



REGULATIONS OF THE SUPERVISORY  
BOARD OF IZOSTAL S.A.

Resolution No. 64/IX/2022 of the Supervisory Board of IZOSTAL S.A.  
of 1 December 2022

## I. GENERAL PROVISIONS

### § 1

These Regulations set out in detail the principles and procedures for convening and conducting the work of the Supervisory Board of IZOSTAL S.A.

### § 2

Terms used in these Regulations shall mean:

1. Regulations – these Regulations, adopted by the Supervisory Board.
2. Company – IZOSTAL S.A.
3. Articles of Association – the Articles of Association of IZOSTAL S.A.
4. General Meeting – the general meeting of IZOSTAL S.A.
5. Supervisory Board, Board – Supervisory Board of IZOSTAL S.A.
6. Chairman – Chairman of the Supervisory Board of IZOSTAL S.A.
7. Vice-Chairman – Vice-Chairman of the Supervisory Board of IZOSTAL S.A.
8. Secretary – Secretary of the Supervisory Board of IZOSTAL S.A.
9. Management Board – the Management Board of IZOSTAL S.A.
10. Committee – committee established within the Supervisory Board of IZOSTAL S.A.
11. Chairman of the Committee – Chairman of the Committee established within the Supervisory Board of "IZOSTAL" S.A.

## II. COMPOSITION OF THE SUPERVISORY BOARD, TERM OF OFFICE OF THE SUPERVISORY BOARD

### § 3

1. The Supervisory Board is a collegiate body and consists of five to seven members.
2. Members of the Supervisory Board are appointed by the General Meeting.
3. Members of the Supervisory Board are appointed for a joint five-year term of office (Joint Term of Office).
4. The term of office is calculated in financial years from the effective date of the appointment resolution (date of appointment), whereby, in the event of appointment during the Company's financial year, the period from the date of appointment to the end of that financial year is treated as the first financial year of the five-year term of office.
5. The mandate of a member of the Board shall expire:
  - 1) as of the date of the General Meeting approving the Company's financial statement for the last full financial year of performing the function of a Board member,
  - 2) upon the death of a member of the Supervisory Board,
  - 3) due to dismissal,
  - 4) due to resignation, as of the date of delivery of a written notice of resignation to the Company.
6. The mandate of a member of the Supervisory Board appointed before the end of a given Joint Term shall expire simultaneously with the expiry of mandates of the remaining members of the Supervisory Board.
7. Members of the Supervisory Board may be dismissed before the end of their term of office at any time.
8. Member of the Supervisory Board may resign at any time. Resignation shall be submitted in writing to the Management Board.
9. In the event that the expiry of the mandate of a member of the Supervisory Board results in the number of members of the Supervisory Board falling below 5 (five), the Management Board of the Company is obliged to convene the General Meeting in order to supplement the composition of the Supervisory Board. If, as a result of the expiry of a mandate, the composition of this body is at least 5 members, the Supervisory Board may act in a depleted composition, but in such a case the composition of the Supervisory Board should be supplemented by the appointment of the missing Supervisory Board members at the next General Meeting.

### III. CHAIRMAN, VICE-CHAIRMAN, SECRETARY OF THE SUPERVISORY BOARD

#### § 4

1. At the first meeting of a new term of office the Supervisory Board shall elect from among its members the Chairman of the Supervisory Board, the Vice-Chairman and the Secretary by an absolute majority of votes in the presence of at least half the members of the Supervisory Board.
2. During the term of office, the Supervisory Board may make changes in the position of the Chairman of the Supervisory Board, Vice-Chairman and the Secretary. A motion to dismiss a Supervisory Board member from his or her position must be accompanied by an indication of the Supervisory Board member who will replace the dismissed person in the position. The election is made by an absolute majority of votes in the presence of at least half the members of the Supervisory Board.
3. The Chairman's responsibilities include:
  - 1) directing and coordinating the work of the Supervisory Board,
  - 2) convening and chairing Supervisory Board meetings,
  - 3) opening the General Meeting, or indicating the person entitled to open it, and chairing it until the Chairman of the General Meeting is elected.
4. The Vice-Chairman shall replace the Chairman of the Supervisory Board in chairing meetings of the Supervisory Board when the latter is unable to perform his duties or is unwilling to chair a meeting of the Supervisory Board.
5. The Secretary's duties include:
  - 1) exercising day-to-day supervision over maintaining the Supervisory Board minute book and all documentation of the Supervisory Board's activities,
  - 2) maintaining day-to-day contacts with the Company's Management Board,
  - 3) informing the Supervisory Board on the manner of implementation of its resolutions,
  - 4) signing outgoing correspondence from the Supervisory Board.
6. The secretarial and technical support for the Supervisory Board shall be provided by the Management Board.

### IV. SUPERVISORY BOARD MODE OF PROCEEDING

#### § 5

##### (Convening of meetings)

1. Meetings of the Supervisory Board are convened as and when necessary, but at least once in each quarter of the financial year.
2. The first meeting of the newly elected Supervisory Board shall be convened by the Chairman of the Supervisory Board of the previous term for a date falling within two weeks at the latest, counting from the date of appointment of the Supervisory Board of the new term. If the Chairman of the Supervisory Board of the previous term fails to convene a meeting, the first meeting of the Supervisory Board shall be convened by the Management Board of the Company.
3. Meetings of the Supervisory Board shall be convened by the Chairman of the Supervisory Board on his own initiative or at the request of persons indicated in par. 4.
4. The Chairman of the Supervisory Board is obliged to convene a meeting also at the written request of the Management Board or member of the Supervisory Board. The meeting should be convened and held no later than two weeks after receipt of the request. In the event that the Chairman cannot be contacted or refuses to convene a meeting under this procedure, the meeting shall be convened by the Vice-Chairman.
5. The applicant is obliged to indicate the proposed agenda in the application and, 8 days prior to the date of the Board meeting, should submit it to the Chairman or Vice-Chairman of the Board convening the meeting:
  - a) draft resolutions of the Board which it expects to be adopted,
  - b) justification of the draft resolutions and the expected effects of their implementation,
  - c) documents and materials relating to matters on the agenda necessary for the Board to take a position.
6. Meetings of the Supervisory Board shall be convened by means of a written invitation issued by the Chairman or Vice-Chairman of the Supervisory Board who convenes the meeting, which should be

distributed to all members of the Supervisory Board effectively at least seven days before the date of the meeting. Notices may be sent by e-mail to the addresses indicated to the Chairman by the other members of the Supervisory Board.

7. The invitation includes:
  - proposed agenda,
  - date and time of the meeting,
  - meeting place,
  - use of the means of direct communication at a distance during the meeting.
8. Prior to the date of the Board meeting, the Chairman or Vice-Chairman convening the meeting shall distribute to all Board members draft resolutions and other materials concerning the meeting, if any. The second sentence of par. 6 above shall apply mutatis mutandis.
9. Meetings of the Supervisory Board, except for matters directly related to the Management Board or its members, in particular dismissal, liability and determination of remuneration, should be available and open to members of the Management Board.

## §6

### (Board meetings)

1. For resolutions to be valid, all members of the Supervisory Board must be notified about the date of the meeting.
2. Meetings of the Supervisory Board are chaired by the Chairman or Vice-Chairman of the Supervisory Board. The Chairman of the Supervisory Board meeting shall ensure that the meeting proceeds smoothly.
3. A meeting of the Supervisory Board is valid even without being formally convened if all its members consent to it no later than on the day of the meeting and confirm it in writing, by e-mail or by signing the attendance list. No resolution may be passed on an item not on the agenda unless all members of the Supervisory Board are present at the meeting and none of those present objects to the matter.
4. Members of the Supervisory Board may participate in the Board meeting via telecommunication means (telephone, teleconference, electronic mail, videoconference), in particular via:
  - real-time transmission of the Supervisory Board meeting,
  - two-way real-time communication whereby members of the Supervisory Board may speak during the meeting from a location other than the venue of the Board meeting,
  - voting on resolutions of the Board during a meeting of the Supervisory Board.
5. The agenda should not be amended or supplemented during the meeting to which it pertains, unless all members of the Supervisory Board are present at the meeting and consent to the amendment or supplementation of the agenda. This requirement shall not apply if undertaking certain actions by the Supervisory Board is necessary to protect the Company against damage, as well as in the case of a resolution the subject of which is the assessment whether there is a conflict of interest between a member of the Supervisory Board and the Company.
6. If it is not possible to exhaust the agenda during a meeting or if there is a need to obtain additional materials, the Board shall move the uncompleted agenda items to the agenda of the next meeting. This fact and the reasons for it shall be recorded in the minutes of the meeting.
7. The Chairman or Vice-Chairman of the Supervisory Board may, on their own initiative or on the initiative of a Board member or the person requesting that the meeting be convened, invite to the Board meeting persons whose presence at the Board meeting they consider reasonable.
8. The Company's Management Board shall provide all secretarial, organizational and technical assistance in connection with the preparation, efficient conduct and service of Supervisory Board meetings.

## §7

### (Adoption of resolutions)

1. The Supervisory Board shall adopt resolutions by an absolute majority of votes in the presence of at least half the members of the Supervisory Board. In the case of an equal number of votes, the vote of the Chairman of the Supervisory Board shall prevail.

2. Within the limits and conditions set forth in the Commercial Companies Code, members of the Supervisory Board may participate in adopting Supervisory Board resolutions in writing or using means of direct remote communication.
3. Adopting resolutions under the procedure laid down in par. 2 is permissible using technical means of remote communication available to all members of the Supervisory Board, particularly telecommunications means – telephone, teleconference, electronic mail, videoconference.
4. Adoption of resolutions according to the procedure set out in par. 2 shall also be permissible in matters for which the Company's Articles of Association or the Regulations provide for a secret ballot, provided that no member of the Supervisory Board objects.
5. Voting in writing or by means of remote communication may be ordered by the Chairman of the Supervisory Board on his own initiative or at the request of the Management Board or a Board member.
6. In order for a resolution to be validly adopted according to the procedure stipulated in par. 2, it is required that all members of the Supervisory Board be notified and at least half of them participate in passing the resolution.
7. In the event of adopting resolutions by means of remote communication, the chairman of the Supervisory Board meeting shall be obliged to identify the Supervisory Board members participating in adopting the resolution.
8. In the case of adopting resolutions by means of remote communication, the chairman of the Supervisory Board meeting shall read out a draft resolution and order voting, after which, in direct contact with the participants in the voting, he shall receive and record the votes from individual members of the Supervisory Board and then announce the results of the voting, stating whether the resolution has been adopted or not, and sign its contents. The Supervisory Board may decide to record the course of adopting resolutions by means of remote communication.
9. In case of adopting resolutions by means of remote communication, such as e-mail or videoconference, members of the Supervisory Board are obliged to use equipment equipped with software ensuring security of communication and preventing data theft, in particular an anti-virus program and firewall. Information on the technical requirements for attending a meeting shall be provided with the notice convening the meeting.
10. In the event of voting by written procedure, members of the Supervisory Board, having familiarized themselves with the draft resolution, cast their vote by signing the document in the appropriate section: for, against, abstaining, and send the signed document through the Office of the Company Management Board to the Chairman of the Supervisory Board meeting, who counts the votes cast. Board members who voted against a draft resolution or abstained from voting shall notify the Chairman of the Board meeting thereof in writing.
11. Members of the Supervisory Board may adopt resolutions by casting their votes in writing through another member of the Board. A vote in writing may not concern matters placed on the agenda at a meeting of the Supervisory Board.
12. The written content of the resolution shall be signed by all members of the Supervisory Board voting on the resolution, except for a resolution adopted in writing or by means of direct remote communication, which shall be signed only by the Chairman of the Supervisory Board meeting.
13. Materials documenting a written vote, along with a resolution signed by the Chairman of the Board meeting and containing the results of the vote, shall be included in the minutes of the next Board meeting.
14. The adopted resolution shall be binding for all members of the Supervisory Board, including those absent at the meeting during which the resolution was adopted.
15. Voting by the Supervisory Board is open. The Chairman shall order a secret ballot at the request of at least one member of the Supervisory Board.

## § 8

### (Conflict of interest)

A member of the Supervisory Board should inform the Supervisory Board about an existing conflict of interest or the possibility of its occurrence and should refrain from taking part in the discussion and from voting on the resolution on the matter in which the conflict of interest has arisen.

## § 9

### (Minutes)

1. The meetings of the Board shall be minuted.
2. The minutes should include at least: the date of the meeting, the names of the members of the Board and other persons participating in the vote, the agenda, the number of votes cast on individual resolutions, dissenting opinions with possible justification and objections.
3. The minutes shall be signed by the Chairman of the Supervisory Board meeting and the person taking the minutes (if such person is appointed by the Chairman of the meeting). The minutes shall be appended with a list of attendance signed by all Board members present at the meeting, and if any member of the Supervisory Board refuses to sign the list, the Chairman of the Board meeting shall mark such circumstance on the list giving the reasons for such refusal. The preceding sentence shall not apply to a meeting held through means of direct remote communication, where the attendance list shall be signed only by the chairman of the Supervisory Board meeting.
4. The minutes shall be collected in a minute book.
5. The minutes shall be kept at the Company's registered office.

## V. DUTIES AND COMPETENCES OF THE SUPERVISORY BOARD

### § 10

#### (General principles)

Each member of the Supervisory Board should be guided in their actions by the interest of the Company and independence of opinion and judgement, and in particular:

- should not solicit or accept any unjustified advantage which might reflect negatively on the assessment of the independence of his opinions and judgments,
- should clearly state his objection and dissenting opinion if he considers that the Supervisory Board's decision is contrary to the Company's interest.

### § 11

#### (Statutory competences)

1. The Supervisory Board supervises the Company's operations.
2. The competences of the Supervisory Board include in particular:
  - 1) evaluating the Company's financial statements, the Management Board's report on the Company's activities and its conclusions on the distribution of profit or coverage of loss, as well as submitting annual reports to the General Meeting (including the report on the activities of the Supervisory Board) containing the elements required by the relevant regulations, inter alia, the results of the aforementioned evaluations and putting forward motions for the discharge of the Management Board members' duties,
  - 2) appointing and dismissing Management Board members and suspending them from their duties,
  - 3) determining the principles and amounts of remuneration for members of the Management Board,
  - 4) giving consent to payments made by the Company to members of the Management Board other than in respect of remuneration for work,
  - 5) approving the Regulations of the Management Board and the Organisational Regulations,
  - 6) concluding agreements between the Company and members of the Management Board and representing the Company in other matters concerning the performance of work for the Company by a member of the Management Board; in such cases the Company shall be represented by the Chairman of the Supervisory Board or another member of the Supervisory Board authorized to do so by a resolution of the Supervisory Board; statements of intent of the Company arising out of the execution or termination of such agreements shall be made in the same manner,
  - 7) selection of a statutory auditor to audit the Company's financial statements,

- 8) approval of annual financial plans of the Company,
  - 9) giving consent to purchase and sell real property, perpetual usufruct or share in real property by the Company,
  - 10) considering and giving opinions on motions or matters requiring resolutions of the General Meeting,
  - 11) determining the manner of exercising voting rights in the governing bodies of the companies in which the Company holds shares in matters relating to:
    - a) amendments to the Articles of Association or the Memorandum of Association,
    - b) increase or reduction of the company's equity,
    - c) merger, transformation, dissolution or liquidation of the Company,
    - d) disposal of shares in the Company,
    - e) disposal or lease of the Company's undertaking, establishing on it the right of usufruct or disposal of the Company's real estate,
  - 12) determining the consolidated text of the amended Company's Articles of Association or introducing other editorial changes specified in the resolution of the General Meeting
  - 13) agreeing to:
    - a) conclusion by the Company of a significant transaction within the meaning of Art. 90h of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005 with entities related to the Company within the meaning of the aforementioned provision, taking into consideration Art. 90h – 90l of the aforementioned Act, including the exclusions from the requirement of consent set out therein, subject to the provisions of par. 2(10);
    - b) conclusion of long-term agreements resulting in obligations of the Company for a period longer than one year, the value of which exceeds at one time the equivalent of 20% of the Company's equity capital according to the last approved financial statement of the Company and which are not included in the Company's financial plan approved by the Board;
    - c) incurring by the Company credits, loans and performing other legal acts in order to obtain debt financing, if the total value of such an operation exceeds at one time 20% or jointly during the financial year 50% of the Company's equity in accordance with the last approved financial statements of the Company;
    - d) purchase, sale, lease, exchange, pledge, creation of mortgage on the Company's property, if the total value of such disposition exceeds 30% of the Company's equity according to the last approved financial statements of the Company;
    - e) establishment of another company by the Company, subscription for or acquisition and sale of shares or stocks in other companies, except for cases when such subscription or acquisition is made in exchange for the Company's receivables under bankruptcy proceedings with the possibility to make an arrangement or enforcement proceedings,
  - 14) preparing and submitting to the General Meeting the annual report on remuneration of the members of the Management Board and the Supervisory Board;
  - 15) making a decision on temporary withdrawal from application of the remuneration policy for members of the Management Board and the Supervisory Board.
3. The Supervisory Board may express its opinions in all matters of the Company and present motions and initiatives in such matters to the Management Board of the Company and at the General Meeting of Shareholders.
  4. The Supervisory Board is obliged to give at least one week's notice to the statutory auditor who audited the Company's financial statements of the date of the meeting on matters relating to the end of the financial year. The Company shall ensure that the statutory auditor or other representative of the audit firm attends the Supervisory Board meeting.

## § 12

### (Rules of performing duties)

1. The Supervisory Board performs its duties as a collegiate body, but may delegate its members to perform specific supervisory activities independently and may establish an ad hoc or standing committee of the Supervisory Board, consisting of members of the Supervisory Board, to perform specific supervisory activities (Supervisory Board Committee).

2. The delegated member of the Supervisory Board and the committee of the Supervisory Board should inform the Supervisory Board at least once in each quarter of the financial year about the supervisory activities undertaken and their results.
3. In case of concluding agreements between the Company and members of the Management Board, the Supervisory Board may authorize, by way of a resolution, one or more members to perform such legal actions.
4. Members of the Supervisory Board shall exercise their rights and perform their duties in person.
5. In matters concerning him personally or financially, a member of the Supervisory Board may not vote.

### § 13

#### (Cooperation with the Management Board)

1. Members of the Supervisory Board shall take appropriate action in order to receive from the Management Board regular and complete information on all important matters concerning the Company's operations and on the risks related to the conducted operations as well as the ways of managing such risks.
2. The Supervisory Board may at any time request any reports and explanations from the Management Board, proxies and persons employed by the Company, review the books and documents and directly inspect the Company's assets and control the operations of the plants; when such review requires special knowledge, qualifications or specialised activities, the Board may oblige the Management Board to commission, at the Company's expense, the necessary expert reports and studies on matters within the scope of its competence or adopt a resolution on the examination, at the Company's expense, of a specific matter concerning the Company's operations or its assets by a selected advisor (advisor to the Supervisory Board). The General Meeting may determine the maximum total cost of remuneration of all Supervisory Board advisers for a given financial year.

### § 14

#### (Principle of confidentiality and loyalty)

1. Members of the Supervisory Board shall be obliged to keep confidential any information concerning the Company's affairs obtained in the course of performing their functions.
2. Each member of the Supervisory Board, immediately after taking up his function as a member of the Board, shall make a written statement on maintaining the confidentiality referred to in par. 1.
3. Members of the Supervisory Board are obliged to be loyal to the Company and not to undertake any actions bearing competitive nature with respect to the Company, i.e. in particular they cannot participate in authorities and be partners in companies with a similar scope of business. An exception from the above are activities undertaken within the Group to which the Company belongs.

### § 15

#### (Participation in the General Meeting)

Members of the Supervisory Board should participate in the General Meeting in a composition making it possible to provide substantive answers to questions asked during the General Meeting. The participation of the Chairman of the Supervisory Board in the General Meeting is obligatory.

### § 16

#### (Power to convene a General Meeting and to request that specific items be put on the agenda)

1. The Supervisory Board may submit a written request to the Management Board to convene an Extraordinary General Meeting of Shareholders.
2. The Supervisory Board shall convene the Extraordinary General Meeting:
  - a) if, despite submitting the request referred to in par. 1, the Management Board fails to convene an Extraordinary General Meeting within the period specified in the Commercial Companies Code,
  - b) if it considers it advisable to convene an Extraordinary General Meeting.



3. The Supervisory Board may convene an Ordinary General Meeting if the Management Board fails to convene an Ordinary General Meeting within the prescribed period.

## VI. COMMITTEES

### § 17

#### (Audit Committee)

1. The Audit Committee operates as part of the Supervisory Board.
2. The Audit Committee is composed of 3 members.
3. The majority of the members of the Audit Committee, including its chairman, meet the independence criteria set out in the Act on Statutory Auditors, Audit Firms and Public Supervision.
4. At least one member of the Audit Committee has knowledge and skills in accounting or auditing.
5. At least one member of the Audit Committee has knowledge and skills in the industry in which the Company operates, or individual members within specified ranges have knowledge and skills in that industry.
6. The Audit Committee operates in accordance with the provisions of Article 128 et seq. of the Act on Statutory Auditors, Audit Firms and Public Supervision, and in accordance with its regulations approved by the Supervisory Board.
7. Each meeting agenda should include, inter alia, information by the Audit Committee on the supervisory activities undertaken and their results

### § 18

#### (Other Committees)

The Supervisory Board may appoint from among its members permanent or ad hoc committees acting as collective advisory and opinion-forming bodies of the Supervisory Board.

## VII. INFORMATION PROVIDED BY SUPERVISORY BOARD MEMBERS

### § 19

1. A candidate for a member of the Supervisory Board is obliged to provide the Company with information concerning his or her person, including:
  - 1) written consent to stand as a candidate,
  - 2) statement of compliance with the requirements set out in the Commercial Companies Code for a member of the Supervisory Board,
  - 3) CV, contact addresses (postal address, telephone number including mobile phone and e-mail address for correspondence).
2. A member of the Supervisory Board should submit to the Management Board information on his relationship with a shareholder of the Company holding shares representing not less than 5% of all votes at the General Meeting. This obligation concerns economic, family and other relationships that may affect the position of the member of the Supervisory Board on the issue decided by the Supervisory Board. A member of the Supervisory Board is also obliged to submit a statement on the number of shares held by him in the Company or its subsidiary.
3. A member of the Supervisory Board is obliged to inform immediately the Management Board about any transactions of purchase or sale of shares of the Company, its parent company or subsidiary as well as about any transactions with such companies if they are significant for his financial situation. This obligation does not exclude the disclosure obligations of members of the Supervisory Board under applicable laws, in particular Article 19 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (OJ L 173, 12.6.2014, p. 1-61) – the "MAR Regulation".
4. The information indicated in par. 1 above should be immediately updated by a member of the Supervisory Board in the event of a change in the factual circumstances, by providing the relevant information to the Management Board.

5. A member of the Supervisory Board shall also be obliged to make the statements referred to in par. 2 above at any request of the Management Board.

## VIII. FINAL PROVISIONS

### § 20

1. Members of the Supervisory Board shall receive remuneration for work in the Supervisory Board in the amount and according to the principles determined by the General Meeting.
2. A member of the Board delegated to temporarily perform the duties of a member of the Management Board shall receive remuneration in an amount determined by the Board taking into account the provisions of the Remuneration Policy."

### § 21

In matters not regulated herein, relevant provisions of law, and in particular the Commercial Companies Code and the Company's Articles of Association, shall apply.

### § 22

These Regulations shall come into force as of the date of their approval by the Supervisory Board and are available for review at the Company's registered office and on the Company's website.