

## **THE BYLAW OF THE SUPERVISORY BOARD OF PROCHEM S.A. JOINT-STOCK COMPANY**

### § 1

The Supervisory Board of PROCHEM S.A., Joint-stock Company, hereinafter referred to as the Supervisory Board, shall operate under the Statute of PROCHEM S.A. and the Commercial Companies Code.

### § 2

1. The Supervisory Board shall be composed of five persons.  
The Supervisory Board members shall be elected by the General Meeting.
2. Term of office of the Supervisory Board shall last three years.
3. The Supervisory Board members should not resign from their functions during the term if that could render it impossible for the Board to operate or render it impossible to pass an important resolution.
4. At the first meeting, the Supervisory Board shall elect for the term's duration the Chairman of the Supervisory Board, and if necessary the Board Vice-Chairman and the Secretary. The Board Chairman and the Vice-Chairman may be at any time recalled by the Supervisory Board.

### § 3

1. The Supervisory Board shall be obliged to exercise continuous supervision over the company's business and the Board members, when performing their functions, should be primarily driven by the company's interest.
2. The responsibilities of the Supervisory Board shall include in particular:
  - 1) auditing the report on the Company's Management Board's activity and company's financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,
  - 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
  - 5) approving the organisational structure of the company's enterprise,
  - 6) approving the principles of salary payment to the employees of the company's enterprise,,
  - 7) granting consent to making donations by the company,

- 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones and selling stocks and shares in other companies, and liquidating companies,
- 9) choosing the chartered accountant to audit the company's financial statements,
- 10) giving consent to purchase and selling of the real estate of the company,
- 11) reviewing motions of the Management Board in relation to conditions of the share repurchase for the purpose of redemption,
- 12) performing duties of the committee of the audit in the company or choosing the committee of the audit,
- 13) approving Bylaw of the Supervisory Board of PROCHEM S.A.

#### § 4

1. The Supervisory Board shall hold meetings at least five times a year.
2. The meeting of the Supervisory Board shall be convened by the Chairman of the Supervisory Board. During the absence of the Chairman of the Supervisory Board, the meetings shall be chaired by the Vice-Chairman, if elected, or one of the members elected by the Supervisory Board.
3. The Chairman of the Supervisory Board shall be obliged to convene the Supervisory Board meeting at the request in writing of the Management Board or one of the Board members. In such a case, the Chairman of the Supervisory Board shall be obliged to order the convening of the meeting not later than within two weeks counting from the date of the request's submission.
4. The notice of the Supervisory Board meeting should be submitted in writing at least 10 days prior to the set date of the meeting. The notice should contain the date, time and venue of the meeting and the proposed meeting's agenda. The members of the Company's Management Board shall be invited to participate in the Supervisory Board meeting.
5. The meeting's agenda may be modified or new items may be added in the event that all Supervisory Board members are present and agree to do so.
6. Notices of the Supervisory Board meetings and materials for the Supervisory Board may be sent by e-mail to the e-mail address given by the Supervisory Board member.

#### § 5

1. For validity of the Supervisory Board's resolutions it shall be required to invite to the meeting all Supervisory Board members, and the presence of at least three members of the Supervisory Board shall be required.
2. The Supervisory Board shall pass resolutions by absolute majority of votes of the present members. In the event of a tie on vote, the meeting Chairman's vote shall be decisive.
3. The Supervisory Board may pass resolution by means of voting in the written form.
4. The vote at the meeting shall be open. At the request of at least one of the present Supervisory Board members, the meeting chairman shall order a secret vote.

#### § 6

Resolutions passed by the Supervisory Board may take the form of:

- motions submitted to the General Meeting,
- opinions and recommendations addressed to the Company's Management Board,

- acceptance or non-acceptance of the motions filed by the Company's Management Board.

#### § 7

1. The Supervisory Board members may exercise their rights and duties only in person. In performing their functions, they shall be obliged to take care of the good reputation and appropriate safeguarding the Company's interests and maintaining trade and corporate secrets of the Company.
2. The Supervisory Board members shall be obliged to inform the company about selling or buying the shares of PROCHEM S.A. and subsidiaries, pursuant to the applicable laws and the company's information duties.
3. The Supervisory Board member should inform the other Supervisory Board members about any conflict of interests and refrain from taking part in the discussion and voting on such a matter.

#### § 8

The Supervisory Board may delegate individual members to permanently perform, on an individual basis, the supervision over the company's business, also at the request of shareholders; the Supervisory Board may also, for the purpose of carrying out individual tasks, appoint teams formed by the members thereof.

The Supervisory Board, in carrying out its tasks, may use the assistance of non-members – experts in a given area.

The Supervisory Board members, delegated at the request of shareholders to exercise permanent supervision, shall submit to the Supervisory Board detailed reports in writing on the performance of their functions at each Supervisory Board's meeting.

#### § 9

The meeting of the Supervisory Board may be attended by the Company's Management Board without the right to vote and, depending on needs and the meeting's subject matter, also by other persons invited by the Supervisory Board.

#### § 10

Minutes shall be taken of the meetings of the Supervisory Board. The minutes of the meeting shall be taken by one of the Supervisory Board members or a non-member requested to carry out this task.

The minutes should contain the meeting's agenda, names and surnames of the Supervisory Board members present, the number of votes cast in favour of individual resolutions and dissenting opinions.

The minutes shall be signed by the Supervisory Board members present.

#### § 11

1. The Supervisory Board shall submit each year to the general meeting the assessment of the company's financial standing, including the assessment of the internal audit system and the system of management of the material risk for the company, in the Supervisory Board Report for a given year.

2. The Supervisory Board members should participate in the general meeting, in composition enabling to specifically reply to questions raised during the general meeting.

#### § 12

1. For the performance of their functions, the Supervisory Board members shall receive remuneration recognised as the costs of the company's activity. The said remuneration shall consist of permanent and additional parts.
2. The permanent part shall represent a lump sum of PLN 2,500.00 per month for each Supervisory Board member.
3. The additional part shall be paid on a one-off basis, after the end of each financial year, within thirty days from the date of approval by the General Meeting of the financial statements, provided that the Company reported net profit in a given financial year. The additional remuneration, for each of the Supervisory Board members, shall be calculated at 0.8% of the net profit earned in a given financial year.
4. In the event that the Supervisory Board member has ceased to perform their role, the additional remuneration shall be paid on the same date, mentioned under item. 3, pro rata to the time of the actual performance of the function of the Supervisory Board member in a given financial year.

#### § 13

To issues not regulated herein the Statutes of PROCHEM S.A. and the Commercial Companies Code shall apply.

#### § 14

The Bylaw of the Supervisory Board of PROCHEM S.A. may be found on the company's website