



BY-LAWS OF THE SUPERVISORY BOARD  
of Midas Spółka Akcyjna

**§1**

These By-laws establish the procedure for convening, organising and conducting the Supervisory Board of the company Midas S.A. with its registered office in Warsaw (hereinafter the “Company” or “Midas S.A.”).

**§2**

1. The Supervisory Board of Midas S.A. operates on the basis of the provisions of the Commercial Companies Code of 15 September 2000 (Journal of Laws No. 94 item 1037 as amended), the provisions of the Statute of Midas S.A., and these By-laws.
2. The current By-laws of the Supervisory Board are published on the website [www.midasnfi.pl](http://www.midasnfi.pl).

**§3**

1. The Supervisory Board makes decisions and issues opinions on matters reserved for its competence.
2. The Supervisory Board consists of from 5 to 7 members. Members of the Supervisory Board are appointed for a joint three-year term of office. The mandate of a member of the Supervisory Board appointed or co-opted before the lapse of a given term of office of the Supervisory Board expires upon the lapse of that term of office.
3. Members of the Supervisory Board are appointed and recalled by the General Meeting of Shareholders.
4. In the place of a member who leaves the Supervisory Board or dies before their mandate expires, the Supervisory Board may co-opt a new member of the Supervisory Board. When voting on a resolution on co-opting a new member of the Supervisory Board, only members of the Supervisory Board chosen or approved by the General Meeting of Shareholders may participate. During the course of a given Supervisory Board term of office, there cannot be more than two co-opted members. Co-opted members of the Supervisory Board are presented for approval at the closest General Meeting of Shareholders.
5. A member of the Supervisory Board should have appropriate education, professional and life experience, should represent a high level of morality, and should be able to devote the time necessary for the proper performance of his or her duties on the Supervisory Board. Candidates for membership on the Supervisory Board should be submitted and justified in detail in a way



enabling a rational choice to be made.

6. Both when appointing and co-opting a member of the Supervisory Board, the person making the nomination and the candidate for Supervisory Board member must disclose to the General Meeting of Shareholders, or to the Supervisory Board and the General Meeting of Shareholders, any connections with persons who are members of the Supervisory Board or General Meeting of Shareholders, before the appointment to the Supervisory Board. Information obtained in this way will be available at the request of an entity concerned at the registered office of the Company.
7. The Supervisory Board appoints from among its members a Chairman and Deputy Chairman of the Supervisory Board.

#### **§4**

1. The Chairman of the Supervisory Board directs the work of the Supervisory Board, and in particular:
  - a) convenes meetings of the Supervisory Board,
  - b) chairs meetings of the Supervisory Board,
  - c) represents the Supervisory Board with respect to the Management Board of Midas S.A.,
  - d) represents the Supervisory Board externally.
2. In the absence of the Chairman of the Supervisory Board at a Supervisory Board meeting, or where the Chairman cannot fulfil his or her duties between meetings (due to prolonged illness, travel), the Chairman of the Supervisory Board is replaced by the Deputy Chairman, and in the absence of the Deputy Chairman or where he or she cannot fulfil his or her duties, by another member of the Supervisory Board chosen by the members of the Supervisory Board.

#### **§5**

The Secretary of the Supervisory Board oversees the correctness of minutes of Supervisory Board meetings, of the documentation of the Supervisory Board comprising attachments to the minutes, cooperates with the Chairman of the Supervisory Board in preparing materials for meetings, and makes sure an approved agenda is implemented.

#### **§6**

1. The following permanent committees act as part of the Supervisory Board: an Audit Committee and a Remuneration Committee, which submit annual reports on their activity to the Supervisory Board. Those reports are made available to shareholders of the Company.



2. The committees are appointed by the Supervisory Board from among its members.
3. A committee chooses, by resolution, a chairman of the committee from among its members.
4. A committee consists of from 3 to 5 members. The Audit Committee consists of at least two independent members (who are not members of the Supervisory Board) and at least one members who has qualifications and experience in the field of accounting or finance.
5. The first meeting of a given committee is convened by the Chairman of the Supervisory Board or another member of the Supervisory Board appointed by the Chairman.
6. The work of a given committee is directed by the chairman of that committee. The chairman also supervises the preparation of agendas, the organisation of the distribution of documents, and the preparation of minutes of committee meetings.
7. Committee meetings are convened by the Chairman of the Committee or, in his or her absence or inability to fulfil his or her duties, by the Chairman of the Supervisory Board or a Supervisory Board member appointed by the Chairman, who invites Committee members to the meetings and informs all other Supervisory Board members about the meeting. All Supervisory Board members have the right to participate in meetings of a given Committee.
8. Information that a Committee meeting has been convened should be sent to all Committee members and other members of the Supervisory Board no later than 7 days before the Committee meeting, and in urgent cases, no later than 1 day before the Committee meeting.
9. The Committee chairman or other person appointed to act as Committee chairman in accordance with par. 7 above may invite members of the Management Board, employees of the Company or other persons whose participation in the meeting is useful for carrying out the Committee's tasks to attend a meeting.
10. Committee resolutions are adopted by a simple majority of votes cast. In the case where an equal number of votes are cast 'for' and 'against', the Committee chairman or person acting as such in accordance with par. 7 above has the deciding vote.
11. Members of a Committee may vote on adopting resolutions in person by taking part in the Committee meeting, or by using remote means of communication.
12. Minutes of every Committee meeting are prepared; these should be signed by Committee members and Supervisory Board members present at the meeting.
13. The minutes should contain all resolutions, motions and reports of the Committee.
14. The Committee chairman or a person appointed by the Chairman submits to the Supervisory



Board all resolutions, motions and reports on matters placed on the agenda of a Supervisory Board meeting.

15. Minutes of Committee meetings are stored at the registered office of the Company. The Company provides copies of minutes to all Supervisory Board members.
16. A Committee chairman or person appointed by the chairman is authorised to submit motions to the Supervisory Board on the Supervisory Board adopting resolutions on preparing expert studies or opinions for the needs of the Committee concerning the scope of its tasks or engaging consultants.
17. The Audit Committee's task is to advise the Supervisory Board on the proper implementation of the principles of budgetary and financial reporting, as well as on internal control at the Company and cooperation with the Company's certified auditors. In particular the Audit Committee is responsible for:
  - (a) monitoring the work of the Company's certified auditors and presenting to the Supervisory Board recommendations on the choice and remuneration of the Company's certified auditors,
  - (b) discussing with the Company's certified auditors, before the commencement of the annual audit of the financial statements, the nature and scope of the audit, and monitoring the coordination of work between the Company's certified auditors,
  - (c) periodically and annually reviewing the financial statements of the Company (non-consolidated and consolidated), with particular attention paid to:
    - (i) all changes in accounting standards, principles and practices,
    - (ii) the main areas subject to rulings,
    - (iii) significant adjustments resulting from the audit,
    - (iv) declarations on continuation of activity,
    - (v) compliance with the binding provisions on accounting,
  - (d) discussing all problems or reservations which may result from the audit of the financial statements,
  - (e) analysing letters to the Management Board prepared by the certified auditors of the Company, and the independence and objectivity of their audit and the responses of the Management Board,
  - (f) issuing opinions on the yearly and long-term financial plans,



- (g) issuing opinions on dividend policy, distribution of profit and issues of securities,
  - (h) reviewing the management accounting system,
  - (i) reviewing the system of internal control, including the following control mechanisms:  
financial, operational, compliance with the law, risk and management assessment,
  - (j) analysing reports by the Company's internal auditors and the main reservations of other internal analysts, and responding to the Management Board with regard to those reservations, together with assessing the degree of independence of the internal auditors and issuing opinions on the Management Board's plans for hiring or dismissing persons in charge of organisational units responsible for the internal audit,
  - (k) annually reviewing the internal audit programme, the coordination of the work of internal and external auditors, and assessing the operational conditions of the internal auditors,
  - (l) cooperating with organisational units of the Company responsible for auditing and control, and periodically evaluating their work,
  - (m) considering all other issues related to auditing at the Company, which the Audit Committee or Supervisory Board draw attention to,
  - (n) informing the Supervisory Board about all important issues within the scope of activities of the Audit Committee.
18. Meetings of the Audit Committee should be held at least once per quarter, before the Company publishes the financial statements.
19. The Remuneration Committee is responsible for helping achieve the strategic goals of the Company by presenting the Supervisory Board with opinions and motions on structuring management, including on organisational solutions, the remuneration system, and the choice of staff having qualifications appropriate to building the success of the Company. In particular, the Remuneration Committee is responsible for:
- (a) initiating and issuing opinions on solutions pertaining to nominating members of the Management Board,
  - (b) issuing opinions on solutions proposed by the Management Board pertaining to the system of managing the Company, aimed at guaranteeing the effectiveness, coherence and security of the management of the Company,
  - (c) periodically reviewing and recommending the principles for determining motivational remuneration for members of the Management Board and high-level management staff in



accordance with the Company's interests,

- (d) periodically reviewing the system of remuneration of members of the Management Board and high-level managerial staff directly accountable to members of the Management Board, including managerial contracts and bonus systems, and presenting the Supervisory Board with proposals for amending the above in the context of implementing the Company's strategic goals,
- (e) presenting the Supervisory Board with opinions on the justifiability of awarding remuneration dependent on results in the context of the degree to which specific tasks and goals of the Company have been attained,
- (f) evaluating the human resources management system at the Company.

#### **§7**

1. The Supervisory Board may appoint from among its members permanent or ad hoc working groups. A resolution on appointing such a group must specify the scope of authority and rules of operation of the group, and may also authorise members of the group to individually carry out inspection activities within the scope of activity of the group.
2. Supervisory Board working groups, as well as Supervisory Board members delegated to independently carry out specific supervisory activities, must inform the Supervisory Board of the results of their work at a Supervisory Board meeting, and have no right to issue any recommendations or opinions whatsoever to the Management Board of Midas S.A.

#### **§8**

Members of the Supervisory Board carry out their duties in person, although the Supervisory Board may adopt a resolution on commissioning the preparation of an expert opinion or analysis in connection with the performance of supervisory duties to persons from outside the Supervisory Board. The Chairman of the Supervisory Board or another Supervisory Board member named in the resolution agrees the conditions for performing the commission in accordance with the resolution, and informs the Management Board of the need to conclude a mandate or specific task agreement on behalf of Midas S.A. in the agreed scope.

#### **§9**

1. Invitations to members of the Supervisory Board should contain, in addition to the date and time



of the meeting, the proposed agenda for the meeting.

2. Together with an invitation to a Supervisory Board meeting, materials for the Supervisory Board meeting are to be delivered to members of the Board. Upon a motion of the Management Board, the Chairman of the Supervisory Board may consent to another procedure or deadline for delivery of materials. In particular, if the materials constitute a significant trade secret of Midas S.A., the Chairman may consent to their being presented solely at the Supervisory Board meeting.

#### **§ 10**

1. A meeting of the Supervisory Board is deemed duly convened if invitations to the meeting, containing its date and time, location and proposed agenda together with any materials are sent to Supervisory Board members by registered letter or courier, or by fax to the number provided or e-mail to the address provided if a given member consents in writing to such delivery, at least 7 days before the scheduled date of the meeting.
2. The Supervisory Board may hold a meeting without convening it formally if all Supervisory Board members are present and each of them grants his or her written consent to the meeting being held and to the proposed agenda.

#### **§ 11**

1. After setting the date of a meeting, the Chairman of the Supervisory Board informs the Management Board about the meeting, obligates it to provide the required documents, and informs it of the duty of employees of Midas S.A. or other persons to attend in order to report on the merits of matters which are the subject of the meeting.
2. The Chairman of the Supervisory Board may authorise a Supervisory Board member to carry out the entitlements specified in par. 1 and, where Supervisory Board working groups are formed, their chairmen are also authorised within the scope of activity of the group to obligate the Management Board to prepare materials for meetings and to ensure the presence of employees or other persons whose attendance is necessary due to the scope of matters to be discussed at the Supervisory Board meeting.
3. In the case where a resolution is adopted on delegating members of the Supervisory Board to independently perform specific supervisory duties, a delegated Supervisory Board member may, within the scope of his delegation, ask to review files and documents at the registered office of



Midas S.A. regardless of the anticipated subject matter of the closest Supervisory Board meeting, and may also request that particular documents be provided to the Supervisory Board if they relate to the planned agenda for the closest meeting.

#### **§ 12**

1. Meetings of the Supervisory Board take place as needed, but at least once per quarter.
2. Subject to § 4 par. 2 of these By-laws, meetings of the Supervisory Board are opened and closed by the Chairman of the Supervisory Board.
3. After opening a meeting, the person responsible for serving the Supervisory Board in cooperation with the Chairman of the Supervisory Board confirms the correctness of the invitations of all Supervisory Board members. Where any fault in an invitation is found, if all of its members are present, they submit a declaration on granting or not granting consent to the adoption of resolutions. If it is not possible to adopt resolutions due to a lack of consent or the absence of certain members of the Supervisory Board, the meeting may be held, but without the right to adopt resolutions.
4. After confirming that the Supervisory Board meeting has been duly convened and has the right to adopt resolutions, the Supervisory Board votes on approving the agenda for the meeting and determines the rules for holding the meeting; in particular, it determines the completeness of the materials required for the meeting, the rules of discussion, and important urgent matters arising after the date of the meeting was set. The proposed agenda contained in the invitation is binding on members of the Supervisory Board and may not be expanded by new matters unless all members of the Supervisory Board grant their consent to the agenda for the meeting being supplemented. The Supervisory Board may resign from discussing matters contained in the proposed agenda, or may decide to postpone them until a later meeting.

#### **§ 13**

1. The Chairman of the Supervisory Board or, in his absence, the Deputy Chairman (and in his absence, another member of the Supervisory Board appointed by Supervisory Board members) conducts the meeting, gives the floor to Supervisory Board members and invitees, conducts voting on any proposed resolutions, announces the voting results and, after a given item on the agenda has been exhausted, decides on closing the matter.
2. Draft resolutions on matters on the agenda for the meeting are provided to Supervisory Board members together with materials for the meeting.





#### **§ 14**

1. Where the subject of a meeting is the recall or suspension of the entire Management Board or particular members thereof, the person bringing the motion presents his motion verbally.
2. After the motion is presented, discussion on it takes place.
3. At the end of the discussion, the Chairman or person substituting for him appointed in accordance with § 13 par. 1 above may give the floor to members of the Management Board whom the recall or suspension concerns.
4. Only after the conclusion of the discussion and any addresses by persons as referred to in par. 3 is voting on a motion as referred to in par. 1 conducted. Voting on a motion as referred to in par. 1 may also take place in the absence of the members of the Management Board whom the recall or suspensions concerns if their absence is for reasons attributable to the Management Board, i.e. due to circumstances which the members of the Management Board could have foreseen or prevented.

#### **§ 15**

1. Subject to the provisions of par. 2 and 3, the Supervisory Board adopts resolutions by an absolute majority of votes cast, provided that at least half of the members are present and all members were invited to the meeting.
2. Members of the Supervisory Board may participate in adopting resolutions of the Board by giving their votes in writing through the agency of another Supervisory Board member. Votes cast in writing cannot concern matters placed on the agenda at the Supervisory Board meeting.
3. The Supervisory Board may adopt resolutions under a written procedure (by circulation of papers), or by using remote means of direct communication. In particular, members of the Supervisory Board may vote on resolutions by sending information by fax or e-mail. Resolutions adopted under a written procedure as described in par. 3 above are valid if all Supervisory Board members were informed of the content of the resolution in the manner indicated in par. 1 above.
4. Adoption of resolutions under the procedure specified in par. 2 and 3 cannot concern the appointment of the Chairman or Deputy Chairman of the Supervisory Board or the recall or suspension of such persons from their duties.

#### **§ 16**

1. Votes by the Supervisory Board are held in an open ballot and are conducted by a show of hands.
2. Voting in a secret ballot is used when electing the Chairman of the Supervisory Board, the Deputy Chairman or the Secretary, and when appointing a member of the Management Board or recalling such persons, and in personal matters and at the request of at least 3 members of the Supervisory Board present at the meeting. The person chairing the meeting decides on the voting technique to be used in a specific matter and checks the results of the vote.
3. Voting by circulation of papers on a resolution is conducted by the Supervisory Board Chairman. Voting by circulation of papers is carried out by the Chairman of the Supervisory Board sending a draft resolution to all Supervisory Board members under the procedure provided for convening Supervisory Board meetings. A draft resolution should contain a short justification and indicate that a failure to vote within the specified time, which cannot be shorter than 7 days, will be treated as an abstention from voting. Supervisory Board members vote by sending their written vote to the address indicated, by sending a fax to the number indicated, or by sending an e-mail to the address indicated. The Chairman of the Supervisory Board notifies the Company and Supervisory Board members of the results of voting promptly after the adoption of a resolution, and the content of the resolution, together with the voting results, is placed in the minutes of the next Supervisory Board meeting. Where needed, the Supervisory Board prepares a resolution document in the form provided for adopting resolutions at Board meetings; the document contains a note that the resolution was adopted by circulation of papers.
4. A Supervisory Board member who voted against a resolution or who submitted a significant amendment thereto which was nonetheless rejected by the Supervisory Board, may submit a written dissenting opinion on the resolution with a detailed justification, within 3 days following the meeting. The dissenting opinion constitutes an attachment to the resolution.

#### **§ 17**

1. In order to be valid, resolutions of the Supervisory Board should contain:
  - a) the serial number of the resolution adopted at a given Supervisory Board meeting followed by the number of the meeting and the year,
  - b) the date on which the resolution was adopted (where resolutions adopted by circulation of papers are numbered and dated according to the date on which the last Supervisory Board voted or the date on which the period for voting elapsed),



- c) the title and legal basis of the decision,
  - d) the content of the resolution,
  - e) the number of votes 'for' and 'against' and abstentions,
  - f) any dissenting opinions.
2. A resolution must be signed by all members of the Supervisory Board who participated in the voting on the resolution.

### **§ 18**

1. Meetings of the Supervisory Board are minuted. The minutes of a meeting should contain:
- a) the serial number of the meeting followed by the year,
  - b) the date on which the meeting was held,
  - c) a statement that the meeting was opened and a declaration that all Supervisory Board members were duly invited and the meeting is capable of adopting resolutions,
  - d) a record of any reservations (or lack thereof) regarding the minutes of the previous meeting and a decision taken by the Board in that regard,
  - e) approval of the agenda for the Supervisory Board meeting,
  - f) a brief description of the subject of the meeting in separate agenda items,
  - g) the content of motions submitted by individual Supervisory Board members regarding the adoption of resolutions, together with their justifications,
  - h) the content of resolutions adopted,
  - i) an attendance list of Supervisory Board members, j) a statement that the meeting has been closed.
2. At the request of a member of the Supervisory Board or a member of the Management Board, his or her position expressed at the meeting on a matter which was considered at the meeting should be placed in the minutes.

### **§ 19**

The minutes of a meeting are delivered to Supervisory Board members together with materials for the next meeting. In the case where Supervisory Board members raise reservations about the minutes, the Supervisory Board will settle those doubts by voting and, as appropriate to the circumstances, will recommend that the minutes be amended or supplemented. The approved minutes are signed by all members who were present at the meeting, and by the clerk who prepared the minutes. Supervisory Board members who were not present at the meeting sign the minutes and



add a note that they have familiarised themselves with their content.

## **§ 20**

1. Minutes of meetings of the Supervisory Board are registered, maintaining the yearly numbering, and are placed, together with Supervisory Board resolutions, in the Minutes Book of the Supervisory Board. The Minutes Book is stored at the registered office of the Company. The Chairman of the Supervisory Board may issue copies of minutes or adopted resolutions. Access to the Minutes Book is afforded to members of the Supervisory Board, members of the Management Board and other persons within the scope required by the provisions of law. In other cases, access to Supervisory Board documents requires the consent of the Supervisory Board expressed in the form of a resolution.

i Materials delivered for a meeting of the Supervisory Board constitute attachments to the minutes, but must also be archived separately in a collection of documents in accordance with the sequence and agenda of particular Board meetings.

## **§ 21**

1. A member of the Supervisory Board is obliged to submit to the Company a declaration on the number of shares he or she holds in Midas S.A., their percentage share in the share capital, and the number of votes to which he or she is entitled, within 4 days after being appointed to the Supervisory Board, as well as each time upon receiving such a request from the Management Board of the Company.
2. Within 4 days after acquiring or disposing of shares in the Company, a member of the Supervisory Board is obliged to notify the Company of such. The relevant letter should contain information on the number of shares in the Company acquired or disposed of, their percentage share in the share capital, and the number of votes resulting from those shares, as well as the number of currently held shares and number of votes.
3. The provisions of par. 1 and 2 apply as appropriate to acquisitions or disposals of shares in parent companies or subsidiaries of the Company, and to transactions with such companies where these are significant for the material situation of the member of the Supervisory Board.
4. Information as referred to in par. 1-3 is published in accordance with the provisions of the Regulation of the Minister of Finance on current and periodic information published by issuers of securities of 19 October 2005 (Journal of Laws of 2005 No. 209 item 1744).
5. Members of the Supervisory Board should refrain from taking any actions which could lead to a



conflict of interests with the Company. Members of the Supervisory Board are obliged to promptly inform the Chairman of the Supervisory Board about any conflict of interests which arises, and are obliged to refrain from voting on such matters.

6. A member of the Supervisory Board must not resign from his or her position during a term of office if this could prevent the Supervisory Board from acting, and in particular if this could make it impossible to adopt an important resolution in time.