

MiFID II product management - Product management under Directive 2014/65/EU ("MiFID II") - The target group comprises professional clients and eligible counterparties only. The assessment of the target group for the bonds offered by the Dealer (defined below) led to the conclusion that: (A) the target group for the Bonds is exclusively (i) persons or entities that are listed in Section I(1) to (4) of Annex II of MiFID II; (ii) persons or entities that are treated upon request as professional clients in accordance with Section II of that Annex; or (iii) entities recognised as eligible counterparties in accordance with Art. 30 of MiFID II unless they have entered into an agreement not to be treated as professional clients in accordance with the fourth paragraph of Section I of that Annex and (B) all distribution channels of the bonds to the persons or entities constituting the target group are appropriate. Any person who subsequently offers, sells or recommends the Bonds (distributor) should take into account the Dealer's assessment of the target group; however, a distributor that is subject to MiFID II is responsible for making its own assessment of the target group for the Bonds and determining the appropriate distribution channels.

TERMS OF ISSUE OF THE BONDS

This document sets out the terms of the issue of bonds of the Series indicated in item 1 of the Issue Supplement (as defined below) (the "**Terms of Issue**"), issued by **POLENERGIA S.A.**, with its registered office in Warsaw, ul. Krucza 24/26, 00-526 Warsaw, entered into the Register of Entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000026545, NIP 526-188-89-32, with a fully paid-up share capital of PLN 154,437,826 (in words: one hundred and fifty-four million, four hundred and thirty-seven thousand, eight hundred and twenty-six zlotys), with the Issuer's Website (the "**Issuer**").

The issue of the Bonds was organised as part of the Issuer's bond issuance programme, pursuant to which the Issuer may carry out multiple bond issues up to an aggregate nominal value of the issued and outstanding bonds of PLN 1,000,000,000 (in words: one billion) (the "**Issuance Programme**").

The issue of the Bonds is effected on the basis of: (i) Article 33(1) of the Bond Act of 15 January 2015 (consolidated text: Journal of Laws 2024, item 708, as amended) (the "**Bond Act**"), (ii) Article 1.4(a) of the Prospectus Regulation, (iii) the resolution of the Management Board of the Issuer dated 11 July 2024 on the establishment by Polenergia S.A. of a bond issue programme (under the Green Bonds formula) and the issuance by Polenergia S.A. of particular series of bonds under this programme and (iv) the resolution of the Management Board of the Issuer dated 4 October 2024 on the issue of series A bonds and acceptance of the terms and conditions of the issue of series A bonds and (v) the resolution of the Supervisory Board of the Issuer dated 11 July 2024 on approval of the establishment by Polenergia S.A. of a bond issue programme (under the Green Bonds formula) and the issuance by Polenergia S.A. of particular series of bonds under this programme.

These Terms of Issue should be read in conjunction with the Issue Supplement constituting the SCHEDULE 1 (*Issue Supplement*) to the Terms of Issue (the "**Issue Supplement**") and, together with all annexes, constitute a single document within the meaning of the Bond Act.

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these Terms of Issue, the following terms will have the following meanings:

"Base Rate Administrator" means GPW Benchmark S.A., Warsaw, which, as at the date of these Terms of Issue, is included in the register of administrators in accordance with Article 36 of the BMR Regulation, is authorised by the Polish Financial Supervision Authority to act as Reference Rate Administrator in accordance with the BMR Regulation and has control over the development of the Base Rate or any successor entity to GPW Benchmark S.A.;

"Rating Agency" means any of the following: (i) S&P Global Ratings Europe Limited; (ii) Moody's Investors Service Ltd., Inc.; (iii) Fitch Ratings Ltd.; or (iv) any other rating agency of equivalent international standing specified from time to time by the Issuer;

"Documentary Agent" means the entity identified in paragraph 9 of the Issue Supplement;

"Issuing Agent" means issuing agent within the meaning of Article 7a(1) of the Act on Trading in Financial Instruments the function of which is performed by the entity indicated in paragraph 10 of the Issue Supplement;

"Calculation Agent" means Bank Pekao;

"Majority Shareholders" means collectively Mansa Investments sp. z o.o. and Brookfield Corporation or any entity controlled by Mansa Investments sp. z o.o. or Brookfield Corporation, respectively (including, in the case of Brookfield Corporation BIF IV Europe Holdings Limited), and Majority Shareholder means either of them;

"ATS" means the alternative trading system operated by the Warsaw Stock Exchange or its legal successor;

"Bank Pekao" means Bank Polska Kasa Opieki S.A. with its registered office in Warsaw;

"Santander Bank" means Santander Bank Polska S.A. with its registered office in Warsaw;

"Lack of WIBOR Authorisation" means that the WIBOR administrator has not received or has had its authorisation or registration for the development of WIBOR revoked or suspended, as a result of which banks in Poland cannot use WIBOR;

"Purpose of the Issue" has the meaning given to that term in clause 4 (*Purpose of the Issue of the Bonds*) of the Terms of Issue;

"Residence Certificate" means the residence certificate referred to in Article 4a pt. 12 of the Corporate Income Tax Act of 15 February 1992 (consolidated text: Journal of Laws of 2022, item 2587, as amended) or Article 5a pt. 21 of the Personal Income Tax Act of 26 July 1991 (consolidated text: Journal of Laws of 2022, item 2647, as amended);

"Quarter Date" means the last day ending the Group's quarterly accounting period, which, as at the date of these Terms of Issue, is 31 March, 30 June, 30 September or 31 December, as applicable;

"**Dealer**" means each of mBank, Bank Pekao and Bank Santander, and "**Dealers**" means collectively all of these entities;

"**Delisting of Shares**" means that the Warsaw Stock Exchange adopts a resolution on the cancellation of the listing and trading (*wycofanie z obrotu*) or exclusion from listing (*wykluczenie z obrotu*) of all shares of the Issuer listed and admitted to trading on the regulated market operated by the Warsaw Stock Exchange;

"**Additional Interest Margin**" has the meaning given in section 5.4.3 of these Terms of Issue;

"**Existing Financial Indebtedness Documents**" means:

- (a) the Financial Indebtedness documents of any Group entity existing on the Issue Date; and
- (b) contracts relating to foreign exchange transactions or derivative transactions hedging interest rate, exchange rate or price risks entered into in connection with the contracts and instruments mentioned above;

"**Refinancing Debt Documents**" means:

- (a) all contracts, agreements, representations and actions pursuant to or in connection with which the Issuer will or may incur Financial Indebtedness for, inter alia, the purpose of partially or fully repaying the Permitted Financial Indebtedness of any member of the Group; and
- (b) contracts relating to foreign exchange transactions or derivative transactions hedging interest rate, exchange rate or price risks entered into in connection with the contracts and instruments mentioned above;

"**Permitted Distribution**" means the making of the following payments (in each case, a "**Distribution**") to any shareholder (whether direct or indirect) of the Issuer:

- (a) the payment of any dividend, advance dividend, price for treasury shares acquired under a share buy-back programme or payment of any other amount in respect of the Issuer's share capital ("**Permitted Qualified Distribution**"); and
- (b) payments in respect of any Ownership Loan entered into by the Issuer or any other Group entity where such payment is made in accordance with Clause 9.6.3 of these Terms of Issue; and
- (c) payments in respect of the repayment of any recourse claims (receivables) to which the Majority Shareholder (or assignee) is entitled against the Issuer in connection with guarantees, including bank guarantees, sureties or other similar instruments granted at the request of any of the Majority Shareholders to the Issuer, another Group entity, MFW Bałtyk II sp. z o.o. or MFW Bałtyk III sp. z o.o.;

provided that, in the case of the Distributions referred to in (a) and (b) above, provided that they are made in a situation in which the following cumulative conditions are met:

- (a) the aggregate of all such Distributions (if a Permitted Qualified Distribution is executed, taking into account the amount of any payment in connection with an early redemption following the Cash Sweep Option referred to in Section 7.6) does not exceed, in the relevant Financial Year, an amount equal to 100% (one hundred per cent.) of the total consolidated net profit earned by the Issuer in the most recently closed Financial Year preceding such Distribution (taking into account Distributions already made in that period);
- (b) Asset Coverage Ratio at the end of the most recent Financial Quarter (for which financial statements have been made available in accordance with Section 15.1), calculated on a *pro forma basis*, i.e. including such Distribution, is not less than 0.33;
- (c) an Event of Default (which has not been remedied within the Remediation Period) has not occurred and is not ongoing, and none of these circumstances will occur as a result of making such a Distribution; and
- (d) Both Off-shore Projects have received final occupancy permits;

"Permitted Guarantee" means a guarantee, suretyship, accession to debt, endorsement, endorsement, *indorsement*, *indemnity*, bill of exchange as a security instrument or other similar instruments or acts given or made by the Issuer:

- (a) existing on the Issue Date or in lieu thereof, provided that aggregate amount of such instrument does not exceed the amounts of replaced instruments existing on the Issue Date;
- (b) granted or made at a time when the Asset Coverage Ratio at the end of the last Financial Quarter (for which financial statements have been made available in accordance with Clause 15.1), calculated on a *pro forma basis*, i.e. including the provision of such instrument, is not less than 0.33;
- (c) granted or made in the course of or in connection with the Principal Business Activities (including in connection with contracts entered into with counterparties (including agents and customers) in the course of or in connection with the Principal Business Activities) on market terms no worse for the relevant Group entity than current market terms for such instruments;
- (d) given or made in connection with the provision of security for payment or contribution of funds in respect of any Off-shore Project, including, for the avoidance of doubt, given as a so-called *cost overrun guarantee*, *equity base guarantee* or other similar instruments or acts;
- (e) granted or made in connection with tendering or auctioning procedures (including under the renewable energy support scheme) in which Group entities participate;
- (f) granted or made in connection with the raising of financing by the Group entities or in respect of any of the Off-shore Projects in the form of loans and soft loans from the following entities: (i) the European Bank for Reconstruction and Development; (ii) the European Investment Bank; (iii) the International Finance

Corporation; (iv) Bank Gospodarstwa Krajowego; (v) the National Environmental Protection Fund; (vi) the National Research and Development Centre; (vii) KUKI S.A., (viii) the Polish Development Fund S.A., and (ix) the *European Climate, Infrastructure and Environment Executive Agency* (CINEA);

- (g) granted or made as Collateral for Project Finance;
- (h) granted or made to any Group entity as beneficiary;
- (i) granted or made as security for the repayment of the obligations of an entity participating in a Permitted Joint Venture that is not a Group entity and in which a Group entity participates on market conditions that are no worse for the relevant Group entity than the current market conditions for this type of instrument;
- (j) granted or made by a Group entity prior to the date on which it became a Group entity under a Permitted Acquisition, provided that: (i) its obligations thereunder expire within 6 (six) months following the date of such Permitted Acquisition; or (ii) they are related to the implementation of the Green Projects;
- (k) granted or made as part of a *cash pooling* transaction;
- (l) granted or made under a system of *netting*, *set-off arrangements* or other arrangements with similar effect;
- (m) granted or made in the Existing Financial Indebtedness Documents or in connection with indebtedness under the Existing Financial Indebtedness Documents;
- (n) which is granted or performed in connection with the performance of an act permitted under these Terms of Issue;
- (o) to provide financing or to cover the costs of a project carried out by another Group entity (including the so-called *cost overrun guarantee* and *equity base guarantee*) which will not be covered by such Group entity's own resources or by external financing sources, including bank financing or loans; or
- (p) any guarantee, suretyship, accession to debt, endorsement, *indemnity*, other than as permitted under any of the preceding subsections, provided that they relate in aggregate to an amount of liabilities not exceeding at any time the greater of: (i) PLN 20,000,000 (in words: twenty million zlotys) or the equivalent amount in any other currency or currencies (excluding VAT); or (ii) 0.5% (half a percent) of the last reported value of the Shareholders' Equity;

"Permitted Loan" means:

- (a) any Loan made while the Asset Coverage Ratio at the end of the last Financial Quarter (for which financial statements have been made available in accordance with Clause 15.1), calculated on a *pro forma basis*, i.e. taking into account the making of such Loan, is not less than 0.33;

- (b) A loan granted to a counterparty of any Group entity (including an agent or customer) in the course of a Core Business on terms and conditions that are no worse for the relevant Group entity than the current market terms of such a loan or activity with analogous legal and economic effect;
- (c) Loans constituting an investment by a Group entity in a Permitted Joint Venture, provided that they are granted in the course of the Core Business carried out in connection with the Green Projects and on terms and conditions that are no worse for the relevant Group entity than the current market terms of such loan or activity with analogous legal and economic effect;
- (d) Loan provided as part of the implementation of the Off-shore Project;
- (e) A loan granted under a Permitted Acquisition by an entity whose Shareholding Rights have been acquired or subscribed for (directly or indirectly) under a Permitted Acquisition, provided that (i) such loan or actions with analogous legal and economic effect are repaid within 6 (six) months from the date of the Permitted Acquisition; or (ii) are related to the implementation of Green Projects;
- (f) Loan constituting a Financial Indebtedness to which the definition of Permitted Financial Indebtedness applies;
- (g) A loan granted to another Group entity;
- (h) *Borrowing as part of a cash pooling transaction;*
- (i) A loan granted to an employee, associate or officer of the Issuer or a member of the Group in connection with stock or share options or subscription warrants; or
- (j) any Loans, other than as permitted under any of the preceding subsections, provided that the aggregate outstanding principal amount thereof shall not at any time exceed the greater of: (i) PLN 50,000,000 (in words: fifty million zloty) or the equivalent amount in any other currency or currencies (excluding VAT) or (ii) 1% (one per cent) of the last reported value of the Shareholders' Equity;

"Permitted Joint Venture" means an investment by a member of the Group in any Joint Venture in circumstances where (in aggregate):

- (a) the purpose of such investment is for the Joint Undertaking to carry out a Green Project or Projects; and
- (b) such investment is made on terms no worse for the Group entity concerned than current market conditions;

"Permitted Acquisition" means those made at arm's length by a Group entity, directly or indirectly, in one or more operations:

- (a) the acquisition or acquisition of Share Rights or the acquisition of a business or an organised part thereof, if such entity, after the acquisition or acquisition of its Share Rights, or the entity that acquired the business or organised part thereof,

will be engaged in substantially the same, similar, complementary, supportive, related or ancillary to the business carried on at the Issue Date or in the future by any member of the Group or other entities operating in the industry in which any member of the Group currently carries on or will carry on in the future, including holding or investment activities in relation to entities carrying on the business described above;

- (b) the acquisition or subscription of Share Rights in connection with the formation of a company or other entity, if such company or other entity is formed to carry on the activities referred to in (a) above;
- (c) the acquisition or taking up of Participating Rights or the acquisition of an undertaking or an organised part thereof, if the subject matter of the entity whose Shareholding Rights are being acquired or taken up or of the undertaking or organised part thereof being acquired includes and will remain the implementation of Green Projects;
- (d) the acquisition or subscription of Share Rights or the acquisition of a business or an organised part thereof in the context of a Permitted Joint Venture;
- (e) the acquisition or taking up of Shares or the acquisition of an enterprise or an organised part thereof other than as permitted under any of the preceding paragraphs, provided that the total funds disbursed for the payment of the price for such Shareholding Rights, enterprise or organised part thereof up to the Redemption Date or the Early Redemption Date shall not exceed PLN 50,000,000 (in words: fifty million zloty) or the equivalent thereof in any other currency or currencies (not including VAT); or
- (f) the acquisition or subscription of Participation Rights that are or reflect short-term cash equivalent financial instruments;

"Permitted Disposal" means any Disposal that meets at least one of the following conditions:

- (a) made between members of the Group;
- (b) made on conditions not worse on the date of the Disposal than then current market conditions, where assets subject to the Disposal are replaced by other assets of the same or similar value;
- (c) made on conditions not worse on the date of the Disposal than then current market conditions, where assets subject to the Disposal are exchanged for cash;
- (d) the transaction was related to the subject matter of the Issuer's or other Group entity's business as shown in the extract from the Register of Entrepreneurs maintained by the National Court Register for the Issuer or other Group entity concerned, respectively;
- (e) any Disposal of (A) obsolete assets or (B) fully depreciated assets; or

- (f) any Disposal of (A) non-cash generating assets, or (B) assets not generating any distributions to the Issuer, whereby in such a case the conditions indicated in points (b) or (c) above should also be met;

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness incurred at a time when the Asset Coverage Ratio at the end of the last Financial Quarter (for which financial statements have been made available in accordance with Clause 15.1), calculated on a *pro forma basis*, i.e. taking into account the incurrence of such Financial Indebtedness and the use of the proceeds of such Financial Indebtedness, is not less than 0.33;
- (b) Financial Indebtedness in respect of bonds issued under the Issuance Programme;
- (c) Financial Indebtedness incurred under the Existing Financial Indebtedness Documents;
- (d) Financial Indebtedness being Project Finance Indebtedness;
- (e) Financial Indebtedness incurred to finance or refinance any Off-shore Project;
- (f) Financial Indebtedness incurred under the Refinancing Indebtedness Documents, the amount of which will be the sum of the principal, interest, all fees, margins, commissions and costs payable under the Refinancing Indebtedness Documents (in particular, but not limited to, the Existing Indebtedness Documents) and the costs (including commissions and fees) of obtaining financing under the Refinancing Indebtedness Documents, as well as other Financial Indebtedness incurred on the basis of the Refinancing Indebtedness Documents, in the form of working capital or revolving credit facilities, overdrafts, guarantees, letters of credit or other Financial Indebtedness made available under a working capital or revolving credit limit;
- (g) Financial Indebtedness incurred in the course of the Core Business, including for factoring, forfaiting, debt discounting, collection agreement, trade credit, matured recourse of a bank or other financial institution that has provided a guarantee or surety (including for a loan or credit for the purchase of goods and services offered in the course of the Core Business) or similar agreements, under market conditions no worse for the relevant Group entity than the current market conditions for such instruments;
- (h) Financial Indebtedness for due recourse or indemnification in respect of any guarantee, suretyship, assumption of liability or documentary letter of credit or any other similar instrument issued by a bank or financial institution in respect of the obligations of a Group entity incurred in the course of its Core Business;
- (i) Financial Indebtedness in respect of which the creditor is a related party of the entity incurring such Financial Indebtedness (within the meaning of IFRS), which is not an entity of the Group, incurred for any purpose provided that, under the terms of such Financial Indebtedness, the final repayment (maturity) date is a date later than the Redemption Date;

- (j) Financial Indebtedness from leases and other contracts that, in accordance with the relevant accounting standards, should be treated as such;
- (k) Financial Indebtedness incurred as part of *cash pooling* transactions;
- (l) Financial Indebtedness under the Permitted Guarantee;
- (m) Financial Indebtedness under the Permitted Loan;
- (n) Financial Indebtedness for Permitted Joint Venture;
- (o) Financial Indebtedness incurred to make or in connection with the making of a Permitted Distribution;
- (p) Financial Indebtedness incurred in connection with the making of, or for the purpose of making, a Permitted Acquisition;
- (q) Financial Indebtedness from foreign exchange or derivative transactions entered into to hedge against interest rate, or exchange rate or price fluctuations (in particular, in connection with Existing Financing Indebtedness Documents or Refinancing Indebtedness Documents); or
- (r) any other Financial Indebtedness, other than as permitted under any of the preceding subsections, the aggregate amount of which does not at any time exceed one per cent. (1%) of the last reported value of the Shareholders' Equity;

"Issue Date" means the date specified in Clause 5 of Issue Supplement;

"Interest Payment Date" means any date specified in Clause 7 of the Issue Supplement, subject to immediate or early redemption of the Bonds;

"Business Day" means any day other than a Saturday, Sunday or public holiday in Poland on which the NDS conducts its operations so as to enable it to perform the activities set out in these Terms of Issue;

"Rights Determination Date" means the third Business Day prior to the Interest Payment Date or the Redemption Date or such other date as may be determined in accordance with the current NDS Regulations for the determination of rights to the Bonds, provided that:

- (a) those entitled to the redemption benefits in respect of Bonds which are satisfied after the Redemption Date shall be determined in each case as at the 2nd (second) Business Day after the date on which the benefit amount was transferred to the NDS;
- (b) in the cases indicated in Clause 6.1.2 of the Terms of Issue, the Determination Date shall be the date on which the liquidation, merger, division or conversion referred to in that Clause is opened, as applicable; or
- (c) in the cases indicated in Section 6.2.1 and 7 of the Terms of Issue, the Early Redemption Date shall be deemed to be the Early Redemption Date;

in each case, unless the regulations of the WSE or the NDS Regulations in force from time to time require a different date to be set for the persons entitled to the benefits of the Bonds;

"Interest Rate Determination Date" subject to Clause 5.4.13 means the day falling 3 Business Days before the first day of the Interest Period on which the Interest Rate is to apply;

"Early Redemption Date" means the date on which the Bonds become due and payable prior to the Redemption Date in accordance with the provisions of the Terms of Issue;

"Redemption Date" means the date specified in Section 6 of the Issue Supplement;

"Register" means the register of the persons entitled under the Bonds maintained by the Issuing Agent, pursuant to the wording of Article 7a(4)(4) of the Act on Trading in Financial Instruments

"Green Bond Framework" means the Issuer's current strategy document on, inter alia, Green Projects available on the Issuer's Website, positively reviewed in the form of an Independent Expert Opinion;

"Green Bond Principles" means the Green Bond Principles guidelines for the green bond issuance process published in June 2021 (with a June 2022 annex) by the International *Capital Market Association* (ICMA);

"Group" means the Issuer and the entities consolidated under IFRS with the Issuer using the full method, in each case excluding MFW Bałtyk II sp. z o.o., MFW Bałtyk III sp. z o.o. and any other entities not consolidated with the Issuer using the full method;

"Equinor Group" means Equinor ASA and Equinor ASA's subsidiaries;

"Material Subsidiaries" means, at any time, (i) Polenergia Obrót S.A.; and (ii) any other Subsidiary whose aggregate assets or EBITDA amounts to at least 5% of the Group's Assets or EBITDA, respectively, the list of Subsidiaries constituting Material Subsidiaries as at the date of the Issue is set out in Schedule 4 (*List of Material Subsidiaries*) to the Terms of Issue and will be updated annually in the Certificate of Compliance provided in connection with the publication of the Issuer's annual financial statements;

"NDS" means the Krajowy Depozyt Papierów Wartościowych S.A. with its registered office in Warsaw;

"Central Counterparty" means the licensed central counterparty through which transactions that use WIBOR and hedge the risk of its changes are settled. This may be LCH Ltd, NDS_CCP S.A. or any other central counterparty;

"Control" means: (i) the power to vote or control the vote of entities having at least 50% plus 1 of the votes at a shareholders' meeting or general meeting, (ii) the power to appoint or remove all or a majority of the members of the supervisory board or the management board; or (iii) the power to issue instructions on the operation and financial strategies that the members of the management board are required to follow;

"**Adjustment**" means a value or action that is applied to reduce the economic effect on the Bonds resulting from the substitution of WIBOR for the Alternative Index. The Adjustment will be determined in accordance with clause 5.4.10 below;

"**Financial Quarter**" means the period beginning on the Quarter Date (excluding that date) and ending on the next Quarter Date (including that date);

"**Amount Payable**" means the amount, expressed in PLN, equal to the total cash consideration of the Bonds, i.e. the Interest Amount or the nominal value, as the case may be, payable on the Interest Payment Date or the Redemption Date or the Early Redemption Date, which the Issuer is obliged to pay to the Bondholder;

"**Interest Amount**" means the amount, expressed in PLN, of interest on the Bonds that the Issuer is obliged to pay to the Bondholder in accordance with the Terms of Issue;

"**Sanctions List**" means any list relating to Sanctions, as amended, supplemented or replaced from time to time, maintained by any Sanctions Authority and any public statement relating to the imposition of Sanctions, in each case as amended, supplemented or replaced from time to time;

"**Margin**" means the interest margin set out in paragraph 12 of the Issue Supplement;

"**Retained Materials**" means the documents, information and communications published in pursuance of the Bond Act on the Issuer's Website in relation to the Bonds;

"**mBank**" means mBank S.A. with its registered office in Warsaw;

"**Bałyk II**" means the offshore wind farm Bałyk II developed in the Baltic Sea by MFW Bałyk II sp.z.o.o., in which the Issuer holds a 50% interest as at the Issue Date;

"**MFW Bałyk III**" means the offshore wind farm Bałyk III developed in the Baltic Sea by MFW Bałyk III sp. z.o.o., in which the Issuer holds a 50% interest as at the Issue Date;

"**IFRS**" means International Financial Reporting Standards as set out in Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards or other standards adopted by the European Union to replace them;

"**Principal Receivable**" means in respect of any one Bond an amount equal to its nominal value;

"**Independent Expert Opinion**" means the independent expert opinion (so-called Second Party Opinion) dated 16 September 2024 issued by Sustanalytix GmbH, and available on the Issuer's Website regarding the **compliance of the Green Bond Framework with the Green Bond Principles**;

"**Bonds**" means the bonds issued pursuant to the Terms of Issue;

"**Bondholder**" means the person or entity entered in the Register as entitled to receive the consideration from the Bonds and, following registration of the Bonds with the NDS - means the holder of the Securities Account in which the Bonds are credited or the

person designated to the operator of the Omnibus Account by the holder of that account as the person entitled to the Bonds credited to such Omnibus Account;

"Announcement of the End of Publication" means the issuance of an official statement by the Designating Entity that WIBOR has ceased or will cease to be published on a permanent basis and that no successor has been appointed on the date of that statement to continue to calculate or publish WIBOR;

"Remediation Period" has the meaning given to that term in clause 10.1 Terms of Issue;

"Interest Period" means the period commencing on the Interest Payment Date (inclusive) and ending on the next Interest Payment Date (exclusive), except that the first Interest Period shall commence on the Issue Date (inclusive) and the last Interest Period shall end on the Redemption Date (exclusive), provided that an Interest Period may be of a different length due to early redemption of the Bonds effected in accordance with the provisions of the Terms of Issue;

"Early Redemption Issuer Option" means the right of the Issuer to redeem the Bonds prior to the Redemption Date on the terms set out in Clause 6.2 (*Early Redemption of the Bonds by the Issuer (Call Option)*) Terms of Issue;

"Put Option" means each Bondholder's right to request that the Issuer repurchases and redeems the Bonds prior to the Redemption Date in accordance with section 7.5 (*Early Redemption following Put Option*);

"Cash Sweep Option" means each Bondholder's right to request that the Issuer repurchases and redeems part of the Bonds prior to the Redemption Date in accordance with section **Error! Reference source not found.** (*Early Redemption following Cash Sweep Option*);

"Sanctions Authority" means the institution or agency referred to in limb (vi) of the definition of Sanctions;

"Sanctioned State" means a state or other territory that is the target or subject of Sanctions (currently including, but not limited to, Russia, Crimea, Cuba, Iran, North Korea, South Sudan, Sudan and Syria);

"Income Tax" means (i) corporate income tax within the meaning of the Corporate Income Tax Act of 15 February 1992 (consolidated text: Journal of Laws 2024, item 226, as amended) or any other legal act that replaces this Act, and accordingly (ii) Personal Income Tax within the meaning of the Act of 26 July 1991 on Personal Income Tax (consolidated text: Journal of Laws of 2024, item 226, as amended) or any other legal act that replaces this Act;

"Restricted Party" means an entity that: (i) is on the Sanctions List or is owned or controlled, directly or indirectly, by one or more entities on the Sanctions List or is acting on behalf of an entity on the Sanctions List, (ii) is located in, resident in, domiciled in or incorporated under the laws of a Sanctions List State or is owned or controlled (directly or indirectly) by an entity located in a Sanctions List State, resident therein, established therein, incorporated under its laws, carrying on business therein or operating therein or acting on behalf of such an entity, or (iii) is otherwise the target of

a Sanctions Regulation, ownership for the purposes of these provisions meaning that the entity in question is owned by another entity or multiple entities which own at least 50% of the shares;

"Account Keeper" means the entity that maintains the Securities Account or Omnibus Account in which the Bonds are registered;

"Designating Entity" means the Financial Supervision Commission, the National Bank of Poland, the WIBOR Administrator or an industry organisation that has been designated by the Financial Supervision Commission or the National Bank of Poland and that is engaged in the preparation of a proposal for a replacement for WIBOR, including, in particular, the National Working Group on Benchmark Reform or any other similar body, group or organisation established to identify a replacement for a particular benchmark, on a basis analogous to that of the National Working Group on Benchmark Reform;

"Basis for Exercising the Early Redemption Option" means any of the events set out in clause 9 (*Bases for Exercising the Early Redemption Option*);

"Core Business" means the Group's operations in Poland or abroad in the following areas:

- (a) energy generation in onshore wind farms, *off-shore* wind farms and photovoltaic farms;
- (b) development and acquisition of onshore wind farm projects, *off-shore* wind farms and photovoltaic farms;
- (c) energy generation from gas and clean fuels, including the development of hydrogen technologies (including its production and storage);
- (d) energy distribution and electromobility;
- (e) trading and sales - trading activities in electricity and certificates of origin and other energy market instruments, as well as the sale of electricity to industrial and individual consumers and the provision of market access services to renewable energy producers and the installation of photovoltaic panels and heat pumps;
- (f) distributed energy;
- (g) energy storage; and
- (h) any other activity in connection with the areas indicated above, including: (i) activities related to the acquisition, development or financing of activities in the areas referred to above; and (ii) activities related to the area of renewable energy and energy transition, servicing, development of IT solutions for the energy sector and provision of services in this area, as well as any other complementary, complementary or new technology related activities in the areas related to the above;

"**Qualifying Provisions**" means the qualifying provisions of the terms of issue within the meaning of Article 49(1) of the Bond Act;

"**Certificate of Compliance**" has the meaning given in clause 11.3 (*Definitions*);

"**Loan**" means a loan, credit, the issue of bonds or other debt securities or any other legal act having an analogous effect;

"**Subordinated Loan**" means any Ownership Loan that meets the following conditions:

- (a) the repayment date of such Loan is not earlier than 12 months after the Bond Redemption Date;
- (b) the terms of such Loan do not provide for the cash payment of interest prior to the repayment (maturity) of the principal amount under such Loan;

"**Ownership Loan**" means a loan agreement or other similar instrument of a debt nature entered into in the ordinary course of the Group's business between the Issuer or any other Group entity and any of the Majority Shareholders;

"**Shareholding Rights**" means shares, interests, other participation rights, shareholder rights or titles (including in a beneficiary capacity) in a company or other entity (whether incorporated or unincorporated), incorporated (created) under the laws of any country;

"**Premium**" means the premium on the exercise of the Early Redemption Issuer Option as set out in Section 8 of the Issue Supplement;

"**Off-shore Projects**" means MFW Bałtyk II and MFW Bałtyk III together, and Off-shore Project means either of them;

"**Bond Purchase Offer**" means an offer to purchase Bonds to which the Terms of Issue are annexed;

"**Event of Default**" means any of the events constituting the Basis for Exercising the Early Redemption Option or an Event of Non-performance of an Obligation;

"**Event of Non-performance of an Obligation**" means any of the events indicated in clause 8 (*Event of Non-performance of an Obligation*);

"**Securities Account**" means a securities account within the meaning of Article 4(1) of the Act on Trading in Financial Instruments;

"**Omnibus Account**" means an omnibus account within the meaning of Article 8a of the Act on Trading in Financial Instruments;

"**NDS Regulations**" means the applicable regulations, resolutions, procedures and other types of regulations adopted by the NDS setting out the manner in which the NDS operates its depository system, in particular the Rules of the National Securities Depository and the Detailed Operating Rules of the National Securities Depository;

"Financial Year" means each accounting year of the Group ending, as at the date of these Conditions of Issue, on 31 December in each year;

"Disposal" means the making in a single transaction or in several related or several unrelated transactions, whether entered into voluntarily or under compulsion, of a sale, transfer, lease, rental or other disposition or disposition of all or part of one's assets;

"BMR Regulation" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices to be used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 (Text with EEA relevance);

"Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC;

"Sanctions Regulation" means Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's destabilizing actions in Ukraine;

"Sanctions Regulation (Belarus)" means Council Regulation (EC) No 765/2006 of 18 May 2006 concerning restrictive measures in view of the situation in Belarus and Belarus' participation in Russia's aggression against Ukraine;

"Sanctions" means laws and regulations (including, but not limited to: Sanctions Regulation and Sanctions Regulation (Belarus)) relating to economic, financial or trade sanctions, embargoes or other restrictive measures adopted or enforced by (i) the European Union, including its Member States; (ii) the United Kingdom of Great Britain and Northern Ireland; (iii) the Swiss Confederation; (iv) the United States of America; (v) the United Nations; and (vi) the relevant governmental institutions and agencies of any of the foregoing countries and entities, including, but not limited to, the Office of Foreign Assets Control (OFAC), the U.S. Department of the Treasury, the U.S. Department of State, the U.S. Department of Commerce, the United Kingdom of Great Britain and Northern Ireland's Treasury, which cover, among others, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, Cuba, Iran, North Korea, Syria, Russia, Belarus, Sudan and South Sudan;

"Series" means the series of Bonds issued under the Terms of Issue with the number indicated in Section 1 of the Issue Supplement;

"Adjusted Aggregate Nominal Value of the Bonds" has the meaning ascribed to it in Article 50(1) para. 2 of the Bond Act;

"Subsidiaries" means entities consolidated with the Issuer in accordance with IFRS;

"Base Rate" means the base rate set out in Section 14 of the Issue Supplement or any other base rate determined in accordance with Section 5.4 (*Determination of Interest Rate*);

"Interest Rate" means the variable interest rate calculated in accordance with the provisions of Clause 5.4 (*Determination of Interest Rate*) at which the Interest Amount for all Interest Periods will be calculated;

"Issuer's Website" means the Issuer's website located at: <https://www.polenergia.pl/>;

"Bondholders' Meeting Resolution" means a resolution of the Bondholders' Meeting validly passed in accordance with the Terms of Issue and the Bond Act;

"Eligible Bondholders" has the meaning given in section 14.2.1;

"Act on Trading in Financial Instruments" means the Act of 29 July 2005 on Trading in Financial Instruments (i.e.: Journal of Laws 2023, item 646, as amended);

"WIBOR" means the WIBOR reference rate (administered by the Base Rate Administrator), for a period (term) equal to the Relevant Tenor for which it is determined, expressed as a percentage per annum;

"Relevant Tenor" means the term (period) the length of which is indicated in paragraph 14 of the Issue Supplement;

"Alternative Index" means the reference index determined in accordance with paragraph 5.4.8 - 5.4.14, which replaces WIBOR in the situations described in the Terms of Issue and in accordance with the BMR Regulation (to the extent applicable);

"Joint Venture" means any entity (not being a member of the Group in the nature of a *joint venture*, *whether in the* form of a commercial company, unincorporated entity, corporation, association, joint venture, partnership or other entity);

"Collateral for Project Finance" means:

- (a) blank promissory notes issued as security for the repayment of the Project Finance Indebtedness by a Group entity;
- (b) pledges over shares in the relevant Subsidiary that is the borrower under the Project Finance Indebtedness established by a Group entity as security for the repayment of that Project Finance Indebtedness;
- (c) sureties, guarantees or other actions of similar legal effect provided by Group entities in connection with the Project Finance Indebtedness;
- (d) collateral provided by the Subsidiary to secure the repayment of its Project Finance Indebtedness; and
- (e) any declaration of submission to enforcement relating to the securities referred to above;

"Financial Indebtedness" means indebtedness (presented in the financial statements in accordance with IFRS) due to:

- (a) loan or credit agreements (or other credit facilities) concluded with a bank, other financial institution or other institution authorised to grant loans or credits (including on preferential terms);
- (b) a negative balance on an account that is a debt to a bank or other financial institution;
- (c) bonds, a bill of exchange (other than one issued to secure commercial obligations incurred in the course of the Core Business) or other debt securities;
- (d) leases, hire purchase contracts or other contracts which, in accordance with generally accepted accounting principles, would be treated as finance leases, but in any event excluding: (i) obligations arising from leases or rental agreements with parties that are not banks or other financial institutions, (ii) lease payments or (iii) payments for the conversion of leasehold improvements into ownership;
- (e) receivables sold or discounted (excluding non-recourse receivables sold that meet the conditions for derecognition from the seller's accounts under IFRS);
- (f) a maturing obligation to pay any amount by way of recourse or indemnity in respect of any guarantee, suretyship, assumption of liability or documentary letter of credit or any other similar instrument issued by a bank or financial institution in respect of the obligations of any entity which would satisfy the conditions for being considered a Financial Indebtedness under the other subsections of this definition;
- (g) amounts raised from the issue of redeemable shares (excluding shares which are subject to the issuer's right of redemption) prior to the Redemption Date or otherwise considered as borrowed funds under IFRS;
- (h) amounts payable under contracts which commit to sell or contracts for sale with deferred payment of price, provided that (i) one of the primary purposes of entering into such a contract is to obtain financing or financing for the acquisition or production of the asset or service which is the subject of the contract, or (ii) the contract concerns the supply or provision of services, and payment is due more than 180 days after the delivery or provision of the service and is recognised in the books (financial statements) of the entity acquiring the assets or services as financial debt (*borrowings*), with any amounts unpaid or retained by the entity acquiring the assets or services as security for claims against the entity providing the assets or services for warranties, damages, losses, etc.;
- (i) any other act (including any forward purchase or sale agreement) that gives rise to the economic effect of a loan or is otherwise regarded as incurring financial indebtedness (*borrowings*) under IFRS; and
- (j) a maturing payment obligation under a guarantee or suretyship relating to any obligation described in the subsections above;

however, in each case, to the exclusion of:

- (i) debt for which another Group member is a creditor, i.e. intra-group debt;

- (ii) debts arising from foreign exchange or derivative transactions entered into to hedge against fluctuations in interest rates, exchange rates or prices; and
- (iii) Subordinated Loans;

"Off-shore Project Financial Indebtedness" means the Financial Indebtedness incurred by the Off-shore Project Companies or by any other entity for the purpose of financing or refinancing any Off-shore Project;

"Project Finance Indebtedness" means Financial Indebtedness incurred by a member of the Group for the purpose of financing or refinancing a *project finance project undertaken* by it, on terms that:

- (a) subject to (b) below, the source of repayment of that Financial Indebtedness shall be: (i) the revenues generated by such project; (ii) the assets of such project (iii) the proceeds from the disposal of such project; (iv) the proceeds from the disposal of the Equity Rights in the company that carries out such project; or (v) other Project Finance Indebtedness; and
- (b) creditors under such Financial Indebtedness shall have no claim on the Issuer or any other Group entity in respect of such Financial Indebtedness (other than the debtor under such Financial Indebtedness) except in respect of:
 - (i) Collateral for Project Finance;
 - (ii) commitments to cover project cost overruns included in the project budget for this project; or
 - (iii) commitments to cover or increase its own contribution, including, in the event of a rescheduling of this project or to cover costs included in the budget of this project that cannot be covered by Project Finance Indebtedness;

"Early Redemption Notice" means a notice of early redemption of Bonds held by a Bondholder due to the occurrence of a Basis for Exercising the Early Redemption Option, given to the Issuer by a Bondholder in accordance with Clause 7.4.1;

"Event Covered by the Remediation Period" means each of the Basis for Exercising the Early Redemption Option referred to in clause 9 Terms of Issue, if, in relation to the relevant Ground for exercising the Early Redemption Option, it is possible to restore the state of affairs prior to the occurrence of the event that is the Basis for Exercising the Early Redemption Option;

"Bondholders' Meeting" means the representation of all Bondholders entitled under the Bonds of this Series, conducted in accordance with the rules contained in the Terms of Issue and the Bond Act;

"Green Projects" means, in relation to a member of the Group, projects carried out in accordance with the specific rules indicated in the Green Bond Framework, including, in particular concerning the implementation of investments or provision of services in terms of:

- (a) acquisition, development, construction, creation, installation and operation of infrastructure for renewable energy production;
- (b) electricity storage (construction and operation of electricity storage facilities that return the electricity at a later date; activities include pumped storage plants);
- (c) green hydrogen (or RFNBO) generation and storage;
- (d) installation and operation of energy-efficient heat pumps; and
- (e) improving energy efficiency and infrastructure;

"Change of Control" means a situation in which the Majority Shareholders will cease to jointly (i.e. acting in concert as referred to in Article 87(1)(5) of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies of 29 July 2005) hold, directly or indirectly, Control over the Issuer with the proviso that this event does not occur if either (i) at least one of the Majority Shareholders holds, alone or jointly with another shareholder or shareholders who are not Restricted Party, direct or indirect Control over the Issuer; or (ii) the said Control over the Issuer is taken over by a new investor (the "**New Investor**") direct or indirect, who: (A) has an investment grade credit rating (Baa3/BBB-, or equivalent, or higher) from any Rating Agency; and (B) who is not a Restricted Party, or, as the case may be, also any of entities controlled by such New Investor;

"Change of Control in Off-shore Project" means a situation in which, in the period prior to any of the Off-shore Projects obtaining a final occupancy permit, an Equinor Group entity ceases to hold, directly or indirectly, at least 20% of the interest in any Off-shore Project, unless, within 12 months from the date on which an Equinor Group entity ceased to hold at least 20% of the interest in such Off-shore Project, 20% of the interest in such Off-shore Project is acquired or taken over by a new partner: (i) with a similar reputation and experience in projects of similar volume and structure and with an investment rating; and (ii) who is not a Restricted Party;

"Request to convene the BM" has the meaning given in section 14.2.2;

2. LEGAL STATUS OF BONDS

- 2.1 Each Bond is a bearer security, having no documentary form issued in a series in accordance with Article 4(1) of the Bond Act. The rights attached to the Bonds arise at the time when entries are made in the Register. The rights attached to the Bonds shall be vested in the person or entity designated in the Register and, after the date on which the Bonds are registered with the NDS, in the persons who are the holders of the Securities Account in which the Bonds are credited and in any person designated by the holder of the Omnibus Account as the holder of the Bonds credited to such Omnibus Account.
- 2.2 The Issuer undertakes, irrevocably and unconditionally, to perform for the benefit of the Bondholders the monetary consideration consisting in the payment of the Amount Payable, in the manner and at the times specified in the Terms of Issue.

- 2.3 The obligations under the Bonds will constitute irrevocable, unsubordinated, unsecured and unconditional obligations of the Issuer, are equal and without priority of satisfaction to each other and (subject to exceptions under mandatory provisions of Polish law) will be and are equal to all other present or future unsecured and unsubordinated obligations of the Issuer, and are subject to satisfaction in the same proportions as those obligations.

3. DESCRIPTION OF THE BOND

- 3.1 The nominal value of each Bond is indicated in Section 4 of the Issue Supplement.
- 3.2 The maximum number of Bonds proposed to be purchased is indicated in Section 2 of the Issue Supplement.
- 3.3 The total maximum nominal value of the Bonds in issue is indicated in Section 3 of the Issue Supplement.
- 3.4 The Bonds are issued on the Issue Date and are redeemable on the Redemption Date or the Early Redemption Date.
- 3.5 The bonds are unsecured.
- 3.6 The Bonds are not transformation bonds within the meaning of the Bond Act.
- 3.7 The acceptance form relating to the Bond Purchase Offer may be submitted in electronic form, including in electronic form (i.e. an electronic form bearing a qualified electronic signature).

4. PURPOSE OF THE ISSUE OF THE BONDS

- 4.1 The Purpose of the Issue as indicated in Section 15 of the Issue Supplement constitutes the purpose of the issue of the Bonds within the meaning of Article 32 of the Bond Act.
- 4.2 The proceeds from the issue of the Bonds will be paid into a separate account or accounts of the Issuer segregated for the purpose of achieving the Purpose of the Issue.
- 4.3 The proceeds of the Bond issue will be managed in a manner consistent with the Green Bond Framework.
- 4.4 Subject to the detailed rules set out in the Green Bond Framework, at least once a year (starting from the calendar year following the Issue Date), the Issuer will make available, through publication on the Issuer's Website, reports on the allocation of the net proceeds raised from the issue of the Bonds and reports showing the performance and environmental impact of the investments financed with the net proceeds from the issue of the Bonds in a manner consistent with the ICMA standard, whereby such report shall include, at a minimum: (i) a brief description of each Green Project financed by the Bonds, together with an indication of the amounts from the issuance of the Bonds used to finance it; and (ii) any updates to the Green Bond Framework and the Independent Expert Opinion.

5. INTEREST RATE

5.1 Payment of the Interest Amount

The Bonds bear interest from the Issue Date (including that date) to the Redemption Date (not including that date). On each Interest Payment Date, the Issuer shall make payment of an Interest Amount to each entity which is a Bondholder on the Rights Determination Date. Interest Amounts for each Interest Period will be payable in arrears. However, if an Interest Payment Date falls on a day that is not a Business Day, payment of the Interest Amount shall be made on the next Business Day following that day, without the right to claim interest for late payment or any other additional payments. If applicable, in the case of Bonds registered in the Register, payment of the Interest Amount will be made through the Issuing Agent in accordance with the relevant laws, including those relating to Income Tax. After the date of registration of the Bonds with the NDS, payment of the Interest Amount will be made through the NDS in accordance with applicable regulations taking into account the NDS Rules.

5.2 Calculation of interest

- 5.2.1 The Interest Amount is calculated separately for each Interest Period.
- 5.2.2 Where the Interest Amount is to be calculated for a period shorter than a full Interest Period, it will be calculated on the basis of the actual number of days: (i) in the case of the first Interest Period, during the period from the Issue Date (inclusive) up to and including the relevant Interest Payment Date or the date on which the Bonds are redeemed (excluding that date); or (ii) in the case of an Interest Period other than the first Interest Period, the preceding Interest Payment Date (inclusive) up to and including the date on which the Bonds are redeemed.
- 5.2.3 In the event of a delay (except for the exemption referred to in clause 8.1) in payment of all or part of the Principal Amount or the Interest Amount, the Bondholder shall be entitled to interest calculated in accordance with subsection 5.4.3 (but without double counting the Additional Interest Margin if another Event of Default has occurred before the end of the relevant Interest Period).

5.3 Calculation of the Interest Amount

On the Business Day following the Interest Rate Determination Date, the Calculation Agent will calculate the Interest Amount for the relevant Interest Period on each Bond according to the following formula:

$$KO = SP \times WN \times LD/365$$

Where:

- KO** means the Interest Amount on each Bond for the relevant Interest Period,
- SP** means the Interest Rate for the relevant Interest Period determined in accordance with Section 5.4 (*Determination of Interest Rate*),
- WN** means the Principal Receivable of each Bond,
- LD** denotes the number of days in the relevant Interest Period,

after rounding the result of this calculation to the nearest penny (whereby half and more pennies will be rounded up).

5.4 Determination of the Interest Rate

5.4.1 The Interest Rate for an Interest Period will be the Base Rate (as defined below) plus a Margin, provided that the Margin will change when the Asset Coverage Ratio reaches the value indicated in the table:

Value of the Asset Coverage Ratio (ACR)	Margin (M)
$ACR \geq 0.40$	M p.a.
$0.40 > ACR \geq 0.35$	M + 25 bps
$0.35 > ACR \geq 0.33$	M + 50 bps

5.4.2 Margin modified in accordance with point 5.4.1 will apply to the Interest Period beginning after the date on which the Issuer has communicated the Financial Indices. The revised Margin set out in the table above will apply until the earlier of the last day of the Interest Period on which the Issuer has provided information on the Financial Ratios or the Redemption Date or the Early Redemption Date.

5.4.3 From the date of the occurrence of an Incident covered by the Remediation Period which is not remedied within the time limit indicated in clause 10.2 Terms of Issue, for the period from the first day (inclusive) of the Interest Period that follows the Interest Period in which the relevant Event Covered by the Remediation Period occurs until the end of the Interest Period in which the relevant Event Covered by the Remediation Period ceases or is remedied or until the Redemption Date or the Early Redemption Date, whichever occurs first (excluding that day), the Interest Rate shall be increased by the additional interest margin indicated in Section 13 of the Issue Supplement (the "**Additional Interest Margin**"), provided that in any case in which the Event Covered by the Remediation Period is not remedied within the period indicated in Section 10.2 Terms of Issue, for at least one Interest Period.

5.4.4 The Interest Rate, including the Base Rate, will be determined on the Interest Rate Determination Date by the Calculation Agent. The Base Rate will be equal to the WIBOR for the Relevant Tenor as published on the Interest Rate Determination Date.

5.4.5 If the Base Rate determined for an Interest Period is less than zero, the Base Rate for that Interest Period shall be deemed to be zero to determine the Interest Rate for that Interest Period.

5.4.6 In the event that the Base Rate cannot be determined in accordance with the above provisions and the inability to determine the Base Rate is not related to

Announcement of the End of Publication or the occurrence of a Lack of WIBOR Authorisation, the Base Rate shall be equal to the last available WIBOR value for the Relevant Tenor.

- 5.4.7 In the event that the Base Rate cannot be determined in connection with an Announcement of the End of Publication or there is a Lack of WIBOR Authorisation, the Base Rate will be determined as the Alternative Index adjusted by the Adjustment (if applicable), as described below, and the Alternative Index permanently replaces WIBOR.
- 5.4.8 The Alternative Index will be determined by the entity indicated in section 5.4.12 in accordance with one of the following methods in the order of (a) to (f):
- (a) An Alternative Index is an index that has been indicated for use instead of the index in question in the Act or in a regulation to the Act;
 - (b) An Alternative Index is an indicator that has been recommended for use in place of WIBOR by an industry organisation that has been identified by the Financial Supervision Commission or the National Bank of Poland and that is involved in the preparation of a proposal to replace WIBOR, in particular an index that has been recommended (in the most recent recommendation issued) by the National Working Group on Benchmark Reform or any other similar body, group or organisation established to identify a replacement for a particular index, on a basis analogous to the principles of the National Working Group on Benchmark Reform;
 - (c) The Alternative Index is the index recommended for use instead of WIBOR by the Financial Supervision Commission;
 - (d) The Alternative Index is the index recommended for use instead of WIBOR by the National Bank of Poland;
 - (e) The Alternative Index is the index that he recommended to be used instead of WIBOR administrator WIBOR;
 - (f) The Alternative Index is the index that the Central Counterparty has used instead of WIBOR in the transactions it settles; or
 - (g) The Alternative Index is the reference rate of the National Bank of Poland.
- 5.4.9 The Issuer shall apply the methods referred to in the paragraph above, in the order of paragraph 5.4.8(a) to point 5.4.8(g) The next method shall be applied if the previous method fails to produce a result up to and including the Interest Rate Determination Date (in the event that the Designating Entity fails to identify an Alternative Index).
- 5.4.10 Once the Alternative Index has been established, the Adjustment shall be determined in accordance with the following rules:

- (a) An Adjustment is in the nature of a value or action that adjusts the value of an Alternative Index. The value of the Adjustment may be a positive value, a negative value, a zero value, as well as being determined by a formula or method of calculation (e.g. by compounding or capitalising daily interest rates over the period for which interest is calculated) and may include other adjustments related to the WIBOR replacement;
- (b) Once determined, the Adjustment is applied for the entire duration of the Alternative Index;
- (c) if the method for determining the Alternative Index referred to in section 5.4.8(f) above, the Adjustment as applied by the Central Counterparty shall apply;
- (d) if, in the relevant method of determining the Alternative Index referred to in subsections 5.4.8(a) - 5.4.8(e) above:
 - (i) The Designating Entity on whose recommendation the Alternative Index was established has indicated an Adjustment - such Adjustment shall be applied;
 - (ii) The Designating Entity, on whose recommendation the Alternative Index was established, indicated not to apply the Adjustment - the Adjustment is not applied;
- (e) if, in the relevant method of determining the Alternative Index referred to in subsections 5.4.8(a) - 5.4.8(e) above, the Designating Entity on whose recommendation the Alternative Index was determined did not refer to the Adjustment or if the Alternative Index was determined in accordance with the method referred to in subsection 5.4.8(g) above:
 - (i) The adjustment is added to the value of the Alternative Index;
 - (ii) The adjustment is equal to the historical median of the differences (defined below) between WIBOR and the Alternative Index;
 - (iii) historical median differences are established:
 - (A) for the 24-month period prior to the first day on which WIBOR ceased to be published (when an Announcement of the End of Publication occurred) or the first day on which a Lack of WIBOR Authorisation occurred;
 - (B) taking into account each day of the period under review on which both WIBOR and the Alternative Index were published.

5.4.11 The procedure for the selection of the Alternative Index and the determination of the Adjustment in connection with an Announcement of the End of Publication or a Lack of WIBOR Authorisation is carried out only once (the

same Alternative Index and Adjustment are also applied instead of WIBOR on subsequent Interest Rate Determination Dates).

- 5.4.12 The Alternative Index and the Adjustment shall be determined on behalf of the Issuer by the Calculation Agent or by another professional entity if such entity has been appointed by a Resolution of the Bondholders' Meeting with the consent of the Issuer. The Issuer shall publish in the manner set out in section 16.2 (*Notices*) information about the entity referred to above, indicating the details of that entity, as well as the Alternative Index selected and (when prepared) the method of calculation of the Adjustment or the opinion of that entity that an Adjustment is not required.
- 5.4.13 If the Alternative Index is published in arrears, so that it is not available for an Interest Period on the Interest Rate Determination Date, the Interest Determination Date shall be postponed accordingly until the publication of the Alternative Index for the relevant Interest Period, taking into account the market standard or the content of the recommendation pursuant to which the Alternative Index was determined.
- 5.4.14 If the method or recommendation under which the Alternative Index was determined indicates the need to make other adaptive changes to the Terms of Issue concerning the method of determining interest rates in connection with the application of the Alternative Index, including changes resulting from the requirements of the ATS or NDS, such changes shall apply in accordance with the method or recommendation under which the Alternative Index was determined. Amendments shall be applied under the existing provisions of the Terms of Issue, without the need for separate amendments to the Terms of Issue requiring the approvals of the Bondholders, the Bondholders' Meeting or the Issuer.
- 5.4.15 Where, in accordance with 5.4.7 an Alternative Index permanently replaces WIBOR, the provisions of clauses 5.4.6 - 5.4.11 relating to WIBOR shall apply mutatis mutandis to this Alternative Index taking into account the Adjustment, as well as to any further Alternative Index replacing the previous Alternative Index.
- 5.4.16 A change in the method of calculation of WIBOR or the Alternative Index announced by its administrator, including a change deemed by the administrator to be a material change, shall not constitute grounds for amending the Terms of Issue or applying the Adjustment.

5.5 **Notice of Amount of Interest**

Notifications to Bondholders of the Interest Rate and Interest Amount will be made by posting this information on the Issuer's Website and, from the date the Bonds are introduced to trading on the ATS, interest tables for each Interest Period will additionally be provided in accordance with the relevant regulations to the entity operating the ATS.

6. BOND REDEMPTION

6.1 Redemption Date of the Bonds

- 6.1.1 The Bonds will be redeemable once at par on the Redemption Date or on the Early Redemption Date.
- 6.1.2 In the event of liquidation of the Issuer, the Bonds are subject to immediate redemption as of the date on which liquidation opens. The Bonds are subject to immediate redemption in the part in which they provide for monetary benefits also in the event of a merger of the Issuer with another entity, a division of the Issuer or a transformation of the legal form of the Issuer, if the entity that has assumed the obligations of the Issuer under the Bonds does not have the authority to issue the Bonds in accordance with the Bond Act. The Issuer shall be obliged to pay on that date the Principal Receivable together with the Accrued Interest Amount for the time from the date of the commencement of the Interest Period in which the liquidation, merger, division or transformation, respectively, took place until the date of the opening of the liquidation, merger, division or transformation, respectively.

6.2 Early Redemption of the Bonds by the Issuer (Call Option)

- 6.2.1 The Issuer shall have the right to redeem in part or in full the nominal value of the Bonds prior to the Early Redemption Date, provided that notice is given to the Bondholders not later than 20 Business Days prior to the Early Redemption Date referred to in this Section 6.2 (*Early Redemption of the Bonds by the Issuer (Call Option)*) (the "**Early Redemption Issuer Option**"). The Early Redemption Date must be an Interest Payment Date falling not earlier than 36 (thirty-six) months prior to the Redemption Date. Notice to Bondholders of the Issuer's intention to exercise the Early Redemption Issuer Option will be given in accordance with the terms of section 16.2 (*Notices*) of the Terms of Issue. The Issuer will be entitled to designate the Early Redemption Date referred to in this clause 6.2 (*Early Redemption of the Bonds by the Issuer (Call Option)*), in the notice of its intention to exercise the Early Redemption Issuer Option addressed to the Bondholders in accordance with Clause 16.2 (*Notices*).
- 6.2.2 The Early Redemption Issuer Option will be effected by payment to each Bondholder of all or part of the Principal Amount plus the Interest Amount accrued up to and including the Early Redemption Date and the amount of the Premium as set out in Section 8 of the Issue Supplement.
- 6.2.3 The Early Redemption Issuer Option will vest on Interest Payment Dates.
- 6.2.4 The Early Redemption Issuer Option may only be exercised in respect of at least 10 per cent (in words: ten per cent) of the Principal Receivable.

6.3 Payment of the Amount Payable

- 6.3.1 All payments in respect of the Bonds will be made without set-off against counterclaims (unless such set-offs were required by law) and will be made having regard to the provisions of law in force on the date of payment.

- 6.3.2 If the day on which the Principal Amount is to be paid falls on a day that is not a Business Day, payment shall be made on the next Business Day following that day, without the right to claim interest for late or late payment or any other additional payments.
- 6.3.3 If applicable, in the case of Bonds registered in the Register, payment of the Interest Amount will be made through the Issuing Agent in accordance with the relevant laws, including those relating to Income Tax. After the date of registration of the Bonds with the NDS, payments in respect of the Bonds will be made through the NDS and the relevant Account Keeper pursuant to and in accordance with the relevant NDS Rules and the rules and regulations of the relevant Account Keeper.
- 6.3.4 Bank account number information and any other information and documents required by the Account Keeper shall be provided by the Bondholder in the form and within the time limits specified in the regulations of the Account Keeper. For the avoidance of doubt, non-payment to a Bondholder caused by that Bondholder's failure to provide bank account number information shall not constitute an Event of Non-performance of an Obligation or a Basis for Exercising the Early Redemption Option.
- 6.3.5 The amount referred to in Article 8(6) of the Bond Act shall be paid to Bondholders on the next Business Day after the Rights Determination Date. The provisions of Article 8(5) of the Bond Act shall apply accordingly.
- 6.3.6 Bond redemption benefits shall be satisfied starting with the bonds with the earliest maturity and, if satisfied in part, in equal amounts for each bond of the same series issued by the Issuer.
- 6.3.7 The place of performance of the Bonds is the registered office of the Account Keeper or, in the case of performance of the Bonds recorded in the Register, the registered office of the Issuing Agent.

6.4 **Taxation**

- 6.4.1 All payments in respect of the Bonds will be made subject to withholding or collection for taxes, levies or other public charges if they arise under laws enacted in the Republic of Poland in respect of the Bonds.
- 6.4.2 The Residence Certificate, as applicable, should be provided by the Bondholder to the Account Keeper within the time limits provided for in the regulations of the relevant Account Keeper and within the deadline for submission of the Early Redemption Request. If the Bondholder fails to provide the Residence Certificate within the required timeframes, tax will be withheld in full, without regard to applicable double taxation treaties.
- 6.4.3 The Bondholder shall provide the relevant Account Keeper with all information or representations required by applicable law in connection with the payment of Income Tax.

6.4.4 The provisions of this section 6.4 (*Taxation*) will apply insofar as they do not conflict with the legal provisions in force at the time.

6.5 **Interest on late payment**

In the event of a delay in the payment of the Principal Amount, each Bondholder will be entitled to claim from the Issuer, for each day of delay up to (but excluding) the date of actual payment, statutory interest for delay, calculated on the Principal Amount, in accordance with the applicable regulations.

6.6 **Rollover of Bonds**

The Principal Receivable in respect of Bonds redeemable on the issue date of a new series of bonds issued by the Issuer under the Issuance Programme (the "**New Bonds**"), at the request of a Bondholder who intends to subscribe for the New Bonds (the "**Rolling Bondholder**") may be paid by the Issuer by way of set-off against the Issuer's claim against the Rolling Bondholder in respect of the issue price of the New Bonds which the Rolling Bondholder intends to purchase, provided that the amounts set off shall relate to the principal benefits of the Bonds.

7. **EARLY REDEMPTION**

7.1 The Bondholder has the right to request the early redemption of the Bonds held by him:

7.1.1 in the event of an Event of Non-performance of an Obligation; or

7.1.2 in the event that the Basis for Exercising the Early Redemption Option occur and the relevant Bondholders' Meeting Resolution authorising the early redemption of the Bonds (the "**Early Redemption Option**") is passed; or

7.1.3 in the event of a Put Option; or

7.1.4 in the event of a Cash Sweep Option.

7.2 Submission of (i) an Early Redemption Request in the manner set out in section 7.3; or (ii) an Early Redemption Notice in accordance with section 7.4; or (iii) a Early Redemption Request on a basis of a Put Option in accordance with section 7.5; or (iv) a Early Redemption Request on a basis of a Put Option in accordance with section 7.5 shall cause the Bonds held by such Bondholder to become due and payable on the Early Redemption Date (to the extent and under the terms of the prescribed procedure) and, accordingly, the Principal Receivable of such Bonds plus the Interest Amount accrued from the commencement of the relevant Interest Period to (but excluding) the Early Redemption Date shall be payable to such Bondholder on the Early Redemption Date without further action or formality.

7.3 **Early redemption of the Bonds in the event of an Event of Non-performance of an Obligation**

Upon the occurrence of an Event of Non-performance of an Obligation, any Bondholder may serve upon the Issuer, a written request for early redemption (the "**Early Redemption Request**") specifying the Early Redemption Date. For the effective service of the above request, the Bondholder shall:

- 7.3.1 indicate the basis for the request for early redemption in the Early Redemption Request;
- 7.3.2 submit a Residence Certificate, as applicable, (insofar as the submission of a Residence Certificate is required for the application of a zero or reduced rate of taxation and the Bondholder wishes to benefit from that rate of taxation);
- 7.3.3 provide a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act.

7.4 Early redemption of the Bonds if the Basis for Exercising the Early Redemption Option occur

- 7.4.1 If a Basis for Exercising the Early Redemption Option occurs, the Eligible Bondholders may request that a Bondholders' Meeting be convened to adopt a resolution on appropriate measures to protect the rights of the Bondholders. Subsequently, if the convened Bondholders' Meeting passes the relevant resolution consenting to the Early Redemption of the Bonds, the Issuer shall, as soon as practicable but no later than 7 days after the conclusion of the Bondholders' Meeting, notify the Bondholders (in accordance with Clause 16.2 (*Notices*)) of:
 - (a) the content of such a Bondholders' Meeting Resolution; and
 - (b) deadline for submission of Early Redemption Notices.
- 7.4.2 The deadline for Bondholders to submit an Early Redemption Notice will be 10 (ten) Business Days from the date of the notice to Bondholders of the deadline for submission of the Early Redemption Notice referred to in clause 7.4.1 (the "**Notice Deadline**").
- 7.4.3 Prior to the expiry of the Notice Deadline, any Bondholder may serve the Issuer with a written Early Redemption Notice. For the effective service of the above notice, the Bondholder shall:
 - (a) indicate the legal basis by referring to the relevant Resolution of the Bondholders' Meeting consenting to the exercise of the Early Redemption Option by the Bondholders or attaching a copy thereof;
 - (b) submit a Residence Certificate, as applicable, (insofar as the submission of a Residence Certificate is required for the application of a zero or reduced rate of taxation and the Bondholder wishes to benefit from that rate of taxation);
 - (c) provide a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act.

- 7.4.4 The Early Redemption Date for Bonds held by Bondholders who have given Early Redemption Notices shall be the 10th (tenth) Business Day following the expiry of the Notice Deadline, subject to the receipt of Early Redemption Notices from all Bondholders prior to the expiry of the Notice Deadline, the Early Redemption Date for the Bonds will be the 10th (tenth) Business Day falling after the date on which all Bondholders have given Early Redemption Notices for the Bonds, subject to the NDS Regulations applicable to such situation.
- 7.4.5 In the event that the Early Redemption Option is not exercised by the Bondholder before the expiry of the Notice Deadline, the right to exercise the Early Redemption Option in relation to the occurrence of a particular event constituting the Basis for Exercising the Early Redemption Option shall lapse. Upon the occurrence of a subsequent event constituting a Basis for Exercising the Early Redemption Option, the time limits for taking the actions provided for in clause 7.4 shall run from the date of the adoption of the new Bondholders' Meeting Resolution.

7.5 Early Redemption following Put Option

- 7.5.1 The occurrence of Delisting of Shares shall constitute a Put Option.
- 7.5.2 If a Put Option occurs, each Bondholder has the right to demand that the Issuer repurchases and redeems all Bonds of a given Bondholder prior to the Redemption Date (the "**Request for the Early Redemption Following a Put Option**").
- 7.5.3 The deadline for Bondholders to submit a Request for the Early Redemption following a Put Option will be 30 (thirty Business Days from the date of the notice to Bondholders of the occurrence of Put Option (the "**Put Option Deadline**").
- 7.5.4 The Early Redemption Date in the event of the occurrence of the Put Option shall be the 15th Business Day following the date of the Bondholder's Request for the Early Redemption Following a Put Option.
- 7.5.5 Prior to the expiry of the Put Option Deadline, any Bondholder may serve the Issuer with a written a request for the Early Redemption Following a Put Option. For the effective service of the above notice, the Bondholder shall:
- (a) indicate the legal basis of a requested early redemption;
 - (b) submit a Residence Certificate, as applicable, (insofar as the submission of a Residence Certificate is required for the application of a zero or reduced rate of taxation and the Bondholder wishes to benefit from that rate of taxation);
 - (c) provide a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act.

- 7.5.6 In the event that the early redemption is not exercised by the Bondholder before the expiry of the Put Option Deadline, the right to Request the Early Redemption Following a Put Option shall expire.

7.6 **Early Redemption following Cash Sweep Option**

- 7.6.1 Execution of a Permitted Qualified Distribution will constitute a Cash Sweep Option.

- 7.6.2 If a Cash Sweep Option occurs, each Bondholder has the right to demand that the Issuer repurchases and redeems a portion of Bonds of a given Bondholder prior to the Redemption Date (the "**Request for the Early Redemption Following a Cash Sweep Option**"), to the extent and in accordance with the terms and conditions set forth in this Section 7.6.

- 7.6.3 The deadline for Bondholders to submit an Early Redemption Request following the Cash Sweep Option shall be 30 (thirty) Business Days from the date of notice to Bondholders of the occurrence of the Cash Sweep Option (the "**Cash Sweep Option Deadline**").

- 7.6.4 Prior to the expiry of the Cash Sweep Option Deadline, any Bondholder may serve the Issuer with a written request for the Early Redemption Following a Cash Sweep Option. For the effective service of the above notice, the Bondholder shall:

- (a) indicate the legal basis of a requested early redemption;
- (b) indicate the maximum par value of the Bonds subordinated to it to be subject to early redemption;
- (c) submit a Residence Certificate, as applicable, (insofar as the submission of a Residence Certificate is required for the application of a zero or reduced rate of taxation and the Bondholder wishes to benefit from that rate of taxation);
- (d) provide a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act.

- 7.6.5 The Early Redemption Date in the event of the occurrence of the Cash Sweep Option shall be the 15th Business Day following the date of the Bondholder's Request for the Early Redemption Following a Cash Sweep Option.

- 7.6.6 In the event that the early redemption is not exercised by the Bondholder before the expiry of the Cash Sweep Option Deadline, the right to Request the Early Redemption Following a Cash Sweep Option shall expire.

- 7.6.7 The Issuer shall redeem the Bonds of each Bondholder who presents its Bonds for redemption at the Cash Sweep Option Deadline with an aggregate nominal value calculated according to the formula:

$$LW = LP \times K / WZ$$

Where:

LW - means the number of Bonds subject to redemption from a Bondholder, rounded down to whole integers;

LP – means number of Bonds presented for early redemption by a given Bondholder.

K – means 100% of the payout value of the Permitted Qualified Distribution to be distributed to the Bondholders;

WZ – means the par value of the issued and unredeemed Bonds issued under the Issuance Program whose terms of issue include the Cash Sweep Option.

8. **EVENT OF NON-PERFORMANCE OF AN OBLIGATION**

The occurrence of any of the following events will constitute an Event of Non-performance of an Obligation;

8.1 **Lack of payment**

The Issuer is in default in the timely performance, in whole or in part, of its monetary obligations under the Bonds or there has been a delay in the performance of monetary obligations under the Bonds of not less than three days through no fault of the Issuer.

8.2 **Meeting of Bondholders**

Issuer:

8.2.1 failed to convene a Bondholders' Meeting (with the date of the Bondholders' Meeting falling no later than 28 (twenty-eight) days after the date on which the Bondholders' Meeting was convened) within 14 (fourteen) days of the relevant request, despite a duly submitted request, by the Eligible Bondholders;

8.2.2 has otherwise prevented the Bondholders' Meeting from being convened or held within the time limits referred to in section 8.2.1; or

8.2.3 failed to publish the minutes of the Bondholders' Meeting on the Issuer's Website within 7 (seven) days of the end of the Bondholders' Meeting.

8.3 **Insolvency / Insolvency proceedings**

Any of the following events have occurred:

8.3.1 The Issuer or any Material Subsidiary goes into compulsory or voluntary liquidation;

8.3.2 The Issuer or any Material Subsidiary declares in writing that it is unable to pay its monetary obligations as they fall due;

- 8.3.3 The Issuer or any Material Subsidiary will enter into negotiations due to actual continuing financial difficulties with one or more creditors with a view to changing the terms of payment of its debt;
- 8.3.4 The Issuer or any Material Subsidiary will enter into an agreement with a layout supervisor to supervise the proceedings for approval of the layout;
- 8.3.5 The Issuer or any Material Subsidiary begins to collect votes on the Arrangement Proposal itself, e.g. provides any of its creditors with a ballot paper;
or
- 8.3.6 a decision is made by a court to dissolve the Issuer or any Material Subsidiary or a resolution is made by a general meeting of the Issuer or a resolution is made by a general meeting or shareholders' meeting of a Material Subsidiary to dissolve or a decision is made to transfer the registered office of the Issuer or any Material Subsidiary abroad.

9. **BASIS FOR EXERCISING THE EARLY REDEMPTION OPTION**

9.1 **General principles**

- 9.1.1 The Early Redemption Option shall be exercisable if any of the events constituting a Basis for Exercising the Early Redemption Option occurs and the relevant Bondholders' Meeting Resolution authorising the early redemption of the Bonds is passed, in each case subject to the provisions of section 10 (*Remediation Period*).
- 9.1.2 If the consequences of the event in question indicated under points from 9.2 to 9.25 which is a Basis for Exercising the Early Redemption Option or an event which, together with other similar events, may constitute a Basis for Exercising the Early Redemption Option, are removed by the date on which the Bondholders' Meeting adopts a Bondholders' Meeting Resolution authorising the exercise of the Early Redemption Option by the Bondholders, such event shall not constitute a Basis for Exercising the Early Redemption Option.
- 9.1.3 If, prior to the occurrence at a given time of an event constituting a Basis for Exercising the Early Redemption Option, a Bondholders' Meeting Resolution not to permit the exercise of the Early Redemption Option by the Bondholders following the occurrence of such event in the future (the "**A priori Resolution**") is passed, such resolution shall continue to be binding upon the Bondholders after the occurrence of such event at that time. For the avoidance of doubt - the failure to pass an A priori Resolution will not entitle Bondholders to automatically exercise the Early Redemption Option following the occurrence of that event constituting a Basis for Exercising the Early Redemption Option. In such event, a separate resolution will need to be passed by the Bondholders' Meeting authorising the exercise of the Early Redemption Option.

9.2 **Breach of Financial Indebtedness**

- 9.2.1 Subject to point 9.2.3, any Group Financial Indebtedness (calculated at the consolidated level) for an amount exceeding in aggregate 10% of the total

Group Financial Indebtedness (calculated at the consolidated level) at any given time: (i) has not been repaid at maturity (taking into account the applicable remediation period, if any, provided for in the documentation of the relevant Financial Indebtedness); (ii) has become due and payable prior to the original maturity date; or (iii) circumstances have occurred as a result of which the creditor has cancelled the availability of such Financial Indebtedness.

9.2.2 Subject to point 9.2.3, any Financial Indebtedness of the Issuer or any Material Subsidiary (calculated at the individual level) for an amount exceeding in aggregate PLN 150,000,000 (in words: one hundred fifty million zloty): (i) has not been repaid at maturity (taking into account the relevant remediation period, if any, provided for in the documentation of the relevant Financial Indebtedness); (ii) has become due and payable prior to its original maturity date; or (iii) circumstances have occurred as a result of which the creditor has cancelled the availability of such Financial Indebtedness.

9.2.3 The Basis for Exercising the Early Redemption Option under Section 9.2.1 or 9.2.2 above will not occur if the Financial Indebtedness becomes due and payable pursuant to an early repayment arrangement made by the relevant Group entity and creditors.

9.3 Breach of Financial Indebtedness relating to the Off-shore Project

9.3.1 Subject to point 9.3.2 below, any Off-shore Project Financial Indebtedness in an amount exceeding at any time - in aggregate - PLN 250,000,000 (in words: two hundred fifty million zloty): (i) has become due and payable prior to its original maturity date; or (ii) an event of default (however defined) has occurred as a result of which a creditor may cause (taking into account any remediation periods applicable under the Off-shore Project Financial Indebtedness documentation) such Off-shore Project Financial Indebtedness to become due and payable prior to its original maturity date if such event of default under the Off-shore Project Financial Indebtedness documentation results from the following: (A) any non-payment of the Off-shore Project Financial Indebtedness; (B) the occurrence of a Change of Control Event; (C) the abandonment, loss or destruction of the Off-shore Project; (D) a decision by the Issuer to permanently cease further development of any of the Off-shore Projects; (E) the occurrence of an event of insolvency in respect of any Off-shore Project Company; or (F) the occurrence of any other circumstance which, on the basis of the Off-shore Project Financial Indebtedness Documentation, constitutes an event of default and which will permanently prevent the further development of the Off-shore Project.

9.3.2 The Basis for Exercising the Early Redemption Option under Section 9.3.1 above shall not occur if the Financial Indebtedness becomes due and payable pursuant to an early repayment arrangement made by the creditors and the relevant Off-shore Project entity to which such Financial Indebtedness relates.

9.4 Illegality of the Issuer's obligations under the Bonds

Provisions of generally applicable law applicable to the Issuer or decisions of public administration authorities have rendered the issue of the Bonds, the performance by the

Issuer of the obligation to pay any Amount Payable or the performance by the Issuer of other obligations under the Terms of Issue unlawful.

9.5 **Misrepresentation**

Any of the representations or warranties made by the Issuer in the documents relating to the issue of the Bonds and in the Terms of Issue proved to be untrue, in whole or in part, at the time they were made.

9.6 **Subordinated Loans**

9.6.1 The Issuer has been granted an Ownership Loan other than a Subordinated Loan.

9.6.2 The Issuer has, prior to satisfaction of all its obligations under the Bonds: (i) made repayment of, or secured repayment of, any amount under the Loan by any shareholder of the Issuer; or (ii) a set-off or any other act resulting in the extinguishment of the claim of any amount under the Loan by any shareholder of the Issuer.

9.6.3 The Basis for Exercising the Early Redemption Option referred to above will not occur if the repayment referred to above occurs in a situation in which (in aggregate):

- (a) repayment is made in respect of the Majority Shareholder;
- (b) the aggregate amount of repayments under such Loans shall not, in respect of any particular Majority Shareholder, exceed the amount paid by such Majority Shareholder in the 12 months prior to such repayment of the Loan in respect of the acquisition of equity rights in the Issuer; and
- (c) no Event of Non-performance of an Obligation or Basis for Exercising the Early Redemption Option has occurred and is continuing and none of these circumstances will occur as a result of the making of such repayments.

9.7 **Acquisition of shares in the Issuer**

The aggregate amount of cash proceeds resulting from the exercise of the Recapitalisation Right in the form of Subordinated Loans will exceed PLN 400,000,000 and the Majority Shareholders will not take up capital rights in the Issuer for an amount of at least PLN 400,000,000 within 6 months of such excess.

9.8 **Breach of other provisions**

9.8.1 the Issuer has failed to perform or has improperly performed any of the provisions under the Issue Conditions or other circumstances have arisen for which the Issuer is liable under the Issue Conditions.

9.8.2 The Issuer has not notified the Bondholders in accordance with Section 16.2 (*Notices*) of the occurrence of an event constituting a Basis for Exercising the Early Redemption Option or an Event of Non-performance of an Obligation.

9.9 Action by creditors

9.9.1 Any seizure, court security or enforcement action has been taken against any asset or assets of the Issuer or Material Subsidiary for an amount exceeding at any given time - in aggregate - PLN 100,000,000 PLN (in words: one hundred million zlotys), and the debt being the subject of the dispute resulting in the aforementioned actions is not repaid by the Issuer or Material Subsidiary within 5 (five) Business Days, unless the decision on the seizure, court security or enforcement has been revoked in whole or in part by the court within 3 months of its issuance.

9.9.2 A Basis for Exercising the Early Redemption Option under Clause 9.9.1 above shall not arise if the execution of any attachment or injunctive relief has occurred in connection the Issuer's investment in Romania, i.e. the acquisition of shares in Naxxar Wind Farm Four SRL, based in Bucharest ("**Naxxar**") by the Issuer and the acquisition by Naxxar of shares in 7 project companies developing a wind farm project in Romania in Tulcea County.

9.10 Rulings

By virtue of one or more final administrative rulings or final administrative decisions, the Issuer or a Material Subsidiary has been obliged to pay an amount exceeding - in aggregate (within the next 12 months) - PLN 100,000,000 (in words: one hundred million zlotys), which will materially adversely affect the Issuer's ability to meet its obligations under the Bonds, if the debt which is the subject of such a ruling or decision is not paid by the Issuer or Material Subsidiary, as the case may be, within the set deadline or within 20 (twenty) Business Days from the date on which the ruling became final or the decision became final, if no deadline for payment was set.

9.11 Negative pledge

9.11.1 The Issuer has secured any Financial Indebtedness (other than debt securities) of the Issuer, directly or indirectly, by way of mortgage, pledge, registered pledge, financial pledge, assignment, guarantee or surety, right of retention or other encumbrance to secure any present or future assets or income of the Issuer, as applicable, unless the Issuer has previously or at the same time caused its obligations under the Bonds to be secured by an equivalent and proportionate charge on the same or identical in kind or value, assets (the "**Secured Financial Indebtedness**").

9.11.2 A Basis for Exercising the Early Redemption Option under Clause 9.11.1 above will not occur if such amount of Secured Financial Indebtedness does not exceed at any time in aggregate PLN 500,000,000 (in words: five hundred million zloty).

9.12 Collateral for other debt securities

9.12.1 The Issuer or any other Group entity has issued Bonds or other debt securities secured, directly or indirectly, by way of mortgage, pledge, registered pledge, financial pledge, assignment, guarantee or surety, right of retention or other encumbrance to secure any present or future assets or income of the Issuer or

any Group entity, as applicable, unless the Issuer has previously or at the same time caused its obligations under the Bonds to be secured by an equivalent and proportionate charge on the same or identical in kind or value, assets.

9.12.2 A Basis for Exercising the Early Redemption Option under Clause 9.12.1 above will not occur if a Group entity other than the Issuer has issued registered bonds or other debt securities with limited transferability, as a result of which such bonds or other debt securities have been subscribed for by a financial institution within the meaning of the Act on Tax on Certain Financial Institutions of 15 January 2016 (the "**Financial Institution**"), and such bonds or other securities are not admitted to trading on a regulated market or introduced into an alternative trading system and cannot be sold to entities other than Financial Institutions.

9.13 **Disposal**

The Issuer or any other Group entity has made a Disposal of some or all of its assets other than the Permitted Disposal.

9.14 **Purpose of the Issue of the Bonds**

The Issuer has allocated the funds raised from the issue of the Bonds contrary to the Purpose of the Issue.

9.15 **Financial index**

Whichever requirement of point 11(*Financial ratios*) has not been met.

9.16 **Discontinuation of activity**

The Issuer has ceased to conduct all or part of its Core Business.

9.17 **Exclusion from ATS**

In respect of debt securities (including Bonds) issued by the Issuer and listed in accordance with the relevant terms of issue on the ATS, any decision, resolution or application has been made by the Issuer to delist them from the ATS unless in connection with an early redemption.

9.18 **Unauthorised Warranty**

The Issuer or any other Group entity has provided a guarantee or surety other than a Permitted Guarantee, or has entered into a debt or *indemnity*, other than under a Permitted Guarantee.

9.19 **Unauthorised Borrowing**

The Issuer or any other Group entity has granted (become a creditor under) a Loan other than a Permitted Loan.

9.20 **Unauthorised Distribution**

The Issuer or any other Group entity has made or agreed to make any Distribution under conditions that do not constitute a Permitted Distribution.

9.21 **Unauthorised Financial Indebtedness**

The Issuer or any other Group entity has incurred Financial Indebtedness other than Permitted Financial Indebtedness.

9.22 **Change of Control**

There has been a Change of Control of the Issuer.

9.23 **Change of Control in Offshore Project**

There has been a Change of Control in an Off-shore Project.

9.24 **Unauthorised joint venture**

A Group entity has made any investment in any *joint venture* other than a Permitted Joint Venture.

9.25 **Unauthorised acquisition**

Group entity has acquired or subscribed for Share Rights or acquired a business or organised part thereof other than a Permitted Acquisition.

10. **REMEDATION PERIOD**

10.1 In the event of a Covered Event, a remediation period will apply to allow the Issuer to restore the Issuer to the condition prior to the Covered Event (the "**Remediation Period**").

10.2 The Remediation Period will be 20 Business Days from the date on which the Event Covered by the Remediation Period occurred, unless a different date is indicated for the Event Covered by the Remediation Period.

10.3 If, within the time limit specified in 10.2, there shall have been: (i) the Issuer restores the Issuer to the condition that existed prior to the occurrence of the Event Covered by the Remediation Period; or (ii) the Event Covered by the Remediation Period ceases (whether its cessation is caused by the Issuer or otherwise), Bondholders will have no rights in respect of the occurrence of the Event Covered by the Remediation Period.

10.4 In the event that the Event Covered by the Remediation Period ceases within the period indicated in clause 10.2, the Issuer shall notify the Bondholders of the cessation of the Event Covered by the Remediation Period immediately upon becoming aware of its cessation.

11. **FINANCIAL RATIOS**

11.1 **Financial indicators**

The Issuer will ensure that during the period from the Issue Date to the Redemption Date:

11.1.1 The Interest Coverage Ratio shall not be less than 1.5; and

11.1.2 The Asset Coverage Ratio will not be lower than 0.33.

11.2 Calculation of Financial Ratios

11.2.1 The Financial Ratios will be calculated and tested as at the relevant Quarter Date:

- (a) falling on 31 March and 30 September, on the basis of financial data derived from the Issuer's quarterly consolidated financial statements prepared in accordance with IFRS (for the audit period ending on the relevant Quarter Date);
- (b) falling on 30 June, on the basis of financial data derived from the Issuer's interim consolidated financial statements, prepared in accordance with IFRS, reviewed by the auditor (for the audit period ending on that Quarter Date);
- (c) 31 December, on the basis of the financial data resulting from the annual consolidated financial statements, prepared in accordance with IFRS, audited by the auditor (for the audit period ending on that Quarter Date).

11.2.2 The Issuer will report in accordance with Section 15.2 (*Certificates of Compliance*) to the Bondholders the Certificate of Compliance.

11.2.3 Each Certificate of Compliance will include, inter alia, calculations as to compliance with clause 11 (*Financial Indicators*).

11.2.4 Each Certificate of Compliance will be certified by the auditor of the Financial Statements as to the correctness of the calculation of the Financial Ratios.

11.3 Definitions

In these Terms of Issue, the term:

"**Assets**" means the financial statements line item "total assets" as presented in the consolidated financial statements made available in accordance with Section 15.1.

"**Adjusted Equity**" means (without double counting) the total of all amounts counted as consolidated equity of Group entities under IFRS minus equity attributable to valuation of virtual power purchase agreements (vPPA) or similar type agreements entered into by Subsidiaries, without, for the avoidance of doubt, adjusting for equity attributable to the Trading and Sales Segment.

"**Amount of Cash Flow**" means the sum of the Issuer's operating cash flow (at the individual level) plus: (i) distributions (in the form of dividends, profit advances, return of capital contributions, etc.) received by the Issuer; and (ii) proceeds from the issue of shares, shareholder loans, proceeds from the disposal of intangible assets, property,

plant and equipment and financial assets, in each case calculated for the 12 months preceding the Quarter Date on the basis of the relevant items in the Issuer's financial statements.

"**Finance Charges**" means the sum of finance costs paid in respect of interest on the Issuer's Financial Indebtedness of a balance sheet nature, adjusted for the settlement of interest rate derivative transactions entered into in connection with the Financial Indebtedness, calculated for the 12 months preceding the Quarter Date.

"**Liquidity**" means the sum of the financial statements line items "cash and equivalent" and "short term financial assets" as presented in the separate financial statements made available in accordance with Section 15.1.

"**Certificate of Compliance**" means a document substantially in accordance with the model attached to the Terms of Issue as Schedule 2 (*Model Certificate of Compliance*), signed by the persons authorised to represent the Issuer and by the auditor containing, inter alia, the calculation of the Financial Ratios, calculated and published in accordance with the principles set out in Section 11 (*Financial Ratios*), together with an indication of the relevant items in the financial statements on the basis of which such calculations were made.

"**Adjusted Assets**" means Assets less assets attributable to the Trading and Sales Segment and assets related to valuation of virtual power purchase agreements (vPPAs) or similar type agreements entered into by Subsidiaries.

"**Trading and Sales Segment**" means the Group's trading activities in electricity and certificates of origin and other energy market instruments, as well as the sale of electricity to industrial and residential customers and the provision of market access services to renewable energy generators, and the installation of photovoltaic panels and heat pumps;

"**Financial Ratios**" means the Asset Coverage Ratio and the Interest Coverage Ratio.

"**Asset Coverage Ratio**" means the ratio, expressed as a percentage, of (i) Adjusted Equity to (ii) Adjusted Assets.

"**Interest Coverage Ratio**" means the ratio, expressed in absolute terms, of (i) the Amount of Cash Flows to (ii) the Financial Charges, calculated for the 12 months preceding the Quarter Date.

12. **RECAPITALISATION RIGHT**

12.1 The Issuer may, in accordance with, and to the extent set out in, this clause 12, remedy or prevent a breach of the provisions set out in clause 11 (*Financial Ratios*) in respect of the Financial Quarter, as follows:

12.1.1 in the event of remedy, the Event constituting a Basis for Exercising the Early Redemption Option that would have resulted from a breach of any of the Financial Ratios if rectified in accordance with this Clause 12 shall be treated as if it had not occurred and accordingly Bondholders shall not be entitled to the Early Redemption Option; or

12.1.2 in the event of prevention, the Event constituting a Basis for Exercising the Early Redemption Option, which would have resulted from a Breach of any of the Financial Ratios, will not take place,

(the "**Recapitalisation Right**").

12.2 In respect of a Financial Quarter, the Recapitalisation Right may be exercised no later than one month after the relevant Quarter Date.

12.3 The Recapitalisation Right can be exercised by:

12.3.1 in relation to the Asset Coverage Ratio, the acquisition of equity rights in the Issuer by the Majority Shareholder; or

12.3.2 in respect of the Interest Coverage Ratio, the acquisition of equity rights in the Issuer or the granting of a Subordinated Loan by a Majority Shareholder.

12.4 The cash received by the Issuer as a result of the exercise of the Recapitalisation Right by the Majority Shareholder will be included in the calculation of the Financial Ratios relating to the relevant Financial Quarter by being added to the following: (i) in relation to the Asset Coverage Ratio-Adjusted Equity; and (ii) in relation to the Interest Coverage Ratio-Cash Flow Amount.

12.5 Upon exercise of the Recapitalisation Right, the Issuer will recalculate the Asset Coverage Ratio or Interest Coverage Ratio, as the case may be, in respect of the relevant Financial Quarter and if after such recalculation:

12.5.1 the Asset Coverage Ratio or the Interest Coverage Ratio, as applicable, will be at the required level, a Financial Default will not occur and Bondholders will not be entitled to exercise the Early Redemption Option; or

12.5.2 the Asset Coverage Ratio or the Interest Coverage Ratio, as the case may be, are not at the required level, a Financial Default will occur and Bondholders will therefore be entitled to exercise the Early Redemption Option.

12.5.3 If the Recapitalisation Right has been exercised in relation to a Financial Quarter, the Issuer will be required to include in the Certificate of Compliance in relation to that Financial Quarter information on the amount of cash proceeds received as a result of the exercise of the Recapitalisation Right.

13. **TRANSFER OF BOND RIGHTS**

The Bonds shall be transferred in accordance with the provisions of the Act on Trading in Financial Instruments, the Bond Act and the NDS regulations, and after their introduction to the ATS, in accordance with the ATS regulations.

14. **BONDHOLDERS' MEETING**

14.1 **General provisions**

14.1.1 Bondholders may participate in the Bondholders' Meeting under the terms of the Terms of Issue and the Bond Act.

14.1.2 Subject to the following provisions, the rules for the convening and organisation of the Bondholders' Meeting and the rules for the adoption of the Resolutions of the Bondholders' Meeting are set out in the Bond Act. The participation of Bondholders in the Bondholders' Meeting may be carried out by means of electronic communication. The means of electronic communication used should ensure that the Bondholders in particular:

- (a) real-time two-way communication by all persons attending the Bondholders' Meeting, whereby they may speak in the course of the Bondholders' Meeting while in a location other than the venue of the Bondholders' Meeting; and
- (b) the exercise in person or by proxy of voting rights before or during the Bondholders' Meeting.

14.1.3 In the case of a Bondholder or Bondholders wishing to participate in the Bondholders' Meeting by means of electronic communication, the participation of such Bondholder in the Bondholders' Meeting shall be possible upon verification of the identity of such Bondholder or Bondholders by the Chairperson of the Bondholders' Meeting. Upon verification of the identity of such Bondholder or Bondholders, the Chairperson shall prepare a list of Bondholders participating and voting at the Bondholders' Meeting by means of electronic communication. The list shall be annexed to the minutes of the Bondholders' Meeting.

14.1.4 Bondholders' Meeting Resolutions:

- (a) on Qualifying Provisions:
 - (i) in the case of Bonds not introduced into the ATS - are adopted by a majority of $\frac{3}{4}$ of the votes present at the Bondholders' Meeting;
 - (ii) in the case of Bonds placed on the ATS, require the consent of all Bondholders present at the Bondholders' Meeting;
- (b) on any amendment to the Terms of Issue other than an amendment to the Qualifying Provisions shall be adopted by a majority of $\frac{3}{4}$ of the votes present at the Bondholders' Meeting;
- (c) on the reduction of the nominal value of the Bonds requires the consent of all Bondholders present at the Bondholders' Meeting;
- (d) on matters:
 - (i) determine that an event described in point 9 (*Basis for Exercising the Early Redemption Option*) gives rise to an Early Redemption Notice; or
 - (ii) adoption of the Resolution a Priori,

shall be adopted by an absolute majority of the votes present at the Bondholders' Meeting.

- 14.1.5 Bondholders' Meeting Resolutions shall be adopted by secret ballot, by written ballot or by acclamation (at the discretion of the chairman of the Bondholders' Meeting).
- 14.1.6 The Bondholders' Meeting shall be held in Warsaw (at the address specified by the Issuer in the notice published on the Issuer's Website), no later than 28 (twenty-eight) days from the date of the Notice convening the Bondholders' Meeting.
- 14.1.7 The Bondholders' Meeting may pass resolutions on matters, other than Qualifying Provisions, relating to the Bonds, including, in particular, matters relating to the early redemption of the Bonds in accordance with the Terms of Issue.
- 14.1.8 Bondholders' Meeting Resolutions are binding on all Bondholders, including those Bondholders who did not attend the Bondholders' Meeting, voted against the resolution of the Bondholders' Meeting or purchased Bonds after the date on which the Bondholders' Meeting Resolution was adopted.

14.2 Convening the Bondholders' Meeting

- 14.2.1 Bondholders representing at least 1/10 of the Adjusted Aggregate Nominal Value of the Bonds may request (with reasons) that a Bondholders' Meeting be convened (with reasons) within 14 (fourteen) days (the "**Eligible Bondholders**").
- 14.2.2 Eligible Bondholders shall address a request for the convening of a Bondholders' Meeting (the "**Request to convene the BM**") to the Issuer at the email address: polenergiaR@polenergia.pl, in electronic form, generally in accordance with the template attached as Schedule 3 (*Template for the Bondholders' Meeting Call Request*), attaching a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act, and then forwarding the original of the Request to convene the BM to the Issuer.
- 14.2.3 In the case referred to in point 14.2.1, the Issuer shall, within 2 Business Days of receipt of the Request to convene the BM, publish a statement on the Issuer's Website stating the number and total nominal value of the Bonds held by entities in the Issuer's capital group within the meaning of Article 3.1.44 of the Accounting Act of 29 September 1994 (i.e. Journal of Laws 2023, item 120, as amended) (the "**Issuer's Statement**").
- 14.2.4 In the case referred to in point 14.2.1, if, on the basis of the Issuer's Statement, it turns out that the Request to convene the BM has been made by 1/10 of the Adjusted Aggregate Nominal Value of the Bonds, the Issuer will publish this information on the Issuer's Website.

14.2.5 The Bondholders' Meeting shall be convened by means of an announcement containing information on the date, time and place of the Bondholders' Meeting, as well as on the proposed agenda and the place of deposit certificates. The notice may also contain other information necessary for bondholders to decide whether to attend the Bondholders' Meeting (including information on how to participate in the Bondholders' Meeting and how to exercise their vote by means of electronic communication). The date of the notice convening the Bondholders' Meeting is also the date of the convening of that Bondholders' Meeting.

15. INFORMATION OBLIGATIONS AND RETAINED MATERIALS

15.1 Financial statements

15.1.1 The Issuer will provide the Bondholders in accordance with Section 16.2 (*Notices*) its (i) annual consolidated and separate financial statements together with the auditor's opinion; (ii) half-yearly consolidated and separate financial statements; and (iii) quarterly consolidated financial statements, with the above financial statements to be made available by the Issuer:

- (a) if the Issuer's shares are listed on a regulated market of the Warsaw Stock Exchange S.A. - immediately after their publication in accordance with the legal provisions in force at the time applicable to companies whose shares are listed on a regulated market of the Warsaw Stock Exchange; or
- (b) if the Issuer's shares are not listed on a regulated market of the Warsaw Stock Exchange S.A. - promptly after their publication in accordance with the financial reporting legislation then in force and applicable to the Issuer, but in any event: (i) no later than 60 days after the end of the Financial Quarter - in the case of quarterly financial statements; and (ii) no later than 5 months after the end of the Financial Year - in the case of annual financial statements.

15.2 Certificates of Compliance

The Issuer will provide the Bondholders in accordance with Section 16.2 (*Notices*) Certificates of Compliance containing information on the Financial Ratios and Liquidity as at the end of each Financial Quarter no later than 5 (five) Business Days after the publication of the relevant financial statements of the Issuer.

15.3 Information

The Issuer will notify the Bondholders in accordance with Section 16.2 (*Notices*), of any event constituting a Basis for Exercising the Early Redemption Option, an Event of Non-performance of an Obligation (and any action taken to remedy the same). Put Option or Cash Sweep Option promptly and no later than 3 (three) Business Days after becoming aware of its occurrence.

15.4 Information required by the Bond Act

Unless otherwise provided in the Bond Act, the Issuer will only make available to Bondholders the information required by the Bond Act in accordance with clause 16.2.1(a).

15.5 Retained Materials

The Issuer will publish the Retained Materials on the Issuer's Website. The Retained Materials provided by the Issuer in the form of hard copies are located at the office of the Documentation Agent until the expiry of the statute of limitations for claims arising from the Bonds.

16. FINAL PROVISIONS

16.1 Limitation of claims

Claims for payment of Amounts Payable shall be time-barred in accordance with the provisions of the Bond Act.

16.2 Notices

16.2.1 All notices (including the contents of the minutes containing the Bondholders' Meeting Resolutions) shall be addressed to the Bondholder by making them public by the Issuer through:

- (a) their publication on the Issuer's Website; and in addition
- (b) in accordance with applicable regulations (including ATS regulations), in the form of current reports (if the Issuer is obliged to publish current reports under separate regulations, including Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC).

16.2.2 Any notice to the Issuing Agent will be deemed to have been served if it is sent by registered post or courier service to the Issuing Agent registered address and if the sender of such notice receives confirmation of delivery.

16.2.3 Any notice to the Issuer will be deemed to have been served if it is sent by registered post or courier service to the Issuer's registered address and if the sender of such notice receives confirmation of delivery.

16.2.4 All notifications will or, as appropriate, should be made in Polish.

16.3 Applicable law, jurisdiction

The Bonds are governed by Polish law and the Terms of Issue are to be interpreted in accordance with Polish law.

16.4 Additional provisions

- 16.4.1 In matters relating to the Bonds, the Dealers and the Issuing Agent act solely on behalf of the Issuer and have no responsibility to the Bondholders in respect of the payment by the Issuer of the Amounts Payable or for any other obligations of the Issuer under the Bonds. Neither the Dealers nor the Issuing Agent act as a representative bank within the meaning of Article 78 of the Bond Act, nor are they obliged to represent the Bondholders to the Issuer, in connection with their functions.
- 16.4.2 The Dealers and the Issuing Agent, in the course of their activities, cooperate with the Issuer in various services and possess information which may be relevant in the context of the Issuer's financial situation and its ability to fulfil its obligations under the Bonds, but they are not entitled to make such information available to the Bondholders unless the Issuer expressly indicates the documents and information to be provided to the Bondholders in connection with the Bonds and the performance of the Dealer's and Issuing Agent's functions. The performance by a particular Dealer or Issuing Agent of certain activities in connection with the Bonds and the performance of certain functions in connection with the Bonds does not prevent the Dealers or the Issuing Agent or their subsidiaries or affiliates and the corporate groups to which they belong from providing other services to the Issuer, advising the Issuer or co-operating with the Issuer in any other capacity or form.
- 16.4.3 If the Issuer fails to make payment:
- (a) in the case of Bonds registered in the Register, the Issuing Agent will issue to each Bondholder, upon his written request, a document stating non-payment or partial payment of the Bonds on the due date, and the Bondholders will enforce their rights directly against the Issuer using the appropriate legal remedies and the procedure set out in the Terms of Issue. The Issuing Agent is not obliged to represent the Bondholders or assist in any claim or demand for payment against the Issuer. The only person entitled to do so is the Bondholder;
 - (b) from the date of registration of the Bonds with the NDS, the Account Keeper, acting in accordance with its internal regulations, shall issue to each Bondholder holding Bonds credited to the Securities Account or Omnibus Account maintained by it, upon its written request, a document stating the non-payment or partial payment of the Bonds on the maturity date (or any other document showing the non-payment or partial payment of the Bonds on the maturity date), and the Bondholders shall enforce their rights directly against the Issuer using the appropriate legal remedies and the procedure set out in the Terms of Issue.
- 16.4.4 Neither the Dealers nor the Issuing Agent do not assess the merits or risks of an investment in the Bonds and will not be liable for any loss or damage suffered by Bondholders in connection with the purchase of the Bonds.

Issued - 4 October 2024, signature and position of the person authorised to represent
POLENERGIA S.A.

Andrzej Filip Wojciechowski

Vice President of the Management Board

Adam Purwin

Member of the Supervisory Board delegated
to temporarily perform the duties of a
Member of the Management Board

**SCHEDULE 1
TO THE TERMS OF ISSUE
ISSUE SUPPLEMENT**

This document constitutes the issue supplement to the terms of issue (the "**Terms of Issue**") of the Series Bonds numbered as indicated in section 1 below, issued by **POLENERGIA S.A.** (the "**Issuer**") under the issuance programme of the Issuer's bonds, pursuant to which the Issuer may carry out multiple issues of bonds up to a total nominal value of the issued and outstanding bonds of PLN 1,000,000,000 (in words: one billion zloty).

This document should be read in conjunction with the Terms of Issue and, together with all annexes to the Terms of Issue, forms an integral part of the Terms of Issue of the Bonds of this Series and, within the meaning of the Bond Act, constitutes a single document executed in Warsaw on 4 October 2024.

Capitalised terms not defined in this Issue Supplement shall have the meaning given to them in the Terms of Issue.

SPECIFIC TERMS OF ISSUE OF THE BONDS

1. Series number: A
2. The maximum number of Bonds proposed to be purchased in the Series: 750,000
3. Maximum aggregate nominal value of the Bonds: PLN 750,000,000
4. Nominal value per Bond: PLN 1,000
5. Issue Date: 16 October 2024
6. Redemption Date: 16 October 2029
7. Interest Payment Dates:

Interest Period Number	Interest Payment Date for the Interest Period shown in Column 1
Column 1	Column 2
1	16 April 2025
2	16 October 2025
3	16 April 2026
4	16 October 2026
5	16 April 2027

6	16 October 2027
7	16 April 2028
8	16 October 2028
9	16 April 2029
10	16 October 2029

8. Premium and days of exercise of the Early Redemption Issuer Option:

Interest Payment Date on which the Early Redemption Issuer Option may be exercised and Interest Period Number	Premium (% of nominal value per Bond)
16 October 2026 - fourth interest period	1.50% of the nominal value per Bond
16 April 2027 – fifth interest period	1.25% of the nominal value per Bond
16 October 2027 - sixth interest period	1.00% of the nominal value per Bond
16 April 2028 - seventh interest period	0.75% of the nominal value per Bond
16 October 2028 - eighth interest period	0.50% of the nominal value of one Bond
16 April 2029 - ninth interest period	No Premium

9. Documentary Agent: Kancelaria Notarialna Paweł Cupriak, Marcin Łaski, Michał Maksymiuk, Małgorzata Mirkowska-Potocka sp. p. ul. Grzybowska 2 lok. 26B 00-131 Warsaw
10. Issuing Agent: Santander Bank Polska S.A. – Santander Biuro Maklerskie
11. Deadline for the introduction of the Bonds into the ATS: 90 days from the Issue Date
12. Margin: 270 bps p.a.
13. Additional Interest Margin: 150 bps

14. Base Rate for the Relevant Tenor: WIBOR 6M
15. Purpose of the Issue
The Issuer undertakes to use the proceeds from the issue of the Bonds to directly and indirectly finance or refinance the development, acquisition, construction and operation of Green Projects, including in particular offshore wind farms

**SCHEDULE 2
TO THE TERMS OF ISSUE
TEMPLATE CERTIFICATE OF COMPLIANCE**

[on the Issuer's letterhead].

CERTIFICATE OF COMPLIANCE From: *[Issuer]*.

[PLACE, DATE].

Applies to: Bond Issue series A

We refer to the Terms of Issue. This letter constitutes the Certificate of Compliance. Capitalized terms not otherwise defined in the Certificate of Compliance shall have the same meaning ascribed to them in the Terms of Issue.

Financial Indices:

We confirm that as of [●] amount:

1. **Asset Coverage Ratio:**

Indicator Formula:

Items from the financial statements:

Figures:

Indicator value:

Indicator at required level: [yes/no].

2. **Interest Coverage Ratio:**

Indicator Formula:

Items from the financial statements:

Figures:

Indicator value:

Indicator at required level: [yes/no].

We also inform that as of [●] amount:

3. **Liquidity:**

Items from the financial statements:

Figures:

Value:

The Financial Indicators and Liquidity have been calculated on the basis of the data contained in [●], [a copy of which is annexed to this Certificate of Compliance/copies of which are annexed to this Certificate of Compliance].

Right to Recapitalisation:

[In respect of the quarter ended [●], the Issuer has not exercised the Recapitalisation Right]./.

[In respect of the quarter ended [●], the Issuer exercised the Recapitalisation Right in the form of [issue of shares subscribed for by [●]/subordinated loans received from [●]]. As a result of the exercise of the Recapitalisation Right, the Issuer received cash of [●] on [●].

[We confirm at the same time that any Event of Default or Put Option has not occurred.]/[We inform at the same time that there is an Event of Default consisting in [●]].¹

[We confirm at the same time that there is no basis for the Bondholder to exercise the early redemption option referred to in section [...] of the Terms of Issue.]/[We confirm at the same time that there is a basis for the Bondholder to exercise the early redemption option referred to in section [...] of the Terms of Issue.]²

Yours sincerely,

[persons authorised to represent the Issuer In accordance with the representation of the Issuer].

[each Certificate of Compliance should be reviewed and confirmed by the auditor. Text of confirmation of the correctness of the calculations in the Certificate of Compliance - to be agreed between the Issuer and the Issuer's auditors]

Signature :.....

[persons authorised to represent the auditor]].³

[Schedule:

1. List of Material Subsidiaries.]⁴

¹ Optional entry, leave as appropriate

² Optional entry, leave as appropriate

³ Delete if the auditor's confirmation is attached to the Certificate of Compliance.

⁴ Insert in the case of a certificate of compliance published in connection with the annual financial statements.

**SCHEDULE 3
TO THE TERMS OF ISSUE
TEMPLATE FOR THE REQUEST TO CONVENE A BONDHOLDERS' MEETING**

[PLACE], [DATE].

From: [●]

To: **POLENERGIA S.A.**

With copy to: **BANK POLSKA KASA OPIEKI S.A.**

MBANK S.A.

SANTANDER BANK POLSKA S.A.

Applies to: Series A Bonds issued by POLENERGIA S.A. (the "**Issuer**") on the basis of the terms of issue of 4 October 2024 (the "**Terms of Issue**"), under the issuance programme of bonds up to PLN 1,000,000,000

Dear Sirs,

In connection with point 14.2 (*Convening of the Bondholders' Meeting*) of the Terms of Issue, we hereby submit a request to convene a Bondholders' Meeting within 14 days of receipt of this letter.

Pursuant to Article 50(3) of the Bond Act, we explain that [indicate reasons for requesting the Bondholders' Meeting].

This Request to convene the BM is submitted pursuant to section 14.2.2 Terms of Issue.

Any capitalized terms not otherwise defined in this letter shall have the meaning given to them in the Terms of Issue.

Yours sincerely,

On behalf of [Bondholders].

Caption :.....

[*persons authorised to represent*].

Attachment: a document issued in accordance with the Act on Trading in Financial Instruments confirming that the Bondholder is the holder of the Bonds, or, in the case of Bonds recorded in the Register, the certificate referred to in Article 55(1a) of the Bond Act.

**SCHEDULE 4
TO THE TERMS OF ISSUE
LIST OF MATERIAL SUBSIDIARIES**

COMPANY NAME	KRS NUMBER
Polenergia Obrót S.A.	0000043658
Polenergia Farma Wiatrowa 1 sp. z o.o	0000292685
Polenergia Farma Wiatrowa 3 sp. z o.o.	0000298316
Polenergia Farma Wiatrowa 4 sp. z o.o.	0000249671
Polenergia Farma Wiatrowa 6 sp. z o.o.	0000313398
Polenergia Farma Wiatrowa Mycielin sp. z o.o.	0000301054
Polenergia Farma Wiatrowa Szymankowo sp. z o.o	0000274611
Polenergia Farma Wiatrowa Grabowo sp. z o.o.	0000315165