

# Report of the independent auditor on the performance of the service giving reasonable assurance for the assessment of the remuneration report

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

We have been engaged to review the attached remuneration report of Arctic Paper S.A. (the Company) with its registered office at ul. Fabryczna 1, 66-470 Kostrzyn nad Odrą for the years 2019 and 2020 with regard to the completeness of the information contained therein as required under Art. 90g(1) to (5) and (8) of the Act of 29 July 2005 on public offerings and conditions for the introduction of financial instruments into the organised trading system and on public companies (consolidated text: Journal of Laws of 2020, item 2080, as amended) (Act on Public Offering).

## *Identification of criteria and description of the service*

The remuneration report has been prepared by the Company's Supervisory Board in order to meet the requirements of Art. 90g(1) of the Act on Public Offering. The applicable requirements for the remuneration report are contained in the Act on Public Offering.

The requirements described in the preceding sentence set out the basis for the remuneration report and are, in our view, appropriate criteria for us to reach a conclusion that provides reasonable assurance.

Pursuant to the requirements of Art. 90g(10) of the Act on Public Offering, the remuneration report is subject to assessment by the auditor with regard to the inclusion therein of the information required pursuant to Art. 90g(1) to (5) and (8) of the Act on Public Offering. This report fulfils that requirement.

By the auditor's assessment referred to in the preceding sentence, which forms the basis for our conclusion giving reasonable assurance, we mean an assessment of whether, in all material respects, the scope of the information presented in the remuneration report is complete and the information has been disclosed with the level of detail required by the Act on Public Offering.

### *Responsibility of Supervisory Board Members*

Pursuant to the Act on Public Offering, the members of the Company's Supervisory Board are responsible for preparing the remuneration report in accordance with the applicable legal provisions and, in particular, for the completeness of the report and the information contained therein.

The Supervisory Board's responsibility also includes designing, implementing and maintaining a system of internal control to ensure the preparation of a complete remuneration report that is free from material misstatement due to fraud or error.

### *Auditor's responsibility*

Our objective was to assess the completeness of the information provided in the attached remuneration report against the criterion set out in the *Identification of criteria and description of the service* and to express, on the basis of the evidence obtained, an independent conclusion on the attestation service performed that provides reasonable assurance.

We have performed the service in accordance with the regulations of the National Standard on Assurance Engagements Other than Audits and Reviews 3000 (Z) as amended by the International Standard on Assurance Engagements 3000 (amended) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, adopted by Resolution No. 3436/52e/2019 of the National Council of Statutory Auditors dated 8 April 2019, as amended (KSUA 3000 (Z)).

This standard requires the auditor to plan and perform procedures so as to obtain reasonable assurance that the remuneration report has been prepared completely in accordance with the specified criteria.

Reasonable assurance is a high level of certainty but does not guarantee that a service conducted in accordance with KSUA 3000 (Z) will always detect an existing material misstatement.

The choice of procedures depends on the auditor's judgement, including the auditor's assessment of the risk of material misstatement due to fraud or error. In making those risk assessments, the auditor shall consider internal control relevant to the preparation of the complete report in order to design appropriate procedures to provide the auditor with sufficient and appropriate evidence. The assessment of the functioning of the internal control system was not carried out in order to express a conclusion on its effectiveness.

### *Summary of work carried out and limitations of our procedures*

The procedures we planned and carried out included, in particular:

- reviewing the content of the remuneration report and comparing the information contained therein to the applicable requirements,
- reviewing the resolutions of the General Meeting of the Company concerning the remuneration policy for the members of the Management Board and the Supervisory Board and the resolutions of the Supervisory Board detailing them,
- determining, by comparison with corporate documents, the list of persons for whom there is a requirement to include information in the remuneration report and to determine, by enquiries of the persons responsible for preparing the report and, where we considered it appropriate, also directly of the persons affected by the requirement to include information, whether all the information provided for by the criteria for preparing the remuneration report has been disclosed.

Our procedures were solely to obtain evidence that the information provided by the Supervisory Board in the remuneration report for completeness complies with the applicable requirements. The purpose of our work was not to assess the sufficiency of the information included in the remuneration report for the purpose of preparing the remuneration report, nor to assess the correctness and reliability of the information contained therein, in particular as regards the amounts disclosed, including estimates made for previous years, figures, dates, allocation methods, compliance with the remuneration policy adopted.

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

We consider that the evidence we have obtained provides a sufficient and appropriate basis for our conclusion below.

#### *Ethical requirements, including independence*

In carrying out the service, the auditor and the audit firm complied with the 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 of the National Council of Statutory Auditors No. 3431/52a/2019 of 25 March 2019 on Principles of Professional Ethics for Statutory Auditors (IESBA Code). The IESBA Code is based on the fundamental principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We have also complied with the other independence and ethical requirements that apply to this assurance service in Poland.

#### *Quality control requirements*

The audit firm shall apply the National Quality Control Standards as set out in *International Quality Control Standard 1 Quality Control of Firms Performing Audits and Reviews of Financial Statements and Performing Other Assurance and Related Services*, adopted by Resolution No. 2040/37a/2018 of the National of the National Council of Statutory Auditors of 3 March 2018, as amended (NACC).

As required by the NACC, the audit firm maintains a comprehensive quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### *Conclusion*

The basis for the formulation of the auditor's conclusion is the matters described above and the conclusion should therefore be read with these matters in mind.

In our opinion, the attached remuneration report, in all material respects, contains all the elements listed in Art. 90g(1) to (5) and (8) of the Act on Public Offering.

#### *Limitation of use*

This report was prepared by Grant Thornton Polska spółka z ograniczoną odpowiedzialnością sp.k. (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 Criteria and Description of Service Object* and should not be used for any other purpose.

Grant Thornton does not accept any liability arising from contractual or non-contractual relationships (including negligence) in relation to third parties in the context of this report. The foregoing shall not relieve us of liability in situations where such relief is precluded by law.

Elżbieta Grześkowiak

Auditor No 5014 carrying out the service on behalf of  
Grant Thornton Polska Spółka z ograniczoną odpowiedzialnością sp. k.,  
Poznań, ul. Abpa Antoniego Baraniaka 88 E, audit firm No. 4055

Poznań, 29 April 2021

Signed by /  
Signed by:

Elizabeth Margaret  
Grześkowiak

Date / Date: 2021-  
04-29 14:24