

RULES OF THE REMUNERATION COMMITTEE OF THE SUPERVISORY BOARD

of the company TRAKCJA PRKil S.A.

§ 1

The Remuneration Committee of the Supervisory Board of Trakcja PRKil S.A. (hereinafter referred to as the Company) hereinafter referred to as the Committee provides consulting-advisory services for the Supervisory Board.

§ 2

1. The Committee is made of at least three members, including the President, nominated by the Supervisory Board from among its members for a period of its tenure.
2. The Committee should comprise of at least one Independent Member of the Supervisory Board.
3. The Supervisory Board selects Committee members at the first meeting of a given tenure.
4. The Committee can select experts outside of the group of the Board members for assistance.
5. In case of an expiration of a tenure of the Supervisory Board member selected for the Committee before an expiration of a tenure of the Board, the Board supplements the Committee with a new Committee member for a period until the expiration of a tenure of the Board.
6. Irrespectively of the situation stipulated in section 5, the Committee member can, at any time, by a resolution of the Supervisory Board, be dismissed from the Committee.
7. Experts selected for assisting the Committee submit to the President of the Supervisory Board a statement including an obligation to keep the information obtained in relation with or while performing their function in secret.
8. Experts referred to in section 4 can receive remuneration. The President of the Supervisory Board is authorised to stipulate the amount of their due remuneration.

§ 3

1. The aim of the Committee is to support the Supervisory Board as the Company's body in performance of its statutory obligations, including control and supervisory activities, in particular with regard to:
 - 1) stipulating remunerations for the Company's Management Board members,
 - 2) monitoring succession plans and the Company's employees' turnover process,
 - 3) supervising remuneration system policy binding in the Company, including monitoring of wage and bonus policy,
 - 4) supervising remuneration policy of persons on management positions with a significant impact on the Company's risk profile,

5) monitoring mechanisms of controlling the level of remuneration of the Internal Audit Department employees and protecting employees of this unit against unjustified termination of employment relationship.

2. Within performance of aims stipulated in section 1, point 1), the Committee, in particular:

1) analyses profiles of candidates for the Management Board members and presents its opinions on this matter to the Supervisory Board,

2) presents propositions regarding the amount of remuneration and principles for remunerating the Management Board members to the Supervisory Board,

3) presents recommendations regarding any components of the remuneration and bonus system of the Management Board members integrated with the Management Board work and performance assessment system,

4) presents propositions concerning the contents of contracts on the performance of a function of the Management Board member with consideration of the amount of remuneration,

5) expresses its standpoint on the necessity to suspend the Management Board member and delegating a Board member to temporarily perform activities of the Management Board member unable to perform his or her function.

3. Within performance of aims stipulated in section 1, point 2), the Committee, in particular:

1) analyses succession and employees development plans presented by the Management Board, including, in particular, the ones regarding the management,

2) monitors the process of the Company's employees fluctuation on the grounds of periodic reports presented by the Management Board.

4. Within performance of aims stipulated in section 1, point 3), the Committee, in particular:

1) prepares propositions within the scope of the Supervisory Board members' remunerations and presents them to the Board in order to raise a motion at the General Meeting,

2) analyses the remuneration and bonus policy with particular consideration of remunerating senior management and monitors the manner of execution thereof,

3) verifies the content of the information on remunerations of the members of Company's bodies that must be made public.

5. Within performance of aims stipulated in section 1, point 4), the Committee, in particular:

1) presents opinions regarding the remuneration policy to the Supervisory Board,

2) presents recommendation regarding adherence to the remuneration policy on the grounds of a report drawn up by the Internal Audit Department to the Supervisory Board,

5. Within performance of aims stipulated in section 1, point 5), the Committee, in particular:

1) presents recommendations to the Supervisory Board regarding the results of an audit performed by the Internal Audit Department in cooperation with the HR Department concerning the Company's employees' employment and remuneration level and structure,

2) presents recommendations to the Supervisory Board regarding the information on the performance of wage policy with regard to the Internal Audit Department employees, with consideration of possible changes and remuneration budget,

§ 4

In order to perform activities stipulated in par. 3 on behalf of the Supervisory Board, the President of the Committee has, without separate authorisation of the Board, the right to:

- 1) control, within the scope of the Committee's obligations, the activity of the Company pursuant to the provisions of article 382 of the Commercial Companies Code,
- 2) invite third parties having relevant experience necessary to research certain issues to meetings.

§ 5

Performance of activities stipulated herein by the Committee does not replace legal and statutory entitlements and obligations of the Supervisory Board and does not release the Supervisory Board members from their liability to the Company.

§ 6

1. The Committee holds meetings at least once every quarter, on dates stipulated by the President of the Committee.
2. Additional meetings of the Committee can be called by its President on initiative of Committee's member or other member of the Supervisory Board as well as on the motion submitted by the Management Board.
3. The President of the Committee is liable for drawing up agenda of each meeting of the Committee. The President can turn to the respective Management Board member for drawing up proper materials.
4. The agenda of each meeting shall be forwarded to each Committee member together with necessary materials at least 1 week before set date of the Committee's meeting.
5. The Committee should be in session with at least half of its members (quorum) present.
6. Management Board members, HR Directors or other employees of the Company invited by the President can participate in the Committee's meeting without the right to participate in voting.
7. Relevant provisions of the Rules of the Supervisory Board concerning meetings of the Board are applied within the scope of the mode of calling and conducting the Committee's meetings respectively.

§ 7

1. Minutes of each meeting of the Committee are drawn and signed by the President of the Committee.
2. Minutes of the Committee's meetings together with motions, suggestions and recommendations are submitted to the Supervisory Board on its nearest meeting and also to the Management Board.

3. Provisions of the Rules of the Supervisory Board apply to the minutes respectively.

§ 8

The Committee submits to the Supervisory Board statement on its activities in a given financial year within a period enabling the Board to include contents thereof in annual assessment of the Company's situation.

§ 9

1. These Rules are passed by the Supervisory Board.
2. These Rules are reviewed and assessed by the Remuneration Committee with regard to adequacy. In case of a necessity to amend the Rules, the President of the Committee submits to the Supervisory Board a relevant motion within this scope.