



*Attachment to current report no. 57/2017 dated 20<sup>th</sup> October 2017*

## **Resolutions adopted by the Extraordinary General Meeting of FERRUM S.A. on 20th October 2017**

### **RESOLUTION NO. 1/2017**

**Extraordinary General Meeting of FERRUM S.A. seated in Katowice  
dated 20th October 2017**

**regarding: appointment of the Chairman of the Extraordinary General Meeting of FERRUM S.A.**

Pursuant to Art. 409 § 1 the Commercial Companies Code and Art. 28 item 28.1 of the Company's Statute, the Extraordinary General Meeting of FERRUM S.A. appoint Mrs. Martyna Goncerz-Dachowska to hold the function of the Chairman of the Extraordinary General Meeting of FERRUM S.A.

*The resolution was adopted by **secret** voting by the Shareholders holding 17.892.930 votes, whereas out of 17.892.930 shares – 17.892.930 votes were binding – that corresponds to 72.90% of shares in the company equity capital, including:*

- *Votes in favor – 17.892.930;*
- *Votes against – 0;*
- *Abstaining votes – 0;*
- *Nobody objected.*

### **RESOLUTION NO. 2/2017**

**Extraordinary General Meeting of FERRUM S.A. seated in Katowice  
dated 20th October 2017**

**regarding: adoption of the business order of the Extraordinary General Meeting of FERRUM S.A.**

The Extraordinary General Meeting of FERRUM S.A. agree to adopt the order of business as presented below:

1. Opening of the Extraordinary General Meeting.
2. Appointment of the Meeting Chairman.
3. Determination of proper convention of the Extraordinary General Meeting and its capacity to adopt resolutions.
4. Adopting the order of business.
5. Appointment of the Returning Committee.
6. Adopting resolution on the change to the Statute of FERRUM S.A. within the Audit Committee.
7. Adopting resolution on the uniform text of the Statute of FERRUM S.A.
8. Closure of the Extraordinary General Meeting of Shareholders.

*The resolution was adopted by **open** voting by the Shareholders holding 17.892.930 votes, whereas out of 17.892.930 shares – 17.892.930 votes were binding – that corresponds to 72.90% of shares in the company equity capital, including:*

- *Votes in favor – 17.892.930;*
- *Votes against – 0;*
- *Abstaining votes – 0;*
- *Nobody objected.*



**RESOLUTION NO. 3/2017**

**Extraordinary General Meeting of FERRUM S.A. seated in Katowice  
dated 20th October 2017**

**regarding: appointment of the Returning Committee of the Extraordinary General Meeting of FERRUM S.A.**

The Extraordinary General Meeting of FERRUM S.A. appoint for the Returning Committee the following persons:

- Mrs. Magdalena Wleciał;
- Mrs. Sandra Pietrowska;
- Mr. Mariusz Kulas.

*The resolution was adopted by **secret** voting by the Shareholders holding 17.892.930 votes, whereas out of 17.892.930 shares – 17.892.930 votes were binding – that corresponds to 72.90% of shares in the company equity capital, including:*

- *Votes in favor – 17.892.930;*
- *Votes against – 0;*
- *Abstaining votes – 0;*
- *Nobody objected.*

**RESOLUTION NO. 4/2017**

**Extraordinary General Meeting of FERRUM S.A. seated in Katowice  
dated 20th October 2017**

**regarding: change to the Statute of FERRUM S.A. within the Audit Committee**

Acting pursuant to Art. 430 § 1 and § 5 of the Commercial Companies Code and Art. 26 item 26.1 letter j) of the Company's Statute, the Extraordinary General Meeting of FERRUM S.A. resolves as follows:

§ 1

Decides to change the previous wording of the **Article 19 item 19.3 of the Statute of FERRUM S.A.:**

*The Supervisory Board may appoint committees to perform particular tasks. Shall the number of Supervisory Board Members exceed five, the Supervisory Board appoints at least an Audit Committee. If the number of Supervisory Board Members equals five, the Supervisory Board either appoints an Audit Committee or executes its tasks itself.*

and reword it as below:

*The Supervisory Board may appoint committees to perform particular tasks and the Supervisory Board appoints at least an Audit Committee.*

§ 2

Decides to change the previous wording of the **Article 19 item 19.4 of the Statute of FERRUM S.A.:**

*Shall an Audit Committee be appointed, at least one of its members should meet the following independence criteria:*

- a) *being qualified within accounting or financial auditing,*
- b) *not holding any of the Company's shares or shares, stocks or title deeds in any affiliated entities,*
- c) *not participating in running the Company's books or in preparing the Company's financial statement,*
- d) *not being a spouse, relative or affinity up to the second degree of a person being a member of the Company's supervisory or managing bodies and not being related to such a person by means of custody, adoption or wardship.*

and reword it as below:

*Members of the Audit Committee are appointed by the Supervisory Board from among its members.*

§ 3



Decides to add **Article 19 item 19.5 of the Statute of FERRUM S.A.** with the following wording:

*The Audit Committee comprises of at least three members and at least one member shall have the knowledge and skills within accounting or auditing of financial statements.*

§ 4

Decides to add **Article 19 item 19.6 of the Statute of FERRUM S.A.** with the following wording:

*Majority of the Audit Committee members, including the Chairperson, shall be independent from the Company. It is assumed that the Audit Committee member is independent from the Company, if he or she fulfils the criteria specified in Art. 19 item 3 of the Act on auditors, auditing companies and public oversight.*

§ 5

Decides to add **Article 19 item 19.7 of the Statute of FERRUM S.A.** with the following wording:

*The Audit Committee members must have the knowledge and skills within the Company's business. This condition is fulfilled if at least one member of the Audit Committee has the knowledge and skills within the Company's business and particular members have specified knowledge and skills within this business.*

§ 6

Decides to add **Article 19 item 19.8 of the Statute of FERRUM S.A.** with the following wording:

*The Chairperson of the Audit Committee shall be appointed by the Supervisory Board.*

§ 7

Decides to add **Article 19 item 19.9 of the Statute of FERRUM S.A.** with the following wording:

*The Audit Committee fulfils the tasks foreseen in Art. 130 of the Act on auditors, auditing companies and public oversight.*

*The resolution was adopted by **open** voting by the Shareholders holding 17.892.930 votes, whereas out of 17.892.930 shares – 17.892.930 votes were binding – that corresponds to 72.90% of shares in the company equity capital, including:*

- *Votes in favor – 17.892.930;*
- *Votes against – 0;*
- *Abstaining votes – 0;*
- *Nobody objected.*

**RESOLUTION NO. 5/2017**

**Extraordinary General Meeting of FERRUM S.A. seated in Katowice  
dated 20th October 2017**

**regarding: adopting the uniform text of the Statute of FERRUM S.A.**

Acting pursuant to Art. 430 § 1 and § 5 of the Commercial Companies Code and Art. 26 item 26.1 letter j) of the Company's Statute, the Extraordinary General Meeting of FERRUM S.A. resolves as follows:

§ 1

Decides to adopt the uniform text of the Statute of FERRUM S.A. in the following wording:



**STATUTE OF FERRUM S.A.**  
**(uniform text - including amendments introduced**  
**at Extraordinary General Meeting of Shareholders of FERRUM S.A.**  
**on 20 October 2017)**

**I. General provisions**

**Article 1**

The Company is incorporated under the business name FERRUM Spółka Akcyjna with its registered office in Katowice. The Company may use the abbreviated name FERRUM S.A. and the logo FERRUM S.A. Katowice.<sup>1</sup>

**Article 2**

The Company' registered office is in Katowice.

**Article 3**

3.1. (crossed off<sup>2</sup>)

3.2. (crossed off<sup>3</sup>)

**Article 4**

(crossed off<sup>4</sup>)

**Article 5**

5.1. The Company operates within the territory of the Republic of Poland and abroad.

5.2. The Company may establish its branches in the Republic of Poland and abroad, as well as participate in other transformations and organisational undertakings.<sup>5</sup>

**Article 6**

The Company is established in perpetuity.<sup>6</sup>

**II. The subject of the Company's business activity**

**Article 7<sup>7</sup>**

The subject of the Company's business activity includes:

1. (24.20.Z) Production of pipes, ducts, hollow sections and fittings, made of steel
2. (25.50.Z) Forging, moulding, pressing and rolling of metals; metallurgy of powders
3. (25.61.Z) Metal processing and metal coating
4. (25.99.Z) Production of other ready-made metal products not classified elsewhere

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<sup>1</sup> Resolution of Extraordinary General Meeting of Shareholders no. III/2004 of 22.12.2004

<sup>2</sup> Resolution of Ordinary General Meeting of Shareholders no. VIII/2000 of 24.05.2000

<sup>3</sup> Resolution of Ordinary General Meeting of Shareholders no. VIII/2000 of 24.05.2000

<sup>4</sup> Resolution of Ordinary General Meeting of Shareholders no. VIII/2000 of 24.05.2000

<sup>5</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>6</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>7</sup> Resolution of Extraordinary General Meeting of Shareholders no. 12/2009 of 16.11.2009

**Established in 1874**

5. (22.2) Production of products from plastic
6. (46.72.Z) Wholesale of metals and metal ore
7. (46.77.Z) Wholesale of waste and scrap
8. (35.1) Production, transmission, distribution and sale of electric energy
9. (35.30.Z) Production and supply of water vapour, hot water and air for air-conditioning systems
10. (35.2) Production of gas fuels; distribution and sale of gas fuels in network system
11. (43.2) Completing electric, water and sanitation and construction systems
12. (77.39.Z) Renting and leasing of other machines, appliances and material goods not classified elsewhere
13. (33.17.Z) Repairing and maintaining of other transportation equipment
14. (33.12.Z) Repairing and maintaining of machines
15. (49.20.Z) Railroad transport of goods
16. (49.41.Z) Road transport of goods
17. (52.10) Warehousing and storing of goods
18. (64.99.Z) Other financial service not classified elsewhere, excluding insurance and pension funds
19. (71.20.B) Other tests and technical analysis
20. (62.01.Z) Activity concerning software
21. (62.09.Z) Other activity connected with information technology
22. (68.20.Z) Renting and managing of own and leased real estate
23. (42.99.Z) Works concerning building of other land and aquatic engineering units not classified elsewhere
24. (42.2) Works concerning building of pipelines, telecommunication lines and electro-energetic lines
25. (25.11.Z) Production of metal constructions and their units
26. (24.10.Z) Production of raw spirit, alloy and steel, as well as steelwork.

**Article 7a<sup>8</sup>**

Change of the subject of the Company's business activity may take place without the obligation of shares buyout. A resolution of the General Meeting of Shareholders concerning this issue requires voting by the majority of two thirds of votes in the presence of persons representing at least half of share capital.

**III. Share capital of the Company<sup>9</sup>****Article 8**

8.1. The share capital of the Company is PLN 75 838 648.68 zloty (seventy five million eight hundred thirty-eight thousand six hundred forty-eight zloty and sixty-eight grosz) and it is divided into 24 543 252 (twenty-four million five hundred forty-three thousand two hundred fifty-two) shares of face value PLN 3,09 (three zloty and nine grosz) each, of which 4 314 000 (four million three hundred fourteen thousand) are series A shares, 3 000 000 (three million) are series B shares, 3 074 433 (three million seventy-four thousand four hundred thirty-three) are series C shares,<sup>10</sup> 1 883 193 (one million eight hundred eighty-three thousand one hundred ninety-three) are series D shares<sup>11</sup> and 12 271 626 (twelve million two hundred seventy-one thousand six hundred twenty-six) are series E shares.<sup>12</sup>

8.2. Shares issued as a result of transforming a state-owned enterprise into a joint stock company "Huta Ferrum" S.A. are denoted as series A shares, whereas shares of subsequent issues shall be denoted by subsequent letters of the alphabet.

<sup>8</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>9</sup> Resolution of Ordinary General Meeting of Shareholders no. VI/2007 of 10.05.2007

<sup>10</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVII/2003 of 23.06.2003

<sup>11</sup> Resolution of Extraordinary General Meeting of Shareholders no. I/2004 of 22.12.2004

<sup>12</sup> Resolution of Ordinary General Meeting of Shareholders no. VI/2007 of 10.05.2007



**Article 9**

All shares of the Company are ordinary bearer shares and cannot be subject to conversion into registered shares.

**Article 9a<sup>13</sup>**

1. The Company may purchase its own shares in order to redeem them.
2. Shares may be redeemed, by means of a resolution of the General Meeting of Shareholders, with a shareholder's consent (voluntary redemption) or without a shareholder's consent (compulsory redemption).
3. Redemption of shares, with the exclusion of par. 5, requires a resolution of the General Meeting of Shareholders. The resolution shall describe in particular: the legal basis of redemption, the amount of remuneration a shareholder of redeemed shares is entitled to or a justification of voluntary redemption of shares without remuneration, as well as the way of lowering the share capital.
4. Redemption of shares requires lowering of the share capital. A resolution concerning lowering of the share capital shall be adopted at the General Meeting of Shareholders, at which the resolution concerning redemption of shares was adopted.
5. The Management Board shall, with immediate effect and without convening the General Meeting of Shareholders, redeem:
  - a) shares purchased by infringing the regulations of Art. 362 § 1 or § 2 of the Commercial Companies Code, which were not disposed of within one year from the day of their purchase by the Company,
  - b) the remaining part of own shares of the Company, which is above 10% of the Company's share capital, not disposed of within two years from the date of the purchase of the shares.

**IV. The Company's corporate bodies**

**Article 10**

The Company's corporate bodies are:

- A. Management Board,
- B. Supervisory Board,
- C. General Meeting of Shareholders.

**A. MANAGEMENT BOARD**

**Article 11**

11.1. The Management Board consists of from two to five persons. The term of office of the Management Board is three years.<sup>14</sup>

11.2. Members of the Management Board are appointed for the period of joint term of office, a mandate of a Member of the Management Board who was appointed before the end of a given term of office shall expire at the same time as the mandates of other Members of the Management Board.<sup>15</sup>

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<sup>13</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>14</sup> Resolution of Ordinary General Meeting of Shareholders no. XXX/2004 of 27.05.2004



11.3. The Supervisory Board shall determine the number of Members of the Management Board.

11.4. The Supervisory Board may dismiss the President of the Management Board, a Member of the Management Board or the entire Management Board before the end of the term of office of the Management Board. A Member of the Management Board may be also dismissed or suspended in his/her activities by the General Meeting of Shareholders.<sup>16</sup>

#### **Article 12**

12.1. The Management Board manages the company and represents it externally, except for the issues reserved by this Statute or by regulations of law for other company's corporate bodies.<sup>17</sup>

12.2. Resolutions of the Management Board are adopted by an absolute majority of votes. In case of an equal number of votes, the casting vote is held by the President of the Management Board.<sup>18</sup>

12.3. The Rules of the Management Board shall set out the operations of the Management Board, as well as issues that can be delegated to its particular Members. The Rules of the Management Board are passed by the Management Board and shall be approved by the Supervisory Board.<sup>19</sup>

#### **Article 13**

Joint action of two Members of the Management Board or one Member of the Management Board together with a registered holder of a commercial power of attorney is required to make declarations of will and put signatures on behalf of the Company.

#### **Article 14**

14.1. In an agreement between the Company and a Member of the Management Board, as well as in a dispute with him/her the Company shall be represented by the Supervisory Board or by a proxy appointed by a resolution adopted by the General Meeting of Shareholders.<sup>20</sup>

14.2. Employees of the Company are subordinate to the Management Board. The Management Board enters into and dissolves employment agreements with them and determines their remuneration in accordance with the rules stipulated by valid regulations.

### **B. SUPERVISORY BOARD**

#### **Article 15<sup>21</sup>**

15.1. The Supervisory Board comprises of five to seven Members appointed by the General Meeting of Shareholders for a common three-year term of office.<sup>22</sup>

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<sup>15</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>16</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>17</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>18</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>19</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>20</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>21</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009

<sup>22</sup> Resolution of Ordinary General Meeting of Shareholders no. 22/2015 of 30.06.2015



15.2. Two Members of the Supervisory Board should meet the independence criteria. In order to be declared independent, a Member of the Supervisory Board:

- a) cannot be a person who within the last five years has been a Member of the Management Board of the Company or of an affiliated entity in the meaning of the Commercial Companies Code, or who has been a registered holder of commercial power of attorney issued by the Company or by an affiliated entity,
- b) can neither be an employee in an upper managerial position at the Company or at an affiliated entity in the meaning of the Commercial Companies Code, nor have held such a position within the last three years. An employee in an upper managerial position means a person who is a manager or director of an organisational unit of the Company or of an affiliated entity, which is directly subordinate to the Management Board of the Company or to specified Members of the Management Board of the Company or the management board of an affiliated entity,
- c) cannot receive from the Company or an entity affiliated with the Company any remuneration other than for the performance of a function on the Supervisory Board, including in particular remuneration for participating in an options program or other results-based remuneration program,
- d) cannot be a shareholder holding shares constituting 5% or more of the share capital of the Company, or a person connected in a real and significant way to such a shareholder, or a person representing such a shareholder,
- e) cannot be a person who currently maintains, or within the past year has maintained, significant business relationships with the Company or with an entity affiliated with the Company, whether directly, or as a partner, shareholder, member of the management board, registered holder of commercial power of attorney or employee in an upper managerial position of an entity maintaining such relations with the Company or with an entity affiliated with the Company,
- f) cannot be a person who is currently or has been within the last 3 years a partner or an employee of a current or former authorised entity examining financial statements of the Company,
- g) cannot be a member of management board or registered holder of a commercial power of attorney in any other company in which a Member of the Management Board or registered holder of a commercial power of attorney of the Company acts as member of supervisory board, or have any other significant relations to Members of the Management Board or registered holders of a commercial power of attorney of the Company via participating in other companies or corporate bodies,
- h) cannot act in the Supervisory Board longer than 12 (twelve) years,
- i) cannot be a spouse or member of close family of a Member of the Management Board, registered holder of a commercial power of attorney or people described above in pt. a) – h). Members of close family are relatives or affinities up to the second degree.

#### ***Article 16***

16.1. Members of the Supervisory Board shall elect from amongst themselves a Chairperson, as well as one or two Deputy Chairpersons and a Secretary of the Board.

16.2. The Chairperson of the Supervisory Board or a person authorised by him/her shall convene and chair the meetings of the Supervisory Board. The Chairperson of the outgoing Supervisory Board shall convene and open the first meeting of the newly-appointed Supervisory Board and shall chair the meeting until a new Chairperson has been elected.



**Article 17**

- 17.1. The Supervisory Board holds its meetings at least once every three months.<sup>23</sup>
- 17.2. The Chairperson of the Supervisory Board shall convene a meeting of the Supervisory Board within two weeks of having received a motion filed in by the Management Board or a Member of the Supervisory Board, in which the suggested agenda of the meeting was presented. Meetings of the Supervisory Board are convened seven days in advance by means of registered letters. Meetings may also be convened by means of other ways of communication, for example electronic mail, telephone, fax etc.<sup>24</sup>
- 17.3. A meeting of the Supervisory Board may also be held without formal convening, provided that all Supervisory Board Members are present and express their consent to holding the meeting and placing particular issues on the agenda.<sup>25</sup>
- 17.4. If the Chairperson does not convene a meeting of the Supervisory Board in accordance with Art. 17 par. 2, the submitting party may convene it by him/herself providing the date, place and the suggested agenda of the meeting.<sup>26</sup>

**Article 18**

- 18.1. For the purpose of validity of resolutions adopted by the Supervisory Board, it is required to deliver written invitations to all Board Members according to the procedure described in art. 17 item 2. This requirement is deemed as fulfilled if the date of the meeting was agreed at the meeting attended by all Members of the Supervisory Board. Such procedure of determination of the meeting date requires to be confirmed in writing by all Members of the Board.<sup>27</sup>
- 18.2. When a necessity arises to introduce a new issue to the agenda of a meeting of the Supervisory Board which was not included in the originally approved agenda, or when there is a necessity to adopt a resolution during a meeting which was not formally convened, a resolution of the Supervisory Board may be adopted if all Supervisory Board Members express their approval to its content. Members of the Supervisory Board who are absent at the meeting may express their consent to adopt such a resolution by fax, e-mail or during their phone conversation with the Chairperson, under the provision that the absent Members of the Supervisory Board are obliged to sign the minutes from the meeting of the Supervisory Board at least in the part presenting the content of the resolution the adoption of which they approved of.<sup>28</sup>
- 18.3. The Supervisory Board adopts resolutions provided that at least half of its members are present and invitations were delivered to all the Board Members. Members of the Supervisory Board may participate in adopting the Board resolutions by casting their votes in writing through the intermediary of other Board Member. Adopting resolutions under this procedure does not refer to the appointment of the Chairman and Vice-chairman of the Supervisory Board, appointment of the Member of the Management Board as well as dismissal or suspension in activities of such persons. Furthermore, it cannot relate to matters introduced to the agenda of the Supervisory Board meeting. Supervisory Board resolutions might also be adopted in written form or by means of distance communication, provided that all Members of the Supervisory Board are provided with the resolution draft in writing.<sup>29</sup>

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<sup>23</sup> Resolution of Extraordinary General Meeting of Shareholders no. III/2004 of 22.12.2004

<sup>24</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>25</sup> Resolution of Ordinary General Meeting of Shareholders no. XVII/2010 of 12.05.2010

<sup>26</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>27</sup> Resolution of Ordinary General Meeting of Shareholders no. 22/2015 of 30.06.2015

<sup>28</sup> Resolution of Ordinary General Meeting of Shareholders no. XVII/2010 of 12.05.2010

<sup>29</sup> Resolution of Extraordinary General Meeting of Shareholders no. III/2004 of 22.12.2004, Resolution of Ordinary General Meeting of Shareholders no. 22/2015 of 30.06.2015



18.4. The Supervisory Board shall adopt resolutions by absolute majority of votes of all Supervisory Board Members. In case of an equal number of votes, the casting vote is held by the Chairperson of the Supervisory Board.<sup>30</sup>

18.5. The Supervisory Board shall pass its Rules, determining its operations, including rules for functioning and objectives of its particular committees.<sup>31</sup>

### **Article 19**

19.1. The Supervisory Board shall perform its duties collegially, but it may delegate its Members to individually perform specified supervisory functions.<sup>32</sup>

19.2. Shall the General Meeting of Shareholders elect the Supervisory Board by voting in separate groups, the Members of the Supervisory Board elected by each of the groups may delegate one Member to permanent individual performance of supervisory functions.

19.3. The Supervisory Board may appoint committees to perform particular tasks and the Supervisory Board appoints at least an Audit Committee.<sup>3334</sup>

19.4. Members of the Audit Committee are appointed by the Supervisory Board from among its members.

19.5. The Audit Committee comprises of at least three members and at least one member shall have the knowledge and skills within accounting or auditing of financial statements.

19.6. Majority of the Audit Committee members, including the Chairperson, shall be independent from the Company. It is assumed that the Audit Committee member is independent from the Company, if he or she fulfils the criteria specified in Art. 19 item 3 of the Act on auditors, auditing companies and public oversight.

19.7. The Audit Committee members must have the knowledge and skills within the Company's business. This condition is fulfilled if at least one member of the Audit Committee has the knowledge and skills within the Company's business and particular members have specified knowledge and skills within this business.

19.8. The Chairperson of the Audit Committee shall be appointed by the Supervisory Board.

19.9. The Audit Committee fulfils the tasks foreseen in Art. 130 of the Act on auditors, auditing companies and public oversight.<sup>3536</sup>

### **Article 20**

20.1. The Supervisory Board shall supervise the activity of the Company.

20.2. Apart from issues indicated in the act, in other stipulations of this Statute and in resolutions of the General Meeting of Shareholders, the Supervisory Board shall have the following competence:

- 1) assessing the Management Board's reports on the activity of the Company and financial statement for the previous business year, concerning their conformity with the books and documents, as well as with the factual state, and providing their verification by auditors chosen by the Supervisory Board,
- 2) assessing of the Management Board's motions concerning the division of profit or covering of loss,
- 3) annual examination and endorsement of the Company's business plans, financial and marketing plans, and calling the Management Board to account for execution of these plans in form of detailed reports,

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<sup>30</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>31</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009

<sup>32</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>33</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009

<sup>34</sup> Resolution of Extraordinary General Meeting of Shareholders no. 4/2017 of 20.10.2017

<sup>35</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009

<sup>36</sup> Resolution of Extraordinary General Meeting of Shareholders no. 4/2017 of 20.10.2017



- 4) submitting to the General Meeting an annual written report on the results of the assessment mentioned in pt. 1-2,
- 5) following the request of the Management Board, giving consent to:
  - a) assume obligations or carry out transactions not included in the budget-plan for the given year concerning disposal, purchase, charge or lease of real estate, as well as property rights and any other possessions, if the value of a single obligation or a single transaction exceeds 10% of the Company's equity in accordance with balance sheet as of 31 December of the previous year,<sup>37</sup>
  - b) pay-out of an advance on account of the anticipated dividend,
- 6) appointing and dismissing, as well as suspending in activities, due to significant reasons, of a particular Member or all Members of the Management Board,<sup>38</sup>
- 7) establishing the remuneration of the Management Board Members, including establishing the right to a specified share in the annual profit which is to be divided between the shareholders – on the basis of an authorisation granted by the General Meeting of Shareholders,
- 8) delegating Members of the Supervisory Board, for a period not longer than three months, to a temporary execution of functions of the Management Board Members who were dismissed, submitted their resignation or due to some other reasons cannot perform their functions,<sup>39</sup>
- 9) giving approval to set up domestic and overseas branches of the Company.<sup>40</sup>

20.3. Shall the Supervisory Board not give its consent to perform a particular activity, the Management Board may request the General Meeting of Shareholders to adopt a resolution granting permission to perform this action.<sup>41</sup>

### **Article 21**

21.1. Remuneration of the Members of the Supervisory Board shall be determined by the General Meeting of Shareholders.

21.2. The General Meeting of Shareholders may adopt a resolution concerning the remuneration of Members of the Supervisory Board also as a right to take part in the profit of the Company for the given business year which is to be divided between the shareholders.<sup>42</sup>

21.3. Members of the Supervisory Board are entitled to reimbursement of costs connected with their participating in the operations of the Supervisory Board.<sup>43</sup>

## **C. GENERAL MEETING OF SHAREHOLDERS**

### **Article 22<sup>44</sup>**

22.1. The Management Board convenes General Meetings of Shareholders. An Ordinary General Meeting of Shareholders should be convened by the Management Board at such a date that it can be held within six months after a business year end.

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<sup>37</sup> Resolution of Ordinary General Meeting of Shareholders no. XXX/2004 of 27.05.2004

<sup>38</sup> Resolution of Ordinary General Meeting of Shareholders no. XXX/2004 of 27.05.2004

<sup>39</sup> Resolution of Ordinary General Meeting of Shareholders no. XXX/2004 of 27.05.2004

<sup>40</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>41</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>42</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>43</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>44</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009



22.2. General Meeting of Shareholders is convened in form of an announcement published on the Company's website, as well as in the form stipulated for publishing current information in accordance with the provisions concerning public offerings and conditions for introducing financial instruments to the organised trading system and on public companies. The announcement should be published at least twenty-six days before the date of the General Meeting of Shareholders. The content of the announcement should comply with the requirements of the Commercial Companies Code regarding such announcements of public companies.

22.3. The Supervisory Board may convene an Ordinary General Meeting of Shareholders if the Management Board does not convene it within the time limits defined in Art. 22.1. It may also convene an Extraordinary General Meeting of Shareholders whenever it considers it necessary – in order to do so the Supervisory Board shall submit the content of the announcement on convening the General Meeting of Shareholders to the Management Board in writing or via e-mail, as well as draft resolutions if it is planned to adopt ones, and, if necessity arises, other materials which are to be presented to the General Meeting of Shareholders, at least thirty-one days before the date of the General Meeting of Shareholders. The Management Board announces convening the General Meeting of Shareholders in accordance with provisions of Art. 22.2.

22.4. Shareholders representing at least half of the Company's share capital or at least half of the numbers of votes in the Company may convene an Extraordinary Meeting of Shareholders in accordance with provisions of Art. 22.3. which stipulates the mode of convening the General Meeting of Shareholders by the Supervisory Board.

22.5. Shareholders or a shareholder representing at least one twentieth of the Company's share capital may request convening an Extraordinary Meeting of Shareholders and placing a particular issue on its agenda. Such a request should be submitted to the Management Board in writing or via e-mail.

#### ***Article 23<sup>45</sup>***

23.1. The agenda of the General Meeting of Shareholders shall be determined by the subject convening it. Should the Management Board convene the General Meeting of Shareholders, the agenda is determined by the Management Board and agreed with the Supervisory Board.

23.2. Shareholders or a shareholder representing at least one twentieth of the Company's share capital may request placing particular issues on the agenda of the forthcoming General Meeting of Shareholders. Such a request should be submitted to the Management Board in writing or via e-mail not later than twenty-one days before the stipulated date of the General Meeting of Shareholders. The request should include justification or a draft resolution concerning the proposed agenda. The Management Board is obliged to announce the changes to the agenda introduced on request of the aforementioned shareholders immediately, but not later than eighteen days before the stipulated date of the General Meeting, in the mode applicable for convening the General Meeting of Shareholders.

23.4. During the General Meeting of Shareholders every shareholder can advance draft resolutions concerning issues placed on the agenda.

23.5. Shareholders' electronic correspondence regarding the General Meeting of Shareholders should be sent to electronic mail address presented on the Company's website.

#### ***Article 24***

The General Meetings take place in Warsaw or in the Company's registered office.

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<sup>45</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009

**Article 25**

The General Meeting may adopt resolutions irrespective of the number of shareholders present or represented shares, unless the act says otherwise.<sup>46</sup>

**Article 26**

26.1. Resolutions of the General Meeting, apart from other issues included in the Statute and in the act, are required in the following situations:

- a) examining and endorsing the report of the Management Board from the activity of the Company, as well as financial statement for the previous business year,
- b) granting the Members of the Company's corporate bodies an acknowledgement of the performance of their duties,
- c) proceedings concerning claims to repair damage occurred while establishing the Company or carrying out the duties of management or supervision,
- d) disposal or lease of the enterprise or its organised part and establishing a limited property right on them,
- e) purchase and disposal of real estate, perpetual usufruct or a share in property, if the value of a single transaction exceeds the amount of PLN 1 000 000.00 (one million zloty),<sup>47</sup>
- f) issuing of bonds, including issuing convertible bonds or priority bonds and issuing subscription warrants mentioned in Art. 453 § 2 of the Commercial Companies Code,<sup>48</sup>
- g) purchase of own shares in situation described in Art. 362 § 1 pt. 2 of the Commercial Companies Code and authorisation to such a purchase in situation described in Art. 362 § 1 pt. 8 of the Commercial Companies Code,<sup>49</sup>
- h) adopting a resolution on distribution of profit or covering of loss,
- i) change of the subject of the Company's business activity,
- j) change of the Statute of the Company,
- k) increasing or lowering of share capital,
- l) merging, dividing or transforming the Company,
- m) dissolution or liquidation of the Company,
- n) setting the day of acquiring the right to dividend and the date of dividend payment,
- o) signing by the Company a credit agreement, loan agreement, guarantee or any other similar agreement with a Member of the Management Board, Supervisory Board, registered holder of a commercial power of attorney, liquidator, or in favour of any of these persons,

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<sup>46</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>47</sup> Resolution of Ordinary General Meeting of Shareholders no. XXI/2005 of 24.03.2005

<sup>48</sup> Resolution of Ordinary General Meeting of Shareholders no. XXXI/2004 of 27.05.2004

<sup>49</sup> Resolution of Ordinary General Meeting of Shareholders no. XXXI/2004 of 27.05.2004

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- p) establishing remuneration of Members of the Supervisory Board, also in the form of holding right to a share in the Company's profit for the given business year designated to be shared among shareholders, as well as granting the Supervisory Board an authorisation to establish whether this right is also applicable with reference to remuneration of Members of the Management Board,<sup>50</sup>
- r) signing an agreement mentioned in Art. 7 of the Commercial Companies Code.<sup>51</sup>

26.2. Resolutions of the General Meeting of Shareholders are adopted by an absolute majority of votes, unless this Statute or the act say otherwise.<sup>52</sup>

26.3. Resolutions of the General Meeting of Shareholders are adopted by majority of  $\frac{3}{4}$  of votes cast with regard to the following issues:

- 1) changing the Statute, including issuing new shares,
- 2) issuing bonds,
- 3) disposal of the Company,
- 4) merging the Company with another company,
- 5) dissolution of the Company.

26.4. Resolutions on changing the Company's Statute with regard to increasing the benefits of shareholders or depleting the rights personally given to particular shareholders require consent from all shareholders that they refer to.

26.5. The General Meeting of Shareholders may grant a person who held or is currently holding the function of a Member of the Supervisory Board or the Management Board, a reimbursement of expenses or covering a compensation which this person may be obliged to pay to a third party as a result of obligations which stem from holding function by this person, provided that this person was acting in good faith and in a way which in that person's justified opinion with respect to the circumstances, was in the best interest of the Company.

### **Article 27**

27.1. Voting at the General Meeting of Shareholders is open. Secret voting shall be ordered at elections and for motions to dismiss members of the Company's corporate bodies or the Company's liquidators or to hold them liable or personal matters. Moreover, secret voting shall be ordered following a motion of even one of the shareholders present or represented at the General Meeting of Shareholders.<sup>53</sup>

27.2. Resolutions concerning the change of the subject of the Company's business activity are adopted in open voting by name.

27.3. Shareholders may participate in the General Meeting of Shareholders and exercise their voting right in person or by proxies.<sup>54</sup>

27.4. A proxy statement for participation in the General Meeting of Shareholders and exercising of voting rights should be granted in writing or via electronic mail. A proxy statement via electronic mail does not require a secure electronic signature verifiable using a valid qualified certificate.<sup>55</sup>

27.5. Should a Member of the Management Board, a Member of the Supervisory Board, a liquidator, an employee of the Company or a member of corporate bodies or an employee of an affiliated entity be a proxy at the General Meeting of Shareholders, the proxy statement gives the right to represent only at one General Meeting of Shareholders.

<sup>50</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>51</sup> Resolution of Ordinary General Meeting of Shareholders no. XXX/2004 of 27.05.2004

<sup>52</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>53</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>54</sup> Resolution of Extraordinary General Meeting of Shareholders no 5/2009 of 10.09.2009

<sup>55</sup> Resolution of Extraordinary General Meeting of Shareholders no 5/2009 of 10.09.2009

**Established in 1874**

A proxy is obliged to inform the shareholder about the circumstances of current or possible conflict of interests. Granting another proxy is not possible. The aforementioned proxy votes in accordance with the shareholder's indications.<sup>56</sup>

**Article 28**

28.1. The General Meeting of Shareholders is opened by the Chairperson of the Supervisory Board or a person appointed by him/her. Thereafter a Chairperson of the General Meeting of Shareholders shall be chosen from amongst the persons authorised to vote. In case of absence of these persons, the General Meeting of Shareholders shall be opened by the President of the Management Board or a person appointed by the Management Board.<sup>57</sup> If the General Meeting of Shareholders was convened by shareholders in accordance with Art. 22.4. of the Statute, these shareholders appoint the Chairperson of the General Meeting.<sup>58</sup>

28.2. The General Meeting may pass its own Rules.

**V. Internal management of the Company****Article 29**

The organisation of the Company is defined by the Organisational Rules passed by the Management Board.<sup>59</sup>

**Article 30**

The business year for the Company shall be calendar year.

**Article 31**

31.1. Within three months after the business year's end the Management Board is obliged to prepare and submit to the Supervisory Board a balance sheet as of the last day of the year, a profit and loss account and a detailed written report from the activity of the Company in this period of time.

31.2. (crossed off<sup>60</sup>)

**Article 32**

32.1. Net profit of the Company may be designated in particular for:

- 1) supplementary capital,
- 2) investment fund,
- 3) additional reserve capital,
- 4) dividends,
- 5) other purposes defined by the resolution of the General Meeting of Shareholders.

32.2. The General Meeting of Shareholders shall define by a resolution the day of acquiring the right to dividend, as well as the day of dividend payment.

<sup>56</sup> Resolution of Extraordinary General Meeting of Shareholders no 5/2009 of 10.09.2009

<sup>57</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>58</sup> Resolution of Extraordinary General Meeting of Shareholders no 5/2009 of 10.09.2009

<sup>59</sup> Resolution of Ordinary General Meeting of Shareholders no. XXI/2005 of 24.03.2005

<sup>60</sup> Resolution of Ordinary General Meeting of Shareholders no. VIII/2000 of 24.05.2000



32.2a. The Management Board of the Company shall have the right to adopt a resolution concerning the pay-out of an advance on account of the anticipated dividend at the end of the business year, provided that the Company possesses sufficient financial means for the payment. The pay-out of an advance requires permission of the Supervisory Board. The pay-out of an advance on account of the anticipated dividend is possible under the condition of achieving and showing profit in the financial statement of the Company for the previous business year, examined by an authorised auditor. The payment may constitute maximum a half of the profit achieved starting from the end of the last business year, shown in the financial statement examined by an authorised auditor, increased by the unpaid profits from previous business years, located in reserve capitals designated for payment of dividend and decreased by the loss from previous years and amounts of mandatory reserve capitals created in accordance with the act or the Statute.<sup>61</sup>

32.3. Other special purpose funds may be also created by a resolution of the General Meeting of Shareholders. The resolution shall define the sort and way of creating (way of financing) of these funds.

## **VI. Final provisions**

### **Article 33**

33.1. The Company publishes its announcement in Court and Economic Monitor (Monitor Sądowy i Gospodarczy), Polish Monitor B (Monitor Polski B) and *Rzeczpospolita* newspaper or in any other national daily newspaper, shall the need arise or shall it result from the binding rules of law.<sup>62</sup>

33.2. The announcements of the Company shall also be posted up in the Company's registered office, in places accessible for all shareholders and employees.

*The resolution was adopted by **open** voting by the Shareholders holding 17.892.930 votes, whereas out of 17.892.930 shares – 17.892.930 votes were binding – that corresponds to 72.90% of shares in the company equity capital, including:*

- *Votes in favor – 17.892.930;*
- *Votes against – 0;*
- *Abstaining votes – 0;*
- *Nobody objected.*

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<sup>61</sup> Resolution of Ordinary General Meeting of Shareholders no. XXVI/2001 of 15.05.2001

<sup>62</sup> Resolution of Extraordinary General Meeting of Shareholders no. 5/2009 of 10.09.2009