

This statement has been prepared in accordance with the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. No. 33, item 259, as amended).

1. Code of corporate governance adopted by RAFAKO S.A.

As of November 20th 2012, the Company applies the rules of corporate governance stipulated in the 'Code of Best Practice for WSE Listed Companies' (Code of Best Practice), approved by Resolution 20/1287/2011 of the Supervisory Board of the Warsaw Stock Exchange dated October 19th 2011, and the Supervisory Board's Resolution 19/1307/2012 dated November 21st 2012 on amendments to the 'Code of Best Practice for WSE Listed Companies', except the following rules:

Section I of the Code of Best Practice: Recommendations regarding best practices for WSE listed companies

Rule 12.

A company should enable its shareholders to exercise the voting rights during a General Meeting either in person or through a proxy, outside the venue of the General Meeting, and using electronic means of communication.

Reason: The Company did not transmit the proceedings of its General Meeting. In the Management Board's opinion, the publication of all resolutions passed by the General Meeting on the Company's website and on publicly accessible Internet portals, such as www.gpwinfostrefa.pl/, ensures broad access to information and adequate communication with the Shareholders. However, the Company does not rule out implementation of this rule in the future.

Section II of the Code of Best Practice: Best practices for management boards of WSE listed companies

Rule 1.7)

A company should operate a corporate website and publish on it, in addition to information required by legal regulations, shareholders' questions on issues on the agenda, submitted before and during a General Meeting, together with answers to those questions.

Reason: Shareholders' questions and answers given by the Management Board Members attending the General Meeting are recorded by a notary public in the minutes book, available on request.

Rule 1.9a)

A company should operate a corporate website and publish on it, in addition to information required by legal regulations, a record of the General Meeting in audio or video format.

Reason: After each General Meeting, the Management Board will announce that the General Meeting was audio- or video-recorded and that the recording is available on the Company's website.

Rule 1.11)

A company should operate a corporate website and publish on it, in addition to information required by legal regulations, information received by the Management Board from Supervisory Board members on any relationship of a member of the Supervisory Board with a shareholder who holds shares representing not less than 5% of all votes at the Company's General Meeting.

Reason: The Company has in place a procedure for obtaining information from Supervisory Board members on any relationship of a member of the Supervisory Board with a shareholder who holds shares representing not less than 5% of total voting rights at the Company's General Meeting. The information so obtained is available on request at the Company's registered office.

Rule 2.

A company should ensure that its website is also available in English, at least to the extent described in Section II.1.

Reason: The Company does not operate an English-language website containing the documents and information specified in section II.1. of the Code of Best Practice due to high costs involved. Since January 21st 2009, the

Company has published on line selected corporate documents and materials, but their list is not as extensive as that recommended by Rule II.2.

Section III of the Code of Best Practice: Best practice for supervisory board members

Rule 8.

The responsibilities and operation of the Supervisory Board committees should be subject to the provisions of Annex I to *Commission Recommendation of February 15th 2005 on the role of non-executive directors (...)*.

Reason: On December 18th 2008, the Supervisory Board passed a resolution appointing an Audit Committee, which operates in accordance with the Rules of Procedure approved by the Supervisory Board and the applicable legal regulations. The Supervisory Board has not appointed a Remuneration Committee or a Nominations Committee.

Section IV of the Code of Best Practice: Best practices for shareholders

Rule 10.

A company should enable its shareholders to participate in a General Meeting using electronic means of communication, through:

- 1) real-life broadcast of General Meetings,
- 2) real-time bilateral communication where shareholders may take the floor during a General Meeting from a location other than the General Meeting.

Reason: Shareholders may attend General Meetings via electronic means of communication. However, decisions regarding the use of electronic means of communication during a General Meeting and relevant rules are made in each case by the Management Board, and announced in the notice of the General Meeting.

The corporate governance rules stipulated in the 'Code of Best Practice for WSE Listed Companies', as well as the listing of the rules not implemented by the Company, are available on the Company's website www.rafako.com.pl.

2. Key features of the Company's internal control and risk management systems used in the preparation of separate and consolidated financial statements

The role of the continually enhanced internal control and risk management systems at RAFAKO S.A. is to ensure that the financial statements are prepared in a reliable, timely, comprehensive and transparent manner. The aim is the preparation of financial statements that would give a fair view of the Company's business activity, in compliance with the IAS and Polish Accountancy Act. All material aspects of the Company's operations are governed by its internal regulations, including those of the Integrated Management System implemented at the Company.

The Company's Organisational Rules define its organisational structure and operating procedures, as well as the remits and responsibilities of its organisational units. The control powers of individual employees are defined in the internal regulations and relevant job descriptions.

RAFAKO S.A. has in place procedures defining the competencies required for individual jobs, as well as the rules governing employee training (from requirements description, to actual training, to its assessment measured by employee performance).

Another important internal regulation is the Accounting Policy and Chart of Accounts adopted and applied by the Management Board of RAFAKO S.A., and compliant with the International Financial Reporting Standards.

The Company has also implemented the Risk Management Policy, which defines the Risk Management System as a continuous, active and regular process, as well as the method of its management supporting the achievement of the Company's objectives.

The system forms an integral part of the organisation's core management processes, using historical information, feedback from stakeholders, experience and forecasts. The Company identifies risks and threats to its operations, as described in Chapter 2 Section 2 of the Directors' Report on the Operations of RAFAKO S.A. For information on the objectives and rules of financial risk management, including the specification of the most material risks, see Note 50 to the Company's financial statements.

The Supervisory Board participates in the process of risk control and management in financial reporting through approval of quarterly and semi-annual reports, as well as assessment of the Company's financial statements on an annual basis. The Supervisory Board's powers include approval of annual budgets and multi-year plans, purchase and disposal of real property, acquisition and disposal of equity interests. The Supervisory Board also reviews the Company's quarterly performance figures and analyses, on an ongoing basis, the economic aspects of its operating, financing and investing activities. Whenever the Supervisory Board deems it necessary, it delegates its members to individually perform specific supervisory tasks.

The Audit Committee operating within the Supervisory Board is responsible for reviewing the Company's financial statements, as well as its internal control and management accounting systems.

The Company has implemented an ERP Infor LN10 integrated IT system, whose functionalities ensure the transparent allocation of responsibilities and consistency of accounting records. Thanks to its extensive reporting system, it is possible to verify the consistency of information.

Another system guaranteeing achievement of the Company's objectives in Lotus Notes, which, integrated into the extended IT network, also supports the quantitative and qualitative verification of individual documents and their contents.

RAFAKO S.A.'s organisational structure includes an Internal Audit Unit, operating in accordance with the adopted Internal Control Rules, guaranteeing independent opinions and multidimensional verification. The Internal Audit Unit performs its tasks based on the annual audit plan as well as ad hoc audits aimed to assess, among other things, the effectiveness of the internal control system.

Describing the internal control system, it should be noted that its most important element is the verification of financial statements by an independent qualified auditor. A qualified auditor also assesses the internal control and risk management systems in terms of their roles in the financial reporting process.

RAFAKO S.A. has long-standing relationships with a group of reputable audit firms offering high-quality services and satisfying the criterion of full independence. A qualified auditor of the Company's financial statements is selected by the Supervisory Board in an RFP process.

3. Shareholders directly or indirectly holding significant holdings of shares, along with an indication of the numbers of shares and percentages of the Company's share capital held by such shareholders, and the numbers of votes and percentages of the total vote that such shares represent at the General Meeting

Shareholders holding each more than 5% of shares as at December 31st 2014

Shareholder /company name/	Shares	Voting rights	Ownership interest	% of total voting rights at GM
PBG S.A. w upadłości układowej (in company voluntary arrangement)¹ including:	42,466,000	42,466,000	61.01%	61.01%
- directly:	7,665,999	7,665,999	11.01%	11.01%
- indirectly through Multaros Trading Company Limited ² (a subsidiary of PBG S.A. w upadłości układowej (in company voluntary arrangement)):	34,800,001	34,800,001	50% plus 1 share	50% plus 1 share

1 – Based on the notification of August 8th 2012.

2 – Based on the notification of November 15th 2011.

On March 10th 2015, the Company received from ING Towarzystwo Funduszy Inwestycyjnych S.A., acting on behalf of its investment funds, a notification that following the acquisition of RAFAKO S.A. shares the number of votes at the General Meeting of RAFAKO S.A., held jointly by the funds managed by ING TFI, increased above the threshold of 5% of total vote. As at the date of issue of these financial statements, the holdings of RAFAKO S.A. shares by ING Towarzystwo Funduszy Inwestycyjnych S.A. were as follows:

Shareholder /company name/	Shares	Voting rights	Ownership interest	% of total voting rights at GM
Investment funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A. ¹	3,508,403	3,508,403	5.04%	5.04%

1 – based on the notification of March 10th 2015

4. Holders of any securities conferring special control rights, and description of those rights

All RAFAKO shares are ordinary bearer shares and they confer no special control rights with respect to the Company.

5. Any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company's cooperation, the financial rights attaching to securities are separated from the holding of securities

RAFAKO S.A. is aware of no restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company's cooperation, the financial rights attaching to securities are separated from the holding of securities.

Shareholders of the Company may have up-to-date information on such restrictions, if any.

6. Any restrictions on transfer of ownership rights to the Company's securities

RAFAKO S.A. is aware of no restrictions on transfer of ownership rights to the Company's securities, other than those publicly notified by shareholders.

7. Rules governing the appointment and removal of the Company's management personnel and such personnel's powers, particularly the power to make decisions to issue or buy back shares

Pursuant to RAFAKO's Articles of Association, members of the Management Board are appointed and removed by the Supervisory Board. The Supervisory Board may remove the President or a Member of the Management Board, as well as the entire Management Board, at any time before the expiry of their term of office. The General Meeting has the power to adopt a decision to issue or buy back shares, upon the Management Board's proposal submitted together with the Supervisory Board's written opinion.

8. Rules governing amendments to the Company's Articles of Association

The Articles of Association of RAFAKO S.A. may be amended by the General Meeting upon the Management Board's proposal submitted together with the Supervisory Board's written opinion, the Supervisory Board's proposal or a proposal by Shareholders entitled to convene the General Meeting.

9. Manner of operation of the General Meeting and its key powers; shareholders' rights and the manner of exercising those rights, including in particular the rules stipulated in the rules of procedure of the General Meeting if such rules have been adopted, unless the relevant information follows directly from legal regulations

The operation of the General Meeting of RAFAKO S.A. is governed by legal regulations (including the Commercial Companies Code), the Company's Articles of Association and the General Meeting Rules of Procedure adopted by the General Meeting. The texts of the Articles of Association and the Rules of Procedure are available on the website at www.rafako.com.pl.

10. Composition and activities of the Company's management, supervisory or administrative bodies and of their committees; changes in their composition over the last financial year

Over the last financial year, there were changes in the composition of the Company's management body.

As at January 1st 2014, the Management Board of RAFAKO S.A. was composed of:

- 1) Paweł Mortas – President of the Management Board,
- 2) Krzysztof Burek – Vice-President of the Management Board,
- 3) Jarosław Dusiło – Vice-President of the Management Board,
- 4) Edward Kasprzak – Member of the Management Board,
- 5) Maciej Modrowski – Member of the Management Board.

On May 6th 2014, the Supervisory Board of RAFAKO S.A. made the following decisions:

1. determined that the Company's Management Board is to be composed of six persons;
2. appointed Mr Tomasz Tomczak as Member of the Company's Management Board with effect as of May 6th 2014.

On June 25th 2014, the Supervisory Board of the Company made the following decisions:

1. to set the number of Management Board Members at five,
2. to appoint the following persons to the Management Board for the joint three-year term of office starting on June 25th 2014:
 - 1) Paweł Mortas – President of the Management Board,
 - 2) Krzysztof Burek – Vice-President of the Management Board,
 - 3) Jarosław Dusiło – Vice-President of the Management Board,
 - 4) Edward Kasprzak – Vice-President of the Management Board,
 - 5) Tomasz Tomczak – Vice-President of the Management Board.

Mr Maciej Modrowski ceased to serve on the Management Board.

On September 8th 2014, the Supervisory Board of the Company made the following decisions:

1. removed Mr Paweł Mortas from the position of President of the Management Board as of September 8th 2014;
2. appointed Ms Agnieszka Wasilewska-Semail as President of the Management Board as of September 8th 2014.

As at December 31st 2014, the Management Board of RAFAKO S.A. was composed of:

- 1) Agnieszka Wasilewska-Semail – President of the Management Board,
- 2) Krzysztof Burek – Vice-President of the Management Board,
- 3) Jarosław Dusiło – Vice-President of the Management Board,
- 4) Edward Kasprzak – Vice-President of the Management Board,
- 5) Tomasz Tomczak – Vice-President of the Management Board.

The operation of the Management Board is governed by legal regulations (including the Commercial Companies Code), the Company's Articles of Association and the Management Board Rules of Procedure adopted by the Supervisory Board. The texts of the Articles of Association and the Rules of Procedure are available on the website at www.rafako.com.pl

Over the last financial year, there were changes in the composition of the Company's supervisory body.

As at January 1st 2014, the Supervisory Board of RAFAKO S.A. was composed of:

- 1) Agenor Gawrzyła – Chairman of the Supervisory Board (independent member of the Supervisory Board)
- 2) Jerzy Wiśniewski – Deputy Chairman of the Supervisory Board,
- 3) Piotr Wawrzynowicz – Secretary of the Supervisory Board,
- 4) Edyta Senger-Kałat (independent member of the Supervisory Board),
- 5) Dariusz Sarnowski (independent member of the Supervisory Board),
- 6) Przemysław Schmidt,
- 7) Małgorzata Wiśniewska.

On May 6th 2014, the Supervisory Board appointed Mr Jerzy Wiśniewski as Chairman of the Supervisory Board and Mr Agenor Gawrzyła as Deputy Chairman of the Supervisory Board.

On June 24th 2014, Mr Agenor Gawrzyła, Deputy Chairman of the Supervisory Board, resigned from his position on the Supervisory Board of the Company.

On June 25th 2014, the Annual General Meeting of RAFAKO S.A. made the following decisions:

1. to set the number of Supervisory Board Members at seven,
2. to appoint Mr Adam Szyszka to the Supervisory Board of the 7th term.

On September 8th 2014, the Supervisory Board appointed Mr Dariusz Sarnowski as Deputy Chairman of the Supervisory Board.

As at December 31st 2014, the Supervisory Board of RAFAKO S.A. was composed of:

- 1) Jerzy Wiśniewski – Chairman of the Supervisory Board,
- 2) Dariusz Sarnowski – Deputy Chairman of the Supervisory Board (independent member of the Supervisory Board),
- 3) Piotr Wawrzynowicz – Secretary of the Supervisory Board,
- 4) Przemysław Schmidt,
- 5) Edyta Senger-Kałat (independent member of the Supervisory Board),
- 6) Adam Szyszka (independent member of the Supervisory Board),
- 7) Małgorzata Wiśniewska.

The operation of the Supervisory Board is governed by legal regulations (including the Commercial Companies Code), the Company's Articles of Association and the Supervisory Board Rules of Procedure adopted by the Supervisory Board. The texts of the Articles of Association and the Rules of Procedure are available on the website at www.rafako.com.pl

Over the last financial year, there were changes in the composition of the Supervisory Board's Audit Committee.

As at January 1st 2014, the Audit Committee was composed of:

- 1) Agenor Gawrzyła,
- 2) Dariusz Sarnowski (Member of the Supervisory Board, qualified in accounting and financial auditing),
- 3) Przemysław Schmidt (Member of the Supervisory Board, qualified in accounting),
- 4) Edyta Senger-Kałat (Member of the Supervisory Board, qualified in accounting).

On June 24th 2014, Mr Agenor Gawrzyła resigned from his position on the RAFAKO Supervisory Board.

As at December 31st 2014, the Audit Committee was composed of:

- 1) Dariusz Sarnowski (Member of the Supervisory Board, qualified in accounting and financial auditing),
- 2) Przemysław Schmidt (Member of the Supervisory Board, qualified in accounting),
- 3) Edyta Senger-Kałat (Member of the Supervisory Board, qualified in accounting).

The Supervisory Board's Audit Committee operates in accordance with the provisions of applicable laws and its Rules of Operation adopted by the Supervisory Board.