



**Uniform text**

**RULES OF THE SUPERVISORY BOARD  
of ENERGMONTAŻ-POŁUDNIE S.A.**

Katowice, February 2011



### **Article 1**

1. The Supervisory Board operates in accordance with these Rules, the Company's Statute, the Commercial Companies Code, the generally applicable provisions of law, and the principles set out in "Good Practices of Companies Listed on the Warsaw Stock Exchange" (Appendix to Resolution No. 17/1249/2010 of the WSE Board of 19 May 2010).
2. The composition of the Supervisory Board and its rights and powers are regulated by the Company's Statute.
3. The Supervisory Board has from five to seven members. Members of the Supervisory Board are appointed for a joint term of office. The term of office of the Supervisory Board lasts five years, and the re-appointment of a member of the Supervisory Board cannot be carried out earlier than one year before the end of that member's current term of office.
4. At the first meeting of the Supervisory Board in a new term of office, the Supervisory Board elects from among its number a Chairman and Vice-Chairman of the Supervisory Board and, if necessary, also a Secretary of the Board.

### **Article 2**

1. Members of the Supervisory Board are obliged to notify the Company as to whether or not they fulfil the conditions relating to independence set out in the Company's Statute.
2. Members of the Supervisory Board are obliged to maintain the confidentiality of all information and documents concerning the Company which come into their possession in the course of their performing their duties on the Supervisory Board.
3. Members of the Supervisory Board are obliged to participate in General Meetings of Shareholders so that substantive answers can be given to questions asked during a particular General Meeting of Shareholders.

### **Article 3**

1. The Supervisory Board shall hold a meeting at least once per quarter.
2. Meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board, on his or her own initiative or at the written request of the Management Board or a member of the Supervisory Board.
3. The Chairman of the Supervisory Board shall convene a meeting of the Supervisory Board seven days before the planned date of the meeting. In emergencies and/or urgent matters, the Chairman of the Supervisory Board can convene a meeting of the Board four days before the date of the meeting.
4. The Chairman of the Supervisory Board will be obliged to convene a meeting of the Supervisory Board within two weeks of receiving a motion from the Management Board or a member of the Supervisory Board in which an agenda is proposed, such meeting to be held not later than three weeks from the date the motion is received. If, despite having received a correct motion, the Chairman of the Supervisory Board does not convene a

meeting of the Supervisory Board within the required time period, the person who submitted the motion can themselves convene the meeting, specifying its date, location and proposed agenda.

5. A meeting of the Supervisory Board can be held without being formally convened if all the members of the Supervisory Board are present and none of them has expressed an objection to the meeting being held.
6. The Chairman of the Supervisory Board of the previous term of office will convene and open the first meeting of the newly elected Board and chair it until a new Chairman is elected. If that obligation is not fulfilled within 21 days from the election of the Supervisory Board for a new term of office, those obligations will be fulfilled by the oldest member (by age) of the newly elected Supervisory Board.
7. Meetings of the Supervisory Board can be held in the Company's registered office in Warsaw and, if all the members of the Supervisory Board agree, also in other places in the territory of the Republic of Poland.
8. Notifications of a meeting of the Supervisory Board containing the proposed agenda should be sent by registered letter, fax or e-mail against confirmation of receipt, or communicated by telephone at least seven days before the date of the meeting, or four days before the meeting if it has been convened according to the procedure set out in Article 3 par. 3 sentence 2. Documents and materials on the basis of which the matters on the agenda are to be considered and, if necessary, drafts of the resolutions which are to be adopted at the convened meeting should be attached to the notification.
9. The agenda of a meeting of the Supervisory Board must be approved by a vote of the Supervisory Board at the beginning of the meeting. The agenda of a meeting of the Supervisory Board should not be changed or supplemented during the meeting it relates to, except where:
  - a. all the members of the Board are present and consent to the agenda being changed or supplemented;
  - b. it is necessary for the Board to take appropriate action to prevent the Company from incurring damage;
  - c. the subject of the resolution is an assessment of whether there is a conflict of interest between a member of the Board and the Company.
10. Members of the Management Board can participate in meetings of the Supervisory Board, except with regard to matters relating directly to the Management Board or its members, in particular recalling a member(s), liability, and setting remuneration.

#### **Article 4**

1. In order for a resolution of the Supervisory Board to be valid, all the members of the Board must be invited to the meeting at which it is adopted.
2. The Supervisory Board adopts resolutions by an absolute majority of votes with the presence of at least half the members of the Board. In the event of an equal number of votes, the Chairman of the Board has the casting vote.

3. Members of the Supervisory Board can participate in adopting resolutions of the Supervisory Board by casting their vote in writing through the intermediacy of another member of the Supervisory Board.
4. The Supervisory Board can adopt resolutions in writing or by using remote means of direct communication. At the request of a member of the Supervisory Board or the Management Board, or without such a request, the Chairman of the Supervisory Board can, if he or she considers it to be justified, order that resolutions be adopted under a written procedure or using remote means of direct communication.
5. Resolutions adopted under a written procedure or using remote means of direct communication will be presented at the next meeting of the Supervisory Board together with the outcome of the voting.
6. Resolutions of the Board can be adopted by voting in writing, as ordered by the Chairman or, if he or she is absent, by the Vice-Chairman, if all the members of the Board are notified of the content of the resolution being adopted. Resolutions adopted by voting in writing should be adopted within seven days following the date when a member of the Supervisory Board receives the draft resolution. The date when a resolution was adopted will be deemed to be the date of the last signature of a member of the Board. If a member of the Board fails to submit a written position regarding the content of the resolution within seven days from receiving a draft thereof, that member will be deemed to have abstained from voting.
7. The adoption of resolutions by the Supervisory Board by telephone, audio conference or videoconference as remote means of direct communication will be carried out in such a way as to enable all the members of the Board participating in such a meeting to communicate with each other. Resolutions adopted at such a meeting will be valid provided that all the members of the Board were notified of the content of the draft resolution. In such a situation, it will be assumed that the place where the meeting was held and the minutes drawn up is the Chairman's location or, if he or she was absent, the Vice-Chairman's location, if the Vice-Chairman chaired the meeting.
8. The adoption of resolutions by the Supervisory Board using e-mail as a remote means of direct communication will be carried out according to the following procedure: a draft resolution drawn up in writing is sent by e-mail by the Chairman, a member of the Board authorised by him/her, the Vice-Chairman or the Manager of the Office of the Management Board with the Chairman's authorisation, to all the members of the Supervisory Board, to e-mail addresses previously provided by them. Immediately after sending the draft resolutions by e-mail, the person sending those drafts must notify the members of the Board by telephone that they have been sent. After familiarising themselves with the draft resolution, each member of the Supervisory Board must promptly (i.e. no later than three days from the moment when they are notified by telephone that the draft resolutions have been sent or from the draft resolutions being sent by e-mail) sign the draft resolution with their forename and surname if they are voting "for" the adoption of the proposed resolution and immediately send the signed draft resolution back or send information that they vote "for" the resolution in the body of an e-mail message to the Chairman of the Board (or a member of the Board authorised by the Chairman, the Vice-Chairman, or the Manager of the Office of the Management Board authorised by the Chairman), who will count the votes cast "for" the resolution. Members of the Board who voted against the draft resolution or abstained from voting will promptly notify the Chairman of the Board (or a member of the Board authorised by the Chairman, the Vice-Chairman, or the Manager of the Office of the Management Board authorised by the Chairman) to that effect, by e-mail. The date when the resolution is adopted will be deemed to be the date when the

last e-mail message is sent by a member of the Board. If a member of the Board fails to express a position regarding the content of the resolution within three days from the date when they are notified by telephone that a draft resolution has been sent, he or she will be deemed to have abstained from voting. Print-outs of declarations of members of the Board submitted by e-mail will be included in the Supervisory Board's minute book.

9. The adoption of resolutions according to the procedure set out in paragraphs 6, 7 and 8 will be carried out in accordance with the principles set out in Article 4 par. 1 and par. 2.
10. Voting according to the procedure set out in Article 4 par. 6, 7 and 8 cannot relate to matters introduced to the agenda during a meeting of the Supervisory Board, elections of the Chairman of the Supervisory Board or the Vice-Chairman of the Supervisory Board, appointing a member of the Management Board, or appointing or suspending the Chairman of the Supervisory Board, the Vice-Chairman of the Supervisory Board or a member of the Management Board.
11. If a conflict of interests arises, the member of the Supervisory Board should notify the other members of the Supervisory Board of it and refrain from speaking in discussions or voting on the adoption of a resolution in the matter in which the conflict of interests has arisen.

#### **Article 5**

1. The Supervisory Board performs its duties collectively. However, it can delegate its members to carry out particular supervisory acts individually (separately) or collectively (jointly).
2. When delegating members to carry out particular supervisory acts individually (separately), in a resolution the Board will:
  - a. indicate that the delegation relates to individual (separate) action;
  - b. specify the scope of the supervisory acts which are to be performed, as well as the procedure for carrying out the supervisory acts and for submitting a report on them once they have been completed.
3. When delegating members to carry out collective (joint) supervisory acts, in a resolution the Board will:
  - a. indicate that the Board obligates the members to act jointly, thus creating a Committee of the Board;
  - b. specify, by adopting rules of the Committee of the Board, detailed rules and procedures for and the scope of the tasks of the Committee of the Board, as well as the procedure for the members of the Board on the Committee to submit a joint report on the supervisory acts once they have been completed. Each member of the Committee of the Board can submit a separate individual report on the joint supervisory acts after their completion.
4. The Board can appoint one or more Committees of the Board.
5. If the Supervisory Board consists of more than five members, an Audit Committee will be appointed. The composition, activities and duties and responsibilities of the Audit Committee are set out in the Rules for the Audit Committee.

6. In order to perform its tasks, the Board can request reports and clarifications from the Management Board and employees of the Company, carry out audits of assets, and examine books of account and documents.
7. The remuneration of members of the Supervisory Board is established by the General Meeting of Shareholders.
8. The remuneration of members of the Supervisory Board delegated to temporarily perform the duties of a member of the Management Board is established by the Supervisory Board.

## **Article 6**

1. Meetings of the Supervisory Board are conducted by the Chairman or, if he or she is absent, by the Vice-Chairman or Secretary of the Supervisory Board, subject to Article 3 par. 6.
2. Meetings of the Supervisory Board will be recorded in minutes, and adopted resolutions will be numbered consecutively, counting from the first meeting in a particular calendar year. If a meeting of the Board is held in the Company's registered office, the Company will provide administrative support for the meeting, including the participation of a minutes clerk.
3. Minutes should contain the agenda of the meeting and the given names and surnames of the members of the Supervisory Board who are present, and specify the resolutions adopted, the number of votes casts in voting on individual resolutions, and any dissenting opinions submitted for inclusion in the minutes. The minutes will be signed by the members of the Board present at the meeting.
4. Copies of the minutes relating to the content of resolutions of the Supervisory Board can be signed, on behalf of the Board, by the Chairman, the Vice-Chairman or the Secretary of the Supervisory Board.
5. The Company will store the minutes of the Supervisory Board together with the resolutions adopted.
6. If a member of the Supervisory Board is delegated by a group of shareholders to exercise permanent supervision, that member will be obliged to submit at each meeting a detailed written report to the Supervisory Board on the performance of his or her function.