

**REGULATIONS OF THE SUPERVISORY BOARD  
OF "POLIMEX-MOSTOSTAL" SA**

**CHAPTER I**

**GENERAL PROVISIONS**

**§ 1**

The Supervisory Board acts on the basis of:

- Act of 15 September 2000 of the Commercial Companies Code (Dz. U. No. 94, item 1037, as amended);
- The Company's Articles of Association ,
- Resolutions of the General Meeting ,
- these Regulations.

**CHAPTER II**

**Appointing and dismissing members Of the Supervisory Board**

**§ 2**

1. The Supervisory Board consists of 5 to 7 members.
2. The term of office of the Supervisory Board is a joint term of office and lasts for three years.
3. The mandates of members of the Supervisory Board shall expire upon the General Meeting approving the financial statements for the last full financial year of serving as a member of the Board.
4. If the mandate of a member of the Supervisory Board expires before the end of the term of office, the Management Board is obliged to convene the General Meeting to make supplementary elections, no later than three months after the expiry of the mandate.
5. Members of the Supervisory Board may be elected as members of the Supervisory Board in subsequent terms of office.
6. Members of the Supervisory Board may be dismissed by the General Meeting before the end of the term of office.
7. Before taking up their position in the Supervisory Board, the members submit a written statement on (i) compliance with the conditions referred to in art. 76 par. 1 - 3 of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision, and (ii) compliance with the independence criteria resulting from the corporate governance rules applicable on the regulated market in the territory of the Republic of Poland, on which shares of the Company are listed.

**CHAPTER III**

**ORGANIZATION OF THE WORK OF THE SUPERVISORY BOARD**

**§ 3**

1. The Supervisory Board operates based on the Regulations, which are determined and which is then approved by the General Meeting.
2. The Supervisory Board elects the Chairperson and Vice-Chairperson and the Secretary of the Board from their group.

3. Members of the Supervisory Board perform their rights and duties in person.
4. Meetings of the Supervisory Board are held at least once a quarter.
5. The meeting of the Supervisory Board is convened by the Chairperson and in his absence by the Vice-Chairperson.
6. Regardless of the meetings referred to in point 3, the Chairperson of the Board or the Vice-Chairperson convenes a meeting of the Supervisory Board at a written request of the Management Board or a member of the Supervisory Board, in which the proposed agenda of the meeting will be given. Such meeting should take place within two weeks from the date of receipt of the request.
7. Meetings of the Supervisory Board, with the exception of matters which directly concern the Management Board or its members, in particular: dismissal, responsibility and remuneration for members of the Management Board, should be available and open to members of the Management Board.

#### **§ 4**

1. Notifications of the meeting being convened shall be sent to the members of the Supervisory Board by registered mail, courier mail, forwarded with acknowledgement of receipt or sent electronically (via e-mail) to the address of the in-box indicated by the member of the Supervisory Board, at least 7 days before the meeting.
2. The notice of the date of the meeting should include the agenda and materials regarding matters included in the agenda should be provided.
3. In urgent cases, the Chairman or Vice-Chairman may order a different manner and date of notifying the members of the Supervisory Board of the date of the meeting.

#### **§ 5**

1. Only matters covered by the agenda should be considered at meetings of the Supervisory Board.
2. Adopting a resolution on matters not included in the agenda is not admissible unless all members of the Supervisory Board participate in the meeting and none of the members of the Supervisory Board raises an objection to adopting a resolution.
3. It is allowed to take necessary actions on matters not covered by the agenda in order to protect the Company from damage as well as adopt a resolution, the subject of which is to assess whether there is a conflict of interest between a member of the Supervisory Board and the Company.

#### **§ 6**

The meeting of the Supervisory Board is conducted by the Chairperson. In the event of his/her absence, the meeting of the Supervisory Board is conducted by the Vice-Chairperson or a member of the Supervisory Board elected from the present members.

#### **§ 7**

1. For the validity of resolutions of the Supervisory Board, at least half of its members are required and all its members should be invited to the meeting.
2. Resolutions are passed by a simple majority of votes of members participating in the meeting, and in case of an equal distribution of votes, the vote of the Chairperson prevails.
3. Without the consent of the majority of Independent Members of the Supervisory Board, no resolutions

should be adopted regarding:

- a) benefits from any title by the Company and any entities related to the Company in favour of members of the Management Board,
  - b) consent to the conclusion by the Company or its subsidiary of a material agreement with an entity related to the Company, a member of the Supervisory Board or the Management Board and entities associated with them,
  - c) selection of an auditor to audit the Company's financial statements.
4. A material agreement within the meaning of paragraph 7 point 3b is understood as a contract whose value exceeds 10% of the Company's equity and its scope goes beyond the basic scope of the Company's operations.
  5. Voting at the meetings of the Supervisory Board takes place in an open manner, but in justified cases a secret vote may be adopted. Secret vote shall be organised in personal matters.
  6. The Supervisory Board may adopt resolutions outside the meeting. Such a resolution is valid when all members of the Supervisory Board have been notified of the content of the draft resolution. Outside the meeting, the Supervisory Board may adopt resolutions in writing or using means of direct remote communication, subject to art. 388 § 4 of the Code of Commercial Companies. The Chairperson decides about the use of a particular voting procedure in a given case, who also organizes voting in the chosen mode.
  7. Members of the Supervisory Board may participate in adopting resolutions by casting their votes in writing through another member of the Board. Casting a vote in writing may not apply to matters introduced to the agenda during the meeting of the Supervisory Board.
  8. A member of the Supervisory Board should inform the remaining members of the Board and refrain from taking part in the discussion and voting on the adoption of a resolution in a case in which a conflict of interests arose between him and the Company.

#### **§ 7a**

1. The Supervisory Board adopts resolutions:
  - a) at the meeting;
  - b) in writing;
  - c) on line - by means of direct remote communication methods.
2. By voting at the meeting:
  - a) A Member of the Supervisory Board casts his/her vote in person by raising his or her hand or in another manner agreed during the meeting.
  - b) A Member of the Supervisory Board may cast a vote in writing through another member of the Supervisory Board. Such a vote is forwarded to the chairperson of the Supervisory Board meeting during the voting and attached to the minutes. Casting a vote in writing may not apply to matters introduced to the agenda during the meeting of the Supervisory Board.
  - c) A report shall be drawn up with the voting carried out, which shall be at the same time the minutes of the meeting.
3. By voting in the written mode:
  - a) A Member of the Supervisory Board receives by e-mail the necessary documents, including circulation voting cards.

- b) A member of the Supervisory Board casts his vote on the ballot card by marking his vote and sends back the completed ballot card by courier to the address indicated by the Chairperson.
  - c) Voting shall be deemed completed and, in the event of a resolution being passed, a resolution adopted on the expiry of the deadline designated for casting votes or respectively the date of receipt by the Chairperson of all copies of the resolution signed by the Members of the Supervisory Board participating in the voting, whichever is earlier.
  - d) The Management Board is responsible for organizing courier shipments.
  - e) A report shall be drawn up with the vote, which shall be signed by the Chairperson.
4. By voting in the on-line mode:
- a) Voting may take place by means of:
    - (i) e-mail.
    - (ii) telephone;
    - (iii) video-conference;
    - (iv) teleconference;
    - (v) Internet messengers.
  - b) The President is responsible for the selection of the on-line voting method, which takes into account the technical capabilities of the Company.
  - c) Under the company's technical capabilities, on-line voting is allowed by a member of the Supervisory Board who can not participate in person in the Supervisory Board
  - d) A report shall be made of the voting, which may at the same time be a record of a meeting of the Supervisory Board, if some of the Members of the Supervisory Board cast their vote on-line during the meeting of the Supervisory Board.
  - e) Adopting resolutions by means of e-mail and messengers is carried out in such a way that:
    - (i) each Member of the Supervisory Board receives, from the organizer of the voting in this mode, a draft resolution with instructions containing in particular the closing date of the vote,
    - (ii) Members of the Supervisory Board return (in response to an e-mail or message) by voting on the resolution, referring to the subject of the resolution that the vote concerns and entering in the message information whether they vote "for" the proposed resolution, whether "against" or abstain from voting,
    - (iii) A member of the Supervisory Board who did not cast votes on time is considered to be abstaining from the vote.
    - (iv) after counting the votes, a report on the adoption of the resolution is made, with the annotation that the voting was made using e-mail or messenger. The minutes together with the statements of the Supervisory Board members' statements regarding voting are included in the book of minutes. The minutes report is signed by the Chairperson
  - f) Adopting resolutions by the Supervisory Board using telephone, teleconferencing or videoconferencing is carried out in such a way that:
    - (i) a draft resolution prepared in writing is read out by the organizer of voting in this mode to all members of the Supervisory Board,
    - (ii) each Member of the Supervisory Board, after reading the draft resolution to him, declares whether he votes "for" the proposed resolution, "against" or "abstains",

- (iii) A member of the Supervisory Board who did not cast votes is considered to be abstaining from the vote.
- (iv) after counting the votes, a report, with the annotation that the voting was made using telephone, teleconferencing or video-conferencing. This report is included in the book of minutes. The minutes report is signed by the Chairperson.
- g) Resolutions adopted through means of direct remote communication become effective upon their adoption, unless something else results from the content of the resolution.

## **§ 8**

1. A minutes report is prepared for each meeting of the Supervisory Board, which should contain:
  - a) date of the meeting,
  - b) list of members of the Supervisory Board and other persons participating in the meeting,
  - c) the agenda,
  - d) the results of the voting and the objections raised to the resolutions or reports submitted by individual members of the Supervisory Board.
2. The resolutions adopted constitute an integral part of each minutes report.
3. The members of the Supervisory Board, to the forwarded 7 days before the next meeting of the Supervisory Board of the draft minutes, may submit comments 2 days before the date of the meeting, which in the event of not taking the request of a member of the Board into account will be recorded in the report as objections to the minutes.
4. The minutes are signed by all members of the Supervisory Board present at its meeting.
5. Resolutions of the Supervisory Board, sequentially numbered, are grouped into a separate collection of Supervisory Board Resolutions. Copies of resolutions are delivered to the Management Board within the time limits enabling them to fulfil the information obligations resulting from the public character of the Company.

## **§ 9**

1. The Committees operate in the structure of the Supervisory Board, in particular the Audit Committee, the Remuneration Committee and the Committee for Development Strategy. The committees act in accordance with the provisions set out in these Regulations and in the resolutions of the Supervisory Board.
2. The structure of the Supervisory Board may also operate in teams appointed by the Supervisory Board for one-off or temporary actions.
3. Teams for one-time or temporary activities established in the structure of the Supervisory Board operate on the basis of resolutions of the Supervisory Board specifying the mode and time range of appointment and the scope of competence.
4. As part of the Company, there is an Advisory Group on the Development Plan that performs an advisory function for the Supervisory Board. The members of the Development Plan Team and the recommended level of remuneration of its members are recommended by the Supervisory Board in the form of a resolution which is submitted to the Management Board. Members of the Development Plan Team are required to enter into appropriate confidentiality agreements with the Company, regardless of the fact that they have been with the Company in any other legal relationship.

## CHAPTER IV

### COMPETENCES OF THE SUPERVISORY BOARD

#### § 10

The Supervisory Board is obliged to exercise permanent supervision over the Company's operations in all areas of its operations.

#### § 11

1. The duties of the Supervisory Board include:

- a) assessment of the Management Board's report on the Company's activities and financial statements for the previous financial year in terms of their compliance with the books and documents, as well as the factual state of affairs and the Management Board's proposals regarding the distribution of profit and loss coverage,
- b) submitting to the General Meeting an annual written report on the results of the assessment of reports and motions referred to in item 1,
- c) concluding contracts of employment with members of the Management Board and exercising on them - on behalf of the Company - rights resulting from the employment relationship, including setting the rules for remunerating Management Board members,
- d) suspension for important reasons in the activities of individual or all members of the Board,
- e) delegating members of the Supervisory Board to temporarily perform the duties of Management Board members who are unable to perform their duties,
- f) supervising the implementation of the resolution of the General Meeting,
- g) issuing opinions on draft amendments to the Articles of Association of the Company,
- h) expressing consent to the creation or accession by the Company to another company, including the acquisition by the Company of shares, certificates or other rights or participation units in another company or other entity, including a foundation or association or the formation of another company or other company by the Company an entity, including a foundation or association,
- i) performing other activities indicated by the General Meeting provided for by law or the Company's Articles of Association, selection of statutory auditors to audit the annual financial statements of the Company,
- j) determination of a uniform text of the Company's Articles of Association, if it has not been determined by the General Meeting;
- k) expressing consent for the purchase and sale of real estate, perpetual usufruct or a share in real estate of the value exceeding 1/ 3 of the share capital of the Company,
- l) approving the regulations regarding the use of the Company's reserve funds,
- m) approving the Company's annual financial plans and any deviations from them,
- n) approving the Regulations of the Board and its changes,
- o) giving consent to the sale of the Company's own shares and determining the conditions under which the sale of own shares may be made,
- p) giving consent to the creation or dissolution of branches, approval of the organizational regulations of the Company.

## § 11a

1. The following activities and decisions made on behalf of the Company require the consent of the Supervisory Board:
  - a) approval and change of the restructuring plan or budget, if preparation of such a restructuring plan or budget is required on the basis of a contract to which the Company is a party,
  - b) exercise its right or incurring liabilities under one or more related legal transactions with the same entity with a total value exceeding PLN 40,000,000 during the financial year, other than confirmation of work performance, in particular in the form of acceptance of acceptance protocols, subject to pt. d.
  - c) performing another legal act such as a significant change, termination, termination or withdrawal from a civil law contract, provided that the total value of such activities with the same entity exceeds PLN 40,000,000 during the financial year, subject to pt. d.
  - d) subsequent legal transactions with the same entity, exceeding the amount referred to in point b. and c. above, if the value of a single activity exceeds PLN 1,000,000,
  - e) purchase, sale or any management of the Company's assets (including lending, debiting, etc.) with a value exceeding PLN 40,000,000 for one or more related legal transactions during the financial year,
  - f) acquisition indirectly or directly by the Company of another entity, enterprise or organized significant part of such enterprise,
  - g) conclusion, significant change (ie in terms of increasing the amount of involvement, extension of the period of validity or extension required by the Company to provide security), termination, cancellation or termination of the loan, credit, guarantee or other form of indebtedness (including agreements for the line for these instruments) financial security), granting any security, surety, guarantee, issuing a promissory note, excluding activities carried out under previously concluded loan agreements, loans, guarantees or other forms of indebtedness (including line agreements on these financial instruments) in the period of their validity and up to the exposure limits specified in these agreements or other activities undertaken in the normal course of business, whose unit value does not exceed PLN 10,000,000 once or PLN 40,000,000 in total during the financial year,
  - h) waiving claims totalling over PLN 10,000,000 or changing conditions for the repayment of any claims with a total value exceeding PLN 40,000,000 during the financial year,
  - i) conclusion of a settlement in court, out-of-court or arbitration proceedings with a value of the subject of the dispute exceeding PLN 10,000,000,
  - j) concluding a donation, sponsorship agreement or performing an activity with a similar effect, provided that the value of such a contract or activity exceeds PLN 1,000,000,
  - k) encumbering the Company's shares or any shares, shares or shareholding rights in the Company's subsidiaries or direct or indirect disposal of any shares, stocks or participation rights of the Company's subsidiaries,
  - l) exercising voting rights attached to shares / shareholders at general meetings (or other equivalent bodies), in subsidiaries of the Company, if the voting concerns any of the matters listed in this paragraph,
  - m) taking up a new investment, the value of which exceeds PLN 10,000,000,
  - n) each transaction with a subsidiary performed in connection with the execution of contracts regarding the core business of the Company specified in § 7 p. 6-20 and 42-50 of the Articles of Association of the Company, the value of which exceeds PLN 20,000,000 within one or more related legal transactions during the financial year, other than confirmation of work, in particular in the form of acceptance of acceptance protocols, subject to point o,

- o) subsequent legal transactions with the same entity, exceeding the amount referred to in point n. above, if the value of a single activity exceeds PLN 1,500,000,
  - p) each transaction with a subsidiary in a separately unregulated area, the value of which exceeds PLN 2,500,000 within one or more related legal transactions during the financial year,
2. The expression "subsidiary" used in point 1 of this paragraph, means a subsidiary within the meaning of the Act of 29 July 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies.

#### **§ 12**

1. The Supervisory Board may express opinions on all matters of the Company and apply to the Management Board with motions and initiatives. The Management Board, within 14 days from the date of receipt of the request, opinion or initiative of the Supervisory Board, is obliged to notify the Supervisory Board of the position taken regarding the opinion, motion or initiative of the Supervisory Board.
2. The Supervisory Board is entitled, in exercising the right and supervision activities, to demand and receive all documents of the Company along with their photocopies and official duplicates. The requested documents or information should be made available to the Supervisory Board immediately, however not later than within 14 days from the date of such request being submitted by the Supervisory Board. The Management Board is obliged to cooperate and ensure cooperation between the employees and associates of the Company with members of the Supervisory Board performing supervisory activities, and in particular is obliged to:
- a) provide at the Company's headquarters with the permanent availability of all Company documents and the ability to exercise supervisory powers as set out in these Articles of Association;
  - b) ensure that secretarial activities, photocopies and providing official duplicates of documentation for the Supervisory Board and its members at the Company's expense
  - c) cooperate and ensure for the supervision by the Supervisory Board, acting through the members of the Supervisory Board, the availability of all facilities and premises as well as the Company's facilities and offices, and the possibility of contacting all employees and associates of the Company;
  - d) ensure, to the extent permitted by law and under relevant agreements with subsidiaries, the possibility of accessing and obtaining all documents of subsidiaries, as per the Company's documents and information, including the time required to provide these documents.
3. If the performance of duties by the Supervisory Board requires special knowledge or qualifications, the Supervisory Board may, at the Company's expense, consult experts or experts.

#### **§ 13**

1. The Supervisory Board performs its duties collectively, but it may delegate its members to independent or collective performance of specific supervisory activities.
2. A Member of the Supervisory Board delegated by a group of shareholders to permanently exercise supervision should submit to the Supervisory Board a detailed report on the function performed.

#### **§ 14**

The Supervisory Board has the right to convene an Ordinary General Meeting if the Management Board did not do so within the time set out in the Articles of Association and the Extraordinary General Meeting, if it deems



it advisable and the Management Board did not do so within 14 days of the written application filed by the Supervisory Board.

#### **§ 15**

1. In the case of a one-person Management Board, the Supervisory Board elects the President of the Management Board, and in the case of a multi-person Management Board, the President of the Management Board, Vice-Presidents and other Members of the Management Board. The selection of Vice-Presidents and Members of the Management Board is performed by the Supervisory Board after consulting the President of the Management Board.
2. The structure and competences of the Management Board and its Members are appointed by the Supervisory Board by way of a resolution.
3. In contracts between the Company and Members of the Management Board and in disputes with them the Company is represented by the Supervisory Board if a proxy has not been established by resolution of the General Meeting.
4. The Supervisory Board may appoint from among its members, by way of a resolution, a member of the Supervisory Board to sign an agreement with a member of the Management Board.

### **CHAPTER V**

#### **COMMITTEES OF THE SUPERVISORY BOARD**

#### **§ 16**

The Committee is an advisory and opinion forming body acting collectively within the structure of the Supervisory Board.

#### **§ 17**

1. Standing committees in the Company are the Audit Committee, the Remuneration Committee, the Development Strategy Committee ("the Committee").
2. Committees are appointed by the Supervisory Board only from among its members.
3. The ad hoc committee is appointed by the Supervisory Board from among its members.
4. Regulations of the ad hoc committee are determined by the Supervisory Board in the form of a resolution.
5. The Committee elects the Chairperson of the Committee from among its members.
6. The tasks of the Committee are implemented by presenting to the Supervisory Board motions, opinions and reports regarding the scope of its tasks, in the form of resolutions adopted by the Committee.
7. The Committee is entitled to submit motions to the Supervisory Board for adoption by the Supervisory Board of a resolution regarding the development of expert opinions or opinions for the Committee's needs regarding the scope of the Committee's tasks or the employment of an adviser.
8. The Committee is obliged to submit to the Supervisory Board an annual report on its activities.

## **§ 18**

Committee meetings should be held when necessary.

1. A committee may take decisions using the means of direct remote communication. In this respect, provisions regarding the Supervisory Board shall apply accordingly.
2. The Committee's work is managed by the Committee Chairperson. He/She also supervises the preparation of the agenda, making decisions using the means of direct remote communication, organizing the distribution of documents and preparing minutes of Committee meetings.
3. Meetings of the Committee are convened by the Chairperson of the Committee, who invites Committee members to the meeting and notifies all other members of the Supervisory Board about the meeting. All members of the Supervisory Board have the right to participate in the Committee's meetings.
4. Notification of convening a meeting should be submitted to the Committee members and other members of the Supervisory Board no later than 7 days before the Committee meeting, and in urgent cases no later than one day before the Committee meeting.
5. The Chairman of the Committee may invite members of the Management Board to the Committee meetings and, in agreement with the President of the Management Board, other Company employees as well as outsiders whose participation in the meeting is useful for the implementation of the Committee's tasks.
6. Resolutions of the Committee are adopted by a simple majority of votes. In case of equal number of votes, the vote of the Chairperson of the Board prevails. For a resolution to be valid, a minimum of two Committee members, including the Chairperson, must attend the Committee meeting.
7. Members of the Committee may participate in adopting resolutions by casting their votes in writing through another member of the Committee. Casting a vote in writing may not apply to matters introduced to the agenda during the meeting of the Committee.
8. A member of the Committee should inform the remaining members of the Committee and refrain from taking part in the discussion and voting on the adoption of a resolution in a case in which a conflict of interests arose between him and the Company.
9. The committee acts collectively. All motions require resolutions of the Committee.
10. The Committee is serviced in the organizational and technical scope by the Company.

## **AUDIT COMMITTEE**

### **§ 19**

1. The Audit Committee consists of at least three members. The majority of the Audit Committee members, including its chairperson, meet the independence criteria set out in the Act of 11 May 2017 on statutory auditors, audit firms and public supervision. At least one member of the Audit Committee has knowledge and skills: (i) in the field of accounting or auditing of financial statements, (ii) in the industry in which the Company operates.
2. The main task of the Audit Committee is to advise the Supervisory Board on issues of proper implementation and control of financial reporting processes in the Company, the effectiveness of internal control and risk management systems, and cooperation with statutory auditors. In particular, the tasks of the Audit Committee include:
  - a) monitoring the financial reporting process,
  - b) submitting recommendations to the Company's authorities to ensure the integrity of this process in the Company;

- c) monitoring the effectiveness and periodic review of the Company's internal control system and risk management and internal audit systems, including financial reporting and compliance with applicable regulations;
- d) monitoring the performance of financial audit activities, in particular conducting an audit by the audit firm, including all applications and findings of the Audit Oversight Commission resulting from audits carried out in the audit firm;
- e) controlling and monitoring the independence of the statutory auditor and the audit firm, in particular when other auditing services are provided to the Company by the audit firm.
- f) informing the Supervisory Board or other supervisory or control body of the Company about the results of the audit and explaining how this research contributed to the reliability of financial reporting in the Company and what was the role of the Audit Committee in the audit process,
- g) assessing the independence of the auditor and consenting to the provision of permitted non-audit services in the Company,
- h) developing a policy and procedure for selecting an audit firm to conduct a study, presenting recommendations to the Supervisory Board as to the selection and remuneration of the Company's auditors;
- i) development of the policy of the audit firm conducting the audit by entities related to this auditing company and by the member of the auditing company's network of permitted non-audit services,
- j) presenting recommendations to the Supervisory Board or another supervisory or control body or authority approving the financial report regarding the establishment of an audit firm in accordance with the policies referred to in points. l) and m);
- k) discussing with the auditors company the nature and scope of the annual audit and reviews of periodic financial statements;
- l) a review of periodic and annual financial statements audited by the Company's auditors with a focus on, in particular: (i) any changes in accounting standards, policies and practices;  
(ii) the main areas to be examined; (iii) significant adjustments resulting from the audit; (iv) statements on going concern; (v) compliance with applicable accounting and reporting regulations; (vi) analysis of letters to the Management Board drawn up by the Company's auditor, independence and objectivity of the audit performed by it, and the Management Board's replies;
- m) issuing opinions on the internal audit plan of the Company and internal audit regulations, and changes in the position of the internal audit director;
- n) cooperation with organizational units of the Company responsible for audit and control and periodic evaluation of their work;
- o) analysis of internal auditors' reports and main observations of other internal analysts as well as the Management Board's response to these observations;
- p) periodic review of the monitoring system in the financial scope of companies from the Capital Group
- q) informing the Supervisory Board about all important matters regarding the Committee's activities;
- r) other tasks ordered by the Supervisory Board.

The Audit Committee may, without the obligation of acting through the Supervisory Board in this regard, request information, explanations and transfer of documents necessary to perform the tasks referred to above, including the Company's Management Board's submission of specific information in the areas of accounting, finances, internal control, internal audit and risk management system.

## **REMUNERATION COMMITTEE**

### **§ 20**

The main task of the Remuneration Committee is to support the Supervisory Board in the performance of control and supervisory duties, in particular:

- a) presenting to the Supervisory Board opinions on draft content of contracts related to the performance of the duties of a member of the Management Board;
- b) giving opinions on the proposals of the remuneration and bonus system for Management Board members;
- c) other tasks ordered by the Supervisory Board.

## **COMMITTEE FOR DEVELOPMENT STRATEGY**

### **§ 21**

The main task of the Committee is to support the Supervisory Board in the matters of supervision of the proper implementation of the Company's and the Company's Capital Group's strategy as well as the annual and long-term plans of the Company and the Capital Group of the Company, in particular:

- a) monitoring the implementation of the Company's strategy by the Management Board and providing opinions on the extent to which the applicable strategy meets the needs of the changing reality;
- b) monitoring the Management's implementation of the annual and long-term plans of the Company's operations and assessment of whether they require modification;
- c) assessment of the coherence of the Company's annual and long-term plans of operation with the Company's strategy pursued by the Management Board and presentation of proposals for possible changes in all these Company documents;
- d) submitting opinions to the Supervisory Board on the Company's strategy and its changes as well as the annual and long-term plans of the Company's operations presented by the Company's Management Board;
- e) other tasks ordered by the Supervisory Board.

## **CHAPTER VI**

### **FINAL PROVISIONS**

#### **§ 22**

1. A member of the Supervisory Board is obliged to notify the Company about personal, factual and organizational connections with a given shareholder of the Company. If required by the provisions, the information provided will be made public.
2. Members of the Supervisory Board as managing persons within the meaning of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (regulation on market abuse) and repealing Directive 2003/6 / EC of the European Parliament and Council and Commission Directives 2003/124 / EC, 2003/125 / EC and 2004/72 / EC ('MAR') are required to carry out information obligations within the meaning of Article 19 of the MAR, i.e. to:
  - a) to inform the Company and the Polish Financial Supervision Authority of any transaction concluded on its own account in relation to Company's shares or debt instruments or to derivative instruments

or other related financial instruments without delay (no later than 3 business days from the transaction), and

- b) to notify in writing persons closely associated with them about their obligations under the MAR, as well as to keep a copy of such notifications.
3. According to art. 3 par. 1 point 26 MAR, person closely related means: (i) a spouse or a partner who is recognized under national law as equivalent to the spouse; (ii) a dependent child in accordance with national law; (iii) a family member who remains in the same household on the day of the transaction for a period of at least one year; or (iv) a legal person, group of companies or a partnership in which the managerial responsibilities are performed by a person discharging managerial responsibilities or a person referred to in (i), (ii), or (iii) over whom such person exercises direct or indirect control which was created to benefit the person or whose economic interests are largely consistent with the interests of that person.
  4. A Member of the Supervisory Board should enable the Management Board to disclose in a public and appropriate manner information about the sale or purchase of shares in the Company or its parent company or subsidiary, as well as transactions with such companies, if they are material to their financial situation.
  5. A Member of the Supervisory Board should not resign from his/her function during the term of office, if it could prevent the functioning of the Supervisory Board, and in particular if it could prevent timely adoption of a significant resolution.
  6. Members of the Supervisory Board should participate in the General Meeting in a composition allowing for substantive answers to questions asked during the General Meeting.
  7. Taking up by a member of the Supervisory Board, delegated to permanent individual supervision, referred to in art. 390 § 3 of the Code of Commercial Companies, during his term of office additional commercial activity, dealing with competitive interests as well as participation in a competitive company as a partner in a civil law partnership, partnership or as a member of the body of a capital company or participating in another competitive legal person as a member authority (this prohibition also includes participation in a competitive capital company in the event that a Member of the Management Board holds at least 10% of shares or shares or the right to appoint at least one Member of the Management Board).

or undertaking by him other activities colliding with the obligations arising from the fact of exercising permanent individual supervision and exercising functions in the supervisory and management bodies of other entities (excluding the exercise of the above functions in Capital Group entities) requires prior authorization of the Company.

8. A Member of the Supervisory Board informs the Supervisory Board about the conflict that has arisen between his interests and the interests of the Company or about the possibility of its occurrence. A member of the Supervisory Board should refrain from taking part in the discussion and voting on the adoption of a resolution in a case in which a conflict of interests arose.

Violation of the provisions of the previous sentence does not invalidate the resolution of the Supervisory Board. In case of doubts as to the existence of a conflict of interest, the matter is decided by the Supervisory Board by way of a resolution.

9. A conflict of interest may arise in particular when:
  - a) A Member of the Supervisory Board may obtain a benefit or avoid a loss as a result of incurring a loss or not obtaining benefits by the Company;
  - b) the property interest of a Member of the Supervisory Board remains inconsistent with the property interest of the Company;
  - c) A Member of the Supervisory Board conducts the same activity as the activity carried out by the Company;

- d) A Member of the Supervisory Board receives from another entity which is or is to be a contractor to the Company a benefit in connection with a service provided to such another entity;
- e) A Member of the Supervisory Board is personally involved in business activities or other activities outside the Company in a way that prevents him/her from devoting the necessary amount of time to perform his duties for the benefit of the Company.

#### **§ 23**

1. The costs of the Supervisory Board's activities are covered by the Company.
2. Comprehensive service of the Supervisory Board in the technical and organizational scope is provided by the Management Board.

#### **§ 24**

These Regulations shall enter into force on the day they are approved by the General Meeting.

*These Regulations of the Supervisory Board of Polimex-Mostostal S.A. was adopted by Resolution No. 6 of the Extraordinary General Meeting of Shareholders of Polimex-Mostostal Spółka Akcyjna of October 17, 2017 regarding amendments to the Regulations of the Supervisory Board.*