



**Polski Koncern Naftowy ORLEN**  
Spółka Akcyjna

**POLSKI KONCERN NAFTOWY ORLEN S.A.**  
**SUPERVISORY BOARD RULES OF PROCEDURE**

**Attachment to the Supervisory Board Resolution no. 2854/22 of 23 JUNE 2022.**

## **I. GENERAL PROVISIONS**

### **§ 1**

These Rules of Procedure describe the organisation of and define the way in which the Supervisory Board of Polski Koncern Naftowy ORLEN SA ("the Company") performs its duties according to § 8 item 10 of the Company's Articles of Association.

### **§ 2**

1. The Supervisory Board exercises permanent supervision over the Company's activities in all aspects of its business.
2. The Supervisory Board takes appropriate steps to receive from the Management Board regular and exhaustive information on all crucial matters regarding Company activities and on any risk connected with the Company's business and the methods used in managing such risk.
3. When performing their duties, members of the Supervisory Board should first and foremost take into consideration the interests of the Company. Should a member of the Supervisory Board believe that a decision taken by the Board is against the interests of the Company, the member may request that his/her differing position on the matter be duly noted in the minutes of the Supervisory Board meeting.
4. The Supervisory Board is not entitled to issue any binding instructions to the Management Board as concerns the management of Company affairs.

### **§ 3**

The Supervisory Board and its Committees may, without prejudice to the powers of other Company bodies, express its opinion in regards to all matters connected with Company operations, also through means of motions and proposals presented to the Management Board, which in such case is required to submit to the Chairman of the Supervisory Board or the relevant Committee, within 21 days of their presentation, a report on the manner in which these motions or proposals may be implemented.

### **§ 3a**

1. The powers of the Supervisory Board are defined in commonly binding regulations, in particular in the Commercial Companies' Code and the provisions of the Company Articles of Association, account taken of the Rules of Procedure of the Supervisory Board, and in cases foreseen in the commonly binding regulations, in the resolutions of the General Meeting and those of the Supervisory Board and in other internal organizational acts binding within the Company.
2. In addition to actions stemming from the commonly binding regulations, the Supervisory Board prepares and submits every year to the Ordinary General Meeting an annual report containing at the minimum:
  - a) Information on the composition of the Supervisory Board and its Committees, with an indication of which members of the Supervisory Board meet the independence criteria set out in the Act of

11.05.2017 on Auditors, Auditing Companies and Public Oversight, and which have no real and significant links with any Shareholder holding at least 5% of the total number of votes in the Company, as well as information on the composition of the Supervisory Board in the context of its diversity, provided that diversity policy was adopted in the Company;

- b) Summary of the activities of the Supervisory Board and its Committees;
- c) Assessment of the Company's situation as a consolidated entity, including assessment of internal control systems, risk management, compliance and internal audit, together with information on measures taken by the Supervisory Board to perform this assessment; the said assessment shall encompass all key control mechanisms, including in particular those relating to reporting and operations;
- d) Evaluation of the application by the Company of the principles of corporate governance and the manner of fulfilment by the Company of notifying obligations regarding their application set out in the Stock Exchange Rules and regulations concerning current and periodic information provided by issuers of securities, together with information on how the Supervisory Board performs this evaluation;
- e) Assessment of the legitimacy of sponsorship and donation expenses incurred by the Company and its Capital Group, together with the value of such expenses;
- f) Information on the degree of implementation of diversity policy with respect to the Management Board and the Supervisory Board, including the implementation of objectives set out in the Code of Best Practices for Warsaw Stock Exchange Listed Companies, provided that such policy was adopted in the Company;
- g) Remuneration reports in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (starting from the year following the year in which the General Meeting adopted the remuneration policy).

3. In addition, the Supervisory Board:

- a) Approves conclusion of material transactions with related entities in the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies;
- b) Performs periodic evaluation of material transactions concluded on market terms within the framework of the Company's ordinary activities in PKN ORLEN S.A. in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies;
- c) When a transaction between the Company and a related entity, as defined in the Company's Articles of Association, requires approval of the Supervisory Board, the Board assesses whether it is necessary to first seek an opinion of an external entity, which shall price the transaction and analyze its economic effects;

d) If the Company's conclusion of a transaction with a related entity, within the meaning of the Company's Articles of Association, requires approval of the General Meeting, the Supervisory Board shall prepare an opinion on whether it is justified to conclude such transaction and assess the necessity of prior consultation with an external entity which shall price the transaction and analyze its economic effects.

#### **§ 4**

1. Supervisory Board members should maintain the confidentiality of any information they have become acquainted with while performing their duties as members of the Supervisory Board and shall not make such information available to other persons, unless it is necessary for the proper performance of their duties as members of the Supervisory Board.
2. Supervisory Board members may not accept any benefits that could influence their objective and impartial judgement when making decisions or that would have a negative impact on the evaluation of the independent character of their opinions or judgements. Supervisory Board members are required to abstain from any activity aimed only at their personal material gain or that of their close relations, i.e. spouse, children, blood-relatives and kinsmen up to the second degree, as well as persons to whom they are tied personally.
3. Members of the Supervisory Board are required to remain fully loyal to the Company.
4. In the event of becoming privy to information concerning an investment possibility or other favourable transaction connected with the Company's scope of business, a member of the Supervisory Board should immediately present such information to both the Supervisory Board and the Management Board for the purpose of considering the possibility of the Company taking advantage of it.

## **II. ORGANIZATION OF THE SUPERVISORY BOARD AND PERFORMANCE OF ITS DUTIES**

#### **§ 5**

1. Members of the Supervisory Board are appointed and dismissed according to the Company's Articles of Association.
2. A resigning member of the Supervisory Board should submit an appropriate statement to the Company and inform the Supervisory Board about his or her resignation by submitting an appropriate notification to the Director of the Management Board Office.
3. Supervisory Board members should not resign from their function during their term of office if this could prevent the functioning of the Board, and in particular, if it could hinder the timely adoption of a resolution on matters crucial for the Company.

4. Every Supervisory Board member should inform the Company's Management Board regarding his personal, actual and organisational connections with a Shareholder in possession of more than 5% of the total number of votes, and in particular with a majority Shareholder. All information on the abovementioned connections should be made available to the public.
5. According to in-house procedures, each member of the Supervisory Board must take action that will enable the Management Board to present publicly and in an appropriate manner any information on the disposal or acquisition thereby of the Company's shares or shares of its dominant entity or subsidiary, and on transactions with such companies, provided that such information is relevant to the financial standing of the given member of the Supervisory Board.
6. Notwithstanding the above, members of the Supervisory Board are required to submit other declarations necessary for the Company to fulfil its disclosure obligations resulting from generally binding regulations, internal policy, and International Accounting Standards. The obligation to submit abovementioned declarations also applies to former Supervisory Board members for the period during which they acted as Supervisory Board members. Templates of such statements shall be prepared by the Company.
7. Members of the Supervisory Board shall submit - and provide copies to the other Members of the Supervisory Board and the Management Board - a written declaration of the fulfilment of the independence criteria specified in the Company's Articles of Association, the Code of Best Practices for WSE Listed Companies and the Act on Auditors, Audit Companies and Public Oversight. The obligation to submit a declaration, as described above, shall also apply to candidates to the Supervisory Board.
8. Members of the Management Board are required to immediately inform the remaining members of the Supervisory Board and Management Board of any change to the abovementioned declaration.
9. The Supervisory Board shall assess whether there are any links or circumstances which may bear influence on the fulfilment of the independence criteria.

## **§ 6**

1. The Chairman of the Supervisory Board is appointed and dismissed by the General Meeting.
2. The Vice-Chairman and the Secretary are elected from amongst members of the Supervisory Board.
3. The Supervisory Board is entitled to recall its Vice-Chairman and the Secretary from their positions and has the right to appoint replacement members of the Supervisory Board.

## **§ 7**

1. The Chairman of the Supervisory Board directs the work of the Supervisory Board and represents it in relations with other Company bodies and other parties.
2. In case of the Chairman's absence or if due to any other reason he/she is not able to perform his/her duties, the duties of the Chairman of the Supervisory Board are to be performed by the Vice-

Chairman and – within the scope specified in the Company's Articles of Association and these Rules of Procedure – also by the Secretary of the Supervisory Board.

3. Members of the Supervisory Board are required to take part in Supervisory Board meetings. A member of the Supervisory Board shall give reasons for his/her absence. An excused absence of a member of the Supervisory Board requires a Supervisory Board resolution.

## **§ 8**

1. In order to perform its duties, the Supervisory Board has the right to inspect all documents of the Company, request reports and explanations from the Management Board and employees, and review the assets and liabilities of the Company. The Company's Management Board provides access for the Supervisory Board to information on matters concerning the Company.
2. In order to ensure proper performance of its statutory duties, the Supervisory Board, for its own purposes, has the right to ask the Management Board to draw up expert reports and opinions or to hire an adviser. The costs are borne by the Company.
3. The request to the Management Board to prepare reports and opinions or to hire an adviser should specify the subject matter of the report or opinion, may name the preferred expert as well as specify the financial terms of preparing a report/opinion or hiring an expert. The Supervisory Board may instruct the Management Board to select the expert and set the financial conditions of preparing the expert report or opinion, and hiring an advisor.

## **§ 9**

1. The Supervisory Board shall perform its duties collectively. However, it may also delegate its members to perform specific independent supervisory tasks. The principles of performing such supervision are set by the Supervisory Board by way of a resolution.
2. Members of the Supervisory Board may only exercise their rights and duties personally.
3. Where the Supervisory Board is elected by vote in separate groups, each group has the right to delegate one of the members of the Supervisory Board elected there to individually exercise supervisory tasks on a permanent basis. Members so delegated have the right to attend meetings of the Management Board and provide advice thereat. The Management Board is required to notify such members in advance of each Management Board meeting. Every Supervisory Board member delegated to individually perform supervisory tasks is bound by the same non-competition obligations that apply to Management Board members and by restrictions on participation in competitive businesses.
4. A Supervisory Board member delegated by the group of shareholders to individually perform supervisory tasks shall present the Supervisory Board with a detailed written report on the performance of his or her tasks sufficiently ahead of time to enable the Supervisory Board to prepare and approve the Supervisory Board report on its activities in the financial year when such permanent individual supervision was exercised.

## **§ 10**

Within the scope of permanent supervision referred to in § 2 item 1 of these Rules of Procedure, the Supervisory Board examines detailed Management Board reports on Company activities in successive quarters of a year.

### **III. SUPERVISORY BOARD COMMITTEES**

## **§ 11**

1. The Supervisory Board may appoint permanent or ad hoc committees which shall act as collective advisory and opinion-forming bodies of the Supervisory Board.
2. The following permanent committees operate within the Supervisory Board: the Strategy and Development Committee, the Nominations and Remuneration Committee, the Corporate Governance Committee, and the Corporate Social Responsibility (CSR) Committee.
3. Supervisory Board committees specified in item 2 submit annual activity reports to the Supervisory Board sufficiently ahead of time to allow the Supervisory Board to prepare and endorse the Supervisory Board activity report referred to in § 3a item 2.

## **§ 12**

1. Committee members are appointed by the Supervisory Board from amongst its members.
2. Committee members appoint the committee chairman from amongst its members by resolution.
3. A committee shall be composed of at least three (3) members.
4. The majority of the Audit Committee's members, including its Chairman, should meet the criteria of independence specified in the Company's Articles of Association, the Code of Good Practices of Companies Listed on WSE as well as the Act on Auditors, Auditing Companies and Public Oversight. At least one member of the Audit Committee should have the knowledge and skills in accounting and auditing financial statements. At least one member or particular members of the Audit Committee should possess the skills and knowledge of the industry in which the Company operates. The Chairman of the Supervisory Board should not combine his duties with directing the work of the Audit Committee.
5. The majority of members of the Nominations and Remuneration Committee should meet the criterion of independence. In the event when the majority of members of the Nominations and Remuneration Committee does not consist of independent members of the Supervisory Board, the Chairman of the Supervisory Board takes on the leadership of the said Committee. At least one member of the Nominations and Remuneration Committee should have knowledge and experience in the area of remuneration policy.

6. The first meeting of the Committee is called by the Chairman of the Supervisory Board or another member of the Supervisory Board designated by the Chairman.

### **§ 13**

1. The chairman of the committee directs its activities. He/she also supervises the drafting of the committee's meeting agenda, organisation of document circulation and preparation of the minutes of the committee meeting with the assistance in this respect of the Supervisory Board Support Team.
2. A Committee meeting is convened by the committee chairman and in case of his/her long-term absence or inability to perform this function, the meeting is convened by the Chairman of the Supervisory Board or another member of the Supervisory Board designated by its Chairman. That person is responsible for inviting members of the Committee to the meeting and informing all other Supervisory Board members about the meeting. Committee members may participate in the meeting of the Committee by means of direct remote communication. All members of the Supervisory Board have the right to attend committee meetings.
3. The notification of the meeting should be handed to the members of the Committee and other members of the Supervisory Board not later than seven days before the Committee meeting and in urgent cases not later than one day before the committee meeting.
4. The Chairman of the Committee may invite to a committee meeting Management Board members, Company employees and other persons whose participation in the meeting shall be useful in respect of the performance of the Committee's tasks.
5. Resolutions of the Committee shall be adopted by a simple majority of votes cast. In the case where an equal number of votes "for" and "against" have been cast, the Chairman of the committee shall have the deciding vote.
6. Members of the committee may vote on resolutions in person by attending the meeting, or via direct means of direct remote communication.

### **§ 14**

1. The course of the committee meeting shall be recorded in its minutes, which shall be signed by Supervisory Board members attending the committee meeting.
2. The minutes of a meeting should contain Committee resolutions, motions and reports.
3. The Committee Chairman or a person designated thereby tables resolutions, motions and reports to the Supervisory Board in matters covered in the Supervisory Board meeting agenda.
4. Minutes of committee meetings are stored at the Company headquarters. The Company makes their copies available to every Supervisory Board member.



5. The Committee Chairman or a person designated thereby is authorised to request from the Supervisory Board adoption of a resolution on drawing up expert evaluations or opinions required by the committee within the scope of its activities or on hiring an advisor.

## **§ 15**

1. The Audit Committee's role is to advise the Supervisory Board on matters regarding the proper implementation of the principles of budget and financial reporting and the Company's and its Capital Group's internal audit (within the meaning of the provisions of the Accounting Act), as well as cooperation with the Company's authorised auditors. In particular, the Audit Committee's tasks are the following:

a) Monitoring:

- The financial reporting process;
  - The efficiency of internal control systems and risk management systems, as well as internal audit including financial reporting;
  - The process of financial audit, especially with regards to surveys carried out by an audit company, account taken of all motions and decisions made by the Audit Supervision Commission resulting from inspections carried out at the audit company;
- b) Inspections and monitoring of the audit company and work carried out by the Company's statutory auditors, as well as their independence;
- c) Informing the Supervisory Board on the results of audits as well as providing explanations on the positive influence of each conducted audit on the financial reporting process within the Company, and on the role of the Audit Committee in the audit process;
- d) Evaluation of the independence of each statutory auditor as well as granting each permission to provide additional services not directly connected with the audit process;
- e) Development of a policy of selecting the audit company that shall assess financial statements, and development of a policy of the audit company assessing the financial statement by entities connected with the audit company and a member of the chain to which the audit company belongs of additional services not directly connected with the audit process;
- f) Description of the Company's procedure of selection of the audit company;
- g) Provision of recommendations to the Supervisory Board on the selection of an entity authorised to assess or review Company financial statements in accordance with the policies referred to in point (e) as well as the amount of remuneration provided to the audit company;
- h) Tabling recommendations aimed at ensuring the integrity of the financial reporting process;

- i) Discussing with the Company's authorised auditors, prior to beginning the audit of each annual financial statement, the intended nature and scope of the audit, and monitoring the coordination of work between Company authorised auditors;
- j) Review of Company periodic and annual financial statements (both individual and consolidated), with particular attention given to the following:
  - (i) Any changes in accounting standards, principles and practices;
  - (ii) Key issues subject to reviewing;
  - (iii) Substantial adjustments resulting from the audit;
  - (iv) Certificates of going concern;
  - (v) Compliance with applicable accounting regulations;
- k) Talking over all problems or reservations which may arise from an audit of financial statements;
- l) Analysis of reports forwarded by the Company's authorised auditors to the Management Board, and analysis of the independence and objectivity of the conducted audit and of the Management Board's responses;
- m) Providing opinions on annual and long-term financial plans;
- n) Providing opinions on the dividend policy, distribution of profits and issue of securities;
- o) Reviewing the management accountancy system;
- p) Reviewing the internal control and risk management system, including the mechanisms of financial, operational, legal compliance, risk assessment and management control policies;
- r) Analysis of reports by internal auditors and key observations of other internal analysts, Management Board responses to these observations - jointly with checking internal auditors' level of independence, and giving opinions on the Management Board's intended hiring and firing of the department head responsible for internal audits;
- s) Annual review of the internal audit program, coordination of internal and external auditors' work and inspection of internal auditors' working conditions;
- t) Cooperation with Company departments responsible for audit and reviews, and periodic assessment of their performance;
- u) Consideration of any other matters regarding the Company's audit, highlighted by the Audit Committee or the Supervisory Board;
- w) Notifying the Supervisory Board of any significant issues regarding the activities of the Audit Committee;

- z) Periodic evaluation of key transactions concluded with related entities and preparation of evaluation recommendations for the Supervisory Board.
2. Audit Committee meetings should take place at least once each quarter, prior to the Company's publication of financial statements.

## **§ 16**

The Corporate Governance Committee's tasks are as follows:

- a) Assessing the level of implementation of corporate governance principles;
- b) Providing the Supervisory Board with recommendations as regards the implementation of corporate governance principles;
- c) Reviewing corporate governance documents;
- d) Assessing reports on adherence to the rules of corporate governance prepared for the Warsaw Stock Exchange and reports on adherence to good practices referred to in Article 7.3.2 of the Act on the Terms of Managing State Property;
- e) Opining on proposed amendments to the Company's corporate regulations and elaborating such proposals to be applied in own documents of the Supervisory Board;
- f) Monitoring the Company's management from the angle of its compliance with legal and regulatory requirements, including those concerning reporting obligations on the capital market as well as compliance and corporate governance principles.

## **§ 17**

The role of the Strategy and Development Committee is to provide opinions and recommendations to the Supervisory Board on matters regarding intended investments and disinvestments of potential key impact on the Company. In particular, the Committee's tasks include:

- a) Assessing the impact on the Company of intended and introduced investments and disinvestments;
- b) Assessing measures, agreements, letters of intent and other documents referring to purchases, sales, encumbrances or other dispensations of the Company's significant assets;
- c) Opining on any strategic documents submitted to the Supervisory Board by the Management Board;
- d) Opining on the Company's development strategy, including long-term financial plans.

## **§ 18**

The role of the Nominations and Remuneration Committee is to provide support in achieving the Company's strategic goals by presenting the Supervisory Board with opinions and motions on shaping the management structure, including organisational solutions, remuneration policy and selection of

managerial personnel with qualifications appropriate to building the Company's success. In particular, Committee tasks include:

- a) Initiating and opining on solutions regarding the appointment of Management Board members in accordance with the Act on the Principles of Shaping the Wages of Managers of Certain Companies;
- b) Opining on proposed Management Board solutions regarding the Company's management system, aiming at ensuring effectiveness, cohesion and safety of Company management;
- c) Periodic reviewing and recommending the principles of determining incentive payments for Management Board members and senior managers in compliance with the Company's interests and the Act on the Principles of Shaping the Wages of Managers of Certain Companies;
- d) Periodic reviewing of the system of remuneration of Management Board members and subordinate managers , including managerial contracts and incentive schemes, and submitting suggestions to the Supervisory Board on their shaping in the context of execution of the Company's strategic goals;
- e) Presenting the Supervisory Board with opinions regarding the justification for granting result-based remuneration in the context of assessment of the level of achievement of the Company's particular assignments and objectives;
- f) Assessing the Company's human resources management system;
- g) Opining on the remuneration report which presents a comprehensive review of remuneration, including all benefits, irrespective of their form, received by individual members of the Management Board and Supervisory Board or owing to individual members of the Management Board and Supervisory Board in the last financial year, in accordance with the remuneration policy (starting from the year following the year in which the General Meeting adopted the remuneration policy).

## **§ 19**

The role of the CSR Committee is to support the achievement of the Company's strategic objectives by including social, ethical and environmental aspects in Company activities and in contacts with stakeholders (including employees, customers, shareholders and local communities).

## **§ 20**

In particular, the tasks of the Corporate Social Responsibility Committee include:

- a) Overseeing the implementation of the Sustainable Development strategy by the Company by way of conducting periodic reviews of the implementation status;
- b) Monitoring the Company management in terms of compliance with the requirements of the ORLEN Capital Group Code of Ethics;

- c) Providing the Supervisory Board with recommendations pertaining to the assessment of legitimacy of outlays incurred by the Company and its Capital Group on social sponsoring and donations, jointly with the value of these outlays;
- d) Approving the annual report on CSR activities conducted by the Company and its Capital Group.

#### **IV. CONVOCAATION OF MEETINGS, CONDUCTING PROCEEDINGS AND ADOPTING RESOLUTIONS**

##### **§ 21**

1. Supervisory Board meetings are convened by the Chairman of the Supervisory Board. In case of his/her absence or incapability to perform his/her duties due to any other reason, meetings are convened by the Vice-Chairman of the Supervisory Board on his/her own initiative or on request of authorized persons. Meetings should be held as the need arises, however, no less than once every two months.
2. When neither the Chairman nor the Vice-Chairman of the Supervisory Board are in a position to convene a meeting of the Supervisory Board due to their absence or for any other reason preventing the performance of their duties, the meeting can be convened by the Secretary of the Supervisory Board.

##### **§ 22**

1. The following individuals are authorised to table a motion for convocation of a Supervisory Board meeting: a shareholder or shareholders representing at least one tenth of the Company share capital, a member of the Supervisory Board, and the Management Board after having passed a resolution to this effect. Motions to convene a meeting of the Supervisory Board shall be submitted in writing to the Chairman of the Supervisory Board. Such motion should specify the proposed agenda of the meeting. The entity submitting a convocation motion should attach its written justification and materials pertaining to issues presented in the meeting agenda, to the extent that this is justified by the contents of the proposed agenda.
2. A meeting of the Supervisory Board shall be convened within two weeks after receipt of the motion and shall be scheduled on a date falling not later than within three weeks from motion receipt.
3. If in the circumstances of § 8 item 7 point 1 of the Company's Articles of Association the Chairman, Vice-Chairman or Secretary of the Supervisory Board do not convene the meeting in accordance with item 1, the individual tabling the motion is entitled to convene the meeting on his or her own following the provisions of § 23 at seq. of these Rules of Procedure.

##### **§ 23**

1. Written notifications of convocation of a meeting of the Supervisory Board should be sent to all members of the Supervisory Board by registered mail against written confirmation of receipt at least

seven days before the planned date of the meeting, and in urgent matters by registered mail with recorded delivery no later than two days before the date of the meeting. Members may also be notified by fax, courier or email, or by other means, in a timely manner as referred to in the previous sentence. Notifications shall be sent in the manner and to addresses previously indicated in writing by members of the Supervisory Board.

2. The notification should specify the agenda of the Supervisory Board meeting, its venue, date and its anticipated time of starting and closing.
3. It is not necessary to send notifications of the next meeting of the Supervisory Board if all members of the Supervisory Board are present at the current meeting and all agree to convening the next meeting and setting its agenda, date and time.
4. Materials relating to matters placed on the agenda shall be sent together with the notification of the meeting of the Supervisory Board or, in justified cases, at a later date, however sufficiently ahead of time to enable members of the Supervisory Board to familiarise themselves with the materials before the meeting.
5. Submission of any motions by the Management Board to the meeting of the Supervisory Board requires a prior resolution of the Management Board.

#### **§ 24**

1. Management Board members are entitled to take part in Supervisory Board meetings with the exception of matters directly relating to the Management Board or its members, in particular when the discussion at the meeting concerns their recall, responsibilities or remuneration.
2. The Chairman of the Supervisory Board may, on his/her own initiative or on the request of Management Board or Supervisory Board members, invite other persons to take part in the Supervisory Board meeting, in particular Company employees who are responsible for matters being discussed during the meeting, consultants or advisers.

#### **§ 25**

Supervisory Board meetings may take place without formal convocation on the condition that all Supervisory Board members attend the meeting at the place where it is held or participate therein by means of direct remote communication and agree to holding the meeting and to its agenda. If prior to the date of the meeting of the Supervisory Board held without being formally convened a motion to convene a meeting has been received from an authorised entity, the agenda for the meeting may include matters proposed by the entity who tabled the motion to hold a meeting if all members of the Supervisory Board agree to it. Otherwise, a Supervisory Board meeting on matters proposed in the motion shall be convened separately as per § 21 of these Rules of Procedure.

#### **§ 26**

1. Supervisory Board meetings take place at the Company's registered office or at any other place named in the meeting notification by the Chairman of the Supervisory Board or another person entitled to convene a meeting according to these Rules of Procedure. Supervisory Board meetings that take place outside Poland are subject to prior consent of the Supervisory Board.
  - 1a. Members of the Supervisory Board can attend meetings using direct remote communication equipment, telephone, or other means which allow for identification of Supervisory Board members taking part in the meeting and communication between all members attending the meeting of the Supervisory Board, as long as all members of the Supervisory Board have been notified of the meeting and at least one half is taking part in the meeting.
2. The Supervisory Board can adopt resolutions if at least half of its members participate in the meeting and all of its members have been properly notified thereof. Resolutions of the Supervisory Board are also valid in the case of their adoption outside the meeting, in writing or by using means of direct remote communication, provided that all members of the Supervisory Board have been notified of the contents of the draft resolution and at least one half of them have participated in its adoption.
3. Subject to the provisions of item 4 of this paragraph, resolutions of the Supervisory Board are adopted by an absolute majority of votes cast, in the presence of at least half of the members of the Supervisory Board, with the understanding that votes cast mean votes "for", "against" and "abstain".
4. In order to recall or suspend any member of the Management Board or the entire Management Board during its term of office, at least two-thirds of all members of the Supervisory Board need to vote "for" a resolution to this effect.
5. Members of the Supervisory Board may take part in passing Supervisory Board resolutions by casting a written vote by proxy of another member of the Supervisory Board. Votes cast in writing by proxy of another member of the Supervisory Board should not concern matters added to the agenda of the Supervisory Board meeting during its course.
6. The Supervisory Board shall select the entity acting as the authorised auditor after taking into account the Audit Committee's recommendations.
7. Passing resolutions on the following matters:
  - a) Any benefit provided by the Company or a related entity - within the meaning of the Company's Articles of Association - to members of the Management Board;
  - b) Consent to the execution by the Company of any key agreement with a related entity - within the meaning of the Company's Articles of Association - taking into account the relevant exclusions and detailed regulations laid down in Article 4b of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, and conclusion by the Company or its subsidiary of an agreement with a member of the Management Board or Supervisory Board, with the exception of agreements commonly concluded for minor current issues of everyday life;

c) Selection of the authorised auditor to audit the Company's financial statement;

requires approval of at least one half of the independent members of the Supervisory Board, subject to § 8 item 5 of the Company's Articles of Association. The above provisions do not exclude the application of Article 15 § 1 and 2 of the Commercial Companies' Code.

### **§ 26a**

1. The Supervisory Board may adopt resolutions:

a) At meetings:

i) When all its members physically present at the place of the meeting; or

(ii) When all or some of its members attend the meeting by means of direct remote communication (in which case they cast their votes through the use of a telephone link or other means making it possible to identify the voting Supervisory Board member);

(b) Outside meetings:

(i) In writing; or

(ii) By means of direct remote communication through the use of a telephone link or other means making it possible to identify the voting Supervisory Board member (e.g. by e-mail).

2. The Chairman of the Supervisory Board, at the request of a Supervisory Board member or on his own initiative, orders a written vote or a vote using means of direct remote communication.

3. If a written vote is ordered, a draft of the resolution shall be sent to all members of the Supervisory Board by courier, registered mail with a return receipt or by e-mail to addresses referred to in § 23 item 1 of these Rules of Procedure.

4. If a vote is ordered using means of direct remote communication on a resolution that shall be proceeded outside the meeting, notifications and resolution drafts together with accompanied materials are delivered to all members of the Supervisory Board by e-mail to addresses referred to in § 23 item 1 of these Rules of Procedure. In the event of voting in this manner at a meeting of the Supervisory Board, the draft resolution shall be read out by the Chairman of the Supervisory Board or a designated individual.

5. An order to vote on a resolution proceeded outside a meeting of the Supervisory Board should contain a deadline for casting votes and a detailed description of how members of the Supervisory Board can should cast votes. Subject to item 6 below, this deadline cannot be shorter than three days from the date of delivery of the voting order.

6. In justified cases, the Chairman may request members of the Supervisory Board to take a position within a period shorter than three days from the date of delivery of the order to vote on the given resolution.



7. The Chairman informs the Supervisory Board about resolutions adopted outside its meetings at the next meeting of the Supervisory Board.

#### **§ 26b**

1. The Supervisory Board shall adopt resolutions in writing in such way that each member of the Supervisory Board participating in the vote shall sign a separate identical copy of the Supervisory Board resolution or in such way that all members of the Supervisory Board participating in the vote shall sign a single copy of the Supervisory Board resolution.
2. When signing the document bearing the Supervisory Board's resolution, the Supervisory Board member should clearly indicate whether he/she votes "for" or "against" or "abstains" from voting; in the absence of such indication, the vote shall be considered as not cast.
3. If resolutions are adopted in writing, voting shall be deemed to have been completed and, if the resolution is adopted, it shall be deemed adopted upon expiry of the deadline set for casting votes or on the date when the Chairman of the Supervisory Board receives all copies of the resolution signed by members of the Supervisory Board participating in the vote, or a single copy signed by all members of the Supervisory Board participating in the vote, whichever is earlier.
4. Resolutions adopted in writing are signed by the Chairman of the Supervisory Board and its Secretary.

#### **§ 26c**

1. The Supervisory Board adopts resolutions using means of direct remote communication outside the meeting in such way that each member of the Supervisory Board participating in the voting casts a vote by sending an e-mail message to the indicated address, noting unequivocally in the body of the message whether he/she votes "for" or "against" the resolution, or "abstains" from voting. In the absence of such indication, the vote shall be considered as not cast. Voting shall be deemed to have been completed and, if the resolution is adopted, the resolution shall be deemed adopted upon expiry of the deadline set for casting votes or when all members of the Supervisory Board participating in the voting have casted their vote, whichever is earlier.
2. Resolutions adopted according to the procedure specified in item 1 shall be signed by the Chairman of the Supervisory Board and its Secretary.

#### **§ 26d**

If some or all members of the Supervisory Board participate in the meeting by means of direct remote communication, the Supervisory Board may also adopt resolutions using means of direct remote communication in a manner enabling simultaneous communication in real time and mutual identification between all members of the Supervisory Board participating in the voting (e.g. videoconferencing, teleconferencing, etc.). After the end of voting, the Chairman of the Supervisory Board informs members of the number of votes cast, including the number of votes "for", "against" and "abstain".

## **§ 27**

1. A Supervisory Board member shall inform other members of the Supervisory Board of any conflict of interest, refrain from participating in discussions and from casting votes on resolutions in matters where a conflict of interest has arisen or is likely to arise, and request that this be duly noted in the minutes of the meeting. A violation of the provisions specified in the previous sentence does not render the Supervisory Board's resolution invalid.
2. In case of doubt as to whether a conflict of interest exists, the matter is settled by a resolution of the Supervisory Board.
3. A conflict of interest is understood as a circumstance in which a decision made by a member of the Supervisory Board may affect personal interests of the said member or his/her spouse, relatives and kinsmen up to the second degree as well as persons with whom he/she has personal links.

## **§ 28**

Notifications of Supervisory Board meetings and minutes of the meetings should be drawn up in Polish. Any materials or other documents that are subject matter of Supervisory Board meetings should be drawn up in Polish or English. Resolutions adopted by the Supervisory Board are drawn up in Polish.

## **§ 29**

1. The agenda of a Supervisory Board meeting is set by the individual convening the meeting, account taken of the adopted work schedule of the Supervisory Board and motions to convene a meeting and include particular matters on its agenda.
2. After having convened the meeting, the convening individual may notify Supervisory Board members of a change in the meeting agenda by way of a notice sent at least seven days before the planned date of the meeting, and in urgent matters no later than two days before the planned date of the meeting, in the manner set forth in § 23 of these Rules of Procedure. The changed agenda shall include proposals specified in motions to convene a meeting.
3. The agenda of the Supervisory Board meeting specified in meeting convocation notifications shall not be amended during the course of the meeting which it concerns.
4. The adoption of resolutions in the manner set forth in item 3 shall not apply if all members of the Supervisory Board participate in the meeting and all agree to the proposed amendment.
5. No resolutions may be adopted on matters not included on the agenda, account taken of item 4.
6. Due to important reasons, the Chairman of the Supervisory Board may change the sequence of the items to be discussed at the Supervisory Board meeting, which however shall not be treated as an amendment to the meeting agenda.

## **§ 30**

The Chairman, and during his absence the Vice-Chairman or the Secretary of the Supervisory Board, and in their absence another member of the Supervisory Board chosen for the task by other present Supervisory Board members, chairs the meeting, gives the floor, orders a vote, announces its results and closes the meeting. The person chairing the meeting shall aim to achieve unanimity among members of the Supervisory Board in matters under discussion.

### **§ 31**

Supervisory Board resolutions are adopted by open ballot, unless otherwise specified by law.

### **§ 32**

1. Minutes are taken from Supervisory Board meetings. Minutes taken from the meeting shall indicate the date and time of the meeting, its agenda, full names of Supervisory Board members and other persons attending the meeting, contents of adopted resolutions, results and manner of voting, and any reservations and objections raised by Supervisory Board members, and shall concisely describe the course of the meeting. Minutes of the meeting shall acknowledge that as a result of correct convocation of the Supervisory Board meeting and the presence thereof of the required number of members, the Supervisory Board has the capacity to hold a meeting and adopt resolutions. Resolutions passed prior to the meeting are attached to the minutes as per § 26b and § 26c item 1 of these Rules of Procedure.
2. During the meeting, after having adopted each resolution, the Chairman of the Supervisory Board first orders that the resolution be drawn up in writing and then gets all members of the Supervisory Board to sign it. Any member of the Supervisory Board voting against the resolution is entitled to sign the resolution indicating his/her objection, which shall be included in the minutes. All resolutions adopted in the way described above shall be attached to the minutes of the meeting at which they were adopted.
3. Meetings of the Supervisory Board are recorded on tape or paper by an employee of the Supervisory Board Support Office or another individual designated by the Supervisory Board Secretary. The decision to record part or the entire course of the meeting is made by the Supervisory Board, which also decides whether a minute taker shall be present.
4. A taped record of the meeting is used in drawing up draft minutes of the Supervisory Board meeting. The taped record may be made available to every Supervisory Board member, however none has the right to copy it. Members of the Supervisory Board are entitled to request that their comments be included in the minutes of the meeting.
5. Draft minutes of the Supervisory Board meeting are sent to present and former Supervisory Board members who attended the meeting.
6. The agenda of the next meeting of the Supervisory Board shall include an item on a discussion of a draft of the minutes of the last meeting. Supervisory Board members who will not be present at the meeting where the minutes of the last meeting are discussed may submit their remarks on the

minutes in writing to the Secretary of the Supervisory Board. Such remarks can be submitted at the latest by the opening of the meeting at which a draft of the minutes of the last meeting will be discussed.

7. When discussing a draft of the minutes, the Secretary of the Supervisory Board shall present the remarks submitted by the absent members of the Supervisory Board. Draft minutes are not discussed if Supervisory Board members taking part in the current meeting have not attended the last meeting.
8. The minutes shall be signed by members of the Supervisory Board who attended the meeting. Those members who were not present at the meeting are requested to become acquainted with the minutes and confirm this fact by signing the minutes and adding the following annotation: "I have become acquainted with the contents of these minutes".
9. After members of the Supervisory Board sign the minutes of the meeting, the tape-recording of the meeting shall be erased by an employee of the Supervisory Board Support Office and the carriers of the recorded sound shall be destroyed. In special cases, where it is justified by the interest of the Company, the Supervisory Board or its Chairman may decide to keep the recording of a particular meeting.
10. The Supervisory Board keeps a compendium of the minutes of its meetings and another of Supervisory Board resolutions. Both compendia are stored at the premises of the Supervisory Board Support Team.
11. The following individuals have access to the compendia of Supervisory Board meeting minutes and Supervisory Board resolutions: members of the Supervisory Board and Management Board, Director of the Management Board Office, members of the Supervisory Board Support Team and other authorised persons. The Chairman of the Supervisory Board or a person designated thereby decides who else shall have access to the compendia.

## **V. SECRETARIAL AND ADMINISTRATIVE SERVICES TO THE SUPERVISORY BOARD**

### **§ 33**

1. The Supervisory Board Support Team provides secretarial and administrative services, and documents the work of the Supervisory Board.
2. The tasks of the Supervisory Board Support Team include in particular:
  - a) Drawing up the minutes of Supervisory Board meetings;
  - b) Preparing equipment to record the course of Supervisory Board meetings, recording the meeting by use of sound carriers and destroying these after the minutes of the meeting have been signed by Supervisory Board members (unless the Supervisory Board has decided to keep the recording of the given meeting);

- c) Providing administrative support to the Supervisory Board and its committees in terms of keeping compendia of Supervisory Board meeting minutes and resolutions, as well as making them available to Supervisory Board members and other authorised persons;
  - d) Safekeeping the minutes, recordings and other documents related to Supervisory Board meetings in conditions ensuring their safety and confidentiality;
  - e) Compiling, in accordance with the agenda of a convened Supervisory Board meeting, and distributing to all Supervisory Board / committee members and other persons invited to attend the meeting a full set of materials for the meeting, to the appropriate required extent;
  - f) Notifying Supervisory Board members and other authorised persons of Supervisory Board and Supervisory Board committee meetings;
  - g) Distributing materials and decisions of the Supervisory Board and its committees;
  - h) Monitoring the circulation of materials prepared for a meeting of the Supervisory Board or any of its committees;
  - i) Maintaining archives of sets of materials and documents submitted to the Supervisory Board and its committees, as well as ensuring their availability to Supervisory Board members.
  - j) Providing secretarial services to the Supervisory Board and its committees, in particular:
    - Receiving and dispatching correspondence, and forwarding received correspondence to appropriate Supervisory Board members;
    - Keeping a record of incoming and outgoing mail;
    - Handling telephone calls, faxes and electronic mail.
3. The Supervisory Board Support Team is overseen by the Supervisory Board Secretary, who presents the Team's current performance reports to the Supervisory Board at its meetings.
4. The Supervisory Board Support Team is headed by the Team Manager. His/her tasks are as follows:
- a) Developing job descriptions for members of the Supervisory Board Support Team;
  - b) Setting guidelines for members of the Supervisory Board Support Team within the scope of matters for which they are responsibilities;
  - c) Issuing current orders to Supervisory Board Support Team members.
5. The Supervisory Board Support Team Manager is responsible for compiling and forwarding to each Supervisory Board member materials for the next Supervisory Board or Supervisory Board committee meeting together with a notification of the meeting, to the address provided by the member.

6. The Supervisory Board Support Team works with Company departments on compiling materials needed for Supervisory Board meetings which are within the scope of responsibility of the Management Board.

#### **§ 34**

These Rules of Procedure come into effect on the day of their adoption by the Supervisory Board.