

Composition of the Committees

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As at the day of publication of this Statement i.e. 23 March 2018 the Audit Committee and the Nomination and Remuneration Committee operate in the following compositions:

Audit Committee

Name	Position
Piotr Kossak ¹⁾	Chairman
Roman Stryjski ²⁾	Member
Piotr Mirkowski ²⁾	Member
Rafał Bargiel ²⁾	Member
Stanisław Kazimierz Hebda	Member
Sławomir Brzeziński	Member
Wojciech Klimowicz	Member

1) Independent Member within the meaning of Article 129 Section III. 1 point 3 of the Act of 11 May 2017 on Statutory Auditors of Audit Firms and Public Supervision and within the meaning of corporate governance principles included in the Code of Best Practice for WSE Listed Companies 2016

2) Independent Member within the meaning of Article 129 Section III. 1 point 3 of the Act of 11 May 2017 on Statutory Auditors of Audit Firms and Public Supervision

Description of the Audit Committee operation

A detailed description of the powers of the Audit Committee is included in the Act of 11 May 2017 on certified auditors, audit companies and public supervision (Journal of Laws item 1089) and the Regulations of Enea SA Supervisory Board.

The majority of the Audit Committee members, including the Audit Committee chairperson, should meet the independence criteria within the meaning of Article 129.3 of the Act of 11 May 2017 on certified auditors, audit companies and public supervision; moreover, at least one member of the Audit Committee should have the knowledge and skills in the scope of accountancy or auditing financial statements.

The audit committee members have the knowledge and skills in the field of the industry in which the Issuer operates. This condition is deemed met, if at least one member of the audit committee has the knowledge and skills in the field of this industry or if individual members in specific scopes have the knowledge and skills in the field of this industry.

The responsibilities of the Audit Committee include advising the Supervisory Board on the internal policy and budget procedures adopted by the Company and their control, and advising on the Company's contacts with a certified auditor, including, without limitation:

1. monitoring of:
 - a. the Company's financial reporting process,
 - b. the effectiveness of internal audit systems and risk management systems and the internal audit, including in the scope of financial reporting,
 - c. performing the financial revision operations, including, without limitation, conducting the audit by an audit company, taking into consideration any conclusions and findings of the Audit Supervision Commission resulting from the control conducted in the audit company;
2. controlling and monitoring of independence of the certified auditor and the audit company, also in the case where any services other than audit are provided by the audit company for the Company;
3. informing the Supervisory Board of the audit results and explaining how the audit contributed to the reliability of financial reporting in the Company and what was the Audit Committee's role in the audit process;
4. performing the assessment of the certified auditor's independence and granting a consent for the provision by such auditor of permitted services other than audit services in the Company;
5. developing the policy of selecting the audit company to conduct the audit;
6. developing the policy of provision of permitted services other than auditing by the audit company conducting such audit, by the entities related to such audit company, and by a member of the audit company's network;
7. determining the procedures for selecting audit company by a public interest unit;
8. presenting to the Supervisory Board the recommendation on the appointment of certified auditors or audit companies, pursuant to the policies referred to in items 5 and 6;
9. making the recommendations aimed to ensure the reliability of the financial reporting process in the Company;
10. monitoring the reliability of financial information presented by the Company, including, without limitation, by way of the review of adequacy and consequences of applying the accountancy methods adopted by the Company and its group (including the criteria for consolidation of financial statements of companies in the group);
11. providing an opinion on and submitting to the Supervisory Board for approval the annual internal audit plan;
12. providing an opinion on and submitting to the Supervisory Board for approval the annual budget of internal audit subunit;
13. providing an opinion on and submitting to the Supervisory Board for approval the changes to the scope of operations of the internal audit unit;
14. discussing any problems or reservations which may result from the financial statements auditing;
15. discussing with the Company's certified auditors, before commencement of each audit of the annual financial statements, the character and scope of the audit and monitoring coordination of works among the Company's certified auditors;
16. reviewing, at least once a year, the internal audit and risk management systems in terms of ensuring that key risks (including those related to compliance with applicable laws and regulations) are correctly identified, managed, and disclosed;
17. ensuring the effectiveness of the internal audit function by way of expressing an opinion on selecting, appointing and recalling the head of the internal audit department, as well as monitoring the Company's Management Board reaction to its findings and recommendations;
18. expressing an opinion on termination of the remuneration conditions (salary reduction) to the Control and Audit Bureau Manager;
19. analysing the reports of the Company's internal auditors and key comments of other internal analysts and the Management Board's response to such comments, including the audit of the degree of internal auditors' independence;
20. controlling the character and scope of extra-auditing services, including, without limitation, the control on the basis of disclosure by the external auditor of the sum total of all fees paid by the Company and its group to the audit company and its network, in terms of preventing any significant

- conflict of interest in this respect;
21. conducting the review of effectiveness of the external control process and monitoring the Company's Management Board reaction to the recommendations given by external auditors in the letter to the Management Board;
 22. examination of the issues being the reasons for resignation from the external auditor's services and giving instructions on the required operations;
 23. cooperation with the Company's organisational subunits in charge for the audit and control and periodical assessment of their work;
 24. review of the Company's managerial accountancy system.

Nominations and Remuneration Committee

Name	Position
Rafał Szymański	Chairman
Rafał Bargiel	Member
Piotr Kossak	Member
Tadeusz Mikłosz	Member
Piotr Mirkowski	Member

Description of the Nominations and Remuneration Committee operation

The Nominations and Remuneration Committee should be composed of at least one independent member in the meaning of the European Commission's recommendation, but in the case of nomination to the Board of more than one person fulfilling the above independence criteria, the committee should be composed of possibly the largest number of independent members.

The responsibilities of the Nominations and Remuneration Committee is to promote the achievement of the Company's strategic objectives by presenting opinions and motions to the Board regarding the structure of employment and the remuneration paid to the Company's personnel, particularly management personnel. The description of the Nominations and Remuneration Committee's responsibilities was specified in the Rules of the Supervisory Board of Enea SA.