supervision over the Company's operations in all areas of its business, and reviewing issues and requests submitted by the Management Board during meetings of the Supervisory Board. These activities included, among others:

- analyzing and evaluating current financial results and periodic financial statements of the Company;
- analyzing information concerning the Company's operations obtained from the Management Board;
- granting permission for the Company to accept obligations and signing agreements connected with the Company's operations;
- supervising administrative procedures concerning projects developed by the Echo Investment Group.

In 2021 there were no changes in the composition of the Supervisory Board. As at 31 December 2021 and as at the day of the publication of this report, the Supervisory Board consisted of the following members:

Noah Steinberg – Chairman of the Supervisory Board

Tibor Veres – Deputy Chairman of the Supervisory Board

Sławomir Jędrzejczyk – Independent Member of the Supervisory Board

Maciej Dyjas – Member of the Supervisory Board

Margaret Dezse – Independent Member of the Supervisory Board

Péter Kocsis – Member of the Supervisory Board

Bence Sass – Member of the Supervisory Board

Nebil Senman – Member of the Supervisory Board.

Maciej Dyjas and Nebil Senman are also Supervisory Board members at Murapol S.A. and Murapol Real Estate S.A. (the “Murapol Group”). Maciej Dyjas and Nebil Senman do not perceive their simultaneous involvement in the Supervisory Boards of the Murapol Group and the Company to be a hindrance to performing their functions at the Company's Supervisory Board. However, given that the Murapol Group and the Company operate in similar segments of the housing market, they cannot exclude that from time to time there may occur a situation in which a conflict of interest will or may appear.

Maciej Dyjas and Nebil Senman or entities associated with them hold, directly or indirectly, minority participation interest in Echo Investment and the Murapol Group and/or are entitled to additional participation in the profit depending on the project results, and are beneficial shareholders of Griffin Advisors sp. z o.o. and Griffin Real Estate sp. z o.o., which are approved subcontractors, and may continue to perform certain asset management and strategic advisory services for the Company.

COMPANY AUDIT COMMITTEE

In 2021 there were no changes in the composition of the Audit Committee. As at 31 December 2021 and as at the day of the publication of this report, the Audit Committee consisted of the following members of the Supervisory Board:

- Margaret Dezse – Chair of the Committee, Independent Member of the Supervisory Board
- Sławomir Jędrzejczyk – Deputy Chairman of the Committee, Independent Member of the Supervisory Board
- Nebil Senman – Member of the Committee.

In 2021, regulations governing appointment, composition and functioning of the Audit Committee were complied with, including those regarding its members meeting the criteria of independence and requirements in terms of professional knowledge and skills in the area where the Company operates, and in the area of accountancy or financial statements auditing. The Audit Committee carried out its tasks laid down in regulations in force.

In 2021, the Audit Committee focused on the following matters:

- Monitoring the financial reporting process.
- Monitoring the audit process covering financial statements carried out by the auditor.
- Monitoring and controlling the auditor's independence.
- Monitoring risk control and internal control systems.
- Analyzing selected risks in the Company's operations.
- Monitoring the Company's fulfillment of obligations under the Act on statutory auditors.
- Overseeing the Company's internal audit unit, including approving the internal audit task plan and monitoring its implementation, discussing the conclusions of the audit report on the assessment of the internal control environment and risk management and compliance systems.

INVESTMENT COMMITTEE

The Investment Committee, which is a committee of the Supervisory Board, operates in the Company. The Rules and Regulations of the Investment Committee grant the Committee the following powers:

- Overseeing the Company's performance of the objectives set forth in the annual business plan as approved by the Supervisory Board;
- Approving operations and transactions not included in the annual business plan as long as these operations or transactions meet the criteria set forth in the Investment Committee Rules and Regulations;
- Granting consent for the Company to enter into agreements with certain affiliates of the Company.

In 2021 there was no changes in the composition of the Investment Committee. As at 31 December 2021 and as at the day of the publication of this report, the Investment Committee consisted of the following individuals being members of the Supervisory Board:

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REPORT OF SUPERVISORY BOARD OF ECHO INVESTMENT S.A. FOR 2021

- Noah Steinberg – Chairman;
- Bence Sass;
- Peter Kocsis;
- Nebil Senman;
- Maciej Dyjas.

7. EVALUATION OF INTERNAL CONTROL SYSTEM, RISK MANAGEMENT, COMPLIANCE AND INTERNAL AUDIT IN THE COMPANY

A detailed list of the main features of the internal control and risk management systems applied by the Company were presented by the Management Board in the Corporate Governance Report for 2021.

Risk Management Policy

The Echo Investment Group follows its Risk Management Policy, which describes the objectives of risk management, its place within the management system, and the responsibility and the rights of the persons involved in the process. The Management Board of Echo Investment S.A. is responsible for overall risk management, and cooperates in this respect with the Supervisory Board and the Audit Committee. The main objective of the Risk Management Policy is to ensure sustainable and stable economic growth of the Group and to promote a proactive approach to reporting, estimating, and managing risks related to the Group's operations.

The Risk Management Policy formalizes and presents in a structured manner the approach to risk management expected by the Management Board in the Echo Investment Group.

Having regard to the compliance system, the Audit Committee finds that the compliance system implemented in the Company is adequate and raises no reservations.

8. SUPERVISORY BOARD'S STANCE ON ALLOCATION OF PROFIT

The Supervisory Board reviewed the request by the Company's Management Board regarding the distribution of the net profit of PLN 27,841,670.69 generated by Echo Investment S.A. in 2021 and allocation thereof for dividend payment, whereas this amount will be increased by funds from the Dividend Fund existing in the Company up to the amount of PLN 132,060,986.24, i.e. 32 groszy per 1 share of the Company and settled with the disbursed dividend advance in the amount of PLN 90,791,928.04, i.e. 22 groszy per share of the Company.

The Supervisory Board accepts the Management Board's stance and intends to communicate such information to the General Shareholders Meeting.

9. INFORMATION ON THE DEGREE OF IMPLEMENTATION OF THE DIVERSITY POLICY

The Supervisory Board has not assessed the diversity policy with respect to the Management Board and the Supervisory Board due to the fact that the Company did not adopt principle 2.1. of the GPLC 2021 for application.

10. EVALUATION OF SUPERVISORY BOARD'S WORK IN 2021:

The Supervisory Board fulfilled its tasks while taking into account the principle of the utmost professional diligence in order to exercise due control over the Company. The number of meetings of the Supervisory Board and its Committees resulted from the Supervisory Board's own assessment and was also dictated by the needs voiced by the Company's Management Board and the current market situation.

While performing its duties, the Supervisory Board acted in accordance with applicable laws and other regulations, including in particular within the scope of its powers as defined in the Company's Articles of Association, the Supervisory Board Rules and Regulations and the Code of Commercial Companies and Partnerships.

SIGNATURE PAGES FOLLOW:

SIGNATURE PAGE:

Noah Steinberg
Chairman of the Supervisory Board

Signature

SIGNATURE PAGE:

Tibor Veres
Deputy Chairman of the Supervisory Board

Signature

SIGNATURE PAGE:

Péter Kocsis
Member of the Supervisory Board

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