



We engineer, you drive

Rába Automotive Holding Plc.

The Rules of Procedure of the Supervisory Board of

RÁBA AUTOMOTIVE HOLDING PUBLIC LIMITED COMPANY

March 23, 2016

The Rules of Procedure were approved through resolution No. 7/2016.04.15 by the general meeting of shareholders held on April 15, 2016.



We engineer, you drive

1. The Legal Status of the Supervisory Board

In order to protect the Company's interest, the executive management of the Company is controlled by the supervisory board (hereinafter: SB) elected by the general meeting of shareholders.

The rules for the establishment and the operation of the SB are set forth in the Articles of Association of RÁBA Plc.

The provisions of the Articles of Association relevant to the SB are shown in Annex 1.

2. Members of the SB

2.1. The headcount of the SB

The Supervisory Board has three members. The chairman and the members of the Supervisory Board are elected by the general meeting of the Company.

One third of the members of the SB is elected by the General Meeting based on the nomination of the company council, if, failing different agreement concluded by the company council and the management of the Company, pursuant to the existing laws an employee representative is entitled to participate in controlling of the operation of the Company.

The employee representatives are nominated by the company council to the SB from among the Company's employees in accordance with the opinion of the trade union acting at the Company. The Company's supreme body shall elect the person nominated by the company council to the SB at the general meeting first held following the nomination, unless there is a legal conflict of interests against the person nominated. In such cases, the company council should be requested to nominate new persons.

Only those SB members may have labour contract relationship with the Company who are delegated by the Company's employees.

2.2. The term of the mandate of the SB

The members of the SB are elected for a period determined by the general meeting of shareholders, which however, in any case expires 5 years after their election.

In case the members of the SB partly change or the SB is enlarged with new members, the mandate of the new members shall last until the date the mandate of the existing members expires. With the exception of the employee representatives, the members of the SB may be recalled at any time and they may be re-elected after the expiry of their mandate.

2.3. The legal status of the members of the SB and their responsibility

A person is eligible to be a member of the SB, if

- he/she satisfies the requirements prescribed by the law;
- in case of an employee representative, he/she is nominated by the company council;
- he/she accepts the membership by delivering a letter of acceptance to the Company's Chief Executive Officers.

The members of the SB are allowed to use the title "Member of the Supervisory Board" on their name-plate.

Pursuant to the Act V of 2013 on the Civil Code, the members of the SB, including the employee representatives, shall be liable, under the liability rules for breach of contracts of the Civil Code, for loss and damages sustained by the Company due to the failure of or negligence in performing the SB members' supervisory obligations.

The rules of conflict of interests relating to the SB members are set forth in the Civil Code.



We engineer, you drive

The members of the SB shall notify in writing the Company of his/her election to an SB of any other company or the acceptance by him/her of a chief executive officer position in any other company within 15 days from the acceptance of the position.

The chairman of the SB is substituted by the SB member appointed by the chairman.

3. The SB membership is terminated:

- 3.1. - at the end of the term of mandate,
- 3.2. - upon recall of the member,
- 3.3. - upon resignation of the board member
- 3.4. - upon death of the SB member,
- 3.5. - upon termination of the employment of the delegated board member (if such SB member exists)
- 3.6. - once the precluding reason or existence of conflict of interests as set forth in the law en-sues.
- 3.7. – upon the occurrence of a condition of termination if his/her mandate is subject to such condition of cessation;
- 3.8.- in case the member of the SB becomes incapacitated to such extent that he/she is not able to fulfil its tasks as SB member;
- 3.9. upon other causes as stated in an special act.

In the event that a SB member is unable to perform his SB duties for an extended period (foresee-ably exceeding 3 months), the chairman of the SB shall initiate the election of a new SB member to the Chairman of the Board of Directors, by proposing to include such item into the agenda of the next general meeting of shareholders, or in justified cases by calling an extraordinary general meeting of shareholders. Should the chairman of the SB be unavailable, the other members of the SB are jointly responsible to discharge such obligation.

The SB member may resign from the position at any time. The SB member shall deliver his/her letter of resignation to the chairman or the Chairman's substitute of the SB, the chairman of the Board of Directors or, in the lack of such chief executive officers, to the majority shareholder of the Company.

If it is required by the operation of the Company, the resignation shall come into force 60 days after the resignation notice is submitted, or earlier, if the general meeting of shareholders elects a new SB member. Until the resignation comes into force, the resigning member shall participate in all urgent decision or make all measurements urgently needed.

4. The members of the SB are entitled to remuneration for their activity. Such remuneration shall be determined by the general meeting and payment is made monthly, upon instruction from the CEO of the Company. The member of the SB may receive a honorarium only for one membership and only from one publicly owned such company.

5. Operation of the SB

5.1. The SB has the right to request information and reports from all members of the Board of Di-rectors and the executives, as well as from the employees of executive position of the Company on all matters pertaining to the Company. The SB furthermore has the right to inspect or have experts inspect all accounts, books, bank accounts and documents of the Company.

5.2. The Board of Directors shall send the agenda and the minutes pertaining to the meetings of the Board of Directors to the chairman of the SB and the written documents at the request of the chairman of SB.



We engineer, you drive

5.3. The SB shall prepare, order and/or assess working documents as needed.

5.4. The members of the SB shall attend sessions of the SB, they have a right to formulate an opinion and to make motions and shall decide on matters within their competence.

5.5. The members of the SB shall act as a body or individually on matters assigned to them and approved by the SB. Should any of the SB members learn about matters within the competence of the SB, he shall inform the SB about such matters at the next meeting of the SB.

5.6. The rights the SB is entitled to under its supervisory activity

a) the SB members are entitled to participate in the Company's general meeting with consultation rights and to submit proposal in regard to the agenda;

b) the SB is entitled to involve the Company's internal audit organization and to employ expert at the Company's expense;

c) the SB is entitled to look for information in the Company's documents, books and accounting records, ask for information from the Company's chief executive officers and employees, examine the Company's bank accounts, cash-desk, securities portfolio, inventory and contracts or it is entitled to render examination from experts at the Company's costs. The written answer to the SB's question shall be delivered within 8 days, which is to be sent via mail, fax or e-mail to the address as instructed by the SB member requesting information.

d) the SB is entitled to initiate court action against the resolution brought by the supreme body of the Company if the resolution is in conflict with the Civil Code or other law or the Company's Articles of Association;

e) the SB is entitled to invite the Company's auditor for a hearing to its board meeting.

6. Responsibilities of the SB, the tasks of the chairman and the members of the SB

6.1. The SB shall inspect any submission of the Board of Directors made to the General Meeting of Shareholders, without affecting the opposite provisions of the Articles of Association and with the exception of the personnel issues and report its opinion incorporated in the form of resolutions relating to such submission to the General Meeting.

6.2. The SB shall prepare a report and take a stand on the matter discussed.

6.3. The SB shall in each case inform the Board of Directors about its opinion through the chairman of the Board and shall prepare its reports for the general meeting in the instances set forth by the law.

6.4. The SB shall convoke the general meeting if it is required by the interests of the Company especially if it learns that the operation of the Company or any measures violate the law or the Articles of Association of the Company or if it learns about actions or defaults in breach of the interests of the shareholders.

6.5. The SB shall inspect the activity of the management of the Company if it is requested by shareholders representing 10% of the Company's registered capital, indicating the cause and the purpose of such request.

6.6. The SB shall fulfil the duty prescribed by the existing laws and the Articles of Associations of the Company.

6.7. The chairman of the SB shall

- organize and control the activity of the SB. He shall provide for the continuous board activity and the convocation of the board in accordance with the work-plan accepted by the members;



We engineer, you drive

- provide for the maintenance the relationship with the Company's supreme body;
- conduct the meeting of the SB, summarize the debate, order the voting and declares the result of voting. In case of dead-lock, the proposal shall be deemed refused.;
- sign individually in the name of the SB;
- countersign the minutes of the SB meeting by affixing his/her signature to it;
- in the name of the SB convoke the Company's supreme body if he/she is authorized to do so by the law;
- perform any and all tasks which are referred to the SB's chairman competence by the law.

6.8. The responsibilities of the members of the SB

The members of the SB shall act with care of high level primarily in favour of the Company's interest as it is expected from persons of such position.

The SB members shall act personally and substitution is not allowed. The SB members in the scope of their position may not be instructed by the members of the Company nor the employer.

The SB may assign particular tasks forming its supervisory responsibilities to any of its members, or may generally divide the supervision between its members.

The division of supervisory responsibilities shall not affect the particular liability of the SB members, or his/her rights to extend the supervision to other activities falling within the scope of supervisory duties of the SB.

The SB members shall treat confidentially and keep confidential the information that are accessed by them about the Company's deal.

7. Convocation, Timing and venue of the meetings of the SB and the persons invited to the meetings

7.1. The SB shall hold its meetings once every quarter. The meetings are convoked by the chairman of the SB. If needed, an extraordinary meeting can be convoked. Extraordinary meetings can be initiated by the chairman of the SB or by any of its members.

The meeting of the SB shall be convoked without delay (extraordinary meeting), if it is requested by

- two members of the SB
- the Board of Directors
- the permanent auditor

with the indication of the reason and purpose of such initiative.

The chairman of the SB shall convoke the SB meeting for a date that shall be within 30 days from the date the initiative comes to the chairman's knowledge. If the chairman fails to meet its obligation, the person(s) initiating the convocation of the meeting become(s) entitled to convoke the meeting.

If the number of the SB members becomes less than the headcount stipulated in the Articles of Association, or there is nobody competent to convoke the meeting, the Company's management shall be obliged to convoke the meeting the Company's supreme body in order to restore the SB's legally proper operation.

The notice of invitation to SB meeting and the written submissions relating to each item on agenda shall be delivered by e-mail, or in the lack of e-mail via other traceable means, by the chairman or the substitute or an SB member appointed by the chairman to do so in case the chairman is hin-



We engineer, you drive

dered, to the SB members and the invited persons, via the Company's division or employee charged with such task, at least 5 working days prior to the meeting. This deadline for delivery may be shortened in case of matters requiring urgent decision or in case it is reasonable due to special circumstances, and, in such cases an oral proposal also can be submitted respectively, however subject to evidences to the reasons for urgency or that of the special circumstances, respectively.

The notice of invitation shall compulsorily contain the **time, the venue and the planned agenda items of the meetings of the SB.**

7.2. The meetings of the SB are held primarily at the seat of the Company. Based on the unanimous decision of the members of the SB, meetings can from time to time be held outside of the seat of the Company if it is justified by some reasonable acceptable fact or condition.

7.3. Costs incurred by the SB members in connection with the attendance at the meeting and with the membership on the SB, shall to the statutorily permitted extent be reimbursed by the Company.

7.4. The time and date of the forthcoming meeting shall, if possible, be decided at the previous SB meeting. A period of at least five working days shall elapse between the convocation of the SB meeting and the date of the meeting, unless the members of the SB approve with a unanimous vote a date for the next meeting of the SB to be less than 5 working days after the convocation of the meeting.

7.5 The persons invited to the SB meeting

The Company's CEO and the chairman of the Board of Directors shall be invited to all SB meeting.

The chairman of the SB may invite, with consultation rights, the Company's auditor, the chief of the internal audit organization or the internal auditor, the Company's employee or other external participants or experts to the SB meeting. The invitation may relate to the whole SB meeting or to negotiation of particular items on agenda only.

The SB members are entitled to propose the invitation of certain persons. The chairman of the SB shall decide about the persons to be invited.

If the convocation of the SB meeting is initiated by persons other than the SB's chairman or the SB's members, the person initiating the meeting or his/her representative and any person proposed by the person initiating the meeting, shall be invited, with consultation rights, to the meeting.

8. Order of the meetings of the SB, telecommunication session, passing resolutions in writing

8.1. The SB shall have a quorum if two thirds of its members but no less than three members are present. The meetings are chaired by the chairman.

The chairman of the SB meeting determines whether the meeting has quorum before the official discussions start. The SB meeting shall have a quorum if all members are invited in proper manner and due time, or two-third of the members but at least three members approve to hold the meeting still before the acceptance of the agenda and provided that two-third of the members but at least three members are present at the meeting personally or by means of electronic telecommunication. If the number of the attendance is less than that required for quorum, the invitation has to be repeated for a date within 14 days. The method of invitation shall be same as that in relating to the original meeting.

Following the declaration of quorum, the members of the SB shall decide, with simple majority votes, about the agenda of the meeting on the basis of the agenda items shown in the notice of invitation and the proposals submitted at the meeting. The SB is entitled to put on agenda such items which are not shown on the notice of invitation originally.



We engineer, you drive

Following the acceptance of the agenda items, the discussion of the particular items on agenda start under the control of the chairman. Each and every SB member has to be allowed, on his/her request, to express his/her opinion during the debate. Professional and objective negotiation in respect of each item on agenda is to be aimed.

The expression of minority opinions also shall be permitted without limitation, and such minority opinions have to be authentically reflected in the minutes of meeting.

The invited persons and the experts shall express their opinion on request by the chairman.

After closing the debate, the chairman of the SB summarizes the debate. If it becomes necessary as a result of the debate, he/she amends or adjusts the draft resolution. The draft resolution has to be clear, professional, obvious and specific. In case the draft resolution contain an order to execute certain tasks, the deadline and the person responsible for the execution also have to be defined.

The voting and the resolving take place after closing the debate and stating the draft resolution.

8.2. Each member of the SB has unlimited right to make comments and to formulate an opinion. The members of the SB are required to participate in the work of the SB in person, proxies are not permitted.

8.3. Decisions at the meetings are adopted through a unanimous vote.,

The SB shall pass an official resolution, including its opinion and report, on each and every item on agenda except for the matters of modus operandi and the agenda items of informative character. In the course of passing the resolution the SB members and the keeper of the minutes shall be present, however the chairman may order to pass the resolution in the presence of the invited persons and the experts as well.

The SB passes its resolutions openly with simple majority of votes (except for the cases the SB orders, with simply majority, to cast the votes in confidential way.) The votes involve "yes", "no" or "abstention". If the number of votes of "yes" does not exceed the number of other votes, the draft resolution shall be deemed refused.

Each draft resolution under each item on agenda shall be subject to separate voting to be ordered by the chairman, and the number of votes, the acceptance or refusal of the draft resolution as well as the proportion of cast votes shall be announced by the chairman on the basis of votes.

If the opinion of the SB's employee representative is different from the majority opinion, the supreme body shall be informed of such minority opinion.

8.4. Any member may invite guests to attend the meetings of the SB, they shall have the right to consult at the meeting. The auditor of the Company may be present at the meetings of the SB.

8.5. Upon initiative of the Chairman, meeting of the SB may be held by means of telecommunication, or without convening a meeting, the SB may vote in writing based on the submissions and proposed resolutions sent previously to the members. The technical requirements of the conference call session have to be provided by the Company so all members are provided with the electronic access during the entire period of such session.

The rules pertaining to the personal ordinary meeting (convocation, quorum, minutes, voting, etc.) shall be applicable to telecommunication session as well.

In such a case, the proposed resolution and the related written documents shall be sent to all SD members who shall be requested to vote in writing within at least eight (8) days after receiving the documents. The notice shall state the final date of the resolution and the address or e-mail address or facsimile number to which the written resolution should be sent. The deadline for the resolution may be extended by the Chairman once, for three days at most. Any such written resolution can be deemed adopted if it is supported by majority votes of the Board members.



We engineer, you drive

The SB members are entitled to initiate consultation in writing in order to clarify certain issues of the draft resolutions or they are entitled to request the negotiation of the issue at a meeting. The chairman of the SB shall be obliged to act according to the initiative.

9. The minutes of the meetings of the SB

9.1. The minutes taken at the meetings are the fundamental documents of the activities of the SB.

The minutes of the meeting shall be taken on behalf of the Company by the person being in charge of administration.

The minutes shall show

- the Company's firm name and registered seat;
- the list of the agenda items discussed by the meeting,
- the list of participants, which can be involved in a sheet of attendance to be attached to the minutes
- the name of the person conducting the SB meeting and the name of the keeper of the minutes;
- the proposals addressed at the SB meeting
- the essence of the debate, the particular speeches, points of view, opinions, the separate opinions, if any, and the other important circumstances.
- the resolution, the number of votes for and against thereto and the number of abstentions, if any.
- the protest against a particular resolution by an SB member, if any.

The resolutions shall be registered and identified by a serial number starting at the beginning of each year and consisting of the sequential number and number of the year, the month and the date.

The resolutions adopted shall be entered separately in the Book of Resolutions. The chairman of the SB shall take care of keeping the Book of Resolutions with the assistance of the Company.

The minutes of the meeting shall be signed by keeper of the minutes and the chairman of the SB (in the absence of the chairman of the SB, the chairman conducting the meeting shall sign instead).

A copy of the minutes of the meeting shall be delivered, via e-mail, by Company's division or the employee in charge of such task to all the members of the SB, all the members of the Board of Directors and the CEO and, if it is reasonable due to the issue at hand, to the Company's auditor as well within 10 days from the meeting.

The Company shall be in charge of filing and retaining the minutes of meetings and their attachments, and the Company also shall take care of preparing the meetings of the SB, providing the technical means for the SB meetings and appointing the keeper of the minutes for the SB meetings.

The Company also shall be responsible for filing a signed copy of the submissions discussed by the SB in accordance with the prevailing law and the Company's rules of file administration.

Closed meeting of the SB

The SB is entitled to order, with simply majority of votes, to hold a closed session or to decide to discuss certain items on agenda at a closed session. Such closed session may take place if it is required by the strategic interests of the Company that the subject matter of the agenda item, the debate or the resolution be available for the public only in due course.



We engineer, you drive

Only the SB members, the person filing the submission and those persons may participate in the closed session of the SB whose attendance is approved by the FB's resolution brought with simple majority of votes.

The minutes of meeting of the closed session shall be taken by a member of the SB and it shall be signed by such keeper of the minutes and the chairman conducting the session.

A separate minutes of meeting shall be taken in respect of the closed session of the SB and it can be inspected by the SB members only and further by such persons who are approved by the chairman of the SB.

9.2. The drafting of the minutes shall be the responsibility of the chairman.

9.3. The members of the SB can comment upon the minutes within 8 days following receipt of the minutes, so that eventual comments shall be made in writing.

10. The members of the SB shall treat all information pertaining to the Company and obtained in the course of their work as confidential and shall prevent such information from being released to third persons. Each member of the SB is personally subject to the confidentiality requirement.

11. The technical and material conditions for the operation of the SB are provided by the Company, upon the responsibility of the person/s/ appointed by the CEO, as follows:

11.1. He shall dispatch the invitations, as well as the materials for the meeting.

11.2. He shall duplicate working materials.

11.3. He shall dispatch the minutes of the meetings.

11.4. He shall manage the archives of the SB and shall file and register a copy of all information, which the chairman instructs him to file and register. Invitations to the meetings, minutes, as well as the related annexes shall be kept on file automatically.

11.5. He shall provide access to the archives of the SB upon request from any SB member.

11.6. He shall finance the activities of external experts hired for the individual matters by the SB.

12. Use of external experts on a case-by-case basis

In the event that a given task requires the involvement of external experts, in the opinion of the SB,

12.1. Based on the authorization of the SB as a corporation, the chairman conducts negotiations with the expert and concludes the agreement. Such task can from time to time be transferred to any member of the SB.

12.2. The majority vote of the SB is required to establish the contents and the deadline of, as well as the compensation for the work to be carried out.

13. The relationship between the SB and the auditor

13.1. The SB informs the auditor about the meeting by sending him the invitation. The auditor of the Company may attend the meetings of the SB.

13.2. If necessary, the SB sends the minutes taken at the meeting, to the auditor of the Company, by way of information.

13.3. In the course of carrying out the control tasks, the SB and the auditor shall consult as needed and shall, in the interest of the matter at stake, exchange all relevant information. The SB is entitled to invite the Company's auditor for a hearing to its board meeting



We engineer, you drive

14. The relationship between the SB and the internal audit organisation

14.1. The internal audit system within the Company operates under the direction of SB. Its activity is performed on the basis of the annual working plan, which is completed by the ad hoc audits. The operation of the audit system within the Company and its subsidiaries is regulated by the existing order of the CEO of the Company.

14.2. The internal audit function is performed on the basis of an annual working plan. Upon developing the audit plan, the requirements formulated by the SB shall be incorporated. The audit plan shall include the organisation to be audited, the purpose of the audit process, as well as the subject matter and the type of the audit. The audit working plan submitted with the managements' understanding is approved by the SB.

14.3. The organisation performing the audit, shall inform the SB about the audit performed on the basis of the annual working plan or as a targeted audit.

14.4. The SB shall have the right to instruct the audit organisation directly to carry out audit tasks. In such cases the SB shall inform the chairman of the Board of Directors, as well as the CEO of the Company.

14.5. The SB shall discuss the report of the audit organisation about the inspection carried out as per Section 14.4 above, at the next meeting of the SB or at an extraordinary meeting if necessary.

14.6. The representative of the audit organisation shall if necessary, attend the meetings of the SB with a right to consult.

15. The relationship between the Board of Directors and the SB

15.1. The Board of Directors shall send the agenda of its meetings to the Chairman of the SB by way of information. In consideration of the agenda, the Chairman of the SB may request the proposals made for the meeting of the Board of Directors.

15.2. The Board of Directors shall send the minutes of its meetings to the Chairman of the SB and the SB shall send the minutes of its sessions to the Chairman of the Board.

15.3. The Chairman of the SB can attend the meetings of the Board of Directors, with a right to consult.

16. The execution of resolutions and reporting

The Company keeps records about the resolutions of the SB. Upon the expiry of the deadline for the execution of a resolution, the person who is responsible for the execution of such resolution shall be obliged to submit to the SB a written report about the status of execution of such resolution.

Győr, March 23, 2016

These Rules of Procedure, of homogeneous structure with the amendments of the Rules of Procedure of March 20, 2013, were adopted by the Supervisory Board at its meeting held March 23, 2016 through an unanimous vote and they shall be presented to the next general meeting of shareholders for approval.

Supervisory Board of RÁBA Plc.



We engineer, you drive

Appendix 1 to the Rules of Procedure of the Supervisory Board of Rába Plc.

Regulations of the Articles of Association of Rába Plc. relating to the Supervisory Board
(Abstract of the Articles of Association in effect adopted through resolution No. 6/2016.04.15.of the General Meeting)

SUPERVISORY BOARD AND AUDIT COMMITTEE

23. Members of the Supervisory Board

23.1. Supervision over the Company's executive management is performed by the Supervisory Board elected by the General Meeting of Shareholders. The task of the Supervisory Board is to supervise the management of the Company in favour of the supreme body and with the purpose of protecting the Company's interest.

23.2. The Supervisory Board of the Company is made up of three (3) members. The chairman and the members of the Supervisory Board are elected by the General Meeting of Shareholders of the Company.

23.3. The members of the Supervisory Board are elected for a definite period of time, no longer than five (5) years. Members of the Supervisory Board can be re-elected or recalled at any time, without cause. The term of a member of the Supervisory Board elected through interim election, shall expire when the term of the other members of the Supervisory Board expire.

23.4. The Chairman of the Supervisory Board shall call and chair the meetings of the Supervisory Board, appoints the keeper of the minutes, orders voting and establishes the outcome of the voting.

23.5. The Supervisory Board has a quorum if at least two thirds of its members but no less than three members are present at the meeting. The Supervisory Board adopts its resolutions through simple majority vote. The Supervisory Board can, when initiated by the Chairman, decide to have a meeting via telephone conference or the members may adopt a written resolution without a meeting, based on proposals and draft resolutions sent to the members in advance. The technology necessary for a meeting held via telephone conference shall be provided by the Company so that the electronic connection remains available to all members and invited guests throughout the entire meeting.

23.6. Any member of the Supervisory Board may call its meeting indicating its cause and purpose, if such request is not met by the chairman within eight (8) days.

23.7.

Members of the Supervisory Board may not (apart from the acquisition of shares or positions in public limited companies) acquire shareholding and may not be a chief executive officer or supervisory board member in business organisations conducting a main activity identical to that of the Company, except the GM grants approval to such acquisition or position.

Executives and the SB members of the Company shall inform the companies about their new executive or SB positions within 15 days from the acceptance of such positions.

Unless the GM gives approval, the members of the Members of the Supervisory Board and their relatives may not conclude on their own behalf or in their own favour contracts falling within the



We engineer, you drive

scope of activities of the Company except for contracts which are usually concluded as part of the every-day life.

23.8. Under Act CLII of 2007, the members of the Supervisory Board are liable to declare their asset situation.

24. Competence and tasks of the Supervisory Board

24.1. The Supervisory Board shall:

- (a) supervise the executive management of the Company;
- (b) inspect any submission of the Board of Directors made to the General Meeting of Shareholders, without affecting the opposite provisions of the Articles of Association and with the exception of the personnel issues and report its opinion incorporated in the form of resolutions relating to such submission to the General Meeting.
- (c) call the General Meeting of Shareholders if it is necessary in the interest of the Company, especially if it learns about any action, measure or default in breach of the law or of the Articles of Association or the resolutions of the General Meeting of Shareholders of the Company;
- (d) review the issues put forward by the Board of Directors and formulate a position on such matters;
- (e) discuss the proposal made by the Board of Directors to the Audit Committee for the audit organisation and for the person of the auditor. The Audit Committee shall propose the person of the Auditor to the General Meeting of Shareholders with the approval of the Supervisory Board.
- (f) provide preliminary opinion about the performance requirements and related benefits (performance-based wages, or other benefits) for the employees subject to the provisions of Sections (1) and (2) of Paragraph 208 of the Labour Code;
- (g) perform other tasks as set forth in the regulations and in the Articles of Association of the Company.

24.2. The Supervisory Board has the right to request information and report on all matters of the Company from any member of the Board of Directors, executive or employee of the Company and has the right to inspect or have inspected by an expert all accounts, books, bank accounts, documents and files of the Company at the expense of the Company. The information requested by the Supervisory Board shall be furnished within maximum 8 days of the receipt of the request in the form requested by the Supervisory Board, in lack of which it shall be furnished to all members of the Supervisory Board in writing.

24.3. The Supervisory Board establishes its own procedures and submits it to the General Meeting of Shareholders for approval.

24.4 In case of resignation, the Member of the Supervisory Board shall delivery his/her letter of resignation to the attention of the Chairman and the Chairman Deputy of the SB, the Chairman of the Board of Directors, and to the majority shareholder of the Company.

The letter of resignation, as a legal statement in connection with the Company, shall be delivered in accordance with the rules pertaining to the delivery via electronic means.

24.5. The Audit Committee

- (a) From among the independent members of the Supervisory Board the General Meeting of Shareholders shall elect a three-member Audit Committee. If the Supervisory Board has three members, and all are independent pursuant to the law, they are automatically elected



We engineer, you drive

by the General Meeting of Shareholders to become members of the Audit Committee. If the members of the Supervisory Board are identical with the members of the Audit Committee, then the chairman of the Supervisory Board and of the Audit Committee is one and the same person. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.

- (b) The competence of the Audit Committee shall include the following
- formulate its position on the financial statements drawn up as per the Act on Accounting;
 - monitor the audit process of the financial statements drawn up as per the Act on Accounting;
 - proposal to the General Meeting of Shareholders for the person and remuneration of the auditor, upon approval of the Supervisory Board;
 - involvement in the selection of the auditor, preparation of the agreement to be concluded with the auditor;
 - monitor the enforcement of the professional requirements and conflicts of interest regulations applicable with the auditor, performance of the tasks related to the cooperation with the auditor, monitoring of services provided to the Company by the auditor in addition to the audit of the financial statements drawn up as per the Act on Accounting and proposal to the Board of Directors for measures to be taken if it is necessary;
 - evaluation of the operation of the financial reporting system and proposal for the necessary actions and
 - support of the work of the Board of Directors and of the Supervisory Board in the interest of the appropriate control of the financial reporting system;
 - monitor the effectiveness of the internal controlling and risk management system.
- c) The Audit Committee shall – unless it is composed automatically of the members of the Supervisory Board – prepare its own procedures. If it is composed automatically of the members of the Supervisory Board, its procedures are identical with those of the Supervisory Board.