

## **Decision of the Management Board of PKP CARGO S.A. to put employees on furlough leave**

Current Report No. 19/2024 of 27 May 2024

*Legal basis (selected in ESPI):*

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

The Management Board of PKP CARGO S.A. (“Company”, “PKP CARGO”) hereby reports that, as part of the remedial program to rebuild the shareholder value and the position of the Company, on 27 May 2024 it decided to launch a program to put up to 30% of the Company’s employees on furlough leave for a period of 12 months. The legal basis for placing PKP CARGO S.A. employees on furlough leave is Article 54 of the Act of 8 September 2000 on Commercialization, Restructuring and Privatization of the State-Owned Enterprise “Polskie Koleje Państwowe” (Journal of Laws 2024.561).

The furlough leave will apply to all professional groups of employees, including the management of the respective units of the Company and the departments of the Company’s Head Office, with the priority of ensuring the continued operational efficiency of each entity or organizational unit.

An employee put on furlough leave will have the right to:

- welfare benefit in the amount of 60% of the monthly financial equivalent calculated as remuneration for vacation leave, less the amount of contributions paid to pension, disability and health insurance in the part financed by the insured and income tax;
- Engage in activities necessary to maintain the employee’s professional qualifications;
- Use benefits from the Company Social Benefits Fund.

This decision has been consulted by the Company with the trade unions operating in PKP CARGO S.A.

Additionally, on 27 May 2024, among other decisions aimed at cutting costs and ensuring financial stability of the Company, the Management Board decided to take measures aimed at terminating or suspending, by agreement of the parties with social stakeholders, the Collective Bargaining Agreement for Employees of PKP CARGO Spółka Akcyjna Units.

*Legal basis:*

*Article 17(1) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council on Market Abuse.*