

**Supervisory Board Regulations
of LPP SA seated in Gdańsk**

**§ 1
General Provisions**

1. These Regulations specify the operating principles of the Supervisory Board of a company operating under the business name of LPP SA, seated in Gdańsk.
2. The Supervisory Board operates on the basis of and within the limits of generally applicable laws, including the Code of Commercial Companies, as well as under the provisions of the Articles of Association and other internal regulations of the Company.
3. Whenever the Regulations refer to:

"Company" - it means the company LPP SA seated in Gdansk, entered in the Register of Entrepreneurs kept by the District Court Gdańsk-Północ in Gdańsk VII Division of the National Court Register under KRS number 000000778;

"Supervisory Board" - it means the Company's Supervisory Board;

"Supervisory Board Member" – it means any member of the Supervisory Board, including the Chairman of the Supervisory Board, unless the content of the provision clearly shows that it does not concern the person discharging the duties of the Chairman of the Supervisory Board;

"Management Board" - it means the Management Board of the Company;

"General Meeting" - it means the General Meeting of the Company;

"Articles of Association" - it means the Company's Articles of Association;

"Regulations" - it means these Regulations;

"Commercial Companies Code" - it means the Act of 15 September 2000 - The Code of Commercial Companies (Journal of Laws of 2000, No. 94, item 1037, as amended);

"Internal regulations of the Company" - it means the Articles of Association, Rules and Regulations, Management Board and General Meeting regulations, General Meeting resolutions and Supervisory Board and Management Board resolutions;

"Principles of Best Practice" - it means the corporate governance principles set out in the Annex to Resolution No. 17/1249/2010 of the Exchange Supervisory Board in Warsaw SA of 19 May 2010 - "Best Practice for WSE Listed Companies" or any other document currently in force and adopted for the use by the Company regulating corporate governance principles issued by the competent authority of the Warsaw Stock Exchange SA.

**§ 2
Supervisory Board Competence**

1. The Supervisory Board exercises permanent supervision over the Company's activities in all aspects of its business.
2. Supervisory Board Members should take appropriate steps to obtain from the Management Board regular and comprehensive information on all relevant matters concerning the Company's activities and the risks associated with the activities and methods of the risk management.
3. The Supervisory Board may - without prejudice to the competence of other bodies of the Company - express opinions on all matters relating to the Company's activities including putting forward motions and proposals to the Management Board.
4. Within its duties, the Supervisory Board shall:
 - a. prepare and submit once a year to the Annual General Meeting a brief assessment of the Company's position, including the evaluation of the systems of internal control and management of risk relevant to the Company,
 - b. prepare and submit once a year to the Annual General Meeting own assessment of its performance,
 - c. examine and give opinions on issues to be the subjects of the General Meeting resolutions.

§ 3

Responsibilities of Supervisory Board Members

1. Supervisory Board Members shall have appropriate expertise and experience and be able to devote an appropriate amount of time necessary to perform their duties. Supervisory Board Members shall take appropriate steps to ensure that the Supervisory Board receives information on all relevant matters concerning the Company.
2. Each member of the Supervisory Board shall be guided in their actions with the best interests of the Company and their independent decisions and judgements, in particular:
 - a. they shall not take undue benefits, which could adversely affect the assessment of the independence of their opinions and judgements;
 - b. they shall clearly raise their objection and file dissenting opinions in the case of finding that a decision of the Supervisory Board is in conflict with the interests of the Company.
3. Supervisory Board Members should provide the Company with information on their connections with a shareholder holding shares representing not less than 5% of the total number of votes at the General Meeting. This obligation concerns financial, family or other connections that may affect the position of the Supervisory Board Member on the issues decided by the Supervisory Board.
4. In the case of a conflict of interest or the possibility of its occurrence, the Supervisory Board Member shall inform about it the Board and refrain from taking part in discussions and from voting on a resolution concerning such an issue.
5. Supervisory Board Members shall maintain the confidentiality of information in connection with the exercise of rights and responsibilities in the Supervisory Board and not share it with others unless it is necessary for the proper performance of the Board Member function.

6. Supervisory Board Members resigning from their position should send the resignation statement to the Company and notify of the resignation the Supervisory Board by an appropriate notice to the Chairman of the Supervisory Board, and in his absence to another member of the Supervisory Board.

§ 4 Supervisory Board Meetings

1. Supervisory Board meetings are held in the Company's registered office or other place designated by the person convening the meeting, not less frequently than quarterly.
2. The Chairman of the Supervisory Board or its another member appointed by the Chairman convenes the meetings of the Supervisory Board. Persons authorised to convene the Board meeting are also obliged to do it at the request of at least three of its members or the Management Board. In this case, the Supervisory Board meeting shall be held within 14 days from the date of filing a written request to the Chairman.
3. Supervisory Board meeting shall be convened by registered letters or fax with a proof of posting or by e-mail. The invitation to the meeting of the Supervisory Board should be sent to the last address (or fax number) submitted to the Company by a Supervisory Board Member.
4. The invitation to the meeting of the Supervisory Board must determine the place, day, time and agenda of the meeting.
5. The invitation to the meeting of the Supervisory Board should be sent to a Supervisory Board member at least 7 (seven) days before the scheduled meeting.
6. In cases of urgency, the meeting may be convened with a shorter notice period than the one specified in paragraph 5 above.
7. There is no need for convening the Supervisory Board meeting formally if all Members of the Supervisory Board are present and agree to hold the Supervisory Board meeting. This provision shall apply accordingly when all Supervisory Board Members are involved in adopting resolutions as referred to in § 5 (4) below.
8. For the validity of the Supervisory Board meeting it is required to invite all its Members and the presence of at least half of them.
9. The meetings shall be chaired by the Chairman of the Supervisory Board and in his absence by the Board Member designated in writing by the Chairman of the Supervisory Board or, if there is no such an indication, by another Supervisory Board Member chosen by the members present at the meeting.
10. The Chairman of the Supervisory Board is obliged to ensure that Supervisory Board Members, and if the meeting is convened at the request of the Management Board also the Management Board Members, can freely express themselves on matters on the agenda. Duration of the Supervisory Board meeting, the length of speeches and adjournments and any other points of order related to the conduct of the meeting shall be determined by the Chairman of the Supervisory Board.
11. Each Member of the Supervisory Board is entitled to put forward a motion to include individual issues in the agenda of the Supervisory Board meeting. The motion shall be submitted to the Chairman of the Supervisory Board that should include it in the next meeting of the Supervisory

Board. To the motion there shall be attached written materials and documents relating to the covered issues.

12. The Chairman of the Supervisory Board meeting may decide to ask to speak persons invited to the meeting that are not members of the Supervisory or Management Board. Supervisory Board Members shall have the right to put questions to the persons referred to in the preceding sentence.

§ 5 Adoption of Resolutions

1. Resolutions shall be adopted at the meeting or in the manner set out in paragraphs 3 and 4 below.
2. Supervisory Board resolutions shall be adopted by open voting unless any Member of the Supervisory Board has requested to adopt a resolution by secret voting.
3. Adopting resolutions by the Supervisory Board in writing shall be used in compliance with the following principles:
 - a. a person authorised to convene meetings in accordance with the provisions of the Regulations shall send, as provided for the convening of meetings, to all Members of the Supervisory Board a draft resolution to be adopted by the Supervisory Board in writing along with the materials associated with adopting the resolution and information about the deadline for sending a copy of the resolution signed by the Supervisory Board member,
 - b. A Supervisory Board Member is obliged to promptly complete and sign the copy of the resolution and send it to the address specified by the person authorised to convene meetings; if the signed copy of the resolution is sent by fax or e-mail, the Member of the Supervisory Board is also obliged to immediately send the original of the signed resolution,
 - c. the resolution shall be deemed adopted if at least half of the members of the Supervisory Board have sent back to the specified address and within the specified time the signed copy of the resolution and the majority of the Members of the Supervisory Board voted in favour of the resolution,
 - d. the resolution adoption date shall be the date indicated on the copy of the resolution that has been last received within the time referred to above.
4. Supervisory Board resolutions may be adopted by means of simultaneous distance communication, particularly using telephone, audiovisual and electronic communication means. All Members of the Supervisory Board should be informed about the content of the draft resolution and the date on which the voting on the resolution is to be held. If resolutions are adopted by the Board using distance communication means, they should provide at least the possibility of simultaneous communication by all Supervisory Board members participating in adopting the resolutions in the mode.
5. Adopting by the Supervisory Board the resolutions as set out in paragraphs 3 and 4 above shall be minuted, the minutes shall include in particular the mode of adoption of the resolutions and, in the case of voting in the mode referred to in paragraph 4, the means used to communicate at a distance. The minutes shall be signed by all Members of the Supervisory Board that participated in the voting.

§ 6
Minutes

1. The meetings shall be minuted. The minutes shall be drawn up by a participant of the meeting designated by the chairman.
2. The minutes shall include in particular:
 - a. date and place of the meeting,
 - b. names and surnames of Supervisory Board Members present at the meeting and other persons participating in the meeting,
 - c. the meeting agenda,
 - d. content of the adopted resolutions and the number of votes cast for each resolution,
 - e. dissenting opinions of Supervisory Board Members,
 - f. signatures of all Supervisory Board Members participating in the meeting.
3. If necessary, particularly in the cases referred to in § 5 (3) or (4) above, it is acceptable to sign the minutes by circulation or at the next meeting of the Supervisory Board.

§ 7
Supervisory Board Committees

1. The Supervisory Board may establish standing committees, in particular the Audit Committee or Remuneration Committee, as well as ad hoc committees to deal with specific matters within the competence of the Supervisory Board or to act as advisory and opinion bodies of the Supervisory Board.
2. If the Supervisory Board consists of five persons, the responsibilities of the Audit Committee shall be performed by the entire Board, unless it is decided otherwise.
3. The duties of the Supervisory Board, unless it appoints the Audit Committee in accordance with paragraph 2 above, include:
 - a. monitoring the financial reporting process,
 - b. monitoring the effectiveness of internal control, internal audit and risk management systems,
 - c. monitoring the financial audit operations,
 - d. monitoring the independence of the auditor and entity authorised to audit financial statements.
4. In the case of establishing the Audit Committee, it shall report annually on its activities to the Supervisory Board. Supervisory Board or Audit Committee reports on the issues listed in paragraph 3 above shall be made available before the publication date of the notice convening the Annual General Meeting.
5. The meetings, resolutions and minutes of the Supervisory Board committees shall be governed by the provisions of the Regulations, unless the provisions of this section provide otherwise.

6. The Committee shall be appointed by the Supervisory Board from among its members, by way of resolution.
7. The Committee shall elect, by way of resolution, the chairman of the committee from among its members.
8. The mandate of the committee member shall expire with the expiry of the mandate of the Supervisory Board member. The Supervisory Board may by way of resolution decide to revoke the committee membership also before the expiry of the mandate of the Supervisory Board member. Revoking the committee membership is not tantamount to revoking the Supervisory Board membership.
9. The first meeting of the committee shall be convened by the Chairman of the Supervisory Board or another Supervisory Board Member designated by them.
10. The committee meetings shall be convened as needed provided that the committee's duties are being executed.
11. Minutes of meetings and resolutions adopted by the committee shall be made available to the Members of the Supervisory Board that are not members of the committee.
12. The work of the committee shall be managed by the chairman of the committee. The chairman shall also exercise supervision over setting the agenda, organising the distribution of documents and drawing up the minutes of the committee meetings.

§ 8

Remuneration and Refunding of Costs

1. Supervisory Board Members may be granted remuneration in the amount determined for a given year by the General Meeting.
2. Remuneration of Supervisory Board Members should be associated with the scope of the tasks and responsibilities resulting from their functions and it should correspond to the size of the Company and be reasonable in relation to its economic performance.
3. Members of the Supervisory Board are entitled to refunding of costs associated with participation in the works of the Supervisory Board under the terms of a separate resolution.
4. The costs of the Supervisory Board operation shall be borne by the Company.

§ 9

Final Provisions

1. All matters not regulated herein shall be governed by the provisions of the Articles of Association, the Commercial Companies Code and other generally applicable laws.
2. The Regulations come into force on the date of their adoption by the Supervisory Board.