

Rawlplug S.A. Supervisory Board Regulations

§ 1

These Supervisory Board Regulations ("Regulations") specify the way in which the Supervisory Board of Rawlplug S.A. ("Company") is organised and the means in which the Supervisory Board performs its legal and statutory authorisations and obligations.

§ 2

The competences and obligations of the Company's Supervisory Board and its Members are specified in the Polish Commercial Companies Code, other legislation, including especially legislation applicable to accounting and organised securities trade, as well as provisions of the Company's Articles of Association, General Meeting resolutions and best practices for listed companies, as adopted at Rawlplug S.A.

§ 3

1. The Supervisory Board carries out continuous oversight of the Company's activities in all of its business areas, taking into account the Company's role of parent entity to its subsidiaries.
2. In carrying out the oversight, the Supervisory Board and specific Members apply objective evaluations and judgements and are guided by the Company's interests.
3. If in the course of the oversight, fraud, significant errors, including errors having significant impact on the content of financial information, or other considerable irregularities in the Company's activities are determined, the Supervisory Board takes appropriate action, especially it may demand explanations from the Company's Management Board and order it to introduce effective solutions to prevent the occurrence of such irregularities in the future.

§ 4

1. The Supervisory Board adopts resolutions in matters that are within its competences in accordance with the Company's Articles of Association, commonly applicable legislation and recommendations from the relevant regulatory authorities.
2. The Supervisory Board assesses the way in which the Company fulfils its information obligations resulting from corporate governance rules, as specified in Best Practices for WSE-Listed Companies.

§ 5

1. Supervisory Board members may not be employees of the Company nor members of the authorities or employees of the Company's subsidiaries.
2. Supervisory Board members are obligated to maintain the confidence of information obtained in the course of serving at the Supervisory Board.
3. Supervisory Board members should refrain from undertaking professional or other activity that may lead to a conflict of interests or have a negative impact on their reputation as Supervisory Board members.
4. Supervisory Board members should present to the Company's Management Board information on links to any shareholders representing at least 5% of the total number of votes at the General Meeting. This obligation applies to economic, family or other links

that might have an impact on the Supervisory Board member's position on a matter being examined by the Supervisory Board.

§ 6

The Supervisory Board should include two Independent Supervisory Board Members who meet the independence criteria ("Independence Criteria") specified in art. 129 sec. 3 of the Act on statutory auditors, audit firms and public oversight of 11 May 2017 (Polish Journal of Laws of 2017, item 1089, hereinafter "Act on Statutory Auditors") and the rationale resulting from Best Practices for WSE-Listed Companies 2016, including those pertaining to restrictions indicated in Annex II of Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board (2005/162/EC).

§ 7

A Supervisory Board member presents to the other members of the Supervisory Board and the Company's Management Board a declaration on compliance with independence criteria alongside consent for serving as as Independent Member of the Supervisory Board.

§ 8

An Independent Member of the Supervisory Board is required to present to the Management Board and the Chairperson of the Supervisory Board, in writing or by email, information on non-compliance with the Independence Criteria no later than within five working days from ceasing compliance.

§9

The Supervisory Board examines whether there are any connections and circumstances that might have an impact on Management Board members' fulfilment of the independence criteria.

§ 10

Supervisory Board members may perform their functions only in person.

§ 11

1. The Supervisory Board may delegate its members to perform certain supervisory functions on an individual basis.
2. The Supervisory Board may appoint and in cases where it is legally required does appoint permanent committees from amongst Supervisory Board members.
3. The rules and specific tasks of the Supervisory Board's permanent committees as well as the procedures and criteria for selecting the membership of such permanent committees are laid out in the regulations of these committees, which are adopted by the Supervisory Board.

§ 12

1. The Supervisory Board appoints an audit committee.
2. The Audit Committee consists of at least three Members.

3. Audit Committee members are appointed by the Supervisory Board from among Supervisory Board Members for the Supervisory Board term, pursuant to a resolution adopted by the Supervisory Board in secret voting. Candidates for the Audit Committee may be submitted by every member of the Supervisory Board.
4. At least one member of the Audit Committee has knowledge and skills in accounting or in the auditing of financial statements.
5. Audit Committee members should possess knowledge and skills in the industry in which the Company operates. This condition is considered as having been met if at least one member of the Audit Committee has knowledge and skills in the given industry or specific members of the Audit Committee have knowledge and skills in specific areas in this industry.
6. A majority of the Audit Committee members, including its Chairperson, should meet the Independence Criteria.
7. The Audit Committee Chairperson is appointed by the Supervisory Board.
8. A newly-appointed Supervisory Board for a given term appoints Committee Audit Members during its first meeting. Moreover, the Supervisory Board immediately supplements the composition of the Audit Committee depending on circumstances, such as the number of Audit Committee members and the requirement for Audit Committee members to jointly or individually meet conditions specified in legal regulations.
9. A member of the Audit Committee may be dismissed from the Audit Committee at any time based on a Supervisory Board resolution.
10. An Audit Committee member's mandate (i.e. authorisation to serve as Audit Committee member) expires in the following events:
 - 1) events that result in the expiry of a given person's mandate to serve as Audit Committee member;
 - 2) dismissal or resignation by an Audit Committee member, without any events that result in the expiry of a given person's mandate to serve as Audit Committee member;
11. If an Audit Committee member's mandate expires, the Supervisory Board immediately supplements the composition of the Audit Committee, taking into account the requirement that Audit Committee members must jointly or individually meet the mandatory conditions specified in legal regulations. The Audit Committee Chairperson ensures that new Audit Committee members effectively assume the responsibilities resulting from serving on the Audit Committee.
12. If the composition of the Supervisory Board does not allow for the appointment of Audit Committee Members in compliance with mandatory regulations, the Supervisory Board Chairperson immediately requests the Management Board to immediately call a General Meeting in order to appoint such nominees to the Supervisory Board whose qualifications and characteristics will allow for the Supervisory Board to form an Audit Committee corresponding to requirements specified in legal regulations or regulator guidelines.
13. The Audit Committee's tasks include supporting the Supervisory Board as a statutory body of the Company in performing its supervisory responsibilities as well as other activities specified in Polish and EU law, including especially:
 - 1) monitoring:
 - a) the financial reporting process,
 - b) internal control and risk management systems, within a scope that applies to financial reporting,

- c) the performance of financial review functions, including in particular audits being carried out by audit firms, taking into account all conclusions and findings by the Audit Supervision Commission resulting from inspections carried out at the audit firms;
- 2) controlling and monitoring the statutory auditor's and audit firm's independence, especially if non-audit services are being performed for the Company by the audit firm (the monitoring of the independence of the statutory auditor and audit firm includes reviewing whether the audit firm is in compliance with the existing guidelines concerning the rotation of statutory auditors, the level of remuneration paid by the Company to the audit firm and the regulatory requirements in this scope);
- 3) informing the Supervisory Board of audit results and explaining how the audit contributed to the reliability of the Company's financial reporting and what the Audit Committee's role in the audit process was;
- 4) examining the statutory auditor's independence and expressing consent for provision of non-audit services by such statutory auditor for the Company (control of the character and scope of permissible non-audit services, including especially based on disclosures by the audit firm or statutory auditor of all fees paid by the Company to the audit firm and its network, with a view to preventing any conflicts of interest in this aspect);
- 5) drafting and reviewing the audit firm selection policy;
- 6) drafting and reviewing the policy concerning provision of non-audit services by the audit firm conducting the audit, by its related parties or a member of the audit firm's network;
- 7) defining and reviewing the procedure to select the Company's audit firm;
- 8) evaluating the process of selecting the audit firm and presenting to the Supervisory Board the recommendations referred to in art. 16 sec. 2 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC ("Regulation 537/2014"), concerning the appointment of statutory auditors or audit firms in accordance with the policies referred to in points 5 and 6 above;
- 9) reviewing the effectiveness of the external audit process, and the responsiveness of management to the recommendations made by statutory auditors;
- 10) investigating the issues giving rise to any resignation of the external auditor, and make recommendations as to any required action;
- 11) making recommendations intended to ensure the reliability of the Company's financial reporting process;
- 12) review at least annually the internal control and risk management systems, with a view to ensuring that the main risks (including those related to compliance with existing legislation and regulations) are properly identified, managed and disclosed,
- 13) supervising the organisational unit responsible for the Company's internal audit;
- 14. if the Company has a separate internal audit function - ensuring the effectiveness of the internal audit function, especially through appointing, re-appointing and dismissing the head of internal audit and the related budget as well as monitoring the responsiveness of management to its conclusions and recommendations. If the entire remuneration received from the Company during three successive financial years exceeds 15% of the total

remuneration received by the statutory auditor or audit firm, or in appropriate cases the group's statutory auditor, carrying out the statutory audit in each of the financial years, such statutory auditor or audit firm, or in appropriate cases the group's statutory auditor, disclose this fact to the Audit Committee and discuss threats to their independence and how to limit them. The Audit Committee examines whether audit engagements should be inspected for quality assurance by another statutory auditor or audit firm prior to the issue of an audit report.

15. If the remuneration received from the Company still exceeds 15% of total remuneration received by the statutory auditor or audit firm, or in appropriate cases the group's statutory auditor, the Audit Committee decides, based on objective reasons, whether the statutory auditor or audit firm, or in appropriate cases the group's statutory auditor, are able to continue conducting statutory audits in this additional period, which may not in any case exceed two years.
16. The Audit Committee provides the following to the Supervisory Board:
 - 1) conclusions, positions and recommendations formulated by the Audit Committee within deadlines allowing the Supervisory Board to immediately take appropriate action resulting from the Supervisory Board conducting oversight of the Company's activities in all of its business areas;
 - 2) report on its activities at least twice a year, within a deadline that allows the Supervisory Board to reliably evaluate the Company's annual and semi-annual reports.
17. The Audit Committee's recommendations and evaluations are adopted by the Supervisory Board through a resolution. These recommendations and evaluations are submitted to the Supervisory Board by one of the members of the Audit Committee. The President of the Company's Management Board is notified of the recommendations and evaluations submitted by the Audit Committee to the Supervisory Board.
18. The Audit Committee may, without the intermediation of the Supervisory Board, demand information, explanations and documents from members of the Company's bodies, its employees and co-workers, such as are necessary to carry out the tasks referred to in sec. 1 above. In particular, the Audit Committee is authorised to:
 - 1) examine all of the Company's activities from the viewpoint of the Audit Committee's tasks;
 - 2) submit proposals of issues to be examined by the Audit Committee on an ad-hoc basis;
 - 3) submit motions to the Supervisory Board to adopt specific resolutions.
19. The Audit Committee may request that the statutory auditor discuss, or the lead statutory auditor may request discussion, with the Audit Committee, Management Board and Supervisory Board key issues resulting from the audit, such as are mentioned in an additional report to the audit committee, as referred to in art. 11 of Regulation 537/2014 ("Additional Report"). The Additional Report is also submitted to the Supervisory Board and then to the Management Board. The Audit Committee may make the Additional Report available to the General Meeting.
20. The standards specified in Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board apply in the case of the composition, tasks and functions of the Audit Committee.
21. Performing the tasks specified in the Supervisory Board Regulations and the Audit Committee Regulations by the Audit Committee does not substitute the Supervisory

Board's legal and statutory authorisations and obligations and does not release Supervisory Board Members from their responsibilities.

22. The detailed rules and procedures for the Audit Committee are specified in the Audit Committee Regulations, adopted by the Supervisory Board.

§ 13

Management Board members may participate in Supervisory Board meetings with an advisory vote.

§ 14

Supervisory Board members receive remuneration for the functions they perform in the amounts specified by the general meeting.

§ 15

If a member of the Supervisory Board is delegated to the Management Board, his/her Supervisory Board mandate and right to remuneration are suspended. For performing Management Board functions, Supervisory Board members are entitled to separate remuneration specified in a Supervisory Board resolution.

§ 16

The operations of the Supervisory Board are directed by the Supervisory Board Chairperson or - in his/her absence - the Supervisory Board Deputy Chairperson, both of whom are appointed from among Supervisory Board members at the first Supervisory Board meeting via a secret ballot.

§ 17

The first meeting of the Supervisory Board is called by the Management Board within 14 days from the appointment of the Supervisory Board.

§ 18

Administrative service for the supervisory board office is provided by the management board.

§ 19

Supervisory Board meetings take place in Wrocław, at the Company's registered office. For important reasons, the Chairperson may designate a different meeting place.

§ 20

Supervisory Board meetings are called at least once every quarter by the Supervisory Board Chairperson or - in his/her absence - by the Supervisory Board Deputy Chairperson, on his/her own initiative, at the request of the Management Board or at the request of a Supervisory Board member. The deadline for calling a meeting is seven days from the submission of a relevant request by an authorised entity.

§ 21

An invitation to a Supervisory Board meeting is deemed effective if it is sent via registered mail, including the meeting agenda, to the mailing address (provided by the Supervisory Board member) at least 10 days before the date of the meeting.

§22

A Supervisory Board member may request that an invitation be sent in electronic form to the email address provided by him/her.

§ 23

Materials concerning items on the agenda should be sent to members of the Supervisory Board in a manner ensuring delivery no later than seven days before the date of the meeting.

§ 24

Supervisory board meetings may be conducted using long-distance communications, provided that all participants of such a meeting will be able to hear the other participants as well as to speak, and that all participants will be provided the same documents concerning items on the agenda.

§ 25

If the Chairperson fails to convene a Supervisory Board meeting within the aforementioned deadline, the requesting entity or entities have the right to convene a Supervisory Board meeting.

§ 26

Supervisory Board meetings are valid and authorised to adopt resolutions if at least three Supervisory Board Members are present and all Members have been invited properly.

§ 27

A Supervisory Board meeting may also take place without being formally convened if all Supervisory Board Members are present and agree to hold the meeting and examine specific issues on the agenda.

§ 28

The agenda specified in the meeting notice may be changed with the consent of all Supervisory Board Members.

§ 29

The Supervisory Board Chairperson or another Supervisory Board Member conducting the Supervisory Board meeting is obligated to provide every Supervisory Board Member with the right to speak on all issues on the agenda. If the Supervisory Board meeting is attended by Members of the Company's Management Board or other invited persons, the Supervisory Board Chairperson or another Supervisory Board Member conducting the meeting may provide them the right to speak in order to express their position or opinion on an issue being discussed.

§ 30

Supervisory Board Members are entitled to reimbursement of the costs to participate in Supervisory Board meetings, which covers the costs of travel, accommodation and costs related to the use of long-distance communications equipment.

§ 31

Supervisory Board resolutions may be adopted if all members have been properly invited to the meeting.

§ 32

1. Supervisory Board resolutions are adopted by an absolute majority of votes cast, unless the Articles of Association state otherwise.
2. In the case of an even number of votes, the supervisory board chairperson holds the deciding vote.

§ 33

Adopting a written resolution by circulation is permissible on the condition that all Supervisory Board Members agree to this type of voting.

§ 34

1. Minutes are kept at Supervisory Board meetings.
2. The minutes should note whether the Supervisory Board - having been properly convened and with all Supervisory Board members present - is authorised to adopt resolutions.
3. The minutes should also indicate the location and time of the meeting as well as its agenda, first and last names of the attendees, description of the meeting, content of the resolutions adopted as well as the results and methods of voting, together with any objections and dissenting voices submitted by Supervisory Board Members.
4. The minutes are signed by all Supervisory Board Members present at the meeting. No later than at the next Supervisory Board meeting at which all previously absent Supervisory Board Members are present, they sign a protocol acknowledging the conclusions and the content of resolutions adopted at the meetings at which they were absent.

§ 35

Documents containing the content of Supervisory Board resolutions are signed by the Supervisory Board Chairperson, indicated also the last names of the Supervisory Board Members present and the total number of votes "for," "against," and "abstained."

§ 36

Members of the Supervisory Board and Management Board have the right to read the content of protocols from Supervisory Board meetings at any time.

§ 37

Members of the Company's Management Board and the Company's employees responsible for issues being examined may participate in Supervisory Board meetings at the invitation of the Supervisory Board. Each Supervisory Board Member may designate the employees and

Management Board Members who should be invited to the Supervisory Board meeting and indicate on which agenda items they should provide information to the Supervisory Board.

§ 38

These Regulations along with any changes enter into force on the date on which they are approved by the General Meeting.