



Polski Koncern Naftowy ORLEN
Spółka Akcyjna

Polski Koncern Naftowy ORLEN S.A.
Supervisory Board Rules of Procedure

Attachment to Supervisory Board Resolution no. 2349/209 of 22 April 2020

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 sufficient information on any crucial matters regarding the Company's activities as well as on any risk connected with the Company's business activity 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 this his 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 in respect of managing the Company's affairs.

§ 3

The Supervisory Board and its committees may, without detracting from the power of other Company bodies, express its opinion in regards to all matters connected with the Company's operations, including through means of conclusions and proposals submitted to the Management Board, in which case it is required to submit details to the Chairman of the Supervisory Board or the relevant committee regarding the manner in which its conclusions or proposals may be implemented within 21 days of submission thereof.

§ 3a

1. The powers of the Supervisory Board are defined in the generally binding rules, in particular the Commercial Companies' Code and the provisions of the Company's Articles of Association and including the Rules of Procedure of the Supervisory Board, and in cases foreseen by the generally binding rules, in the resolutions of the General Meeting and those of the Supervisory Board as well as other binding internal organizational acts within the Company.
2. The Supervisory Board prepares and submits the following annually to the General Meeting:
 - a) assessment of the Company's situation, which includes an assessment of its internal control systems, risk management, compliance as well as the effectiveness of the internal audit function,

b) supervisory Board activity report comprising of at least the following compulsory information: the composition of the Supervisory Board and its Committees, confirmation that the members of the Supervisory Board meet the criterion of independence, the number of meetings held by the Supervisory Board and its Committees, and any completed self-assessments,

c) evaluation of the way in which the Company is fulfilling its informative responsibilities regarding implementation of the Corporate Governance rules,

d) evaluation of the rationality of the sponsorship and charitable activities carried out by the Company,

e) remuneration report 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),

within such a period as to allow Company Shareholders to become acquainted with the evaluation of the Supervisory Board before the Ordinary General Meeting.

§ 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 should not make such information available to other persons, unless 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 obliged to abstain from any activity aimed only at their personal material gain or those of their close relations, i.e. spouse, children, blood-relatives, and kinsmen of the second degree as well as persons to whom they are personally linked.
3. Members of the Supervisory Board are obliged to remain loyal to the Company.
4. In the event of receiving information concerning an investment possibility or other favourable transaction connected with the Company's scope of business, the member of the Supervisory Board should immediately present such information to the 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 elected 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 render the functioning of the Board unfeasible, and in particular, if it could hinder the timely adoption of a resolution on matters crucial for the Company.
4. The Supervisory Board member must 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. Each item of information on the abovementioned connections should be made available to the public.
5. Each member of the Supervisory Board, according to in-house procedures, must take action that will enable the Management Board to present publicly, and in an appropriate manner, information on the disposal or acquisition by the member 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 member of the Supervisory Board.
6. Regardless of the above, members of the Supervisory Board are obliged to submit any other declarations necessary for the Company to fulfil its disclosure obligations, resulting from generally binding regulations, internal policy, and Internal Accounting Standards. The obligation to submit the declarations, as mentioned above, also applies to former Supervisory Board members for the period of time during which they performed the function of Supervisory Board member. Appropriate models 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 of a written declaration of the fulfilment of the independence criteria specified in the Company's Articles of Association, the Code of Best Practice for WSE Listed Companies, the Statutory Auditors Act, auditing companies as well as 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 the 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 elected and removed by the General Meeting.
2. The Vice-Chairman and the Secretary are elected by the Supervisory Board from amongst themselves.

3. The Supervisory Board is entitled to recall its Vice-Chairman and the Secretary from their positions and has the right to appoint other members of the Supervisory Board to perform these duties.

§ 7

1. The Chairman of the Supervisory Board directs the work of the Supervisory Board as well as representing it in its relations with other Company bodies and other parties.

2. In case of absence of the Chairman from the meeting 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 – the Secretary of the Supervisory Board.

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

§ 8

1. In order to perform their 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 such reports and opinions or to hire an adviser should specify the report or opinion subject matter, give the name of an expert as well as specify the financial terms of the above activities (i.e. preparation of the report/opinion or hiring of an expert). The Supervisory Board may instruct the Management Board to set the financial conditions of the above activities (i.e. preparation of the report/opinion or hiring of an expert).

§ 9

1. The Supervisory Board shall perform its duties collectively. It may nevertheless delegate its members to independently perform specific supervisory tasks. The principles of performing such supervision are set by the Supervisory Board in an adequate resolution.

2. The members of the Supervisory Board may only perform their rights and duties in person.

3. Where the Supervisory Board is elected by vote by separate groups, each group has the right to delegate one of the members of the Supervisory Board elected by such a group to individually perform 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 obliged to notify such members in advance of each Management Board meeting. Each Supervisory Board member delegated

to individually perform supervision tasks is bound by the same non-competition obligations that applies to Management Board members as well as the limitation in relation to participation in a competitive business.

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 in time that would enable the Supervisory Board to prepare and approve the Supervisory Board report on its activities for the financial year when such individual supervision was performed.

§ 10

Within the scope of permanent supervision mentioned in § 2 item 1 of these Rules of Procedure, the Supervisory Board shall study detailed Management Board reports on the Company's activities in subsequent calendar quarters of a year.

III. THE COMMITTEES OF THE SUPERVISORY BOARD

§ 11

1. The Supervisory Board may elect permanent or ad hoc committees which shall act as collective advisory and opinion forming bodies of the Supervisory Board.

2. The following permanent Committees shall operate within the Supervisory Board: the Audit Committee, the Committee for Strategy and Development, the Committee for Nominations and Remuneration, the corporate Governance Committee, and the Corporate Social Responsibility Committee (CSR committee).

3. The Supervisory Board committees specified in item 2 shall submit to the Supervisory Board annual reports on their activities in such a way as to allow the Supervisory Board to prepare and endorse a Supervisory Board activity report as per item § 3a item 2 point b).

§ 12

1. A committee is selected by the Supervisory Board from amongst its members.

2. A committee appoints by resolution its Chairman from amongst its members.

3. A committee shall be composed of at least 3 members.

4. The majority of the Audit Committee's members, including its Chairman, should comprise with the criterion of independence as per the Company's Articles of Association, the Code of Good Practice of Companies Listed on the WSE as well as the Statutory Auditors Act, Auditing Companies Act, and Public Oversight Act. The Audit Committee shall be composed of at least two independent members, at least one who shall have qualifications and experience in accountancy and finance. At least one member or

the particular members of the Audit Committee should possess the skills and knowledge of the industry in which the Company operates.

5. The majority of members of the Committee for Nominations and Remuneration should meet the criterion of independence. In the event when the majority of members of the Committee for Nominations and Remuneration does not consist of the independent members of the Supervisory Board, the Chairman of the Supervisory Board is then the Chairman of the said Committee. At least one member of the Nomination and Remuneration Committee should have knowledge and experience in the area of remuneration policy.

6. The first meeting of a committee shall be called by the Chairman of the Supervisory Board or another member of the Supervisory Board appointed by him.

§ 13

1. The Chairman of the committee directs the work of the committee. He/she shall supervise the preparation of the agenda of the committee meeting, organisation of document circulation and preparation of the minutes of the committee meeting. The above duties shall be executed with the help of the Management Board Office – the Team for Servicing of the Supervisory Board, hereinafter referred as to the Supervisory Board Team.

2. Committee meetings shall be convened by its Chairman and in case of 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 appointed by the Chairman. The Chairman is also 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 Communications. All members of the Supervisory Board have the right to attend the committee meeting.

3. The notification of the meeting shall be submitted 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, the Company's 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 casting vote.

6. Members of the committee may vote regarding the adoption of a resolution in person by attending the meeting, or by means of direct means of remote communication.

§ 14

1. The committee meeting shall be recorded in the form of the minutes of the meeting, which shall be signed by the Supervisory Board members present at the committee meeting.
2. The minutes of a meeting shall contain resolutions, conclusions and reports of the committee.
3. The Chairman of a committee or a person appointed by him submits to the Supervisory Board resolutions, conclusions and reports within the scope of the Agenda of the Supervisory Board.
4. The committee's minutes of meetings are to be stored in the Company's headquarters. Copies of the minutes shall be submitted by the Company to each Supervisory Board member.
5. The Chairman of a committee or a person appointed by him is authorised to request from the Supervisory Board an adoption of a resolution on drawing up evaluations or opinions for the committee's needs 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 on accounting) 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 inclusive of financial reporting,
- the process of financial audit, especially with regards to the surveys carried out by an audit company, including any conclusions and decisions made by the Audit Supervisory Commission resulting from inspections carried out at an audit company,

b) inspections and monitoring of the audit company and work carried out by the Company's statutory auditors and their independence,

c) the process of providing information to 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, as well as on the role of the Audit Committee in the audit process,

d) evaluation of the independence of each statutory auditor as well as granting them permission to provide additional services not directly connected with the audit process,

e) development of selection policy used to select a company for the assessment of financial reports as well as the development of benefit policy by the audit company assessing the financial report through entities connected with the audit company, including additional services not directly connected with the audit process,

- f) the Company's determination of audit company selection processes,
- g) provision of recommendations to the Supervisory Board on the selection of entities authorised to assess financial statements or to assess or review financial statements in accordance with the policies mentioned in point (e) as well as the amount of remuneration provided to the auditing company,
- h) submission of recommendations aimed at ensuring the integrity of the financial reporting process,
- i) discussion with the Company's authorised auditors prior to the beginning of each annual financial statement audit on the nature and scope of the audit as well as monitoring the coordination of work between the Company's authorised auditors,
- j) review of the Company's periodic and annual financial statements (unconsolidated and consolidated), with particular attention given to the following:
 - (i) any changes in booking standards, principles and practices;
 - (ii) main issues being reviewed;
 - (iii) substantial adjustments resulting from the audit;
 - (iv) statements on continuation of operation;
 - (v) compliance with applicable accounting regulations;
- k) discussion of any problems or reservations which may arise from the audit of financial statement;
- l) analysis of the Company's authorised auditor's letters to the Management Board, analysing the independence and objectivity of the accomplished audit and the Management Board responses;
- m) provision of opinions on annual and long-term financial plans;
- n) provision of opinions on dividend policy, distribution of profit and issue of securities;
- o) review management accountancy systems;
- p) review of the ORLEN Capital Group annual report and internal audit system, including the mechanics of financial, operational, managerial checks, checks on compliance with regulations, and risk assessment;
- r) analysis of the internal auditors' reports and internal analysts' main observations, the Management Board responses to these observations; checking the internal auditors' level of independence and giving opinions on the Management Board's plans regarding the employment and dismissal of the Chairman of the internal audit department;
- s) annual review of the internal audit schedule, internal and external auditors work coordination, and inspection of the internal auditors' work conditions;
- t) cooperation with the Company's departments, responsible for audit and checking, as well as periodic assessment of their work;

u) consideration of any other matters regarding the Company's audit, highlighted by the committee or the Supervisory Board;

w) informing of the Supervisory Board of any significant issues regarding the activities of the Audit Committee;

z) periodic evaluation of significant transactions concluded with related entities and preparation of evaluation recommendations for the Supervisory Board.

2. Audit Committee meetings shall 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 implementation of the corporate governance principles,

b) providing Supervisory Board recommendations regarding implementation of the corporate governance principles,

c) providing opinions on standard documentation regarding the corporate governance principles,

d) assessing reports on adherence to the rules of corporate governance prepared for the Warsaw Stock Exchange as well as those on adherence to good practices, as referred to in art. 7 item 3 on the principles of state property management,

e) providing an opinion regarding the proposals on amendments to the Company's corporate regulations; prepare propositions for such amendments regarding the Supervisory Board's own documents,

f) monitoring the compliance of the Company's management with law and regulations, in particular with the 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 planned investments and disinvestments of significant impact on the Company. In particular, the Committee's tasks are as follows:

a) assessing the influence of planned and introduced investments and disinvestments on the Company's assets,

b) assessing actions, agreements, letters of intent and other documents regarding activities aimed at the purchase, sale, encumber or any other dispensations of the Company's significant assets,

c) giving opinions on any strategic documentation submitted to the Supervisory Board by the Management Board,

d) giving opinions on the Company's strategy, including long-term financial plans.

§ 18

The role of Nomination and Remuneration Committee is to provide support in achieving the Company's strategic goals by providing the Supervisory Board with opinions and conclusions regarding the shape of the management structure, including organisational matters, issues on remuneration policy and selection of personnel matching the qualifications necessary to build the Company's success. In particular, the Committee's tasks are as follows:

- a) initiating and giving opinions on solutions regarding the nomination (election) system of the Management Board members,
- b) giving opinions on submitted by the Management Board solutions regarding the Company's management system, aiming at ensuring effectiveness, cohesion and safety of management of the Company,
- c) periodic reviewing and giving recommendations on setting rules for the incentive scheme for the Management Board members and senior management, in compliance with the Company's interests,
- d) periodic reviewing of the remuneration system of the Management Board members and senior management reporting directly to the Management Board members, including managerial contracts and incentives schemes; submitting to the Supervisory Board suggestions on policy concerning managerial contracts and incentives schemes in the context of execution of the Company's strategic goals,
- e) presenting to the Supervisory Board opinions regarding justifications for granting pay against implementation of the Company's particular assignments and objectives,
- f) assessing the Company's human resources management system;
- g) giving an opinion on the remuneration report presenting a comprehensive review of remuneration, including all benefits, regardless of their form, received by individual members of the Management Board and Supervisory Board or due 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 corporate Governance Committee is to support achievement of the Company's strategic objectives by considering social, ethical and environmental issues in the Company's operations and in contacts with stakeholders (including employees, customers, shareholders, local communities).

§ 20

In particular the tasks of the committee for Corporate Social Responsibility are as follows:

- a) supervising the implementation of the Corporate Social Responsibility strategy by the Company;
- b) monitoring management of the Company in terms of compliance with the requirements of the PKN ORLEN S.A. Values and Principles of Conduct;

- c) periodic assessment of the Company's activities in the field of CSR;
- d) adopting an annual report summarizing CSR activities completed by the Company.

IV. CONVOCACTION OF MEETINGS OF THE SUPERVISORY BOARD, CONDUCTING ITS PROCEEDINGS, AND ADOPTING RESOLUTIONS

§ 21

1. The Supervisory Board meetings are convened by the Chairman of the Supervisory Board. In case of his absence or incapability to perform his/her duties due to any other reason the meetings are convened by the Vice-Chairman of the Supervisory Board on his or her own initiative or on a request made by the authorized persons. The meetings shall be convened as the need arises, however, no less than once every two months.

2. In case neither the Chairman nor the Vice-Chairman of the Supervisory Board are capable of convening the meeting of the Supervisory Board due to his/her absence or for any other reason causing incapability to perform their duties, the meeting can be convened by the Secretary of the Supervisory Board.

§ 22

1. The following are authorised to request convocation of a Supervisory Board meeting: a shareholder or shareholders representing at least one tenth of the initial capital, a member of the Supervisory Board, the Management Board upon its prior resolution. A request to convene a meeting of the Supervisory Board shall be submitted in writing to the Chairman of the Supervisory Board. The request shall specify the proposed agenda of the meeting. A person (persons or party) making a request for convocation of a meeting of the Supervisory Board shall attach to the request justifications and any documentation (materials) regarding matters specified in the agenda to the extent justified by the content of the proposed agenda.

2. A meeting of the Supervisory Board shall be convened within two weeks after the receipt of the request and shall be held not later than within three weeks from the day of receipt of such request.

3. In case the Chairman of the Supervisory Board (or Vice-Chairman or Secretary of the Supervisory Board under circumstances specified in § 8 item 7 .1 of the Company's Articles of Association) does not convene the meeting in accordance with item 1, the person making the request is entitled to convene the meeting following the provisions of § 23 at seq. of these Rules of Procedure.

§ 23

1. A written notification of convocation a meeting of the Supervisory Board shall 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 2 days before the date of the meeting. Members may also be notified in writing via fax, courier or email, or by another means, in a timely manner as referred to in the previous sentence. Notifications shall be sent in the manner and to the address previously indicated in writing by the members of the Supervisory Board.

2. The notification shall specify the agenda of the Supervisory Board meeting, its venue, date and anticipated time of its starting and closing.

3. It is not necessary to send notifications of a consecutive meeting of the Supervisory Board if all members of the Supervisory Board are present at the meeting and all of them agree to convene the next meeting setting its agenda, date and time.

4. In justified situations, the documentation may be sent later. However it should be provided early enough to allow the Supervisory Board members to become acquainted with it before the meeting.

5. Submission by the Management Board to the Supervisory Board meeting of any motions requires a relevant 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 their recalling, responsibilities or remuneration are discussed.

2. The Chairman of the Supervisory Board may, on his own initiative or on the request of Management Board or Supervisory Board members, invite other persons to take part in Supervisory Board meetings, in particular the Company's 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 the meeting being held, as well as agree on the agenda of the meeting. In cases where on the day before prior to an informally convened Supervisory Board meeting taking place the entitled party makes a request to convene a meeting, the agenda of the meeting may include matters proposed in the agenda submitted by the party only if all members of the Supervisory Board agree. Otherwise, the Supervisory Board meeting regarding the agenda proposed in the request shall be convened separately following provisions of § 21 of these Rules of Procedure.

§ 26

1. The Supervisory Board meetings shall take place in the Company's headquarters or any other place named by the Chairman of the Supervisory Board or other person entitled to convene a meeting

according to these Rules of Procedure. Supervisory Board meetings that take place outside of Poland are subject to prior consent of the Supervisory Board.

1a. Members of the Supervisory Board can attend the meeting using direct remote communication facilities, 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 thereof 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 invited. A resolution of the Supervisory Board is also valid in the case of its adoption outside the meeting, in writing or by using means of remote communication, provided that all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board have participated in its adoption.

3. With the restriction to the provisions of item 4 of this paragraph, the resolutions of the Supervisory Board shall be adopted by an absolute majority of votes cast, in the presence of at least half of the members of the Supervisory Board, while votes cast mean votes "for", "against" and "abstain".

4. In order to recall or suspend an individual or all members of the Management Board during their term of office, at least two-thirds of all members of the Supervisory Board need to vote "for" the resolution.

5. Members of the Supervisory Board may take part in passing Supervisory Board resolutions in casting a written vote through another member of the Supervisory Board. Votes cast in writing through another member of the Supervisory Board should not concern matters added to the meeting's agenda during the Supervisory Board meeting.

6. The Supervisory Board shall select the entity acting as the authorised auditor after taking into account the Audit Committee's recommendations.

7. Adopting resolutions on the matters indicated below:

a) any consideration provided by the Company or any entities linked to the Company, within the meaning of the Company's Articles of Association, to members of the Management Board,

b) consent to the execution by the Company or its subsidiary of any key agreement with the entity associated with the Company in the meaning specified in the Company's Articles of Association, with a member of the Supervisory Board or Management Board and with their associated entities,

c) selection of the authorised auditor to audit the financial statement of the Company,

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

§ 26a

1. The Supervisory Board may adopt resolutions:

a) at a meeting:

i) when all its members participating in the meeting are physically present at the place of the meeting,
or

(ii) when all or some of its members attend the meeting by means of distance communication (in which case they cast their votes through the use of a telephone link or other means making it possible to identify the 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 Supervisory Board member (e.g. by e-mail).

2. A written vote or a vote using means of direct remote communication shall be ordered by the Chairman of the Supervisory Board at the request of a Supervisory Board member or on his own initiative.

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 the address 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 adopted outside the meeting, notices 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 person indicated by him/her.

5. An order to vote on a resolution adopted 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 cast their votes. Subject to item 6 below, this deadline cannot be shorter than 3 (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 3 (three) days from the date of delivery of the order to vote on the given resolution.

7. The Chairman shall inform 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 a 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 a 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 content of the Supervisory Board's resolution, the Supervisory Board member should clearly indicate whether he votes "for" or "against" the resolution 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, the resolution in favour 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 shall be 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 a 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 in favour 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. The resolution 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 using 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 shall inform members of the number of votes cast, including the number of "for", "against" and "abstaining" votes.

§ 27

1. Supervisory Board members shall inform the remaining members of the Supervisory Board of any conflict of interest and refrain from participating in discussions and casting votes in the case of voting on a resolution on an issue in which a conflict of interest has arisen and request that this be duly noted in the minutes of the meeting. The violation of the provisions 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 or not, the matter is resolved by the Supervisory Board by way of a resolution.

3. A conflict of interest shall be understood as circumstances in which a decision made by a member of the Management Board may affect the personal interests of said member or those of his/her spouse, relatives and kinsmen of the second degree as well as persons to whom s/he is personally linked.

§ 28

Notifications of Supervisory Board meetings and minutes of the meetings should be drawn up in the Polish language. Any materials or any other documents that are subject matter of the Supervisory Board meetings should be drawn up in the Polish or English language. The Supervisory Board passes resolutions in the Polish language.

§ 29

1. The agenda of a Supervisory Board meeting is set by the person convening such a meeting and shall take into consideration the accepted work schedule of the Supervisory Board as well as requests to convene a meeting and to include specific matters in the agenda.

2. After having convened the meeting, the person responsible may notify the Supervisory Board members of a change in the agenda of the meeting by way of notification sent at least seven days, and in urgent matters no later than 2 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 the proposals specified in the requests to convene the meeting.

3. The agenda of the Supervisory Board meeting specified in the notifications of convocation of the meeting shall not be amended during the meeting which it concerns.

4. Adoption of resolutions in the manner set forth in item 3 above shall not apply if all members of the Supervisory Board participate in the meeting and all of them agree to the proposed amendment.

5. No resolutions may be adopted on matters not included in the agenda.

6. Due to significant reasons the Chairman of the Supervisory Board may change the sequence of the items to be discussed by the Supervisory Board, however, this shall not be treated as an amendment to the agenda of the meeting.

§ 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 the other Board members present, chairs the meeting, gives the floor, orders a vote, announces its results and closes the meeting. The person chairing the meeting shall aim to reach unanimity among the members of the Supervisory Board in matters under discussion.

§ 31

Supervisory Board resolutions are adopted by open ballot. The Supervisory Board May resolve to vote by secret ballot at the request of any Supervisory Board member, provided that this shall be technically possible.

§ 32

1. Supervisory Board meetings are recorded in the minutes. The minutes shall contain the date and time of the meeting, its agenda, full names of the Supervisory Board members and other persons attending the meeting, contents of the adopted resolutions, and the results of voting, manner of voting, any reservations and objections raised by the Supervisory Board members as well as describing concisely the course of the meeting. The minutes shall acknowledge that the Supervisory Board, due to the correctness of the convocation of the meeting and the presence of the required number of members, has the capacity thereof to take place and adopt resolutions. Resolutions passed during the meeting are attached to the minutes as specified in § 26b and § 26c item 1 of these Rules of Procedure.

2. After having adopted each resolution, during the meeting, the Chairman of the Supervisory Board firstly orders that the resolution be drawn up in writing and then it is signed by all members of the Supervisory Board. Any member of the Supervisory Board voting "against" the resolution is entitled to sign the resolution indicating his 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 during which they have been adopted.

3. The meeting of the Supervisory Board shall be recorded by the person taking the minutes or audio-recorded. The person taking the minutes shall be an employee of the Supervisory Board Team or any other person named 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 the minute taker shall be present or not.

4. The recording of the meeting shall be used to draw up the draft of the minutes of the Supervisory Board meeting. The recording may be made available to each of the Supervisory Board members, however, neither of them has the right to make a copy thereof. Members of the Supervisory Board are entitled to request that their comments be included in the minutes of the meeting.

5. The draft of the minutes shall be sent to the Supervisory Board members as well as to former Supervisory Board members taking part in the relevant meeting.

6. The agenda of the consecutive meeting of the Supervisory Board shall contain an item regarding discussion of the draft minutes of the previous meeting. Supervisory Board members who will not be present at the meeting at which the minutes of the previous meeting shall be discussed may submit their remarks on the minutes in writing to the Secretary of the Supervisory Board. Such remarks shall at the latest be submitted by the opening of the meeting at which the minutes shall be discussed.

7. While discussing the draft of the minutes, the Secretary of the Supervisory Board shall present the remarks submitted by the absent members of the Supervisory Board. If neither of the Supervisory Board

members taking part in this meeting attended the previous meeting, the draft of the minutes shall not be discussed.

8. The minutes shall be signed by members of the Supervisory Board who attended the meeting. The members who were not present at the meeting shall be obliged to become acquainted with its contents and confirm this fact by signing the minutes and including the following remark "I have become acquainted with the contents of these minutes".

9. The employees of the Supervisory Board Office shall erase the recording of the meeting after having the minutes signed by a member of the Supervisory Board Team. The sound carrier shall be destroyed. In special cases, where it is justified by the interest of the Company, the Supervisory Board may make a decision to store the recording of a particular meeting for a longer time.

10. With the help of the Supervisory Board Office, the Supervisory Board shall keep a book of minutes and a book of Supervisory Board resolutions. The book of minutes and the book of Supervisory Board resolutions are stored on Company premises, in the Supervisory Board Team's office.

11. The following persons have access to the book of minutes and the book of Supervisory Board resolutions: the members of the Supervisory Board and Management Board, Deputy to the Managing Director, Director of the Management Board Office, employees of the Supervisory Board Team and other persons authorised by law regulations. Other persons not mentioned above are granted access to the book of the minutes and the book of resolutions by the Chairman of the Supervisory Board or a person appointed by him.

V. SECRETARIAL AND ADMINISTRATIVE SERVICES TO THE SUPERVISORY BOARD

§ 33

1. Secretarial and administrative services as well as the documentation of the work of the Supervisory Board are carried out by the Supervisory Board Team.

2. The Supervisory Board Team's tasks include in particular:

a) drawing up the minutes of the meetings of the Supervisory Board,

b) preparing facilities in order to record the course of the Supervisory Board meeting, recording the meeting by use of sound carriers and destroying these sound carriers after the minutes have been signed by the Supervisory Board members (unless the Supervisory Board has taken a decision to store the recording for a longer period),

c) providing administrative service to the Supervisory Board in respect of keeping the book of minutes and the book of Supervisory Board resolutions as well as making it available to Supervisory Board members and other authorised persons,

d) filing the minutes, recordings and other documents related to the Supervisory Board meetings assuring their safety and confidentiality,

e) following the agenda of the convened Supervisory Board meeting – compiling and distributing to Supervisory Board members and other persons invited to attend the meeting the set of materials for the Supervisory Board meeting, respectively to the appropriate extent required,

f) notifying the Supervisory Board members and other authorised persons of Supervisory Board meetings,

g) passing on to the Management Board any materials and decisions of the Supervisory Board and its committees,

h) monitoring circulation of any materials prepared for Supervisory Board meetings and those of its committees

i) maintaining archives, including a set 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 mailing correspondence and passing it on to Supervisory Board members according to their competences,

- keeping a record of letters received and sent,

- answering telephone calls, faxes and electronic mail.

3. On the part of the Supervisory Board, the Supervisory Board Team is under the supervision of the Supervisory Board Secretary who during meetings presents to the Supervisory Board reports on the current work of the Team.

4. The Supervisory Board Team is managed by the Team Manager. The tasks of the Team Manager are in particular the following:

a) defining the job descriptions for individual employees of the Supervisory Board Team,

b) setting guidelines for the employees of the Supervisory Board Team within the scope of their responsibilities,

c) giving orders to the employees of the Supervisory Board Team.

5. The Supervisory Board Team Manager is responsible for compiling and submitting to each of the Supervisory Board member's materials for the Supervisory Board meeting together with a notification of the meeting, which are to be sent at least seven days before the convened meeting to the address provided by each member.

6. The Supervisory Board Team shall cooperate with the Company's organisational units in respect of compiling materials which are needed for Supervisory Board meetings and which are within the scope of responsibility of the Management Board.

§ 34

The Rules of Procedure of the Supervisory Board come into effect on the day of its adoption by the Supervisory Board.