

Consolidated text of the Articles of Association of PKP CARGO S.A.

Dated August 25, 2025,

taking into account the amendment introduces by the Ordinary General Meeting of the Company  
convened on June 30, 2025

## **STATUTES PKP CARGO SPÓŁKA AKCYJNA**

### **I. GENERAL PROVISIONS**

#### **§ 1**

1. The founder of the Company is Polskie Koleje Państwowe S.A. (hereinafter referred to as "PKP S.A").
2. The Company was established for an indefinite period.
3. The Company operates under the name: PKP CARGO Spółka Akcyjna and may use the abbreviated name: PKP CARGO S.A.
4. The Company may use a distinctive graphic symbol
5. The Company's registered office is in Warsaw

#### **§ 2**

The Company operates on the basis of the Commercial Companies Code, the Act on the Commercialization and Restructuring of PKP, these Articles of Association, and other relevant regulations.

#### **§ 3**

1. The Company conducts its business within the territory of the Republic of Poland and abroad.
2. Within the scope of its business, the Company may establish branches, subsidiaries, representative offices, plants, enterprises, and other establishments, participate in economic organizations in Poland and abroad, establish other domestic and foreign companies, as well as join other companies.

#### **§ 4**

The company may issue bonds, including convertible bonds and senior bonds.

## II. SCOPE OF ACTIVITY

### § 5

1. The Company's business activities include:
  - 1) Activities related to transport and warehousing, including:
    - a) Intercity passenger rail transport PKD – 49.10.Z,
    - b) Rail freight transport PKD – 49.20.Z,
    - c) Warehousing and storage of gaseous fuels PKD – 52.10.A,
    - d) Warehousing and storage other goods PKD – 52.10.B,
    - e) Service activities supporting land transport PKD – 52.21.Z,
    - f) Transshipment of goods at other transshipment points PKD – 52.24.C,
    - g) Activities of other transport agencies PKD – 52.29.C;
  - 2) Activities related to wholesale and retail trade; repair of motor vehicles, excluding motorcycles, including:
    - a) Maintenance and repair of motor vehicles, excluding motorcycles PKD – 45.20.Z,
    - b) Wholesale of parts and accessories for motor vehicles, excluding motorcycles PKD – 45.31.Z,
    - c) Retail sale of parts and accessories for motor vehicles, excluding motorcycles PKD – 45.32.Z,
    - d) Wholesale of other machinery and equipment PKD – 46.69.Z,
    - e) Wholesale of fuels and related products PKD – 46.71.Z,
    - f) Wholesale of waste and scarp PKD – 46.77.Z,
    - g) Non-specialized wholesale PKD – 46.90.Z,
    - h) Retail sale of motor fuels at gas stations PKD – 47.30.Z,
    - i) Retail sale of other new goods in specialized stores PKD – 47.78.Z,
    - j) Retail sale of second-hand goods in specialized stores PKD – 47.79.Z,
    - k) Retail sale via mail order houses or via the Internet PKD – 47.91.Z,
    - l) Other retail sale not in stores, stalls or markets PKD – 47.99.Z;
  - 2a) financial and insurance activities, including:
    - a) financial holding companies PKD – 64.20.Z,
    - b) other financial service activities not classified elsewhere, excluding insurance and pensions funds PKD – 64.99.Z,
    - c) other activities supporting financial services, excluding insurance and pension funds PKD – 66.19.Z;
  - 3) Professional, scientific, and technical activities, including:
    - a) Accounting and bookkeeping activities; tax consulting PKD – 69.20.Z,

- a<sup>1</sup>) activities of head offices and holding companies, excluding financial holding companies PKD – 70.10.Z,
- a<sup>2</sup>) other business and management consulting PKD – 70.22.Z,
- a<sup>3</sup>) research and analysis related to food quality PKD – 71.20.A,
- b) Other technical and analysis PKD – 71.20.B,
- c) Scientific research and development in other natural and technical sciences PKD – 72.19.Z,
- d) Advertising agency activities PKD – 73.11.Z,
- e) Mediation in the sale of time and space for advertising purposes on radio and television PKD – 73.12.A,
- f) Mediation in the sale of space for advertising purposes in print media PKD – 73.12.B,
- g) Intermediation in the sale of advertising time and space in electronic media (Internet) PKD – 73.12.C,
- h) Mediation in the sale of time and space for advertising purposes in other media PKD – 73.12.D,
- i) Other professional, scientific and technical activities not classified elsewhere PKD – 74.90.Z;
- 4) Construction-related activities, including:
  - a) Implementation of construction project related to the erection of buildings PKD – 41.10.Z,
  - b) Works related to the construction of roads and motorways PKD – 42.11.Z,
  - c) Works related to the construction of railways and underground railways PKD – 42.12.Z,
  - d) Work related to the construction of Bridges and tunnels PKD – 42.13.Z,
  - e) Works related to the construction of transmission pipelines and distribution networks PKD – 42.21.Z,
  - f) Works related to the construction of telecommunications PKD – 42.22.Z,
  - g) Works related to the construction of hydraulic engineering structures PKD – 42.91.Z,
  - h) Works related to the construction of other civil engineering structures, not classified elsewhere PKD – 42.99.Z;
- 5) Activities related to real estate market services, including:
  - a) Purchase and sale of real estate on own account PKD – 68.10.Z,
  - b) Rental and management of own or leased real estate PKD – 68.20.Z,
  - c) Property management on a fee or contract basis PKD – 68.32.Z;
- 6) Administration and support services, including:
  - a) Rental and leasing of other motor vehicles, excluding motorcycles PKD – 77.12.Z,

- b) Renta and leasing of other machinery, equipment and tangible goods not classified elsewhere PKD – 77.39.Z,
  - c) Supporting activities related to building maintenance PKD – 81.10.Z;
- 7) Activities related to accommodation and catering services, including:
  - a) Hotels and similar accommodation facilities PKD – 55.10.Z,
  - b) Tourist accommodation facilities and short-term accommodation facilities PKD – 55.20.Z,
  - c) Other accommodation PKD – 55.90.Z,
  - d) Restaurants and other permanent catering establishments PKD – 56.10.A;
- 8) Activities related to culture, entertainment, and recreation, including:
  - a) Museum activities PKD – 91.02.Z, -
  - b) Activities of historical sites and buildings and similar tourist attractions PKD – 91.03.Z;
- 9) Other activities, including:
  - a) Repair and maintenance of other transport equipment PKD – 33.17.Z,
  - b) Production and supply of steam, hot water, and air for air conditioning systems PKD – 35.30.Z,
  - c) Other monetary intermediation PKD – 64.19.Z,
  - d) Other forms of out-of-school education, not classified elsewhere PKD – 85.59.B,
  - e) Publishing of magazines and other periodicals PKD – 58.14.Z,
  - f) Other publishing activities PKD 58.19.Z,
  - g) Data processing; website management and similar activities PKD – 63.11.Z,
  - h) Public relations and communication PKD – 70.21.Z,
  - i) Other business and management consulting PKD – 70.22.Z,
  - j) Market and public opinion research PKD – 73.20.Z,
  - k) Activities related to job search and recruitment PKD – 78.10.Z,
  - l) Other activities related to the provision of employees PKD – 78.30.Z,
  - m) Service activities related to office administration PKD – 82.11.Z,
  - n) Activities related to the organization of fairs, exhibitions, and congresses PKD – 82.30.Z,
  - o) Activities provided by collection agencies and credit bureaus PKD – 82.91.Z,
  - p) Other activities supporting business operations, not classified elsewhere PKD – 82.99.Z,

And any activity related to the activities listed above

2. An amendment to these Articles of Association involving a significant change in the Company's business (Article 416 § 1 of the Commercial Companies Code) does not require the buyout of shares of those shareholders who do not agree to the amendment, if

the resolution of the General Meeting on this matter is adopted by a two-thirds majority of votes in the presence of persons representing at least half of the capital.

3. If regulation require special permits or licenses issued by competent state of local government authorities to conduct specific activities within the Company, such activities may only be undertaken after obtaining them.
4. The Company performs tasks related to the universal duty of defense and civil defense resulting form general law. The coordination of tasks performed by the Company in the field of universal defense duty is subordinate of the President of the Management Board of PKP S.A. The performance and financing of tasks performed by the Company in the field of universal defense duty shall be carried out in accordance with the rules set out in separate regulations.

### **III. SHARE CAPITAL**

#### **§ 6**

##### **Share capital**

1. The Company's share capital amounts to PLN 2,239,345,850 (in words: two billion two hundreds thirty-nine million three hundred forty-five eight hundred fifty zlotys):
  - 1) 43,338,000 (in words: forty-three million three hundred thirty-eight thousand) series A bearer shares with a par value of PLN 50 (in words: fifty zlotys) each;
  - 2) 15 (in words: fifteen) series B bearer shares with a nominal value of PLN 50 (in words: fifty zlotys) each;
  - 3) 1.448.902 (in words: one million four hundred forty-eight thousand nine hundred two) series C bearer shares with a nominal value of PLN 50 (in words: fifty zlotys) each.
2. The share capital was paid in full prior to the registration of the Company.
3. The Company's shares are ordinary shares.
4. The conversion of bearer shares into registered shares is not permitted.
5. Series C shares referred to in section 1(3) are subject to a prohibition on sale for a period of two years from the date of the firs listing of the Company's shares on the main market of the Warsaw Stock Exchange. Upon expiry of the above prohibition on the sale of shares, series C shares shall be converted into bearer shares.

#### **§ 7**

##### **Surplus and reserve capital**

1. The Company shall create a reserve found to cover losses that may arise in connection with the Company's operations. Annual allocations to the reserve fund shall amount to at least 8% of the profit for each financial year and shall be made until the fund reaches at least one-third of the share capital. The amount of allocations to the reserve fund shall be determined by the General Meeting. The use of the reserve fund shall be decided by the General Meeting, however, part of the reserve fund in the amount of at least 50% of the amount allocated to the reserve fund each year may be used to increase the share capital.

The amount of allocation to the reserve capital is determined by the General Meeting. The use of the reserve capital is decided by the General Meeting, however, one-third of the reserve capital may only be used to cover losses indicated in the financial statements.

2. The Company creates reserve capital (funds) from a write-off of net profit to these funds. The amount of the write-off to reserve capital is determined by the General Meeting. Reserve capital may be used to cover specific losses or expenses, as well as to increase the share capital and pay dividends. In addition, the Company may create provided for by law.
3. The Company may create other funds.

## **§ 8**

### **Share redemption**

1. The Company's shares may be redeemed on the basis of a resolution of the General Meeting with the consent of the shareholder whose shares are to be redeemed (voluntary redemption).
2. A shareholder whose shares have been redeemed shall be entitled to compensation for this. With the consent of the shareholder, redemption may take place without compensation.
3. The redemption of share required a reduction in the share capital.

## **IV. COMPANY AUTHORITIES**

### **§ 9**

The governing bodies of the Company are:

- 1) The General Meeting;
- 2) The Management Board; and
- 3) The Supervisory Board.

## **V. GENERAL MEETING**

### **§ 10**

1. The Chairman of the General Meeting shall be appointed in writing by the President of the Management Board. The Chairman of the General Meeting appointed in this manner shall open the General Meeting. If the President of the Management Board fails to appoint the Chairman of the General Meeting before the scheduled start of the meeting, the provision of Article 409 § 1 of the Commercial Companies Code shall apply.
2. An Extraordinary General Meeting may be convened by a shareholder whose share in the total number of votes in the Company exceeds 33%. In such a case, the shareholder convening the Extraordinary General Meeting shall appoint the Chairman of the General Meeting. The provisions of this paragraph shall be without prejudice to Article 400 § 1 of the Commercial Companies Code.

3. General Meeting may be held at the Company's registered office.
4. A General Meeting shall be valid regardless of the number of shares represented at it, subject to the provisions of § 27(7)
5. If the announcement convening the General Meeting contains information about the possibility for shareholders to participate in the General Meeting using electronic means of communication, the Company shall be obliged to provide shareholders with the possibility to participate in the General Meeting using electronic means of communication.
6. Detailed rules for conducting the General Meeting using electronic means of communication shall be determined by the Management Board, taking into account the provisions of the rules of procedure of the General Meeting. The Management Board shall publish the rules on the Company's website. These rules should enable:
  - 1) Real-time transmission of the General Meeting;
  - 2) Real-time two-way communication, during which shareholders will be able to speak during the General Meeting while being in a place other than the venue of the meeting;
  - 3) The exercise of voting rights by a shareholder in person or by a proxy during the General Meeting, outside the venue of the General Meeting.
7. Members of the Supervisory Board and Management Board should participate in the General Meeting in a composition that enables them to provide substantive answers to questions asked during the General Meeting.

## § 11

1. Resolution of the General Meeting shall be adopted by an absolute majority of votes, unless the provisions of law or the provisions of these Articles of Association provide for stricter requirements for the adoption of a given resolution.
2. Each share shall entitle its holder to one vote at the General Meeting.

## § 12

1. Resolutions of the General Meeting are required for matters reserved by the provisions of the Commercial Code, other laws, or the provision of these Articles of Association.
2. In addition to other matters, reserved by the provisions of the Commercial Companies Code or other acts, the powers of the General Meeting include:
  - 1) Appointing and dismissing the President of the Management Board and other member of the Management Board in the case referred to in § 14(2);
  - 2) Appointing and dismissing members of the Supervisory Board, subject to the personal rights of PKP S.A. specified in § 19(2) and (9) sentence 1, and the rights of the Company's employees specified in § 19(3);
  - 3) Determining the remuneration of members of the Management Board as long as PKP S.A.'s share exceeds 50% of the Company's share capital and as long as required by mandatory provisions of law;
  - 4) Adopting the rules of procedure of the General Meeting.
3. The acquisition and disposal of real estate, perpetual usufruct of a share in real estate does not require a resolution of the General Meeting.

4. Fixed assets with a market value exceeding 0.1% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements, shall be disposed of by the Company by way of tender or auction.
5. The requirement to sell fixed assets by tender or auction, referred to in paragraph 4, shall not apply to:
  - 1) Contributions to cover shares or stocks acquired in another company,
  - 2) Division or merger of the Company,
  - 3) Sale of shares or stock in another company.

### § 13

1. The voting right of shareholders holding more than 10% of the total votes in the Company shall be limited in such a way that non of them may exercise more than 10% of the total number of votes in the Company existing on the date of the General Meeting at the General Meeting. The above restriction shall not apply for the purposes of determining the obligations of purchases of significant blocks of shares provided for in the Act of Public Offering.
2. The restriction of voting rights referred to in paragraph 1 shall not apply to shareholders who, on the date of adoption of the resolution of the General Meeting introducing the restriction referred to in section 1, are entitled to exercise voting rights, including as a user, from shares representing more than 10% of the total number of votes existing in the Company, as well as any other entity that acquires the Company's shares held by the shareholders referred to above in connection with their liquidation.
3. For the purposes of limiting voting rights in accordance with paragraph 1, the votes of shareholders between whom there is a relationship of control or dependence shall be aggregated in accordance with the rules described below.
4. A shareholder within the meaning of paragraph 1 is any person and their parent or subsidiary entity who, directly or indirectly, has the right to vote at General Meeting on the basis of any legal title; this also applies to a person who does not hold shares in the Company, in particular a user, pledgee, person entitled under a deposit receipt within the meaning of the provisions of the Act on Trading, as well as a person entitled to participate in the General Meeting, despite the sale of shares held after the date of determining the right to participate in the General Meeting.
5. For the purposes of this paragraph, a parent entity and a subsidiary entity shall be understood as, respectively, a person:
  - 1) Who meets the conditions specified in Article 4 §1(4) of the Commercial Companies Code; or
  - 2) Having the status of a dominant entrepreneur, a subsidiary entrepreneur, or simultaneously the status of a dominant and subsidiary entrepreneur within the meaning of the provisions of the Act on Competition and Customer Protection; or
  - 3) Having a status of a parent entity, a higher-level parent entity, a subsidiary, a lower-level subsidiary, a jointly controlled entity, or having simultaneously the status of a parent entity (including a higher-level parent entity) and a subsidiary (including a lower-level subsidiary and a jointly controlled entity) within the meaning of the provisions of the Accounting Act; or



- 4) Which exercises (parent entity) or is subject to (subsidiary entity) decisive influence within the meaning of the provisions of the Act on Transparency of Financial Relations; or
  - 5) Whose votes resulting from shares in the Company held directly or indirectly are cumulated with the votes of another person or other persons on the terms specified in the provisions of the Act on Public Offering in connection with the holding, disposal or acquisition of significant blocks of shares in the Company.
6. Shareholders whose votes are subject to accumulation and reduction in accordance with the provisions of paragraphs 3-7 are collectively referred to as the “Group”. The accumulation of votes consists in adding up the votes held by individual shareholders belonging to the Group. The reduction of votes consists in reducing the total number of votes in the Company held by shareholders belonging to the Group at the General Meeting. The reduction of votes shall be carried out according to the following rules:
- 1) For each shareholder belonging to the Group, the percentage share of votes to which they are entitled in the cumulative number of votes to which the entire Group is entitled is calculated;
  - 2) The number of votes corresponding to 10% of the total number of votes excising in the Company in the date of the General Meeting shall be calculated;
  - 3) For each shareholder, the product of their percentage share referred to in point 1) and the number of votes referred to in point 2) shall be calculated;
  - 4) The number of votes to which each shareholder belonging to the Group is entitled after the reduction is the number obtained in point 3) after rounding up to one vote;
  - 5) The restriction on the exercise of voting rights also applies to shareholders who are not present at the General Meeting.
7. In order to determine the basis for cumulation and reduction of votes, each shareholder of the Company, the Management Board, the Supervisory Board and individual members of these bodies, as well as the Chairman of the General Meeting, may request that a shareholder of the Company subject to voting restrictions provide information on whether he or she is a parent of subsidiary entity in relation to any other shareholder of the Company within the meaning of paragraph 5.
8. In case of doubt, the provisions concerning the restriction of voting rights shall be interpreted in accordance with Article 65 § 2 of the Civil Code.

## **VI. MANAGEMENT BOARD**

### **§ 14**

1. The Management Board consists of on to six members, including the President of the Management Board, appointed for a joint term of office lasting three full financial years.
2. As long as PKP S.A. holds all votes at the General Meeting, and as long as required by mandatory provisions of law, the President of the Management Board and other members of the Management Board shall be appointed and dismissed by the General Meeting.
3. Subject to paragraph 2 above, as long as the State Treasury, PKP S.A. or other state legal entities hold less than 100% of the Company’s shares, the President of the Management

Board and other members of the Management Board shall be appointed and dismissed by the Supervisory Board in accordance with the rules set out in paragraphs 4-6 below.

- 3a. The agreement with a member of the Management Board shall be concluded by a member of the Supervisory Board authorized by a resolution of the Supervisory Board or by a proxy appointed by a resolution of the General Meeting, in accordance with the rules specified in that resolution.
4. In the event that PKP S.A.'s share in the Company's share capital is 50% or less, PKP S.A. shall have personal right to exclusively nominate candidates for the position of President of the Management Board. The personal right referred to in the preceding sentence shall be exercised by delivering a written statement to the Chairman of the Supervisory Board.
5. (deleted).
6. The appointment of Management Board members (including the President of the Management Board) shall be carried out in accordance with the following rules and the provisions of the Act on the Management of State Property:
  - 1) The Supervisory Board shall appoint Management Board members after concluding a qualification procedure aimed at verifying and assessing the qualifications of candidates;
  - 2) The recruitment process is conducted on basis of the rules for appointing members of the Management Board adopted by the Supervisory Board; and amendment to the Rules for Appointing Members of the Management Board requires the consent of a least one member of the Supervisory Board who meets the independence criterion and has been appointed in accordance with the rules set out in § 20 and 21 below;
  - 3) The Nomination Committee participates in the procedure for appointing Management Board members;
  - 4) The announcement of selection procedure is published on the Company's website;
  - 5) A candidate for a Management Board member may be a person who meets the requirements specified in the applicable mandatory provisions of law.
  - 6) Unless the Supervisory Board decides otherwise, the recruitment process for a position of Management Board member shall be prepared, organized, and conducted by a professional personnel consulting company ("Recruitment Advisor") selected by resolution of the Supervisory Board in accordance with the rules set out in the Regulations for Appointing Management Board Members;
  - 7) The Recruitment Advisor participating in the recruitment process shall prepare a written opinion containing at least an indication of the fulfillment of the required criteria and recommendation regarding individual candidates; if one of the candidates meet the required criteria for a position of Management Board member, the recruitment process shall be terminated without a decision, and the Supervisory Board shall initiate a new recruitment process;
  - 8) A member of the Management Board shall be appointed exclusively from among the candidates participating in the selection procedure. The Nomination Committee shall submit a recommendation to the Supervisory Board regarding the candidates, taking

into account the information obtained in the course of the selection procedure.

- 9) The nomination committee shall adopt the minutes of the qualification procedure; the Company shall make the minutes of the qualification procedure available to the public within 7 days of their adoption on the form and on the terms specified in the Regulations for Appointing Members of the Management Board, including in the form of a current report and by publication on the Company's website;
  - 10) After each amendment to the Regulations for Appointing Members of the Management Board, the Nomination Committee prepares a written report containing information on the amendments introduced;
  - 11) The Company covers the costs of the recruitment process, including the remuneration of the Recruitment Advisor;
7. Of any shareholder of any Group within the meaning of § 13(6) reaches or exceeds a 33% share in the Company's share capital, a resolution by the Supervisory Board to dismiss or suspend the Management Board or a member of the Management Board requires a majority of 75% of the votes. A majority of 75% of votes is also required of the General Meeting to adopt a resolution to dismiss or suspend the Management Board or a member of the Management Board.
  8. The provisions of selection above shall not apply to a situation where the shareholder who has reached or exceeded 33% of the Company's share capital is PKP S.A. or a Group which includes PKP S.A.
  9. The number of Management Board members shall be determined by the Supervisory Board.
  10. A member of the Management Board must meet the requirements specified in Article 22 of the Act on the Principles of State Property Management, which the proviso that requirements specified in this sentence do not apply to members of the Management Board of the term immediately following the term specified in § 27(5), first sentence, who hold office on the date of entry into force of the Act on the Principles of State Property Management.
  11. Considering that the bond concerting each member of the Management Board with the Company constitutes a specific organizational-corporate relationship, the purpose of which is to conduct the Company's affairs and manage the Company which due diligence, which results in the obligation of a member of the Management Board to act diligently, applying an increased standard of care covering the professional nature of the performance of duties in the management body, each member of the Management Board:
    - 1) is obliged to exercise their rights and perform their duties personally, with the utmost professional diligence, subject to the provisions of the Articles of Association and relevant legal regulations;
    - 2) May not take any action or perform any activities that would be contrary to their duties or could raise suspicion of bias on the part of that member of the Management Board or of favoring their private interests;
    - 3) Shall be obliged to keep confidential any information constituting a trade secret of the Company and any documents provided to a member of the Management Board in connection with the exercise of their rights and duties on the Management Board,

and not to disclose them to other persons, unless such an obligation arises from mandatory provisions of law.

12. A member of the Management Board shall submit their resignation in writing to the Company, for the information of the Chairman or Vice-Chairman of the Supervisory Board.

## **§ 15**

If the Management Board consists of one person, the Company shall be represented by the President of the Management Board. If the Management Board consists of more than one person, the Company shall be represented by two members of the Management Board acting jointly or by one member of the Management Board acting jointly with a proxy.

## **§ 16**

1. The Management Board manages the Company's affairs and represents the Company externally.
2. The Management Board is authorized to manage all affairs of the Company not reserved for a General Meeting or the Supervisory Board.
3. Matters not exceeding to scope of the Company's ordinary activities do not require a resolution of the Management Board, however, the following matters require a resolution of the Management Board:
  - 1) talking out loans and credits;
  - 2) establishing mortgages and pledges;
  - 2a) establishing collateral other than that specified in point 2, with a value exceeding PLN 50,000;
  - 3) granting guarantees or sureties by the Company;
  - 4) issuing, accepting, avalizing, or endorsing bills of exchange;
  - 5) approving the Company's employee remuneration system;
  - 6) establishing and liquidating the Company's representative offices abroad;
  - 7) approving the Company's organizational regulations;
  - 8) appointing a proxy;
  - 9) paying an advance on the dividend expected at the end of the financial year;
  - 10) creating reserve capital;
  - 11) matters which the Management Board refers to the General Meeting or the Supervisory Board for consideration;
  - 12) acquisition and disposal of real estate, perpetual usufruct or shares in real estate.
4. Resolutions of the Management Board shall be adopted by an absolute majority of votes. In the event of an equal number of votes "for" and "against", together with abstentions, the President of the Management Board shall have the casting vote.
5. Members of the Management Board may participate in the adoption of resolutions of the Management Board by casting their votes in writing through another member of the Management Board. Voting in writing may not apply to matters included in the agenda of a meeting of the Management Board.

6. Resolutions of the Management Board may be adopted in writing or by means of direct remote communication.
7. The Management Board operates on the basis of regulations approved by the Supervisory Board at the request of the President of the Management Board.
8. The President of the Management Board shall direct the work of the Management Board. The specific powers of the President of the Management Board in this respect shall be specified in the rules of procedure of the Management Board.
9. The President of the Management Board convenes and chairs meeting of the Management Board. The President of the Management Board may authorize other members of the Management Board to convene and chair meetings of the Management Board.
10. The specific competence of the President of the Management Board includes the implementation of defense tasks in the Company resulting from general law provisions.

#### **§ 17**

1. The Management Board is obliged to submit the Supervisory Board at least quarterly information and reports specified in Article 380 § 1 and 2 of the Commercial Companies Code. Within the deadlines specified by the Supervisory Board in a relevant resolution.
2. The Management Board is obliged to submit the Supervisory Board at least once a year a report on entertainment expenses, as well as expenses for legal services, marketing services, public relations and social communication services, and management consulting services, as well as a report on the application of good practices referred to in Article 7(3) of the Act of the Principles of State Property Management, insofar as they apply to the Company, together with the management body's report on the Company's activities for the previous financial year.

#### **§ 18**

With the consent of the Supervisory Board, the Management Board pay an advance payment towards dividend expected at the end of the financial year.

### **VII. SUPERVISORY BOARD**

#### **§ 19**

1. Subject to paragraphs 8 and 10 below and § 22, the Supervisory Board shall consist of seven to nine members, including the Chairman and Vice-Chairman of the Supervisory Board, appointed for a joint term of office. Subject to the provisions of sections 2 and 3 below, the members of the Supervisory Board shall be appointed and dismissed by the General Meeting.
2. PKP S.A. shall be entitled to appoint and dismiss member of the Supervisory Board in a number equal to half of the composition of the Supervisory Board specified in accordance with section 8 (if this number is not a whole number, it shall be rounded down to whole number) plus one.

3. Company employees shall have right to appoint and dismiss one representative to the Supervisory Board. The rules for electing employee representatives to the Supervisory Board shall be adopted by the Supervisory Board.
4. Subject to paragraph 5 below, the Supervisory Board shall elect the Chairman and Vice-Chairman of the Supervisory Board from among its members.
5. PKP S.A. shall have the personal right to appoint the Chairman of the Supervisory Board from among members of the Supervisory Board elected by separate groups in accordance with Article 386 § 3-7 of the Commercial Companies Code. If PKP S.A. fails to appoint the Chairman of Supervisory Board within thirty days of the election of the Supervisory Board in accordance with the procedure referred to in the preceding sentence, the Supervisory Board shall elect the Chairman of the Supervisory Board from among its members.
6. The personal right referred to in section 2 and 5 above shall be exercised by delivering to the Company a written statement on the appointment or dismissal of a given member of the Supervisory Board or on the appointment of the Chairman of the Supervisory Board, as applicable.
7. The term of office of the members of the Supervisory Board shall be three full financial year.
8. The number of members of the Supervisory Board is determined by PKP S.A., which also applies to the election of the Supervisory Board by separate groups pursuant to Article 385 of the Commercial Companies Code (in which case the Supervisory Board may have between five and thirteen members). The personal rights referred to in the preceding sentence shall be exercised by delivering a written statement to the Company.
9. In the event of the expiry of the mandate of any member of the Supervisory Board elected by separate groups pursuant to Article 385 § 3-7 of the Commercial Companies Code, PKP S.A. shall have the personal right to appoint one new member of the Supervisory Board in his or her place. The remaining members of the Supervisory Board shall be appointed by the General Meeting.
10. In the event of the dismissal of the member of the Supervisory Board appointed from among persons elected by employees during their term of office, until the number of members of the Supervisory Board elected by employees is replenished, resolutions of the Supervisory Board shall be valid provided that the Supervisory Board consists of at least five members.
11. The granting of the rights referred to in section 3 above the Company's employees took place in connection with Article 4(4) of the Act on the Commercialization and Restructuring of PKP and the provisions of the Employee Guarantee Pact.
12. A member of the Management Board, proxy, liquidator, branch or plant manager, chief accountant, legal advisor or attorney employed by the company, as well as a person directly subordinate to a member of the Management Board or liquidator, may not simultaneously be a member of the Supervisory Board. The rule expressed in the first sentence shall apply accordingly to members of the management board and liquidators of a subsidiary company or cooperative. A person who meets the requirements specified in Article 19(1)-(3) and (5) of the Act on the Principles of State Property Management may

be member of the Supervisory Board, subject to the requirement to obtain a positive opinion of the Council for Companies with State Treasury and State Legal Entities Participation, referred to in Article 24(1) of the Act on the Principles of State Property Management, the requirement to meet the conditions specified in Article 19(1)(2) and (4) of the Act on the Management of State Property, do not apply to employee representatives elected to the Supervisory Board.

- 12a. The competent authority or entity referred to § 19 selections 1-3 of the Statue shall be obliged to take immediate action to dismiss a member of the Supervisory Board who does not meet the requirements specified in the Statue, with the proviso that the obligation to take immediate action to dismiss a member of the Supervisory Board shall not apply to a member of the Supervisory Board appointed by an entity other than an entity authorized to exercise rights attached to shares owned by the State Treasury, a state legal entity, a company with the participation of the State Treasury or a state legal entity, or a company in relation to which a company with the participation of the State Treasury or a state legal entity is a dominant entrepreneur within the meaning of Article 4(3) of the Act of February 16, 2007, on competition and customer protection.
13. A member of the Supervisory Board appointed in accordance with section 3 above may also be dismissed for important reasons by the General Meeting.
14. Considering that the bond connecting each member of the Supervisory Board with the Company constitutes a specific organizational-corporate relationship, the purpose of which is to exercise due diligence in the ongoing supervision of the Company, resulting in the obligation of a member of the Supervisory Board to act with due diligence, applying a higher standard of care covering the professional nature of the performance of duties in the supervisory body, each member of the Supervisory Board:
  - 1) Is obliged to exercise their rights and perform their duties personally, with the utmost professional diligence, subject to the provisions of the Articles of Association and relevant legal regulations;
  - 2) May not take any action or perform any activities that would be contrary to their duties or could raise suspicion of bias on the part of the member of the Supervisory Board or favoring their private interests;
  - 3) Is obliged to keep confidential any information constituting a trade secret of the Company and any documents provided to a member of the Supervisory Board in connection with the exercise of their rights and obligations on the Supervisory Board, and not to disclose them to other persons, unless such an obligation arises from mandatory provisions of law.
15. A member of the Supervisory Board shall submit their resignation in writing to the Company, for the attention of the Chairman or Vice-Chairman of the Supervisory Board.

## **§ 20**

1. At least two members of the Supervisory Board elected by the General Meeting should meet the criteria of independence from the Company and entities having significant connections with the Company, as specified in:
  - 1) § 21 of the Articles of Association;
  - 2) Annex II to the EC Recommendation;

- 3) Good Practices of Companies Listed in the Warsaw Stock Exchange;
  - 4) The Act on Statutory Auditors.
2. Candidates for independent member of the Supervisory Board shall submit to the Company a written statement confirming that they meet the independence criteria specified in section 1. A member of the Supervisory Board shall be obliged to immediately inform the Company in writing of any failure to meet any of the independence criteria. Within two weeks of becoming aware of the failure of an independent member of the Supervisory Board to meet the independence criteria, the Management Board shall convene a General Meeting in order to change the composition of the Supervisory Board.
  3. Only shareholders of the Company who have the right to vote at General Meeting on shares representing no more than 10% of the total number of votes in the Company are entitled to nominate candidates for members of the Supervisory Board referred to in selection 1 above.

## § 21

1. A member of the Supervisory Board elected pursuant to § 20 above shall meet the following independence criteria:
  - 1) The person may not be affiliated with the Company (except for membership in the Supervisory Board), a person related to the parent company or subsidiary of the Company, or to a subsidiary of the parent company of the Company, or a person related to an entity in which the Company holds more than 10% of the share capital;
  - 2) The person may not be a relative or relative by marriage up to the second degree of the person referred to in point 1) above;
  - 3) The person may not be a relative or relative by marriage up to the second degree of a shareholder of the Company holding more than 5% of the total votes in the Company, nor may they be such a shareholder;
  - 4) This person may not be a person related to any shareholder of the Company holding more than 5% of the total votes in the Company, or to a parent or subsidiary of such a shareholder, or to a subsidiary of the parent of such a shareholder;
  - 5) This person may not be a relative or relative by marriage up to the sound degree of the person referred to in point 4) above.
2. For the purposes of this paragraph, the term „related person” means a person who:
  - 1) Is a member of the statutory bodies of a legal person, and in the case of a partnership, also a partner or general partner;
  - 2) Is in an employment relationship, contract of mandate, of other legal relationship of a similar nature with the entity with which the relationship is established. The above applies to persons who, within the last three years prior to their appointment to the Supervisory Board, were in a employment relationship, contract of mandate, or other legal relationship of a similar nature with the Company.
3. For the purposes of this paragraph, a parent entity and a subsidiary entity shall be understood, respectively, as a person meeting to conditions specified in Article 4 § 1(4) of the Commercial Companies Code.



## **§ 22**

The Supervisory Board, which, as a result of the expiry of the mandates of certain members of the Supervisory Board, has fewer members than specified in § 19(8) above, but at least five, is capable of adopting valid resolutions.

## **§ 23**

1. For resolutions of the Supervisory Board to be valid, all members must be invited to its meeting and at least half of its members, including the Chairman or Vice-Chairman of the Supervisory Board, must be present.
2. Resolutions of the Supervisory Board shall be adopted by a simple majority of votes. In the event of an equal number of votes “for” and “against”, the Chairman of the Supervisory Board shall have the casting vote.
3. Resolutions of the Supervisory Board on the suspension of members of the Management Board or the Management Board require the consent of the Chairman of the Supervisory Board.
4. Meetings of the Supervisory Board shall be convened by the Chairman, with the proviso that the first meeting of the Supervisory Board of the new term of office shall be convened by the Management Board of the Company no later than within 14 days from the date of appointment of the Supervisory Board of the new term of office; until the election of the Chairman of the Supervisory Board for the new term of office, the first meeting of the Supervisory Board shall be chaired by the President of the Management Board.
5. If the Chairman of the Supervisory Board is unable to convene a meeting, the meeting of the Supervisory Board shall be convened in accordance with the Rules of Procedure of the Supervisory Board.
6. The detailed rules of procedure of the Supervisory Board are set out in the Rules of Procedure of the Supervisory Board.

## **§ 24**

1. The Supervisory Board shall hold its meeting at least once every two months.
2. Members of the Supervisory Board may participate in the adoption of resolutions of the Supervisory Board by casting their votes in writing through another member of the Supervisory Board. Voting in writing may not apply to matters included in the agenda of a meeting of the Supervisory Board.
3. Resolutions of the Supervisory Board may be adopted in writing or by means of direct remote communication.

## **§ 25**

1. The Supervisory Board shall exercise ongoing supervision over the Company’s activities in all areas of its operations.
2. The Supervisory Board shall operate on the basis of its own rules of procedure.
3. In addition to matters reserved by the provisions of the Commercial Companies Code or other laws, the Supervisory Board shall be responsible for:
  - 1) *(deleted)*;

- 2) Granting consent for the Management Board to pay an advance payment towards the dividend expected at the end of the financial year;
- 3) Appointing and dismissing the President of the Management Board and other members of the Management Board in the case referred to in § 14(3);
- 4) Appointing and dismissing the President of the Management Board on the terms specified in § 14(4) and (6);
- 5) Determining the number of members of the Management Board and determining the remuneration of members of the Management Board, subject to § 12(2)(3);
- 6) Approving the rules of procedure of the Management Board at the request of the President of the Management Board;
- 7) Electing and dismissing the Chairman and Vice-Chairman of the Supervisory Board, subject to the personal right of PKP S.A. specified in § 19(5);
- 8) Adopting and amending the rules of procedure of the Supervisory Board;
- 9) Adopting and amending the rules of procedure for the election of employee representatives to the Supervisory Board;
- 10) Adopting and amending the Rules of Procedure for the Appointment of Management Board Members;
- 11) Adopting the consolidated text of the Company's Articles of Association;
- 12) Giving consent to the establishment and liquidation of a branch of the Company;
- 13) Giving consent to:
  - a) the acquisition, disposal, or encumbrance with a limited property right by the Company or real estate, perpetual usufruct, or a share in real estate or in the right of perpetual usufruct,
  - b) the acquisition, purchase or disposal of shares in another company, within the exception of the acquisition of shares in the increased share capital of the Company's subsidiaries,
  - c) the acquisition or disposal by the Company of licenses or copyrights,
  - d) the incurring of liabilities and disposal of rights by the Company,
  - e) acquisition and disposal by the Company of fixed assets
    - with a market value equal to or exceeding PLN 20,000,000 (twenty million) zlotys, except that in the case of contracts concluded for an indefinite period, the value of the Company's performance agreed in the contract or anticipated over a period of five years shall be taken into account, except for the conclusion of contracts within the scope of the Company's activities, listed in § 5(1)(1) of the Articles of Association, including transport contracts, forwarding contracts, as well as contracts covering comprehensive traction and shunting services, subject to other provision of the Articles of association, including: § 25(3)(13a), (13b), (13c), (13d), § 12 (4) and (5) and Article 90i(3) of the Act on Public Offering;
- 13a) granting consent to dispose of fixed assets within the meaning of the Accounting Act, classified as intangible assets, tangible fixed assets or long-term investments, including their contribution to a company or cooperative, of the market value of these assets exceeds 5% of the total assets within the meaning of the Accounting

Act, determined on the basis of the last approved financial statements, as well as transferring these assets for use by another entity for a period longer than 180 days in a calendar year, on the basis of a legal transaction, if the market value of the subject of the legal transaction exceeds 5% of the total assets, whereby the transfer for use in the case of:

- a) lease, tenancy, and other agreements for the transfer of an asset for use by other entities for a fee – the market value of the subject of the legal transaction is understood as the value of services for:
    - one year – if the asset was transferred in the basis of agreements concluded for an indefinite period,
    - the entire term of the agreement – in the case of agreements concluded for a definite period,
  - b) loans for use and other gratuitous agreements for the transfer of an asset for use to other entities – the market value of the subject of the legal transaction is understood as the equivalent of the benefits that would be due in the event of concluding a lease or tenancy agreement, for:
    - one year – if the asset is made available on the basis of a contract concluded for an indefinite period,
    - the entire duration of the contract – in the case of contracts concluded for a definite period;
- 13b) granting consent for the acquisition of fixed assets within the meaning of the Accounting Act, with a value exceeding:
- a) PLN 100,000,000 or
  - b) 5% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements;
- 13c) granting consent to the acquisition or purchase of shares in another company with a value exceeding:
- a) PLN 100,000,000 or,
  - b) 10% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements;
- 13d) granting consent to the sale of shares in another company with a market value exceeding:
- a) PLN 100,000,000 or
  - b) 10% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements.
- 14) Approving the creation and liquidation of special purpose funds;
- 15) Approving business plans, annual and long-term plans for the Company's operations;
- 16) Approving the Company's membership in economic organizations;

- 17) Approving the Company's visual identity system;
- 18) Granting consent for the Company to conclude: (i) a material agreement with a shareholder holding at least 5% of the total number of votes at the General Meeting, or (ii) an agreement with a value exceeding PLN 10,000,000 (ten million) PLN with a related entity within the meaning of the regulation of the Minister of Finance issued pursuant to Article 60(2) of the Act on Public Offering, whereby for the resolution to be valid, it must be approved by at least one member of the Supervisory Board who meets the criteria of independence from the Company and entities having significant connections with the Company, selected in accordance with § 20 above and taking into account § 21 above. This obligation does not apply to typical agreements concluded on market terms as part of the Company's operating activities with a subsidiary in which the Company holds a majority stake;
- 19) Granting consent to:
  - a) the Company entering into a donation agreement or other agreement with a similar effect with a value exceeding PLN 20,000 (twenty thousand) or 0.1% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements;
  - b) the release from debt or other agreement with a similar effect with a value exceeding PLN 50,000 (fifty thousand) or 0.1% of total assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements;
- 19a) consent to the conclusion of:
  - a) A contract for legal services, marketing services, public relations and social communication services, and management consulting services, if the total remuneration for the services provided under this contract or other contracts concluded with the same entity exceeds PLN 500,000 net per annum;
  - b) An amendment to a contract for legal services, marketing services, public relations and social communication services, and management consulting services, increasing the remuneration above the amount referred to in subparagraph a);
  - c) Contracts for legal services, marketing services, public relations and social communication services, and management consulting services in which the maximum remuneration is not specified;
- 20) Authorizing the President or a member of the Management Board to engage in competitive activity, including in particular engaging in competitive business or participating in a competitive company as a partner in a civil law partnership, a partnership, or as member of a body of a capital company, or participating in another competitive legal entity as a member of a body;
- 21) Issuing opinions on motions submitted by the Management Board to the General Meeting;
- 22) *(deleted)*;
- 23) Selecting or changing the audit firm to audit the Company's financial statements, to certify or audit sustainability reporting, and to provide additional services.

## **§ 26**

1. The Supervisory Board, taking into account the provisions of § 20 and § 21, shall appoint an audit committee consisting of no fewer than three members of the Supervisory Board, provided that the majority of the members of the audit committee, including the chair of the audit committee, meet the independence criteria, and:
  - 1) At least one member of the audit committee has knowledge and skills in accounting or auditing financial statements;  
and
  - 2) At least one member of the audit committee has knowledge and skills in the industry in which the Company operates, or individual members of the audit committee have knowledge and skills in specific areas of that industry.
2. The tasks of the audit committee shall include, in particular:
  - 1) Supervision of the internal audit unit;
  - 2) Monitoring of the financial reporting and sustainability reporting processes;
  - 3) Monitoring the effectiveness of internal control systems, risk management systems, and internal audit, including in the areas of financial reporting and sustainability;
  - 4) Monitoring the performance of financial audits;
  - 5) Controlling and monitoring the independence of the auditor and the audit firm, including in the scope of services provided by the audit firm to the Company other than auditing, attestation, or review;
  - 6) Presenting recommendations for an audit firm to the Supervisory Board in accordance with the policies adopted by the Company;
  - 7) Assessing the independence of the auditor and approving the provision of permitted services by the auditor other than auditing, attestation or review.
3. The Supervisory Board shall appoint a nomination committee consisting of no fewer than three members of the Supervisory Board, including at least one member of the Supervisory Board who meets the independence criteria and its appointed in the manner specified in § 20 and 21 above, who shall act as chairperson.
4. The Nomination Committee shall organize and exercise ongoing supervision over the recruitment process for Management Board members and over the process of evaluating and appointing Management Board members.
5. The Supervisory Board may also appoint other committees. The specific task and rules for the appointment and functioning of individual committees shall be specified in the rules of procedure of the Supervisory Board, if such rules have been adopted.

## **VIII. FINAL AND TRANSITIONAL PROVISIONS**

### **§ 27**

1. The personal rights granted to PKP S.A. referred to in § 14(4) and § 19 shall always apply when PKP S.A. holds shares representing at least 25% of the Company's share capital.

2. In the event of the liquidation of PKP S.A. and provided the State Treasury holds shares representing at least 25% of the Company's share capital, the State Treasury shall have the following personal rights:
  - 1) The right to nominate candidates for the position of President of the Management Board within the scope specified in § 14(4);
  - 2) The right to appoint and dismiss members of the Supervisory Board within the scope specified in § 19(2) and (9);
  - 3) The right to appoint the Chairman of the Supervisory Board within the scope specified in § 19(5); and
  - 4) The right to determine the number of members of the Supervisory Board within the scope specified in § 19(8).
3. In the event of expiry or waiver of personal rights, the provisions of these Articles of Association concerning expired personal rights shall be replaced by the relevant provisions of the Commercial Companies Code.
4. Subject to the provisions of this selection 4, elections of members of bodies in accordance with the procedure specified in § 14, § 19, and § 20 shall take place for the first time in connection with the expiry of the mandates of members of the Management Board and Supervisory Board performing these functions on the Registration Date, whereby, as of the Registration Date, members of the Supervisory Board performing this function on that date, other than representatives of the Company's employees, shall be deemed to have been appointed by PKP S.A. in accordance with the procedure specified in § 19(2). With six months of the Registration Date, but no later than two months after the first listing of the Company's shares on the main market of the Warsaw Stock Exchange, the composition of the Supervisory Board should be supplemented so that the requirements regarding the number of its members specified in § 19(1) sentence 1 and § 20(1) are met; for this purpose, the Management Board shall convene a General Meeting.
5. The term of office of the members of the Management Board performing their functions on the Registration Date shall commence on the Registration Date and expire on the third anniversary of the Registration Date. The term of office of the members of the Supervisory Board performing their functions on the Registration Date shall be extended and shall expire on the third anniversary of the Registration Date.
6. The provisions of § 14(5) shall enter into force on the date of the first listing of the Company's shares on the main market of the Warsaw Stock Exchange.
7. Any amendment to § 26(3) and this paragraph 7 shall require a resolution of the General Meeting adopted by a four-fifths majority of votes in the presence of shareholders representing at least 50% (fifty percent) of the votes plus one vote of the total number of votes in the Company.
8. The amounts specified in the Articles of Association are gross amounts, unless it is expressly stated that they are net amounts.

## **§ 28**

1. The Company's financial year begins on January 1 and ends on December 31.
2. With the exception of announcements convening the General Meeting and other announcements related to the General Meeting, the Company publishes its announcements in Monitor Sądowy i Gospodarczy (Court and Economic Monitor). Each

announcement of the Company should also be displayed at the Company's registered office in a place accessible to employees.

## § 29

For the purposes of these Articles of Association:

1. **„Registration Date”** means the date of registration of amendments to these Articles of Association resulting from Resolution No. 55/2013 of the General Meeting of October 2, 2013.
2. **„Good Practices of Companies Listed on the Warsaw Stock Exchange S.A.”** means the applicable set of corporate governance rules for companies listed in the Warsaw Stock Exchange S.A. pursuant to a resolution of the Council of the Warsaw Stock Exchange S.A.
3. **„Civil Code”** mean the Act of April 23, 1964, Civil Code (Journal of Laws No. 16, item 93, as amended).
4. **„Commercial Companies Code”** meant the Act of September 15, 2000 – Commercial Companies Code (journal of Laws No. 94, item 1037, as amended).
5. **„Employee Guarantee Pact”** mean the Employee Guarantee Pact – Agreement on Employee and Social Guarantees for employees of Zakłady PKP CARGO S.A. and employees of PKP CARGO Group companies of September 2, 2013.
6. **„Act of the Commercialization and Restructuring of PKP”** means the Act of September 8, 2000 on the commercialization and restructuring of the state-owned enterprise “Polskie Koleje Państwowe” (consolidated text: Journal of Laws of 2017, item 680, as amended).
7. **„Act of Public Offering”** means the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2009, No. 185, item 1439, as amended.)
8. **„Trading Act”** means the Act of July 29, 2005 on Trading in Financial Instruments (Journal of Laws of 2010, No. 211, item 1384, as amended).
9. **The „Act on Competition and Consumer Protection”** means the Act of February 16, 2007 on Competition and Consumer Protection (Journal of Laws No. 50, item 331, as amended).
10. **„Accounting Act”** means the Act of September 29, 1994 on accounting (Journal of Laws of 2009, No. 152, item 1223, as amended).
11. **„Act on Transparency of Financial Relations”** means the Act of September 22, 2006 on transparency of financial relations between public authorities and public entrepreneurs and on financial transparency of certain entrepreneurs (Journal of Laws No. 191, item 1441, as amended).
12. **„Act on Statutory Auditors”** means the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight (Journal of Laws of 2017, item 1089, as amended).
13. **„EC Recommendation”** means the European Commission Recommendation of February 15, 2005, on the role of non-executive or supervisory directors of listed companies and (supervisory board committees (OJ EU L 2005.52.51).

14. „**Act on the Principles of State Property Management**" means the Act of December 16, 2016, on the principles of state property management (Journal of Laws of 2016, item 2259, as amended).