

# Regulations of the Management Board of “Rawlplug” S.A.

## I. GENERAL PROVISIONS

1. These Management Board Regulations (the “Regulations”) set out the manner in which the Management Board of “Rawlplug Spółka Akcyjna” (the “Company”) is organised as a collegial body.
2. Competences and responsibilities of the Company’s Management Board and its members are specified in:
  - (a) the Polish Commercial Companies Code (the “CCC”),
  - (b) other provisions of law, in particular provisions dealing with accounting and with public trade in securities, and
  - (c) provisions of the Company’s Articles of Association,
  - (d) General Meeting resolutions,
  - (e) provisions of listed-company best practices such as are adopted at “Rawlplug” S.A.,
  - (f) provisions of individual agreements with members of the Management Board that are executed with the Company, which in this case is represented by the Supervisory Board.
3. The Management Board consists of between one and three persons. Representation for the Company is a single representation. Each member of the Management Board may, prior to undertaking any activity which has legal effect for the Company, request that the Management Board passes a resolution regarding such activity.
4. The Management Board grants specific powers of attorney in such manner that each member of the Management Board is authorised to grant further powers of attorney within his/her remit. The Management Board maintains a register of granted powers of attorney. Each member of the Management Board may revoke a power of attorney granted by the Management Board, with notification to the member of the Management Board who has issued such a power of attorney.
5. For a procurator to be granted, all members of the Management Board must act simultaneously and in agreement. The procurator document must be signed by all members of the Management Board. Each Management Board member may at any time revoke a procurator, with notification to the other members of the Management Board.
6. A Management Board member's mandate shall lapse:
  - 6.1 at the conclusion of the General Meeting that approves the financial statements for the last year of the Management Board term;
  - 6.2 upon dismissal by the Supervisory Board;
  - 6.3 upon delivery of a letter of resignation to the Company’s address;
  - 6.4 upon death.
7. The mandate of a Management Board member who is suspended from Management Board activities by the Supervisory Board may not be exercised for the duration of the suspension. A suspended member of the Management Board is authorised to be present at General Meetings and is required to participate in Supervisory Board meetings, if so requested by the person convening such a meeting.
8. The Management Board is elected for a three-year term. If a Management Board member is to be appointed during the term of the Management Board, the term of this member lapses at the conclusion of the term of the remaining members of the Management Board.

9. Members of the Management Board may not participate in adopting resolutions that are meant to decide on activities where one of the parties or beneficiaries may be a relative of such member or an entity in which such member is a shareholder. This does not apply to motions for dividend payouts.

## **II. OBLIGATION TO ADOPT A RESOLUTION**

1. The Management Board should adopt a resolution prior to undertaking the following activities:
  - 1.1 incurrence of debt other than normal trade credit;
  - 1.2 issuance of shares, bonds, warrants or promissory notes;
  - 1.3 provision of security for any debt of another entity, including subsidiaries;
  - 1.4 execution of mortgage or any other encumbrance on the Company's assets; execution of an agreement committing the Company to provide, or risk the commitment to provide, within a single financial year, services or cash in excess of PLN 2 000 000.00 (two million zlotys), unless execution of such agreement results from the Company's annual financial plan (budget) adopted by the Management Board and approved by the Supervisory Board;
  - 1.5 convening a General Meeting or Supervisory Board meeting;
  - 1.6 initiating legal action for a cancellation or revocation of General Meeting resolutions;
  - 1.7 filing an application for a declaration of the Company's insolvency;
  - 1.8 approving the annual Management Board report and annual financial statements;
  - 1.9 formulating proposals for the General Meeting with regard to profit allocation; and
  - 1.10 at the request of any member of the Management Board or member of the Supervisory Board participating at the Management Board meeting.

## **III. ORGANISATION OF THE MANAGEMENT BOARD'S WORK**

1. The work of the Management Board, as a collegial body, is directed by the President of the Management Board, who is appointed by the Supervisory Board, and in his/her absence by a Management Board member designated by the President of the Management Board.
2. If a meeting aimed at adopting a resolution is not immediately convened at the request of a Management Board member, each Management Board member is authorised to convene such a meeting of the Management Board.
3. Supervisory Board members who are authorised to participate in Management Board meetings in an advisory capacity may request that a Management Board meeting be convened.

## **IV. CONVENING AND CARRYING OUT MANAGEMENT BOARD MEETINGS**

1. Meetings of the Management Board take place in Wrocław, at the Company's registered office. For important reasons, the President of the Management Board may select a different location.
2. Management Board meetings are held as necessary, however at least once a quarter, and are convened by the President of the Management Board at his/her initiative, at the request of a member of the Management Board or at the request of a member of the Supervisory Board. Management Board meetings should be convened immediately.
3. Invitations and materials concerning items on the agenda should be sent to the persons participating in Management Board meetings no later than 24 hours prior to the date of the meeting, if possible by

email. Information regarding the fact that a Management Board meeting has been convened should also be sent by SMS.

4. Management Board meetings may be held with the use of long-distance communications, provided that all meeting participants are able to hear all of the other participants as well as to make verbal comments and are in possession of the same documents pertaining to the items on agenda. Long-distance communications means both telephones (landlines or mobile) and instant messaging that features voice transfer in real time and transmission security via private and public key that is not smaller than 16b, unless such communication is to take place over a corporate network or VPN.
5. Management Board meetings may be held without having been formally convened, provided that all persons entitled to participate in Management Board meetings are present and grant consent for meeting to be held and for specific items to be placed on the meeting agenda.
6. The agenda contained in meeting notices may be changed with the consent of all participating persons.
7. The costs to host a Management Board meeting, which cover both travel and hotel expenses and, if applicable, costs connected with using long-distance communications, are incurred by the Company.

## **V. ADOPTING RESOLUTIONS**

1. Management Board resolutions may be adopted if all persons entitled to participate in the Management Board meeting were properly invited and at least two members of the Management Board are present.
2. Management Board resolutions are adopted by an absolute majority of votes cast, unless otherwise stated in the Articles of Association.
3. In the event of a tied vote, the President of the Management Board has the casting vote.
4. Minutes are to be recorded for each meeting. The minutes should specify the location and time of the meeting, together with the agenda and the first and last names of the persons present at the meeting, a record of the proceedings, content of the adopted resolutions and vote results and methodology, as well as reservations and dissenting opinions expressed by persons entitled to participate in the Management Board meeting.
5. The minutes are signed by all members of the Management Board and Supervisory Board who are present at the meeting.
6. Documents containing Management Board resolutions are signed by the President of the Management Board, with indication of the last names of the members of the Management Board who are present at the meeting and Supervisory Board members who are present during voting, together with the number of votes for and against and the number of abstentions.
7. The Management Board maintains a register of minutes and a register of Management Board resolutions, where the minutes and documents referred to in sec. 6 above are stored.
8. Members of the Supervisory Board and Management Board have the right to examine at any time the minutes from Management Board meetings.
9. Other employees of the Company who are responsible for the items being examined at a meeting may participate in such meeting at the invitation of the President of the Management Board. In addition, in the case of Management Board meetings dealing with matters connected with approving annual financial statements and annual Management Board report, such members of the Supervisory Board should participate as are delegated to perform individual supervision over matters pertaining to financial reporting (audit committee).

## **VI. OTHER PROVISIONS**

1. These Regulations as well as any modifications thereto enter into force on the date on which they are approved by the Supervisory Board.