

**STALPRODUKT S.A**  
**JOINT STOCK COMPANY**  
**MANAGEMENT BOARD RULES**

**I. Management Board Composition**

**§ 1**

The Stalprodukt S.A. Management Board is Company's body provided for in the Articles of Association.

**§ 2**

The Company's Management Board consists of two up to four members, appointed for a three-year of office by the Supervisory Board, in compliance with the Company's Articles of Association.

**§ 3**

1. The dismissal of the Management Board Members shall not affect their claims resulting from the employment contracts.
2. The President or the Members of the Management Board may be suspended from discharging their duties for important reasons by virtue of a Supervisory Board resolution, passed in the presence of all members of the Supervisory Board and minimum five votes cast in favor of the suspension.
3. The President, certain Members or all Members of the Management Board may be suspended from discharging their duties for a maximum three-month period. In the event the President of the Management Board is suspended from duties – the Supervisory Board motions the Management Board to convene an Extraordinary General Meeting, which shall adopt a resolution on whether to sustain or recall the President of the Board. In the event, the remaining Members of the Management Board are suspended – the Supervisory Board shall adopt a resolution on their sustaining or recalling - in the presence of all members of the Supervisory Board and minimum five votes cast in favor of the resolution.

**§ 4**

The tenures of the Management Board Members expire, at the latest, on the day of the General Meeting convened to approve of the financial report in respect of the final fiscal year of the Member's term of office, and also as a result of the Member's death or his/her dismissal from the Management Board.

**§ 5**

The Members of the Management Board may not be involved in any competitive business or participate in any competitive Company as partners/shareholders or members of governing bodies, without a permit from the Supervisory Board.

**II. Management Board Scope of Activities**

## **§ 6**

All Company's affairs, which are not expressly reserved for the competence of the General Meeting or Supervisory Board, belong to the scope of Management Board's activities.

## **§ 7**

The Management Board shall manage the Company's property and matters, discharging their duties with due diligence required in economic operations, with strict observance of legal regulations, Company Articles as well as resolutions and rules adopted by the General Meeting and Supervisory Board.

## **§ 8**

The Management Board shall run the Company's affairs and represent the Company outside in front of any authorities, third parties, in court and out of court.

## **§ 9**

Representations and signing on behalf of the Company may be made by the President of the Board acting independently, or by two Members of the Board acting jointly, or by one Member of the Board acting together with a holder of the joint commercial power of attorney.

## **§ 10**

The Company's Management Board shall manage the Company's activities and adopt resolutions indispensable for the fulfillment of the Company's tasks.

## **§ 11**

The Management Board shall collectively manage the Company's affairs and its Members shall supervise specific areas of the Company's activities.

## **§ 12**

The Management Board Members may individually supervise specific affairs pursuant to the Management Board's decision.

## **§ 13**

The Company's Management Board shall decide collectively on the following matters:

1. Annual and long-term plans and the Company's strategy.
2. Reports on the Company's activities, financial reports and proposed profit distribution or loss covering.
3. Considering and preparing motions on the Company's essential changes of organizational structure and the directions of Company's activities.
4. The motions directed to the Supervisory Board in respect of permits required by the Company's Articles.
5. The Company's accounting policy.
6. Incurring financial obligations, including bills of exchange, guarantees, granting sureties, etc.
7. Granting credit limits and decisions regarding interest write-offs for customers.
8. Performance assessment of the Company's particular divisions and departments as well as subsidiary and associated companies.
9. Company's product price policy.
10. Staff and payroll policy.

11. Granting powers of attorney to run an enterprise or its part and commercial representation.
12. Authorization to participate in meetings of decision-making bodies and votes in companies and other entities (e.g. Associations, Chambers, etc.).
13. Company's strategic activities within the Capital Group.
14. Any motions submitted to the General Meeting of the Company.
15. Motions presented by Members of the Company's Management Board for collective decisions and in situations where the law and legal regulations of the Company require the adoption of resolutions.

#### **§ 14**

The Management Board's resolutions shall be passed at the official meetings, or by way of routing procedure without a regular meeting held, on condition the Resolution is signed by all Members of the Management Board.

#### **§ 15**

During the meeting, the Members of the Management Board are obligated to submit information, each within the scope of their individual areas of activity, on operative decisions and implementation of tasks adopted by the Management Board at the previous meeting.

#### **§ 16**

1. Minutes shall be taken of the Management Board's meetings to be held as need arises. The meetings shall be convened by the President of the Management Board of his/her own initiative or upon the Board Member's motion.
2. The presence of the President of the Management Board and Member of the Board is required for the adoption of valid resolutions, with the following proviso:
  - The Management Board shall adopt resolutions on an absolute majority of votes cast by the Board Members present at the meeting.
  - A judgment of dissent is included in the minutes.
3. Correctly adopted resolutions shall be binding to all the Management Board Members even if they have voted against the same.

#### **§ 17**

The Management Board shall be liable for the decisions taken contrary to the Company's interest in compliance with the legal provisions.

### **III. Division of Powers and Scope of Responsibility**

#### **§ 18**

1. The President of the Management Board is the Stalprodukt S.A. Chief Executive Officer to whom the Financial Director are subordinated.
2. Chief Executive Officer is substituted, in case of his absence, by Financial Director.

#### **§ 19**

The Management Board shall exercise supervision over subsidiary and associated companies within the scope resulting from ownership rights.

## § 20

Specific Members of the Management Board exercise a day-to-day supervision over the Company and are responsible for the execution of the following tasks:

### **A. President of the Management Board – Chief Executive Officer**

1. Independent of the scope of activities defined in § 13, the President of the Management Board – Chief Executive Officer directly supervises the performance of subordinated organizational units, fulfilling the tasks related to:
  - legal services
  - Public Relations
  - issuance of internal regulations
  - development of organizational structures
  - internal economic control
  - human resources management
  - procurement,
  - safety and hygiene of work
  
2. The following Division Directors are subordinated to the President of the Management Board – Chief Executive Officer:
  - Financial Director
  - Transformer Steels, Sales Director
  - Cold-Formed Profiles Segment, Sales Director
  - Director of Operations - Management Board Representative for Quality and Environmental Management
  - Electrical Sheets Segment Director
  - Cold-Formed Profiles Segment Director

Detailed terms of reference of Directors of the Divisions are determined in § 35, Chapters II, III, IV, V, VI and VII of the Company's Organizational Rules.

3. Within the scope of issues belonging to the President of the Board – Chief Executive Officer, in particular, there are tasks implemented with a view to:
  1. Building the Company's strength as a competitive entity.
  2. Company's development in respect of:
    - increase of domestic and export sales of products,
    - Company's good market reputation,
    - launching new products on the market,
    - new capital and non-capital ties,
    - selection of highly qualified staff,
    - efficient organization of production processes
  3. Creation of conditions in the Company hospitable to the production on state-of-the-art products, meeting world technical and quality standards.
  4. Company's development, expressed in the achievement of the best-ever economic and financial results.

### **B. Member of the Management Board - Financial Director**

1. Member of the Management Board – Financial Director exercises supervision over the performance of the directly subordinated departments of: Controlling and Management Accounting , Accounting and Taxes and Finance and Risk Management.

2. Among the issued directly subordinate to the Member of the Management Board - Financial Director there are:
  1. Implementing the Stalprodukt S.A. financial policy.
  2. Implementing the financial policy towards the entities with the Company's capital shareholding.
  3. Pursuing activities in the financial market.
  4. Company's financial economy and financial management.
  5. Keeping records, in compliance with accounting principles and tax regulations, of synthetical and analytical accounts of all Company's economic operations and its fixed assets.
  6. Settlement of budgetary liabilities in respect of income tax and VAT as well as other government liabilities.
  7. Developing, drawing up and updating of the planning and control systems.
  8. Defining limiting values in the planning process.
  9. Managing exchange rate-related risks.
  10. Giving opinions on contracts.
  11. Preparing financial reports.
  12. Defining the investment financing sources and analyzing return on investment.
  13. Contacts with banks and financial institutions.
  14. Acquiring loan capital.
  15. Debt collection.
  16. Day-to-day monitoring of contractors' market and financial standing.
  17. Investor relations.
  18. Comprehensive customs services in the area of import and export.

#### **IV. Management Board Rights and Obligations**

##### **§ 21**

The Management Board is obligated to:

1. Execute the resolutions of the Company's Bodies.
2. Give guidelines to the subordinated units and employees and exercise day-to-day supervision over the same.
3. Disclose all documents and furnish information indispensable to the Supervisory Board for exercising its supervisory and control functions.
4. Participate in the meetings of the Supervisory Board on the basis of invitation.

##### **§ 22**

The Management Board shall be obligated to report all changes in the Company's Articles to the National Court Register.

##### **§ 23**

The Company's Management Board is obliged to:

- 1) prepare a financial statement together with a report on the Company's activities for the last financial year within three months of the balance sheet date,
- 2) subject the financial statements to an audit by a certified auditor,
- 3) subject the remuneration report to the auditor's assessment,
- 4) provide the Supervisory Board with information in accordance with Art. 3801 of the Commercial Companies Code,

- 5) submit for review to the Supervisory Board the documents referred to in item 1) together with the report of the independent auditor on the audit of the annual financial statements,
- 6) present to the Annual General Meeting the documents listed in item 1), the report of the independent auditor on the audit of the annual financial statements and the report of the Supervisory Board on the assessment of the financial statements and the Company's activities for the last financial year as well as the remuneration report.

#### **§ 24**

The Management Board shall be obligated to convene the Ordinary General Meeting - within six months from the completion of each fiscal year.

### **V. Final Provisions**

#### **§ 25**

The Management Board shall operate pursuant to these Rules, the Company's Articles of Association and legal provisions, being liable to civil and penal law in the cases provided for in the Code of Commercial Companies or in other regulations.

#### **§ 26**

In all matters not provided for herein, the provisions of the Company's Articles of Association, Code of Commercial Companies, Company's Organizational Rules and Employee Work Rules shall apply.