

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE RULES

The Management Board of LC Corp S.A. ("the Issuer" or "the Company"), discharging the obligation specified in Para. 91.5.4 of the Regulation of the Minister of Finance on current and periodical information published by issuers of securities and conditions for recognizing as equivalent the information required by the provisions of law of a non-member state, publishes the information on the Company's application of the corporate governance rules in 2013.

1. Indication of the set of corporate governance rules

This information was prepared pursuant to "Best Practices for WSE Listed Companies", established by way of Resolution No. 19/1307/2012 adopted by the WSE Supervisory Board on 21 November 2012, in force from 1 January 2013. The text of the corporate governance rules "Best practices for WSE Listed Companies" is available on the WSE website – <http://corp-gov.gpw.pl/publications.asp>.

2. Indication of the causes of deviation from the provisions of the set of corporate governance rules

I. Recommendations for Best Practices for Listed Companies

1. A company should pursue a transparent and effective information policy using both traditional methods and modern technologies, ensuring fast, secure and effective access to information. Using such methods to the broadest extent possible, the Company should in particular:

- maintain a company website whose scope and method of presentation should be based on the model investor relations service available at: <http://naszmodel.gpw.pl>;
- ensure adequate communication with investors and analysts, and use to this purpose also modern methods of Internet communication.

The above rule was not applied in its part concerning the broadcasting and recording of the General Meetings on the Internet.

II. Best practices for Management Boards of Listed Companies

1. The Company maintains a corporate website and publishes on it, in addition to the information required by the provisions of law:

- 6) annual reports on the activity of the Supervisory Board, taking account of the work of its committees together with the evaluation of the internal control system, as well as the relevant risk management system, submitted by the Supervisory Board**

This rule was not observed in its part regarding the report on the work of the committees, as there are no such committees operating within the Supervisory Board.

- 7) shareholders' questions on issues on the agenda submitted before and during a General Meeting together with answers to those questions.**

This rule was not observed. The Company does not take detailed minutes of the course of the General Meetings that would contain all comments and questions. The inclusion of respective issues in the minutes of the General Meetings is decided upon by their chairman who is guided by the provisions of law, the significance of a given issue and justified shareholders' requests.

- 9a) a record of the General Meeting, in audio or video format**

The Issuer does not provide for recording the General Meeting in audio or video format, or publication of the recording on its website. In the opinion of the Issuer, documenting and the course of previous General Meetings ensures transparency of the Issuer and protects the rights of all shareholders. Also, the Issuer submits the information regarding the resolutions in the form of current reports as well as publishes it on its the website, so the investors are able to familiarize themselves with the issues raised at the General Meeting.

- 11) information imparted to the Management Board, on the basis of a statement made by a member of the Supervisory Board, regarding the relation of the member of the Supervisory Board and a shareholder whose shares represent at least 5% of the total number of votes at the company's General Meeting.**

This rule was not observed in connection with non-observance of Rule no 2 of Part III “Best practices for Supervisory Board members”.

III. Best Practices for Supervisory Board Members

2. A member of the Supervisory Board should submit to the company’s Management Board the information on any relationship with a shareholder who holds shares representing not less than 5% of all votes at the General Meeting. This obligation concerns financial, family, and other relationships which may affect the position of the member of the Supervisory Board on issues decided by the Supervisory Board.

This rule was not observed by the Company’s Supervisory Board. The members of the Supervisory Board are bound by the principle of loyalty to the Company, and in their actions they should be guided by the Company’s interest. Moreover, the fulfilment of the above rule’s objective is ensured in the Company by applying the principle of withdrawal of the Supervisory Board’s member from the Board’s decision making, should there occur a conflict of interests. The Company did not apply this rule also in 2013.

6. At least two members of the Supervisory Board should meet the criteria of independence of the company and entities having significant relations with the company. With regard to the criteria of independence of the Supervisory Board members Annex II to the European Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors in listed companies and on the committees of the (Supervisory) Board should be applied. Irrespective of the provisions of item b) of the Annex referred to hereinabove, the person who is employed by the company or by its subsidiary or associated entity may not be regarded as meeting the criteria of independence referred to in this Annex. Furthermore, in the meaning of this rule the relation with a shareholder excluding the Supervisory Board member’s attribute of independence should be understood as a real and significant relation with a shareholder who has the right to exercise 5% or more of the total number of votes at the General Meeting.

The above rule was not observed by the Company. The Company’s authorities take the view that in accordance with the general principle of the majority rule and protection of the minority a shareholder who has contributed more capital bears also a greater economic risk. It is, therefore, justified that his interest should be considered in proportion to the capital he has contributed. Thence, he should also be entitled to put up candidates to the Supervisory Board who guarantee the implementation of the strategy adopted for the Company. In the opinion of the Company’s Management Board the proper and effective implementation of the Company’s strategy is thus ensured as is the sufficient protection of interests of all groups of shareholders and other groups related to our Company’s enterprise. With the Company’s present shareholding structure this rule forms a too far-reaching restriction of majority shareholders’ corporate rights and infringes the principle of primacy of the majority rule in a joint-stock company. The General Meeting elects Members of the Supervisory Board from among those who have the relevant education, the appropriate professional and practical experience, are of high moral standing and are able to devote the time required to perform their Supervisory Board functions properly. In the Management Board’s opinion the above criteria are sufficient to ensure the efficient performance of the Supervisory Board’s Members in the Company’s interest, and in consequence in all its shareholders’ interest. The Company did not apply this rule also in 2013.

8. In the scope of tasks and the functioning of the committees operating within the Supervisory Board Annex I to the European Commission Recommendation of 15 February 2005 on the role of non-executive directors (...) should be applied.

The above rule was not observed, since there were no committees operating within the Supervisory Board in 2013. Para. 20 (1) of the Articles of Association and Para. 14.4 of the Rules of the Supervisory Board provide for the possibility of appointing, within the Supervisory Board, standing or ad hoc committees or teams. As at the date of submitting the financial statements, pursuant to the instruction contained in Art. 86.3 of the Act on Statutory Auditors and Their Self-Governance, Entities Qualified to Audit Financial Statements and on Public Supervision of 7 May 2009 (Dz. U. /Journal of Laws/ No. 77, item 649), the tasks of an audit committee are fulfilled by the Company’s Supervisory Board. Pursuant to the provision referred to above, a public company whose supervisory board consists of not more than five members may fulfil the tasks of an audit committee. In 2013 the Company’s Supervisory Board was composed of five members and carried out the tasks of an audit committee.

IV. Best Practices of Shareholders

10. The company should enable shareholders to participate in the General Meeting by means of electronic communication through:

1) transmission of the General Meeting in real time,

2) two-way communication in real time within which shareholders may speak during the General Meeting from a location other than the place of the meeting.

In the opinion of the Management Board, the rules in force in the Company regarding participation in General Meetings allow for proper and effective exercise of the rights arising from the shares and sufficiently protect the interests of all shareholders, including minority. The Management Board believes that the above principle is not and will not be applied because of logistical difficulties as well as technical and legal threats to the proper and efficient conduct of the General Meeting, in particular the real risk of such technical disruptions, which will prevent continuous, two-way communication with shareholders located in places other than the meeting hall. In addition, the Issuer believes that participation in the General Meeting by means of electronic communication is associated with the risk of information flows during such communications. However, the Issuer does not preclude the application of the above principle in the future.

3. Description of the internal audit and risk management systems applied at the enterprise of the Issuer with regard to drawing up financial statements and consolidated financial statements.

The Company keeps its books of accounts in accordance with the principles and practice of accounting adopted by the enterprises in Poland, as required by the provisions of the Accounting Act of 29 September 1994, as amended.

The account books are maintained by the Company in an IT system by Navision. Access to the information resources of the IT system is limited by appropriate powers of the authorised employees to the extent necessary to enable them to perform their duties.

The main element of risk management with regard to the process of drawing up financial statements is represented by an internal audit system, functioning in a correct and efficient manner. The Management Board is responsible for creating an effective internal audit system, ensuring the preparation of accurate financial statements, the Company's effective and efficient operation and the compliance with the relevant provisions of law, whereas the Supervisory Board supervises the functioning of this system by assessing its relevance and effectiveness.

The objective of the internal audit system in the process of drawing up financial statements is to ensure the accuracy, completeness and correctness of the recognition of all business transactions over a given period.

In the process of drawing up of the Company's financial statements, one of the primary elements of control is the verification of the financial statements by an independent statutory auditor. A statutory auditor is chosen by the Supervisory Board. Until their publication, the financial statements are made available exclusively to the persons involved in the process of their preparation, checking, and approval.

In addition, as part of the control mechanisms, the Company analyzes the accounting principles applied by the subsidiary undertakings and the changes in such principles with regard to the recognition and computation of revenue and expenses, and provides its remarks and recommendations, if required.

The functional control is exercised by each employee and his or her direct superior. It is based on the appropriate division of duties, which minimizes the risk of exerting an influence on the disclosed data by a single employee.

4. Share capital of LC Corp S.A. as at 31 December 2013

Share capital and shareholders of LC Corp S.A. as at 31 December 2013

As at 31 December 2013 the share capital of LC Corp totalled PLN 447,558,311 and was divided into 447,558,311 ordinary bearer shares of a par value of PLN 1.00 each, giving a right to exercise one vote per share at the General Meeting.

Shareholders possessing, directly or indirectly through subsidiaries, at least 5% of the total vote at the General Meeting

SHAREHOLDERS POSSESSING, DIRECTLY OR INDIRECTLY, AT LEAST 5% OF THE TOTAL VOTE AT THE GENERAL MEETING AS AT 31 DECEMBER 2013 ACCORDING TO INFORMATION HELD BY THE ISSUER

Shareholder	Number of shares	Number of votes	Share % in share capital	Share % in vote at general meeting
Leszek Czarnecki directly and indirectly (1) including: LC Corp B.V. seated in Amsterdam	229,126,674	229,126,674	51.19%	51.19%
AVIVA Otwarty Fundusz Emerytalny AVIVA BZ WBK (2)	214,701,110	214,701,110	47.97%	47.97%
ING Otwarty Fundusz Emerytalny (3)	30,200,000	30,200,000	6.75%	6.75%
OFE PZU "Złota Jesień" (3)	30,322,627	30,322,627	6.78%	6.78%
OFE PZU "Złota Jesień" (3)	44,669,000	44,669,000	9.98%	9.98%

- 1) Leszek Czarnecki directly holds 14,424,564 shares representing 3.22% of the share capital and 3.22% share in the vote at the General Meeting, and indirectly through his subsidiary undertakings Leszek Czarnecki holds 214,702,110 shares representing 47.97% of the share capital and 47.97% share in the vote at the General Meeting. Leszek Czarnecki's subsidiary undertaking is LC Corp. B.V. seated in Amsterdam, holding 214,701,110 shares representing 47.97% of the share capital and 47.97% share in the vote at the General Meeting, and RB Investcom Sp. z o.o., seated in Wrocław, holding 1,000 shares representing 0.0002% of the share capital and 0.0002% share in the vote at the General Meeting.
- 2) Number of shares held by the shareholder at the Extraordinary General Meeting of LC Corp S.A. on 29 August 2013
- 3) Number of shares held by the shareholder at the Extraordinary General Meeting of LC Corp S.A. on 6 December 2013

SHAREHOLDERS POSSESSING, DIRECTLY OR INDIRECTLY, AT LEAST 5% OF THE TOTAL VOTE AT THE GENERAL MEETING AS AT THE DATE OF PUBLICATION OF THE STATEMENT ACCORDING TO INFORMATION HELD BY THE ISSUER

Shareholder	Number of shares	Number of votes	Share % in share capital	Share % in vote at general meeting
Leszek Czarnecki directly and indirectly (1) including: LC Corp B.V. seated in Amsterdam	229,126,674	229,126,674	51.19%	51.19%
AVIVA Otwarty Fundusz Emerytalny AVIVA BZ WBK (2)	214,701,110	214,701,110	47.97%	47.97%
ING Otwarty Fundusz Emerytalny (3)	30,200,000	30,200,000	6.75%	6.75%
OFE PZU "Złota Jesień" (3)	30,322,627	30,322,627	6.78%	6.78%
OFE PZU "Złota Jesień" (3)	44,669,000	44,669,000	9.98%	9.98%

- 1) Leszek Czarnecki directly holds 14,424,564 shares representing 3.22% of the share capital and 3.22% share in the vote at the General Meeting, and indirectly through his subsidiary undertakings Leszek Czarnecki holds 214,702,110 shares representing 47.97% of the share capital and 47.97% share in the vote at the General Meeting. Leszek Czarnecki's subsidiary undertaking is LC Corp. B.V. seated in Amsterdam, holding 214,701,110 shares representing 47.97% of the share capital and 47.97% share in the vote at the General Meeting, and RB Investcom Sp. z o.o., seated in Wrocław, holding 1,000 shares representing 0.0002% of the share capital and 0.0002% share in the vote at the General Meeting.
- 2) Number of shares held by the shareholder at the Extraordinary General Meeting of LC Corp S.A. on 29 August 2013
- 3) Number of shares held by the shareholder at the Extraordinary General Meeting of LC Corp S.A. on 06 December 2013

5. Indication of changes in the ownership structure of significant blocks of the Issuer's shares in 2013

In 2013 no significant changes took place with regard to the structure of the blocks of shares.

6. Indication of holders of any securities which confer special control rights with respect to the Issuer, along with the description of the rights

The Company does not have any information about holders of securities giving special control rights in relation to the Company.

7. Indication of any restrictions on the transferability of the securities of the Company and any restrictions with respect to the exercise of the voting rights carried by the Company's shares.

The Company's shares are not encumbered with any restrictions on their transferability or exercise of the voting rights carried by the Company's shares.

The Management Share Opinions Scheme implemented by the Company, which set the deadline for the subscription right to Series I shares on 30 November 2013, stipulated that the persons taking part in the Management Share Options Scheme submit a statement in which they undertake not to dispose of Series I shares, acquired by exercising the subscription right arising from Series A bonds, for the period of one year as of the date of their first listing on Giełda Papierów Wartościowych w Warszawie S.A. As at the date of submitting the financial statements there were no shares subject to such restrictions on disposal.

8. The Supervisory Board of LC Corp S.A.

8.1. Composition and changes that took place in the Supervisory Board

As at 1 January 2013 the Supervisory Board comprised:

- Leszek Czarnecki – Chairman of the Supervisory Board
- Andrzej Błażejewski – Vice-Chairman of the Supervisory Board
- Remigiusz Baliński – Member of the Supervisory Board
- Ludwik Czarnecki – Member of the Supervisory Board
- Zbigniew Dorenda – Member of the Supervisory Board

On 28 May 2013 Mr Ludwik Czarnecki, as a result of his resignation, ceased to be a member of the Supervisory Board. On 28 May 2013 the Ordinary General Meeting appointed Mr Damian Milibranda a member of the Supervisory Board with effect from 28 May 2013. On 9 November 2013 the Issuer was notified that Mr Damian Milibranda handed in his resignation as a member of the Supervisory Board. On 6 December 2013 the Extraordinary General Meeting appointed Mr Jakub Malski as a member of the Supervisory Board with effect from 6 December 2013.

As at 31 December 2013 the Supervisory Board comprised:

- Leszek Czarnecki – Chairman of the Supervisory Board
- Andrzej Błażejewski – Vice-Chairman of the Supervisory Board
- Remigiusz Baliński – Member of the Supervisory Board
- James Malski - Member of the Supervisory Board
- Zbigniew Dorenda - Member of the Supervisory Board

Operation of the Supervisory Board

The Supervisory Board comprises five to seven members, appointed by the General Meeting for a three-year, joint term of office. The resolution on appointing a member of the Supervisory Board may stipulate his or her function within the Board.

A Chairman and Deputy Chairman (Vice-Chairman) of the Supervisory Board are elected from among the Board's members. The Supervisory Board acts on the basis of the Regulations adopted by the General Meeting.

Meetings of the Supervisory Board are held at the Company's seat or another location within the territory of Poland, as indicated in the invitation. Meetings of the Supervisory Board - except for the issues directly concerning the Management Board or its Members, specifically those concerning dismissal, scope of responsibility and establishment of remuneration - should be open and accessible for Members of the Management Board. The Supervisory Board adopts resolutions if at least a half of its members are present at the meeting and all members have been invited. Members of the Supervisory Board may take part in adopting resolutions by casting their votes in writing through the agency of another member of the Supervisory Board. The vote in writing may not be cast on the issues included on the agenda during a meeting of the Supervisory Board.

The Supervisory Board may adopt resolutions in writing or using means of remote (direct) communication. A resolution is binding when all Members of the Board have been provided with the contents of the draft resolution. No resolution can be adopted through the agency of another member of the Supervisory Board, or in writing using means of remote (direct) communication, if the resolution concerns appointment, dismissal or suspension of a Member of the Management Board.

A Supervisory Board Member should inform the other Members of the Board of any conflict of interest and should refrain from participating in discussions and from voting on any Resolution on the issue, in respect of which the conflict of interest has arisen.

Resolutions of the Supervisory Board are passed by a majority vote. In the case of a deadlock, the Chairman of the Supervisory Board has the casting vote. Voting in meetings of the Board is open. Voting on personal issues is carried out by secret ballot. Secret ballot is also ordered by the Chairman if requested by at least one member of the Supervisory Board.

A meeting of the Supervisory Board is convened by the Chairman of the Board, and in his absence, by the Vice-Chairman of the Board. A meeting of the Supervisory Board is convened when necessary, at least once every quarter. A meeting of the Supervisory Board may also be convened at the request (with proposed agenda) of the Management Board or a Member of the Supervisory Board. Resolutions of the Supervisory Board and Supervisory Board meetings are recorded in the minutes taken by a recording clerk from outside of the Board or by a person designated by the Chairman from among the Members of the Supervisory Board. The minutes should include the agenda, names and surnames of the Members of the Supervisory Board present at the meeting, number of votes cast for individual resolutions and dissenting opinions, as well as the mode agreed for the adoption of the resolutions. The minutes are signed by all Members of the Supervisory Board present at the meeting.

The Supervisory Board performs its duties collectively, although it can delegate its Members to perform specific supervisory tasks independently. The Supervisory Board is represented by its Chairman, and in his absence, by the Vice-Chairman of the Board.

The work of the Supervisory Board is controlled by the Chairman and in his absence, by the Vice-Chairman of the Board. A Member of the Supervisory Board, delegated by the Supervisory Board or by the Group to exercise permanent supervision, should submit to the Supervisory Board a detailed written report on the performance of the assignment. The Company provides administrative support for the Supervisory Board.

Pursuant to Art. 86.3 of the Act on Statutory Auditors, in public interest entities where the Supervisory Board is composed of no more than five members, the tasks of the audit committee may be entrusted to the Supervisory Board. After the above-mentioned Act became effective, the Issuer adjusted the corporate documents so that the Supervisory Board carried out the tasks of the audit committee. If the Supervisory Board does not appoint the Audit Committee and is composed of no more than five members, the tasks of the Audit Committee will be carried out by the Supervisory Board.

9. The Management Board of LC Corp S.A.

9.1. Composition and changes that took place in the Management Board

As at 1 January 2013, the Management Board of LC Corp S.A. comprised:

- President of the Management Board – Dariusz Niedośpiał
- Vice President of the Management Board – Joanna Jaskólska
- Member of the Management Board – Tomasz Wróbel
- Member of the Management Board – Mirosław Kujawski

On 6 December 2013, the Supervisory Board of the Issuer appointed Ms Małgorzata Danek as a member of the Management Board with effect from 6 December 2013.

As at 31 December 2013, the Management Board comprised:

- President of the Management Board – Dariusz Niedośpiał
- Vice President of the Management Board – Joanna Jaskólska
- Member of the Management Board - Małgorzata Danek
- Member of the Management Board – Tomasz Wróbel
- Member of the Management Board – Mirosław Kujawski

Operation of the Management Board

The Management Board is composed of one to five members. Members of the Management Board, including the President, are appointed and dismissed by the Supervisory Board. The term of office of the Management Board lasts for three years. The same person may be appointed member of the Management Board for another term of office lasting not more than three years each.

Meetings of the Management Board are convened and chaired by the President of the Management Board or a member of the Management Board authorized by the President. Resolutions of the Management Board may be passed only if all members of the Management Board have been properly notified about the Board's meeting. Resolutions of the Management Board are adopted by an absolute majority vote. Members of the Management Board may adopt a resolution by way of signing the draft resolution by successive members of the Management Board (by circulation). Meetings of the Management Board, including resolutions, are recorded in the minutes if the meeting concerns crucial issues of the Company and the Board finds it justified. By consent of all members, the Management Board may decide not take minutes of the meeting, provided that the resolutions adopted at that meeting are recorded in separate minutes.

Each member of the Management Board must obtain consent from the Supervisory Board for their involvement in the activities competitive towards the business of the Company.

10. Rules governing the appointment and removal of managers and their powers

Pursuant to Para. 16.2 of the Articles of Association, members of the Management Board are appointed and dismissed by the Supervisory Board.

11. Committees

There are no committees operating within the Company.

12. Rules governing amendments to the Articles of Association of the Issuer

Amendments to the Issuer's Articles of Association are governed by Art. 430 of the Code of Commercial Partnerships and Companies. Any amendment to the Articles of Association falls within the exclusive competence of the General Shareholders Meeting. The General Shareholders Meeting may authorise the Supervisory Board to establish a consolidated text of the Articles of Association or introduce other editorial changes specified in a resolution of the General Shareholders Meeting. The Supervisory Board's powers also include giving opinions on proposed amendments to the Articles of Association.

In order to amend the Articles of Association, the announcement convening the General Shareholders Meeting shall refer to the existing provisions as well as the contents of the proposed amendments. If it is justified by the considerable extent of intended changes, the announcement may contain a draft of the new consolidated text of the Articles of Association together with a listing of new or amended provisions of the Articles of Association.

Any amendment to the Articles of Association requires a three-quarters majority of the votes. Any amendment to the Articles of Association must be entered in the National Court Register.

13. General shareholders meeting's operation and fundamental powers and description of the shareholders' rights and manner of exercising them

A General Meeting is held on the basis of the provisions of law and the Regulations for the General Meeting. A General Meeting is held at the registered office of the Company, or in Warsaw or in Katowice, on the day specified in the announcement on the Company's website and in the current report submitted pursuant to the provisions of the regulations on public offering and conditions governing the introduction of financial instruments to organized trading, and public companies.

A General Meeting is convened by the Management Board. A General Meeting convened on the shareholders' request should be held at the date specified in the request and, if this date cannot be kept because of major obstacles or under the regulations governing the rules for convening a General Meeting – on the nearest date that would allow the General Meeting to settle the issues on its agenda.

A General Meeting whose agenda includes certain issues at the request of authorized entities or which has been convened on such a request may only be cancelled with the consent of the requesting parties. In all other

instances, a General Meeting may be cancelled if its holding is hindered by extraordinary obstacles (force majeure) or is obviously groundless. A meeting is called off in the same way as it is convened, limiting negative consequences for the company and its shareholders as far as possible and no later than three weeks before the original meeting date. A change in the date of a General Meeting is made in the same way as a cancellation, even if the proposed agenda does not change.

Persons who are the Company's shareholders 16 days in advance of the date of the General Meeting (day of the registration of attendance at the General Meeting) are eligible to take part in the General Shareholders Meeting as long as they applied to the body which maintains the securities account for the issue of a personal certificate of entitlement to attend the Meeting. A list of shareholders eligible to attend the General Meeting by way of ownership of bearer shares is determined by the Company on the basis of a specification prepared by the body which maintains the securities depository in accordance with the provisions on public trading in securities.

The list of shareholders eligible to participate in a General Meeting, signed by the Management Board – and including the names and surnames or business names of eligible persons/companies, their places of residence (seats), share numbers and types, as well as the number of votes – is available at the office of the Management Board for three weekdays preceding the General Meeting.

Before a shareholder's representative may participate in a General Meeting, his right to act on the shareholder's behalf should be duly documented. Representatives of mass media may participate in a General Meeting unless the Company's interest might be compromised due to their participation. A motion to admit representatives of mass media is submitted by the Chairman to voting, promptly after the attendance register is signed in accordance with the Para. 8 of the Regulations for the General Meeting.

The Chairman of the Supervisory Board or, in his absence, another member of the Supervisory Board, opens a General Meeting. The Chairman is chosen by secret ballot. The person given the largest number of votes becomes the Chairman of the General Meeting. The Chairman conducts the meeting according to the adopted agenda. The Chairman of the General Meeting ensures that the meeting is run efficiently and that the rights and interests of all the shareholders are observed. The Chairman should, in particular, counteract any abuse of the rights by the participants of the meeting and should guarantee that the rights of minority shareholders are respected. The Chairman should not, without good reason, resign from his function or delay the signing of the minutes of the General Meeting.

Promptly after his selection, the Chairman makes sure that the shareholders have signed the attendance register and submitted the required powers of attorney or documents authorizing them to represent shareholders in the General Meeting. After the Chairman have signed the attendance register, and following the consultation with the notary taking the minutes, the Chairman ascertains whether the General Meeting has been convened in a proper manner and has the capacity to adopt resolutions. The Chairman announces this fact to the attendees and presents the agenda of the General Meeting. A General Meeting should be attended by the Members of both the Supervisory Board and the Management Board. The statutory auditor should also be present at a General Meeting if the company's financial matters are to be discussed. The Supervisory and Management Board Members and the company's auditor should, within their powers and to the extent needed to settle issues discussed at the General Meeting, respecting the relevant regulations, provide the Meeting participants with explanations and information about the company. Each issue put on the agenda is discussed by the Chairman or a person the Chairman designates.

A resolution to skip an item on the agenda and remove it from the agenda may be adopted only if it is supported by sound reasons. Any motion in this respect should be accompanied by a detailed justification. The removal or skipping of an item on the agenda of the General Meeting on a shareholder's motion requires the adoption of a resolution by the General Meeting, after prior consent of all the shareholders who submitted such motion. A resolution of the General Meeting on such matter requires a majority of 75% of the votes represented at the General Meeting.

A resolution to be voted should be formed in a way that enables each authorized participant, who objects to the outcome of the resolution, to appeal against it.

The General Meeting elects Members of the Supervisory Board from among those who have the relevant education, the appropriate professional and practical experience, are of high moral standing and are able to devote the time required to perform their Supervisory Board functions properly.

At the motion by a shareholder or shareholders representing at least one fifth of the share capital, the election of a Supervisory Board should be made by the nearest General Meeting, by way of voting in separate groups, even if the Articles of Association provide for another manner of appointing the Supervisory Board. The persons representing at the General Meeting the part of shares which results from dividing the total number of represented shares by the number of Supervisory Board members may form a separate group in order to select one member of the Supervisory Board, however, they do not participate in selecting the remaining members. The seats in the Supervisory Board unfilled by the respective group of shareholders are filled by way of voting attended by all those shareholders, whose votes were not cast during the selection of the Supervisory Board members chosen by way of voting in separate groups. In case no group eligible to elect a member of the Supervisory Board is formed at the General Meeting referred to in item 1, then no elections are held, unless the agenda of the General Meeting anticipated both election by the groups and changes in the composition of the Supervisory Board. As of the moment at least one member of the Supervisory Board is elected by group voting, the mandates of all current members of the Supervisory Board expire, subject to the exception indicated in internal regulations of the Company.

In principle voting is open. The Chairman decides on secret ballot on questions relating to personal issues, those relating to responsibility of members of the Company's management, and all other issues if requested by any single shareholder present or represented at the General Meeting.

Resolutions are adopted by an absolute majority vote, unless the Articles of Association or the Code of Commercial Partnerships and Companies provide otherwise. A resolution is adopted when the number of affirmative votes is higher than the number of votes against and abstaining votes.

Voting at the General Meeting may be performed using an electronic vote-counting machine. The decision on this issue is made by the Chairman.

The person voting against a Resolution may demand that his or her objection be included in the minutes together with a brief explanation. If demanded by a participant of the General Meeting, his or her written statement is included in the minutes.

Drawn up: Wrocław, 20 March 2014

Dariusz Niedośpał – President of the Management Board _____

Joanna Jaskólska – Vice President of the Management Board _____

Małgorzata Danek – Member of the Management Board _____

Mirosław Kujawski – Member of the Management Board _____

Tomasz Wróbel – Member of the Management Board _____