

## Approval of the PKP CARGO Group Strategy Revision for 2019-2023

Current Report No. 6/2023 of 30 January 2023

*Legal basis (selected in ESPI):*

*Article 17(1) of MAR – inside information*

The Management Board of PKP CARGO S.A. (“Company”, “PKP CARGO”) reports that on 30 January 2023, the Company’s Supervisory Board approved the PKP CARGO Group Strategy Revision for 2019-2023 (“Strategy Revision”).

The Strategy Revision was affected by major changes in the Company's environment that occurred in 2020-2022. The PKP CARGO Group’s vision and mission statements were upheld in the Strategy Revision:

### **PKP CARGO Group’s vision:**

“Become the Central European leader in rail freight transport by taking the dominant position in the area of the ‘Three Seas Initiative’ and on the ‘New Silk Road’”.

### **PKP CARGO Group’s mission statement:**

“Offering comprehensive logistics services on the rail freight and intermodal services market in a way to make it the supplier of first choice”.

The Strategy Revision defines the PKP CARGO Group’s strategic objectives as follows:

1. Become number 1 in the area of the “Three Seas Initiative” and on the New Silk Road routes in the European Union measured by freight turnover and freight volume by 2023 and strengthen this position in 2023-2038,
2. Gain 50% of the Polish rail freight market by 2027 measured by freight turnover.

The strategic objectives will be pursued for the most part through the PKP CARGO Group’s organic growth, while focusing on the following key operational directions:

1. Strong and active sales
2. New and effective sales structure
3. Continuous improvement of the sales process and customer service
4. Continuous improvement of the transport and maintenance processes
5. Adaptation of the Group’s structure and resources to optimized processes as well as market and economic challenges.

The focus on key operational directions will provide a solid basis for the stable growth of the PKP CARGO Group and the pursuit of its strategic objectives.

The designated activities will be rolled out within the framework of distinct strategic initiatives, specifically:

- Organic growth on the domestic market
- Provision of rolling stock (operational potential)
- Logistics efficiency
- Human resources management
- Digitization and computerization
- Asset management

The PKP CARGO Strategy Revision for 2019-2023 provides the starting point for the development of the PKP CARGO Group Long-Term Growth Plan for 2024-2028.

*Specific legal basis:*

*Article 17(1) of MAR – inside information*