

RULES OF THE MANAGEMENT BOARD OF MABION S.A.

I. GENERAL PROVISIONS

§ 1.

1. These Rules identify the principles and the mode of operation of the Management Board of Mabion Spółka Akcyjna with its registered office in Konstancynów Łódzki.
2. Whenever in these Rules the following expressions are used:
 - 1) Company – this shall be understood as Mabion S.A. in Konstancynów Łódzki;
 - 2) Management Board – this shall be understood as the Management Board of the Company;
 - 3) Statute – this shall be understood as the Statute of the Company
 - 4) Rules – this shall be understood as these Rules of the Management Board;
 - 5) President of the Management Board – this shall be understood as the President of the Management Board;
 - 6) Member(s) of the Management Board – this shall be understood as the natural person(s) appointed to the Management Board in the manner specified in the Statute;
 - 7) Supervisory Board – this shall be understood as the Supervisory Board of the Company;
 - 8) General Meeting – this shall be understood as the General Meeting of the Company;
 - 9) working days – this shall be understood as the days from Monday to Friday not including public holiday.
3. The Management Board operates on the basis of the current provisions of law, in particular the Commercial Companies Code, the Statute, and these Rules.

II. TASKS, COMPETENCES AND DUTIES OF THE MANAGEMENT BOARD

§ 2.

1. The Management Board is responsible for managing the Company and representing the Company before third parties.

2. The Management Board sets forth the Company's development strategy, goals and objectives, and the manner of achieving them, which are subject to the approval of the Supervisory Board.
3. All the Members of the Management Board shall be obligated and entitled to jointly manage the affairs of the company, unless the Statute or Rules provide otherwise. The President of Management Board is responsible for managing the activities of the Management Board, in case of the President's absence, that obligation is vested in the Member of Management Board who is designated by the President of the Management Board. In the event that the President of the Management Board does not appoint a Member of the Management Board replacing him, the other Members of the Management Board shall choose from among themselves a person managing the work of the Management Board in place of the President of the Management Board.
4. The Management Board is required to provide the Supervisory Board with at least quarterly reports relating to material events concerning the Company's activities. The report will also cover the report on income, expenses, the Company's financial result, the Company's liabilities and the elementary balance sheet data. The Management Board will also inform the Supervisory Board about all the changes in the strategy and the goals and objectives of the Company.
5. The Management Board should determine the date and the venue of the General Meeting in such a manner that it enables the largest number of shareholders possible to attend.
6. Members of the Management Board should participate in the General Meeting in such a composition that it is possible to provide substantial answers to questions asked during the General Meeting.

§ 3.

1. The Management Board should act in the best interest of the Company.
2. In transactions with shareholders and other persons whose interests have impact on the interest of the Company, the Management Board should act with due care to ensure that the transactions are conducted at arms' length.

III. MEMBERS OF THE MANAGEMENT BOARD

§ 4.

1. Members of the Management Board are appointed for the common term of office, which lasts 5 years.

2. Member of the Management Board shall not resign from his or her function during the term of office if this could render the functioning of the Management Board impossible, and, in particular if it could prevent it from the adoption of the resolution on the matter important for the Company in due time.
3. Member of the Management Board shall provide other members of the Management Board and the Chairman of the Supervisory Board without delay with the information about the existing or potential conflict of interest in relation to performed function and hold on from taking the voice in discussion and shall refrain from voting on passing a resolution on the issue in which the conflict of interest has arisen.
4. Member of the Management Board is not allowed to accept any benefits which could influence the Member's objectivity and impartiality while making decisions or affect the assessment of the Member's independence in opinions and judgments.
5. Member of the Management Board provides the Company and the Financial Supervision Authority with the information on purchase or sale of shares of the Company, derivative rights attached thereto or other financial instruments related to such shares, performed for the Member's own account or a person related.
6. Remuneration of the Members of the Management Board is determined by the Supervisory Board.

IV. THE MANAGEMENT BOARD MEETINGS

§ 5.

1. The Management Board meetings are convened and conducted by the President of the Management Board; in case of the President's absence, the Management Board meetings are convened and conducted by the Member of the Management Board who is designated according to Article 2 section 3.
2. The Management Board meetings take place in the registered office of the Company. In duly justified circumstances, the meeting can take place outside the Company.

§ 6.

1. The Management Board appoints the Secretary of the Management Board and determines the scope of its activity.
2. Member cannot be a Secretary.

§ 7.

1. The meetings of the Management Board may be attended by other invited persons outside the Management Board, upon prior arrangement made with the person convening the meeting.
2. Persons participating in the Management Board meeting are obliged to maintain confidentiality.

§ 8.

1. The Management Board meetings are convened when appropriate, within the period determined by the President of the Management Board or, in case of the President's absence, the Member of the Management Board designated according to Article 2 section 3 although at least once a quarter.
2. The President of the Management Board or, in case of the President's absence, the Member designated according to Article 2 section 3 distributes the agenda at least two working days prior to the meeting mentioned in section 1.
3. The Members of the Management Board are informed in writing, by fax, by electronic mail or any other way about the date, the venue and the agenda of the meeting.

§ 9.

1. The President of the Management Board convenes the meeting at the request of any of its members at least four (4) working days before the planned meeting. The request should include the proposed agenda. In the absence of the President of the Management Board, his duties set forth in § 9 hereinbelow are fulfilled by a Member of Management Board designated according to Article 2 section 3.
2. The President of the Management Board convenes the meeting 2 (two) working days from the day when the request, mentioned in Article 1, was received. The agenda of such a meeting may include also other issues not covered by the request. Article 8, section 2 and 3 hereof shall apply as appropriate.

3. If the President of the Management Board does not convene the meeting within the period specified in section 2, the requester submitting the motion has the right to convene the meeting, establishing the date, the venue and the agenda of the meeting. § 8, section 2 and 3 hereof shall apply as appropriate.
4. In case it is required by the interest of the Company, the procedure specified in section 1 - 3 does not apply.

§ 10.

1. Subject to § 12, the Management Board adopts resolutions at the meetings.
2. The resolutions of the Management Board may be adopted if all the Members of the Management Board have been correctly notified about the meeting of the Management Board.
3. Resolutions of the Management Board are adopted by an absolute majority of votes, which shall be understood that there are more voices “in favour” than a sum of “against” and “abstaining”.
4. Appointment of a proxy must be approved by all Members of the Management Board.
5. Voting is arranged by open ballot. The voting by secret ballot is arranged only in personal issues.
6. Every Member who is against adopting a resolution has the right to express his/her objection by filing a dissenting opinion to be included in the minutes
7. In case of a conflict between the interests of the Company and the personal interests of a Member of the Management Board, the Member’s spouse, relatives up to the second degree of affinity or consanguinity or persons related to them, the Member should disclose the conflict of interests and should not take part in the consideration of the matters in question and may request that that fact be recorded in the minutes.

§ 11.

1. Minutes are taken for each meeting of the Management Board. The minutes are taken by a Secretary or, if (s)he is absent, a person appointed by the person conducting the meeting.
2. The minutes should include:
 - a) number of record, venue and date of the meeting,
 - b) names and surnames of the participants and the visitors,
 - c) the agenda,
 - d) the full text of resolutions adopted, the number of votes for individual resolutions, dissenting opinions

- e) signatures of Members of the Management Board participating in the meeting and the person taking minutes.
3. The minutes of the meetings of the Management Board are collected in the minutes book kept in the Company.

§ 12.

1. The Management Board may adopt resolutions in writing or using means of remote direct communication, only if all its Members have been notified about the contents of the draft of the resolution. In the absence of the President of the Management Board, his duties set forth in § 12 hereinbelow are fulfilled by a Member of the Management Board designated according to Article 2 section 3.
2. Voting in writing means that the Member of the Management Board after the receipt of the draft of the resolution votes by filling an “X” sign in an appropriate box, indicating the date and signing it. The President of the Management Board specifies a time limit for voting. The President of the Management Board shall receive the original of the written voting act with the votes, indicated date and a hand signature not later than at the end of that day.
3. Voting through the means of direct telecommunication shall be conducted when all Members of the Management Board are not present in one place but they can communicate the presented draft resolution by telephone, fax, via e-mail, internet communicator, or by any other technical means ensuring direct communication. Voting is ordered by the President of the Management Board.
4. By ordering the voting referred to in section 3, the deadline for casting votes by Members of the Management Board should be determined, taking into account the actual communication capabilities and the manner of receiving votes from Members of the Management Board, while there are no obstacles to establish different means of communication for collecting votes in one vote.
5. Resolutions adopted pursuant to section 1 are presented at the next meeting of the Management Board together with the result of voting and in the form of an attachment are attached to the minutes of that meeting and signed by all the Members of the Management Board present at the meeting who participated in adopting the resolution, unless they were signed earlier. Correspondence and documents confirming the voting process are attached to the minutes.

V. FINAL PROVISIONS

§ 13.

1. The Company shall cover the costs of the service and operating of the Management Board.
2. In matters not covered by these Rules, respective laws shall apply, as well as the Statute, resolutions of the Management Board or the General Meeting.
3. The Rules are made public on the Internet home-page of the Company.
4. The Rules shall enter into force after definitive approval by the Supervisory Board.
5. Upon the entry into force of the Rules, the rules of the Management Board of Mabion S.A. adopted by the resolution no 1/III/2017 of 30 March 2017 approved by the Supervisory Board by resolution no. 13/III/2017 on the acceptance of the rules of the Management Board of the Company becomes ineffective.
6. The Rules enter into force on the day of their approval by the Supervisory Board.