

**RULES AND REGULATIONS OF THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD  
OF TRAKCJA PRKII S.A.**

**§ 1**

The Audit Committee of the Supervisory Board of Trakcja PRKil S.A. (hereinafter referred to as "the Committee") shall fulfil the responsibilities and perform the consultancy and advisory roles for the Supervisory Board as set out in these Rules and Regulations and in the laws and rules and recommendations specified for issuers, including in particular in:

- 1) The Act on statutory auditors, audit firms and public oversight of 11 May 2017 (hereinafter referred to as "the Act"),
- 2) Regulation No 537/2014 of the European Parliament and of the (EU) Council of 16 April 2014 (hereinafter referred to as "the Regulation").

**§ 2**

1. The Committee shall consist of at least three members, including the Chairman, appointed by the Supervisory Board from among its members for the term of office of the Board.
2. Most of the composition of the Committee, including its Chairman, shall be independent members who meet at least the independence criteria set out in Article 129, paragraph 3 of the Act.
3. At least one member of the Committee shall have knowledge and skills in accounting or auditing.
4. Members of the Committee shall have knowledge and skills in the business in which the Company operates. This condition is considered to be met if at least one member of the Committee has knowledge and skills in this business, or individual members have knowledge and skills in this business within defined fields.
5. The Supervisory Board shall elect the members of the Committee at its first meeting of a given term.
6. Where the mandate of a member of the Supervisory Board elected before the end of the term of office of the entire Supervisory Board expires, the Supervisory Board shall supplement the composition of the Committee by electing a new member of the Committee for the remaining part of the term of office of the Supervisory Board.
7. A Committee member may be dismissed from the Committee at any time by a resolution of the Supervisory Board.
8. The Committee may select advisory experts from outside the Supervisory Board.
9. The Committee advisory experts shall submit to the Chairman of the Supervisory Board a confidentiality statement to keep the information obtained in due to or as a result of performance of their duties in secret.
10. The experts referred to in paragraph 8 may be paid a remuneration. The Chairman of the Supervisory Board is authorised to set the sum of remuneration payable to them.

**§ 3**

1. The purpose of the Committee is to assist the Supervisory Board as a corporate governing body in the performance of the Supervisory Body's duties under the Articles of Incorporation, including control and supervisory activities, including in particular:
  - a. the monitoring of:

- i. the process of financial reporting,
  - ii. the effectiveness of internal control systems and risk management and internal audit systems, including in terms of financial reporting,
  - iii. conducting financial review activities, including in particular the audit by an audit firm, taking into account any conclusions and findings of the Audit Oversight Commission resulting from audits carried out in the audit firm;
- b. controlling and monitoring the independence of the statutory auditor and the audit firm, also in case when the audit firm provides to the Company other services than audit services;
- c. informing the Company's Supervisory Board of the results of the audit and explaining how the audit contributed to the reliability of financial reporting in the Company as well as about the role of the Committee in the audit process;
- d. assessing the independence of the statutory auditor and giving consent for the provision of the statutory auditor's services that are not Company audit services;
- e. developing a policy for selecting an audit firm to conduct the audit;
- f. developing a policy for the provision of permitted non-audit services by the audit firm performing the audit, by affiliates of that audit firm and by a member of the network of that audit firm;
- g. setting out the procedure for selecting an audit firm;
- h. presenting to the Supervisory Board the recommendation referred to in Article 16, paragraph 2 of the Regulation, in accordance with the policies referred to in subparagraphs e) and f);
- i. submitting recommendations to ensure the reliability of the financial reporting process in the Company.

#### **§ 4**

The Audit Committee may directly, without the Supervisory Board, request any information, explanations and documents necessary for the performance of the responsibilities referred to in these Rules and Regulations.

#### **§ 5**

The performance by the Committee of activities specified in these Rules and Regulations neither replaces the Supervisory Board's powers and duties set out in the Articles of Incorporation, nor does it release the members of the Supervisory Board from their liability to the Company.

#### **§ 6**

1. The Committee shall meet, at least once every six months, on the dates set by the Chairman of the Committee.
2. Additional meetings of the Committee may be convened by its Chairman at the initiative of a member of the Committee or another member of the Supervisory Board and at the request of the Management Board.
3. The Chairman of the Committee shall be responsible for preparing the agenda for each Committee meeting. The Chairman may request a relevant member of the Management Board to provide appropriate materials.
4. The agenda of each meeting shall be communicated to each member of the Committee with the necessary materials at least three days before the date of the Committee meeting.
5. At least half of the Committee members are required to be present for the validity of the Committee meeting.

6. Upon invitation from the Chairman, Members of the Supervisory Board, members of the Management Board and employees of the Company, as well as other persons deemed necessary by the Committee may participate in the meeting of the Committee without the right to vote.
7. As regards the rules of convening and holding meetings of the Committee, the provisions of the Supervisory Board Rules of Procedure concerning the Supervisory Board shall apply, unless otherwise provided for in these Rules and Regulations.
8. The Committee may also adopt resolutions, decisions, recommendations, guidelines, opinions, and proposals by means of direct remote communication.

#### **§ 7**

1. Meeting of the Committee shall be documented with meeting minutes if the documents referred to in § 6.8 of the Rules and Regulations.
2. Where the resolutions have been adopted using means of direct remote communication, the minutes shall be drawn up and signed only by the Chairman of the Committee.
3. At the request of the Supervisory Board or the Management Board, the Committee shall submit them the minutes.

#### **§ 8**

The Committee submits to the Supervisory Board a report on its activity for the financial year, within the time limit enabling the Board to take into account the content of this report in the annual assessment of the Company's situation.

#### **§ 9**

1. These Rules and Regulations are adopted by the Supervisory Board.
2. These Rules and Regulations shall be reviewed and assessed by the Committee in terms of adequacy. Where any changes in these Rules and Regulations are needed to be made, the Chairman of the Committee shall submit a relevant request to the Supervisory Board.