



STATEMENT

on the changes to the composition of the Audit Committee (“Audit Committee”) of the Supervisory Board of Arctic Paper S.A. (“Company”) and meeting by the Audit Committee and its members of statutory requirements

On 18 October 2017 the Supervisory Board of the Company made changes to the composition of the Audit Committee. Currently, the composition of the Audit Committee is as follows:

- Mr Mariusz Grendowicz – Chairman of the Audit Committee (independent member)
- Mr Roger Mattsson – Member of the Audit Committee, and
- Mr Maciej Georg – Member of the Audit Committee (independent member)

Additionally, the Supervisory Board of the Company presents below information on meeting by the Audit Committee and its members of statutory requirements pursuant to the provisions of the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 (Journal of Laws of 2017, item 1089).

Art. 129.3 of the Act on Statutory Auditors [...]

A majority of the members of the audit committee, including its chairman shall be independent from a specific public interest entity, meeting the criteria set out in the Act.

The Supervisory Board declares that the above criterion has been met, since two of three members of the Audit Committee, including the Chairman of the Audit Committee, are members who meet the independence criteria in accordance with the Act.

Art. 129.1 of the Act on Statutory Auditors [...]

the audit committee shall be composed of at least 3 members. At least one member of the audit committee shall have knowledge and skills in terms of accounting or auditing financial statements.

The Supervisory Board states that the first of the above mentioned requirements is met, as the Audit Committee is composed of three members. Additionally, the Supervisory Board is of the opinion that the requirement of competences in the sphere accounting and financial audit is recognised as satisfied if a member of the Audit Committee has a significant experience in financial management in commercial partnerships, internal audit or audit of financial statements, and additionally:

- a) has the title of a certified auditor or equivalent international certificate, or
- b) has an academic degree in the field of accounting or financial audit, or
- c) has long-term experience as a financial director in public companies or in working in an audit committee of such companies.

According to the statement submitted by Mr Roger Mattsson, Member of the Audit Committee, he meets the requirement concerning “knowledge and skills in terms of accounting or auditing financial statements”.



ARCTIC PAPER

Art. 129.5 of the Act on Statutory Auditors [...]

Members of the audit committee have knowledge and skills relating to the industry in which a public interest entity operates. This condition is recognised as satisfied if at least one member of the audit committee has knowledge and skills relating to that industry or individual members within specific scopes have knowledge and skills relating to the scope of that industry.

The Supervisory Board is of the opinion that the requirement of competences relating to the industry is recognised as satisfied if a member of the Audit Committee has information on the characteristics of the sector, that allows him to obtain a complete picture of the sector's complexity or has knowledge on part of the chain of activities carried out by the Company.

Mr Roger Mattsson due to his long-term professional experience as a financial controller of the Arctic Paper Group and over three years of participation in the Audit Committee meets the requirement concerning knowledge and skills of a member of the Audit Committee relating to the scope of the industry in which the Company operates.

Mr Mariusz Grendowicz being a member of the Supervisory Board for over five years, including being a member of the Audit Committee, has experience and qualifications relating to the scope of the industry in which the Company operates.