

## **BY-LAWS OF THE SUPERVISORY BOARD**

### **INPRO SPÓŁKA AKCYJNA**

#### **Chapter I**

#### **General provisions**

##### **§ 1**

*The Supervisory Board shall act on the basis of the following:*

- 1. Company's Statutes,*
- 2. Resolutions of the General Assembly,*
- 3. Commercial Companies Code,*
- 4. These By-Laws.*

##### **§ 2**

- 1. The appointment and dismissal of the members of the Supervisory Board shall take place in the manner set out in the Statutes and the By-Laws of the General Assembly.*
- 2. A member of the Supervisory Board shall have appropriate knowledge and experience and be able to devote the time necessary to perform his or her duties.*
- 3. A member of the Supervisory Board shall take appropriate actions so that the Supervisory Board receives information on important matters concerning the Company.*

##### **§ 3**

*Each member of the Supervisory Board shall in his or her activity be guided by the Company's interest and by the independence of opinions and judgements and in particular:*

- not receive unjustified benefits which could adversely influence the assessment of his or her opinions and judgements,*
- expressly make his or her objection and dissenting opinion if he or she considers a decision of the Supervisory Board to be contrary to the Company's interest.*

##### **§ 4**

- 1. At least two members of the Supervisory Board must be independent of the Company and entities related with it.*
- 2. The following persons are considered independent members of the Supervisory Board:*
  - a) such a person did not occupy the position of the member of the Management Board of the Company or an associated company during the last 5 years,*
  - b) such a person was not an employee of the Company or an associated company during the last 3 years,*
  - c) such a person did not and does not receive additional significant remuneration from the Company or an associated company except for the remuneration as a member of the Supervisory Board,*
  - d) such a person is not a shareholder and does not, in any way, represent a shareholder(s) holding a controlling package of shares,*
  - e) such a person does not and did not, during the last year, maintain significant trade relations with the Company or an associated company directly, as a shareholder or as a member of a governing body (trade relations include being a significant supplier of services, goods or a significant customer etc.),*
  - f) such a person is not and was not, during the last three years, a shareholder or employee of the current or former statutory auditor of the Company or an associated company,*

- g) *such a person does not have relations with the members of the Company's Management Board through participation in other companies or the governing bodies of those companies,*
  - h) *such a person did not fulfil functions in the Supervisory Board for more than 12 years,*
  - i) *such a person is not a member of the close family of the members of the Management Board or of the other members of the Supervisory Board,*
  - j) *such a person is not, in a real and significant manner, related to a shareholder having the right to exercise 5% or more of the total number of votes at the General Assembly,*
  - k) *such a person is not an employee of the Company, a subsidiary or associated entity and is not a person bound with those entities by agreements of a similar character.*
3. *A member of the Supervisory Board who has lost the independent member's status, in conformity with the provisions of paragraphs 1-2, shall notify the Chairperson of the Supervisory Board and the President of the Company's Management Board immediately.*
  4. *The failure by any of the members of the Supervisory Board to comply with the criteria set out in para. 2 does not influence the capacity of the Supervisory Board to perform activities and their validity, including the resolutions.*

#### **§ 5**

*A member of the Supervisory Board shall provide the Company's Management Board with information on his or her connections with a shareholder holding shares representing not less than 5% of the total number of votes at the General Assembly. The above obligation concerns the connections of the economic, family or other nature, which may influence the position of a member of the Supervisory Board in a matter being resolved by the Board.*

#### **§ 6**

*A member of the Supervisory Board shall advise it of the conflict of interest or the possibility of its occurrence and abstain from speaking in a discussion and voting on a resolution in a matter in which the conflict of interest has occurred.*

#### **§ 7**

1. *The Supervisory Board shall, during the first session, elect Chairperson, Vice-Chairperson and Secretary from among its members.*
2. *The Chairperson of the Supervisory Board shall manage its work and, in the event of temporary absence, be replaced by the Vice-Chairperson.*
3. *The Supervisory Board shall act jointly.*
4. *The members of the Supervisory Board shall perform their functions personally.*
5. *A member of the Supervisory Board shall not resign from his or her function in a situation where this could adversely influence the possibility of the activity of the Supervisory Board, including the adoption of resolutions. That pertains, in particular, to a situation when due to the resignation the number of the members of the Supervisory Board would fall below the number set out by the Statutes or a resolution of the General Assembly.*

### **Chapter II**

#### **Scope of the activity of the Supervisory Board**

#### **§ 8**

1. *The Supervisory Board shall exercise general permanent supervision over the Company's activity, while performing all the duties imposed by the Statutes, Commercial Companies Code and other regulations, in particular:*
  - a. *evaluate financial statements and reports of the Management Board of the Company's activity with regard to their conformity with the books and documents, as well as the actual*

*state of affairs, and proposals of the Management Board concerning the division of profits or the financing of losses, and submit to the General Assembly an annual written report on the results of such evaluation.*

- b. approve the by-laws of the Company's Management Board,*
- c. conclude agreements with the members of the Company's Management Board, fix the remuneration of the President and Members of the Management Board in accordance with the Remuneration Policy effective at the Company and subject to the relevant regulations on public offering and the conditions governing the introduction of financial instruments into the organised trading system, and on public companies, and exercise other rights in relation to the Members of the Company's Management Board following from the employment relationship or regulations and within the powers of the Supervisory Board,*
- d. suspend various or all members of the Management Board in their activities for important reasons, and delegate the members of the Supervisory Board to perform on a temporary basis the activities of the Members of the Management Board who are unable to perform their activities,*
- e. express consent to the payment of advances towards the forecast dividend,*
- f. express consent to the performance by the Management Board of activities consisting in the acquisition, transfer and encumbrance of real estate or the perpetual usufruct right if the value of such real estate or right or an encumbrance on it exceeds PLN 40,000,000.00 (forty million zlotys), or whose encumbrance exceeds PLN 40,000,000.00 (forty million zlotys),*
- g. make once a year and present to the Ordinary General Assembly a concise assessment of the Company's situation, taking into account the assessment of internal control, risk management systems, compliance and of the internal audit function (if separate) or the need to separate the audit function from the organisation point of view,*
- h. make once a year and present to the Ordinary General Assembly the assessment of its work and a report of the activity of the Supervisory Board with regard to the scope following from the current Best Practice for WSE Listed Companies,*
- i. make once a year and present to the Ordinary General Assembly the assessment of the Company's compliance with the disclosure obligations concerning compliance with the corporate governance rules defined in the Stock Exchange Rules and in the regulations on current and periodic information submitted by the issuers of securities, as well as information on the rationality of the pursuance of sponsoring, charity and similar policies or information that the Company does not pursue such policies,*
- j. consider and give opinion on matters which are to be the objects of the resolutions of the General Assembly.*
- k. adopt the By-Laws of the Audit Committee,*
- l. each year, prepare the Remuneration Report presenting the comprehensive review of the remuneration, including all the benefits irrespective of their form, received by the various members of the Management Board and Supervisory Board or remuneration due to the various members of the Management Board and Supervisory Board in the last financial year, pursuant to the Company's Remuneration Policy for the members of the Management Board and Supervisory Board,*
- m. on the basis of the authorisation and within the limits previously set by the General Assembly, specify the elements of the Company's remuneration policy for the members of the Management Board and Supervisory Board, as allowed by the relevant regulations on public offering and the conditions governing the introduction of financial instruments into the organised trading system, and on public companies,*

- n. exercise other powers prescribed by the binding regulations, including the provisions of the Commercial Companies Code, other acts and the Company's internal regulations,
- o) adopt the Company's diversity policy in relation to the Management Board and Supervisory Board.

2. The Supervisory Board shall give approval of the conclusion by the Company's Management Board of a significant agreement with a shareholder holding at least 5% (five per cent) of the total number of votes in the company or with a related entity. The foregoing obligation does not apply to typical transactions and transactions at arm's-length made as part of the Company's operating activities between the Company and the members of its Corporate Group.
3. In a period when the Company's shares are quoted at the regulated market run by the Warsaw Stock Exchange or when it follows from the binding regulations or from a recommendation of the Supervisory Board, the Supervisory Board shall appoint, from among its members, the Audit Committee responsible for the supervision of the Company's financial matters. The detailed tasks and the way of operation of the Audit Committee shall be specified by the By-Laws of the Audit Committee adopted by the Supervisory Board.
4. The Supervisory Board shall, once a year, prepare and provide the General Assembly with a remuneration report in the meaning of the relevant regulations on public offering and the conditions governing the introduction of financial instruments into the organised trading system, and on public companies, such a remuneration report showing the comprehensive review of the remuneration including all benefits, irrespective of their form, received by the various members of the Management Board and Supervisory Board or due to them in the last financial year, pursuant to the Company's remuneration policy for the members of the Management Board and Supervisory Board – for the General Assembly to adopt a resolution issuing an opinion on the remuneration report.

#### **§ 9**

Members of the Supervisory Board may participate in the sessions of the General Assembly in the bench necessary to give substantive answers to questions asked in the course of the General Meeting.

### **Chapter III**

#### **Convocation and the course of the sessions of the Supervisory Board**

#### **§ 10**

1. Notices of the convocation of a session shall be sent to the members of the Board 7 days before the date of the session by registered letter, electronic mail or fax, with conformation of receipt requested, at the addressee's choice.
2. In emergencies, the Chairperson or Vice-Chairperson of the Board may order another way and time limit for the notification of the members of the Board on the date of the session.
3. The agenda shall be given in the notices of the dates and times of the session. As far as possible, the materials concerning the matters covered by the agenda shall be sent with the notice.

#### **§ 11**

1. The agenda shall include, apart from the matters for consideration or approval, for which the session has been convened, the approval of the minutes of the previous session.
2. Only the matters covered by the agenda shall be considered at the sessions of the Board. Matters submitted during the session may only be considered if all the members of the Supervisory Board express their consent to that.

#### **§ 12**

*The sessions of the Supervisory Board shall be presided over by its Chairperson. In the event of the absence of the Chairperson of the Supervisory Board, the session shall be presided over by the Vice-Chairperson of the Board.*

### **§13**

- 1. Resolutions of the Supervisory Board may be adopted if at least one half of its members are present, and all members were invited.*
- 2. Resolutions shall be adopted by the absolute majority of votes. If the division of votes is equal, the Chairperson shall have the casting vote.*
- 3. Voting at the session of the Supervisory Board shall take place in the open procedure except voting on personal matters. Moreover, secret voting shall be ordered if it is demanded by at least one members of the Supervisory Board.*
- 4. In special cases the members of the Supervisory Board may take part in the adoption of resolutions by casting their vote in writing via another member of the Supervisory Board. Casting a vote in writing may not concern the issues included in the agenda at the session of the Supervisory Board.*
- 5. The Supervisory Board may adopt resolutions or with the use of the means of distance communication. A resolution shall be valid if all the members of the Board have been advised of the wording of the draft resolution.*
- 6. Resolutions adopted in the manner prescribed in paragraphs 4-5 do not concern the election of the Chairperson and Vice-Chairperson of the Supervisory Board, the appointment of a member of the Management Board and the dismissal and suspension of those persons.*

### **§14**

- 1. Each session of the Board shall be minuted and the minutes shall include:
  - a) date of the session,*
  - b) list of the members of the Board with their names and a note specifying if they were present as well as the list of other persons taking part in the session,*
  - c) voting results and the wording of dissenting opinions or reservations to the resolutions or rulings as submitted by the various members of the Board.**
- 2. Minutes shall be signed by the members of the Supervisory Board present at the session. Resolutions adopted by the Board shall be attached to the minutes.*
- 3. The minutes of the Supervisory Board, numbered consecutively in a calendar year and recorded in the register, shall be kept in the Minute Book of the Supervisory Board. The Minute Book of the Supervisory Board shall be made available to the members of the Board upon each request from them.*
- 4. Each member of the Board may require the correction of the minutes of the session of the Supervisory Board in which he or she participated.*
- 5. Official copies of the resolutions and rulings of the Board shall be delivered to the Company's Management Board.*

## **Chapter IV**

### **Remuneration of the members of the Supervisory Board**

### **§15**

*The members of the Supervisory Board shall receive remuneration for the work and activity within the Supervisory Board. The remuneration shall be determined by the General Assembly on the basis of the remuneration policy in force at the Company and subject to the current relevant regulations on public offering and the conditions governing the introduction of financial instruments into the organised trading system, and on public companies.*

**Chapter V**  
**Final provisions**

**§16**

*The activity of the Supervisory Board shall be financed by the Company.*

**§17**

*The Company's Management Board shall ensure comprehensive services to the Supervisory Board with regard to technical and organisational matters.*

**§18**

*These By-Laws shall come into force on the date of their adoption by the General Assembly.*