

Content of the resolutions adopted by the Extraordinary General Meeting of XTPL S.A. with registered office in Wrocław on November 29th 2017

**Resolution no. 01/11/2017**  
**of Extraordinary Meeting of Shareholders of XTPL S.A.**  
**with its seat in Wrocław**  
**of 29<sup>th</sup> of November 2017**  
on choosing the Chair of Extraordinary Meeting of Shareholders of XTPL S.A.

§1  
Choosing the Chair of Extraordinary Meeting of Shareholders

The Extraordinary Meeting of Shareholders of XTPL S.A. appoints Mr Michał Jakub Bogacz for the Chair of Extraordinary Meeting of Shareholders of XTPL S.A.

Number of shares under which valid votes were cast is: 901,000 shares

Percentage share in the Company's share capital: 53,15%

Number of votes in favour of the resolution is: 901.000

Number of votes against the resolution is: 0

Number of votes abstaining is: 0

**Resolution no. 02/11/2017**  
**of Extraordinary Meeting of Shareholders of XTPL S.A.**  
**with its seat in Wrocław**  
**of 29<sup>th</sup> of November 2017**  
on adoption of the agenda

Extraordinary Meeting of Shareholders of XTPL Spółka Akcyjna with its seat in Wrocław (hereinafter: "**XTPL S.A.**" or "**Company**") adopts the following agenda:

1. Opening the Extraordinary Meeting of Shareholders of XTPL S.A.
2. Choosing the Chair of Extraordinary Meeting of Shareholders of XTPL S.A.
3. Drawing up the attendance list; verification whether the Extraordinary Meeting of Shareholders of XTPL S.A. has been convened correctly and whether it is able to adopt resolutions.
4. Adoption of the agenda.
5. Adoption of the resolutions on:
  - a. appointing the Member of Supervisory Board of XTPL S.A.
  - b. introducing the motivational program for the Members of the Management Board, employees and associates of the Company; and on accepting the rules of motivational program.
6. Closing the Extraordinary Meeting of Shareholders of XTPL S.A.

Number of shares under which valid votes were cast is: 901,000 shares

Percentage share in the Company's share capital: 53,15%

Number of votes in favour of the resolution is: 901.000

Number of votes against the resolution is: 0

Number of votes abstaining is: 0

**Resolution no. 03/11/2017**  
**of Extraordinary Meeting of Shareholders of XTPL S.A.**  
**with its seat in Wrocław**  
**of 29<sup>th</sup> of November 2017**  
on appointing the Member of Supervisory Board of XTPL S.A.

§1

Appointing the Member of Supervisory Board of XTPL S.A.

In relation to the resignation of Ms Maja Młodzińska from function in the Supervisory Board of XTPL S.A. effective at the end of November 30<sup>th</sup> 2017 received on October 31<sup>st</sup> 2017, pursuant to Art. 385 § 1 of the Commercial Companies Code and according to § 17 sec. 1 and § 17 sec. 2 of the Articles of Association of the Company, the Extraordinary Meeting of Shareholders of XTPL S.A. appoints Mr Sebastian Młodziński to the Supervisory Board of XTPL S.A. to hold the position of the Member of Supervisory Board of XTPL S.A.

§2

Time of appointing

The appointing of Mr Sebastian Młodziński to the Supervisory Board of XTPL S.A. shall be effective on December 1<sup>st</sup> 2017.

§3

Joint term

Pursuant to 386 § 2 and according to Art. 369 § 3 of the Commercial Companies Code and pursuant to § 17 sec. 2 of the Articles of Association of the Company, Mr Sebastian Młodziński is appointed for the period of three years of joint term together with the other Members of the Supervisory Board of the Company who were appointed by the Resolution no. 14/06/2017 of Extraordinary Meeting of Shareholders of XTPL S.A. of 30<sup>th</sup> of June 2017.

§4

Entering into force

The resolution enters into force on the date of its conclusion.

Number of shares under which valid votes were cast is: 901,000 shares

Percentage share in the Company's share capital: 53,15%

Number of votes in favour of the resolution is: 901.000

Number of votes against the resolution is: 0

Number of votes abstaining is: 0

**Resolution no. 04/11/2017**  
**of Extraordinary Meeting of Shareholders of XTPL S.A.**  
**with its seat in Wrocław**  
**of 29<sup>th</sup> of November 2017**

introducing the motivational program for the Members of the Management Board of the Company, employees and associates of the Company and on accepting the rules of motivational program.

§1

Introducing the motivational program for the Members of the Management Board of the Company, employees and associates of the Company

Extraordinary Meeting of Shareholders of XTPL S.A. aiming at creating motivational mechanisms for the Members of the Management Board of the Company, employees and associates of the Company for activities providing a long-term improvement of the value of the Company and aiming at the need of stabilization of the key staff of the Company, decides to introduce the motivational program (hereinafter: "**Motivational Program**") based on shares of the Company. The Motivational Program shall be

executed in years 2018-2021. Under the Motivational Program, the participants may be granted rights to buy shares of the Company.

## §2

### Participants of the Motivational Program

Under the Motivational Program, the shares of the Company may be offered to be bought by the Members of the Management Board, employees and associates of the Company (employed under employment agreement or co-operating with the Company under civil law contracts).

## §3

### Rules of the Motivational Program

Detailed rules of the Motivational Program are determined by terms and conditions which are attached hereto.

## §4

### Adopting the terms and conditions of the Motivational Program

The Extraordinary Meeting of Shareholders of XTPL S.A. with its seat in Wrocław adopts the terms and conditions of the Motivational Program which is attached hereto.

## §5

### Entering into force

The resolution enters into force on the date of its conclusion.

**Appendix to the Resolution no. 04/11/2017 of the Extraordinary Meeting of Shareholders of XTPL S.A. of 29<sup>th</sup> of November on introducing the motivational program for the Members of Management Board of the Company, employees and associates of the Company and on accepting the rules of motivational program.**

# **XTPL S.A. INCENTIVE SCHEME REGULATIONS**

adopted by Resolution No. 04/11/2017  
of the Extraordinary General Stockholders' Meeting of XTPL S.A.  
of 29 November 2017

## **Chapter 1**

### **General provisions**

- 1.1. For the purposes hereof, the following terms shall have the following meaning:
  - 1.1.1. 'Stocks' - stocks of the Company that have been issued for the purposes of realisation of the Incentive Scheme - at the moment of resolution of the Regulations, Stocks are constituted by 140,020 L-series stocks of the Company. The number of Stocks may go up in the course of duration of the Incentive Scheme if the GSM adopts a resolution on issuance of new series of stocks designated for realisation of the Incentive Scheme.
  - 1.1.2. 'Financial Objective' - the financial objective (amount of Income) determined by the Supervisory Board (according to point 8.1.a), achievement (realisation) of which allows for granting of the Entitled Persons with a part of the conditional rights to acquisition of Stocks in the given Settlement Period, while different financial objective (amount of Income) shall be determined by the Supervisory Board for each Settlement Period;
  - 1.1.3. 'Non-Financial Objective' - the individual objective of a given Entitled Person determined for them in a given Settlement Period, realisation of which allows for granting of the Entitled Person with a part of the conditional rights to acquisition of Stocks in the given

- Settlement Period, while different individual objective shall be determined for each Settlement Period;
- 1.1.4. 'Grade' - the grade of a given Entitled Person affecting the number of the conditional rights to acquisition of Stocks that may be granted to a given Entitled Person;
  - 1.1.5. 'Final Annual List' - the list resolved by the Supervisory Board after the end of a given Settlement Period which includes the Entitled Persons who have been granted with the conditional rights to acquisition of a specific Stock - in compliance with point 8.12, while in the cases indicated in the Regulations (in Chapter 15 or in Chapter 16) this list may be resolved earlier than after the end of the given Settlement Period;
  - 1.1.6. 'CCC' – the Commercial Companies Code Act of 15 September 2000;
  - 1.1.7. 'Additional List' - the list resolved by the Supervisory Board, on the basis of which additional conditional rights to acquisition of a specific number of Stocks may be granted to specific Entitled Persons who have had significant contribution in the development of the Company in the course of duration of the Incentive Scheme;
  - 1.1.8. 'Ultimate List' - the list resolved by the Supervisory Board, on the basis of which the individual Entitled Persons are granted with the right to acquisition of a specific number of Stocks, while this list shall be resolved after prior resolution of all Final Annual Lists;
  - 1.1.9. 'Settlement Period 1' - financial year 2018, i.e. the period from 1 January 2018 to 31 December 2018;
  - 1.1.10. 'Settlement Period 2' - financial year 2019, i.e. the period from 1 January 2019 to 31 December 2019;
  - 1.1.11. 'Settlement Period 3' - financial year 2020, i.e. the period from 1 January 2020 to 31 December 2020;
  - 1.1.12. 'Settlement Periods' - the individual settlement periods determined in points 1.1.9 - 1.1.11, which realisation of the Incentive Scheme is divided into;
  - 1.1.13. 'Entitled Person' - the person that is entitled to participation in the Incentive Scheme, indicated in the catalogue included in point 6.2 and at the same time indicated by the Management Board or by the Supervisory Board in compliance with point 6.2;
  - 1.1.14. 'Intermediary' - the company having legal personality that has acquired (taken up) Stocks solely for the purposes of the transfer of their ownership title to the participants of the Incentive Scheme - in compliance with point 2.8;
  - 1.1.15. 'right to acquisition of Stocks' - the entitlement to acquisition of Stocks (in the number indicated in one of the Notices), granting which is determined by receipt of one of the Notices (Notice 0 or Notice 1 or Notice 2 or Final Notice);
  - 1.1.16. 'Incentive Scheme' - the incentive scheme based on the Stocks of the Company, the principles of which are determined by the Regulations;
  - 1.1.17. 'Income' - income of the Company from sales and sales equivalents, with exclusion of income from subsidies - in the given Settlement Period, in compliance with the financial statement for this period approved by the resolution of the GSM;
  - 1.1.18. 'Pool 0' - the initial pool of 30,000 Stocks, the right to acquisition of which may be granted to the persons having particular merits in relation to the previous development of the Company;
  - 1.1.19. 'Reserve Pool' - the reserve pool, from which conditional rights to acquisition of a specific number of Stocks may be granted to the Entitled Persons who join the Incentive Scheme in the course of its duration; it is also possible to grant conditional rights to acquisition of Stocks on the basis of the Reserve List from this pool;
  - 1.1.20. 'Supervisory Board' - the supervisory board of the Company;
  - 1.1.21. 'Regulations' - these Incentive Scheme regulations;
  - 1.1.22. 'Company' - XTPL Spółka Akcyjna with registered office in Wrocław;
  - 1.1.23. 'Articles of Association' - the articles of association of the Company;
  - 1.1.24. 'Resolution' - Resolution No. 04/11/2017 of the Extraordinary General Stockholders' Meeting of the Company of 29 November 2017;
  - 1.1.25. 'Offering Act' - the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005;
  - 1.1.26. 'Pool 0 Entitled Persons' - persons having particular merits in relation to the previous development of the Company, who have been granted the right to acquisition of Stocks from Pool 0 - in compliance with points 3.12 and 3.13;
  - 1.1.27. 'conditional right to acquisition of Stocks' - the right to acquisition of the Stocks of the Company (determined in the special provisions of the Regulations), rising upon resolution of the Final Annual List by the Supervisory Board in compliance with point

- 8.12, indicating the first name and the surname of the given Entitled Person as well as the number of the conditional rights to acquisition of Stocks vested to the given Entitled Person for the given Settlement Period, reserved by a condition precedent that shall materialise when the given Entitled Person:
- is inserted in the Ultimate List determined in point 14.1 and receives the Final Notice (determined in point 14.5) or
  - receives Notice 1 (determined in point 11.2) or
  - receives Notice 2 (determined in point 12.2);
- 1.1.28. 'Correction Factor' - the factor determined individually for the given Entitled Person, on the basis of which the given Entitled Person may be granted maximum 50% more conditional rights to acquisition of Stocks than it results from their Grade. The given Entitled Person may not be granted with fewer conditional rights to acquisition of Stocks than it results from their Grade unless provisions of point 7.10 or 7.11 or 7.12 or 6.12 apply;
  - 1.1.29. 'Preliminary Annual List' - the list resolved by the Supervisory Board at the beginning of the given Settlement Period, in which the Entitled Person who may be granted with the conditional rights to acquisition of Stocks may be inserted in compliance with point 8.5;
  - 1.1.30. 'GSM' - the general stockholders' meeting of the Company;
  - 1.1.31. 'Management Board' - the management board of the Company;
  - 1.1.32. 'Notices' - mean Notice 0 or Notice 1 or Notice 2 or Final Notice;
  - 1.1.33. 'Notice 0' - the notice sent to a Pool 0 Entitled Person on granting them with the right to acquisition of a specific number of Stocks on the basis of the list determined in point 3.11 - in compliance with point 3.13;
  - 1.1.34. 'Notice 1' - the notice sent to a given Entitled Person on granting them with the right to acquisition of a specific number of Stocks on the basis of the Final Annual List for Settlement Period 1 - in compliance with point 11.2;
  - 1.1.35. 'Notice 2' - the notice sent to a given Entitled Person on granting them with the right to acquisition of a specific number of Stocks on the basis of the Final Annual List for Settlement Period 2 - in compliance with point 12.2;
  - 1.1.36. 'Final Notice' - the notice sent to a given Entitled Person on granting them with the right to acquisition of a specific number of Stocks on the basis of the Ultimate List - in compliance with point 14.5.
- 1.2. The objective of the Incentive Scheme is establishment of the mechanisms motivating the Management Board, the employees of the Company and the associates of the Company to the actions, the effect of which will be dynamic growth of income and profits of the Company as well as long-term development of the Company and consequently - increase of the value of the stocks of the Company.
  - 1.3. The additional objective of the Incentive Scheme is ensuring of stabilisation of the composition of the Management Board, employees of the Company and associates of the Company as well as maintenance of high level of motivation of the Management Board, employees of the Company and associates of the Company.
  - 1.4. The Incentive Scheme shall cover maximum 149 (one hundred forty-nine) persons.
  - 1.5. Offering of the Stocks to the Pool 0 Entitled Persons and to the Entitled Persons as well as realisation of the Incentive Scheme shall not constitute public offering in the meaning of the Offering Act.
  - 1.6. The Regulations determine the principles for functioning of the Incentive Scheme, including the group of persons covered by the Incentive Scheme, the prerequisites entitling to acquisition of Stocks and the principles for acquisition of Stocks by the Entitled Persons and by the Pool 0 Entitled Persons.
  - 1.7. The Incentive Scheme shall cover financial years 2018, 2019 and 2020.

## **Chapter 2**

### **Basic assumptions of the Incentive Scheme**

- 2.1. The Incentive Scheme shall be realised in compliance with the Resolution and with the Regulations.
- 2.2. Firstly, the Supervisory Board (in compliance with point 3.3) and then, the Management Board (in compliance with point 3.6) may indicate the persons having special merits in relation to the previous development from the pool of 30,000 Stocks (Pool 0) (Pool 0 Entitled Persons), whom

- shall be granted with the rights to acquisition of a specific number of Pool 0 Stocks (on condition of adoption of a relevant resolution of the Supervisory Board in compliance with point 3.11).
- 2.3. The ultimate list of the Pool 0 Entitled Persons shall be resolved by the Supervisory Board (in compliance with point 3.11) that shall next inform the Pool 0 Entitled Persons inserted in this list on granting them with the right to acquisition of Pool 0 Stocks (in compliance with point 3.13).
  - 2.4. The Pool 0 Entitled Persons shall be able to conclude Pool 0 Stocks Sale Agreements within the time limit indicated in Notice 0 sent to them, which shall be connected with prior conclusion of a lock-up agreement (in compliance with point 3.16).
  - 2.5. All non-acquired or non-granted Pool 0 Stocks together with other Stocks shall be possible to be acquired by the participants of the Incentive Scheme if the conditions provided for in the Regulations materialise (i.e. the right to acquisition of Stocks by the Entitled Person shall be reserved by a condition precedent).
  - 2.6. Realisation of the Incentive Scheme shall consist in granting of the Entitled Persons with the right to acquisition of Stocks at the price, in the numbers and within the time limits determined in the Regulations and after fulfilment of the conditions determined in the Regulations.
  - 2.7. None of the participants of the Incentive Scheme shall be entitled to any claims for conclusion of the Stocks Sale Agreement by the time of receipt of one of the Notices by the given participant.
  - 2.8. Stocks designated for the participants of the Incentive Scheme shall be disposed of by the Company or by another company having legal personality that has acquired (taken up) the Stocks solely for the purposes of the transfer of their ownership title to the participants of the Incentive Scheme (**Intermediary**).
  - 2.9. Realisation of the Incentive Scheme shall be broken down into 3 Settlement Period.
  - 2.10. At the beginning of every Settlement Period, the Supervisory Board shall determine Financial Objective in the particular Settlement Period (according to point 8.1.a) and resolve a preliminary list of the Entitled Persons who will be able to be granted with the conditional rights to acquisition of Stocks after the end of the given Settlement Period (Preliminary Annual List), after fulfilment of the conditions determined in point 1.1.27 - in compliance with point 8.5. The Preliminary Annual List shall include information on Financial Objective in the particular Settlement Period determined by the Supervisory Board and shall include the Non-Financial Objective assigned to every Entitled Person for the given Settlement Period. No person (in particular the one from the category determined in point 6.2) shall be entitled to a claim for their insertion in the Preliminary Annual List - the Supervisory Board or the Management Board (in compliance with point 6.2) shall be respectively entitled to make an autonomous decision on selection of the Entitled Persons. No person shall be entitled to a claim for their consideration as an Entitled Person.
  - 2.11. The number of the conditional rights to acquisition of Stocks that will be able to be granted to a given Entitled Person in the given Settlement Period shall depend on the Grade and on the Correction Factor. Provisions of points 7.10, 7.11, 7.12 and 6.12 shall apply.
  - 2.12. After the end of the given Settlement Period (i.e. after approval of the financial statement covering the given Settlement Period by the GSM), the Supervisory Board shall resolve the list of the Entitled Persons who are granted with the conditional rights to acquisition of a specific number of Stocks (Final Annual List) - in compliance with point 8.12.
  - 2.13. The number of the conditional rights to Stocks granted to the given Entitled Person in the Final Annual List shall depend on two factors (while the details and exceptions are determined in a further part hereof- in Chapter 9 and in Chapter 10):
    - granting of 50% of conditional rights to acquisition of Stocks in the given Settlement Period shall depend on the fact whether the Company achieves the intended financial ratios in the given Settlement Period (Financial Objective);
    - granting of 50% of conditional rights to acquisition of Stocks in the given Settlement Period shall depend on the fact whether the given Entitled Person realises the objective determined for them in the given Settlement Period (Non-Financial Objective) determined by the Supervisory Board according to point 8.1.a).
  - 2.14. Stocks shall be acquired by the Entitled Persons indicated in the Final Annual Lists after termination of the Incentive Scheme - i.e. as a rule, after approval of the financial statement for Settlement Period 3 by the GSM and after resolution of the Ultimate List in compliance with point 14.1 (unless provisions of Chapter 15 or Chapter 16 apply), subject to provisions of points 2.15 and 2.16 below.
  - 2.15. The Entitled Persons indicated in the Final Annual List for Settlement Period 1 shall be able to acquire the Stocks in the number corresponding to 10% of the number of the conditional rights to acquisition of Stocks granted to the given Entitled Person in this list - which shall be an

- exception from the rule of acquisition of Stock after termination of the Incentive Scheme, described in point 2.14. Acquisition of Stocks shall depend on prior signing of a lock-up agreement in relation to these Stocks by the Entitled Person. The details are determined by Chapter 11.
- 2.16. The Entitled Persons indicated in the Final Annual List for Settlement Period 2 shall be able to acquire the Stocks in the number corresponding to 20% of the number of the conditional rights to acquisition of Stocks granted to the given Entitled Person in this list - which shall be an exception from the rule of acquisition of Stock after termination of the Incentive Scheme, described in point 2.14. Acquisition of Stocks shall depend on prior signing of a lock-up agreement in relation to these Stocks by the Entitled Person. The details are determined by Chapter 12.
  - 2.17. After resolution of the Final Annual List for Settlement Period 3, the Supervisory Board may resolve an additional list of the Entitled Persons, on the basis of which it may grant the individual Entitled Persons (who made particular contribution to the development of the Company in the course of duration of the Incentive Scheme) with additional rights to acquisition of Stocks (Additional List). The details are determined by Chapter 13.
  - 2.18. After resolution of the Additional List (or after expiry of the time limit for its resolution), the Supervisory Board shall resolve the ultimate list of the Entitled Persons who have been granted with the rights to acquisition of Stocks (Ultimate List) - in compliance with point 14.1.
  - 2.19. Insertion of a given Entitled Person in the Final Annual List shall not mean that the given Entitled Person has the rights to acquisition of Stocks or any claims for conclusion of the Stocks Sale Agreement. The given Entitled Person shall obtain the rights to acquisition of the specific number of Stocks solely in case when the given Entitled Person receives Notice 1 or Notice 2 or Final Notice. The status of the Entitled Person shall be lost in case when performance of a function in the Management Board or the employment relationship or the collaboration relationship is discontinued before the date of approval of the financial statement for Settlement Period 3 by the GSM - in compliance with point 7.13 (exceptions and details are determined by points 7.14 - 7.18).
  - 2.20. The Ultimate List shall not include the persons whose employment relationship or collaboration relationship with the Company or performance of a function in the Management Board was discontinued before approval of the financial statement for Settlement Period 3 by the GSM (unless the exceptions provided for in point 7.14, 7.16, 7.17 or 7.18 of the Regulations occur).
  - 2.21. In the Ultimate List, the number of the rights to acquisition of Stocks granted to the given Entitled Person shall be indicated (while this number shall constitute the sum of the number of the conditional rights to acquisition of Stocks granted to the given Entitled Person in the Final Annual Lists and in the Additional List after deduction of the figure corresponding to the number of Stocks already acquired by the given Entitled Person in compliance with points 2.15 and 2.16).
  - 2.22. If on 31 December 2020 the Company is a public company and its average capitalisation amounts to more than PLN 500,000,000.00 (in compliance with point 15.1), it shall be considered that all Financial Objectives and Non-Financial Objectives for all Settlement Periods have been realised. In such case, the Supervisory Board shall amend the Final Annual Lists for Settlement Period 1 and 2, shall resolve the Final Annual List for Settlement Period 3 and shall resolve (after potential resolution of the Additional List) the Ultimate List. The details are determined by Chapter 15.
  - 2.23. If in the period from 01 July 2018 to 30 June 2021 any stockholder of the Company (other than any stockholder of the Company holding at least 10% of all stocks of the Company on the date of resolution of the Regulations) starts to hold more than 50% of all stocks of the Company and if the capitalisation condition (determined in point 16.2) is fulfilled, it shall be considered that all Financial Objectives and all Non-Financial Objectives in all Settlement Periods have been realised. In such case, the Supervisory Board shall amend or/and resolve the Final Annual Lists and shall resolve (after potential resolution of the Additional List) the Ultimate List. The details are determined by Chapter 16.
  - 2.24. Stocks shall be understood as the stocks of the Company that have been issued for the purposes of realisation of the Incentive Scheme. At the moment of resolution of the Regulations, Stocks are constituted by 140,020 L-series stocks of the Company.
  - 2.25. The GSM may make a decision on issuance of new-series stocks, with deprivation of the previous stockholders of the Company of the pre-emptive rights, for the purposes of realisation of the Incentive Scheme covered by the Regulations - in such case, also these stocks shall be Stocks in the meaning of the Regulations.
  - 2.26. The price of acquisition of one Stock by the participants of the Incentive Scheme shall amount

- to PLN 1.00 (one zloty).
- 2.27. The sole fact of performance of the function of the Member of the Management Board of the Company or being the employee of the Company or the associate of the Company shall not mean that the given person is automatically covered by the Incentive Scheme. The decision on coverage of the specific persons with the Incentive Scheme shall be an autonomous decision of the Supervisory Board and/or of the Management Board (in compliance with the provisions of the Regulations). The ultimate decision of granting of the specific persons with the conditional rights to acquisition of Stocks shall be made by the Supervisory Board (through insertion of the given person in the Final Annual List (in compliance with point 8.12)).
  - 2.28. The Supervisory Board shall not be obliged to grant the Entitled Persons with all conditional rights to acquisition of Stocks (corresponding in terms of their number to the Stocks). The Supervisory Board shall not be obliged to grant the Entitled Persons with all conditional rights to acquisition of Stocks (corresponding in terms of their number to the Stocks).
  - 2.29. The Stocks that are not assigned under the Incentive Scheme or are not acquired by the Entitled Person shall be redeemed by the Company or shall be acquired by the Company for the purposes of their redemption, with observance of the terms & conditions and requirements resulting from the mandatory rules of law.
  - 2.30. Whenever these Regulations provide for any time limit for performance of an activity by the Supervisory Board or the Management Board, this time limit shall be instructional. The Supervisory Board and the Management Board shall be obliged to exercise any diligence in order not to exceed the time limits provided for in the Regulations, yet the activity of the Supervisory Board or of the Management Board performed after the time limit shall be valid (exceedance of the time limit shall not result in invalidity or ineffectiveness of such activity).

### **Chapter 3**

#### **Principles for allocation of Pool 0 Stocks**

- 3.1. Within 60 days from the date of resolution of the Regulations, the persons having special merits in relation to the previous development of the Company may be granted with the right to acquisition of Stocks from the Pool including 30,000 Stocks (**Pool 0**).
- 3.2. The persons having the right to acquisition of Pool 0 Stocks (**Pool 0 Entitled Persons**) shall be indicated by the Supervisory Board (firstly) and by the Management Board (secondly). The ultimate list shall be resolved by the Supervisory Board.
- 3.3. Firstly, the Supervisory Board shall be entitled to indicate (in the form of a resolution) the members of the Management Board as the Pool 0 Entitled Persons while the Supervisory Board may decide that the members of the Management Board will be entitled to all Pool 0 Stocks.
- 3.4. 10 days before expiry of the time limit indicated in point 3.1, the Supervisory Board shall provide the Management Board with the resolution determined in point 3.3.
- 3.5. The resolution of the Supervisory Board described in point 3.3 shall contain specification of the members of the Management Board to be granted with the right to acquisition of Pool 0 Stocks (through indication of their first names and surnames) and indication of the number of Pool 0 Stocks, the right to acquisition of which are to be granted to the individual members of the Management Board.
- 3.6. After receipt of the resolution of the Management Board determined in point 3.3 or after expiry of the time limit indicated in point 3.3, the Management Board shall be entitled to indicate (in the form of a resolution) the selected persons having merits in relation to the development of the Company as Pool 0 Entitled Persons.
- 3.7. The number of the rights to acquisition of Pool 0 Stocks to be acquired by the Pool 0 Entitled persons indicated in the resolution of the Management Board may not be bigger than the number of Pool 0 Stocks decreased by the number of the rights to Stocks indicated by the Supervisory Board in the resolution determined in point 3.3.
- 3.8. The persons indicated by the resolution of the Management Board as the Pool 0 Entitled Persons do not have to be the employees of the Company on the date of adoption of this resolution (or in the past or in the future).
- 3.9. 5 days before expiry of the time limit indicated in point 3.1, the Management Board shall provide the Supervisory Board with the resolution determined in point 3.6.
- 3.10. The resolution of the Management Board described in point 3.6 shall contain specification of the persons to be granted with the right to acquisition of Pool 0 Stocks (through indication of their first names and surnames) and indication of the number of Pool 0 Stocks, the right to acquisition of which is to be granted to the individual Pool 0 Entitled Persons.



- 3.11. Within the time limit indicated in point 3.1 the latest, the Supervisory Board (taking into account the resolutions determined in points 3.3 and 3.6) shall adopt a resolution on determination of a uniform list of all Pool 0 Entitled Persons.
- 3.12. The resolution determined in point 3.11 shall include first names and surnames of the Pool 0 Entitled Persons together with indication of the number of Pool 0 Stocks that each Pool 0 Entitled Person is entitled to acquire.
- 3.13. Within 10 days from expiry of the time limit indicated in point 3.1, the Supervisory Board shall send a written notice to the Pool 0 Entitled Persons indicated in the resolution determined in point 3.11. on granting them with the right to acquisition to Pool 0 Stocks (**Notice 0**).
- 3.14. Notice 0 shall contain at least first name and surname of the Pool 0 Entitled Person, number of Pool 0 Stocks that the given Pool 0 Entitled Person may acquire as well as date and place of signing of the Pool 0 Stocks Sale Agreement, while the date of signing of the Pool 0 Stocks Sale Agreement shall not be later than 30 April 2018, unless otherwise decided by the Supervisory Board.
- 3.15. The Supervisory Board shall send a copy of Notice 0 to the Intermediary.
- 3.16. Before conclusion of the Pool 0 Stocks Sale Agreement, the Company and the Pool 0 Entitled Person shall sign an agreement prohibiting sale of the specific number of Stocks (a lock-up agreement concluded under the condition of acquisition of Stocks), in compliance with which the Pool 0 Entitled Person will undertake to refrain from disposing of the specific number of Stocks for the period of 18 months from the date of signing of the Stocks Sale Agreement.
- 3.17. By the time of receipt of Notice 0, the Pool 0 Entitled Person shall not be entitled to any claim for conclusion of the Stocks Sale Agreement.

#### **Chapter 4** **Settlement Periods**

- 4.1. With consideration of the provisions of Chapter 3, realisation of the Incentive Scheme shall be divided into 3 periods (**Settlement Periods**).
- 4.2. The first period of realisation of the Incentive Scheme shall cover financial year 2018, i.e. the period from 01 January 2018 to 31 December 2018 (**Settlement Period 1**).
- 4.3. The second period of realisation of the Incentive Scheme shall cover financial year 2019, i.e. the period from 01 January 2019 to 31 December 2019 (**Settlement Period 2**).
- 4.4. The third period of realisation of the Incentive Scheme shall cover financial year 2020, i.e. the period from 01 January 2020 to 31 December 2020 (**Settlement Period 3**).
- 4.5. With exclusion of the cases provided for in the Regulations (i.e. in Chapter 3, in Chapter 11 and in Chapter 12 as well as in Chapter 15 and in Chapter 16), acquisition of Stocks by the Entitled Persons may take place only after approval of the financial statement for Settlement Period 3 by the GSM and after receipt of the Final Notice by the given Entitled Person.
- 4.6. By the time of receipt of Notice 1 or Notice 2 or Final Notice, the Entitled Person shall not be entitled to any claim for conclusion of the Stocks Sale Agreement.

#### **Chapter 5** **Distribution of the remaining Stocks and Reserve Pool**

- 5.1. Conditional rights to acquisition of the Stocks may (but not must) be awarded to the Entitled Persons in accordance with further provisions of the Regulations.
- 5.2. After adoption of the list mentioned in point 3.11, the Supervisory Board by way of a resolution allocates a determined number of conditional rights to acquisition of Stocks to a reserve pool (**Reserve Pool**). After adoption of the resolution mentioned in the preceding sentence, the Supervisory Board by way of a resolution distributes a determined number of conditional rights to acquisition of Stocks (not allocated for the Reserve Pool) between given Settlement Periods.
- 5.3. Conditional rights to acquisition of Stocks in the number corresponding to the number of Stocks not acquired or not granted from Pool 0 shall be added to the Reserve Pool.
- 5.4. The number of conditional rights to acquisition of Stocks to be granted to the Entitled Persons in given Settlement Periods amounts to 1/3 of Stocks remaining after completion of the procedure described in point 5.2 above.
- 5.5. If the number of conditional rights to acquisition of Stocks to be granted to the Entitled Persons in given Settlement Periods is not divisible by 3, then in Settlement Period 1 there will be respectively 1 or 2 more conditional acquisition rights allocated than in Settlement Period 2 and

Settlement Period 3.

## **Chapter 6** **Entitled Persons**

- 6.1. The persons indicated in point 6.2. are entitled to take part in the Incentive Scheme (**Entitled Persons**); these persons shall not be entitled to any claims regarding conclusion of Stock sales agreements until the written notices mentioned in point 11.2, 12.2 and 14.5 (Notice 1, Notice 2 and Final Notice) are provided.
- 6.2. The Entitled Persons are persons:
  - a) indicated by the Supervisory Board members of the Management Board on the Regulations adoption day;
  - b) indicated by the Management Board employees of the Company and Company's co-workers cooperating with the Company based on a civil-law agreement;
  - c) indicated in letter a or b whose employment relationship/cooperation relationship/performance of a function in the Management Board will commence after adoption of the Regulations, and who have been included in the Incentive Scheme in accordance with point 6.3-6.6.
- 6.3. Persons who joined the Company after adoption of the Regulations (as Management Board's members or Company's employees or Company's regular co-workers) may be included in the Incentive Scheme based on a request from a relevant body of the Company.
- 6.4. The Supervisory Board by way of a resolution decides on introducing new members of the Management Board to the Incentive Scheme.
- 6.5. The Management Board by way of a resolution decides on introducing new employees of the Company and new regular co-workers of the Company to the Incentive Scheme.
- 6.6. The Management Board's decision mentioned in point 6.5 requires approval from the Supervisory Board by way of a resolution.
- 6.7. Including a person to the Incentive Scheme is only possible when the number of conditional rights to acquisition of Stocks in the Reserve Pool is equal to or higher than the number of conditional rights to Stocks that may be granted to the newly included person during the Incentive Scheme, and only if the inclusion of the given person to the Incentive Scheme does not result in that the Incentive Scheme includes more than 149 persons.
- 6.8. If the Reserve Pool is not sufficient for inclusion of another person, the Management Board may apply to the GSM (General Stockholders' Meeting) (with Supervisory Board's consent) for an additional issuance of shares, excluding the subscription rights, allocating stocks from this issuance for the purpose of the Incentive Scheme.
- 6.9. In the case described in point 6.8, GSM may adopt a resolution on issuance of a new series excluding the subscription rights, and allocating new series stocks for the purpose of the Incentive Scheme.
- 6.10. After registration of stocks from the new issuance mentioned in point 6.9 (also after meeting all legal requirements regarding stock issuance by the Company), and in case they were acquired by another company with legal personality that acquired (purchased) the Stocks only for the purpose of transferring their ownership rights to the Incentive Scheme members, such stocks become Stocks and conditional rights for their acquisition are added to the Reserve Pool.
- 6.11. The request mentioned in point 6.8. may be submitted also by the Supervisory Board.
- 6.12. Persons included in the Incentive Scheme after adoption of the Regulations may be awarded in a given Settlement Period (after meeting all the conditions arising out of the Regulations) conditional rights to acquisition of Stocks in the number corresponding to the ratio between the remaining full calendar months in the given Settlement Period (counting from the inclusion of the given person to the Scheme) and the number 12.

## **Chapter 7** **Grade**

- 7.1. Each Entitled Person will be classified according to the grades listed in point 7.4. (**Grades**).
- 7.2. Classification of an Entitled Person is made by the Management Board by way of a resolution.
- 7.3. Each Management Board member is classified according to the grade indicated in point 7.4.a.

- 7.4. The grades are as follows:
- a) The Management Board;
  - b) Senior Manager;
  - c) Leader;
  - d) Senior Engineer;
  - e) Engineer/Specialist;
  - f) Junior Engineer/Junior Specialist
- 7.5. Each Entitled Person may be awarded a relevant number of conditional rights to acquisition of Stocks (after meeting all provisions of the Regulations) in each of the Settlement Periods. Awarding conditional rights to acquisition of Stocks does not mean that the given Entitled Person has any rights to claims regarding conclusion of Stock sales agreements.
- 7.6. The number of conditional rights awarded to the given Entitled Person in each Settlement Period depends on the Grade and amounts to:
- a) 4,000 - for each person classified as the Management Board;
  - b) 2,000 - for each person classified as Senior Manager;
  - c) 1,165 - for each person classified as Leader;
  - d) 500 - for each person classified as Senior Engineer;
  - e) 250 - for each person classified as Engineer/Specialist;
  - f) 165 - for each person classified as Junior Engineer/Junior Specialist;
- 7.7. The number of conditional rights to acquisition of Stocks that may be granted to the given Entitled Person may be increased by maximum of 50% (**Correction Factor**).
- 7.8. The Management Board, while determining in a given Settlement Period the list mentioned in point 8.3, at the same time decides upon using the Correction Factor with regard to the given Entitled Person.
- 7.9. The Correction Factor for the Management Board members is always 1.0 (i.e. a member of the Management Board may not acquire in a given Settlement Period more conditional rights to acquisition of Stocks than it arises out of point 7.6.a.).
- 7.10. In case of part-time employees, the number of conditional rights to acquisition of Stocks that may be granted to them based on the Grade may be adjusted upon a resolution of the Management Board by FTE factor.
- 7.11. If work time is changed during the Incentive Scheme, the number of conditional rights to acquisition of Stocks to be granted to a given person may be adjusted upon the Management Board's resolution proportionally to the change of work time and the remaining part of a given Settlement Period after the change, whereas if work time is increased, granting additional conditional rights to acquisition of Stocks may be done only from the Reserve Pool. If work time is increased and the number of conditional rights to acquisition of Stocks in the Reserve Pool is sufficient, then the Supervisory Board immediately updates the Preliminary Annual List.
- 7.12. If Entitled Person's Grade is changed during a given Settlement Period (due to a change of position or scope of the tasks), the Management Board may by way of resolution decide on awarding to this Entitled Person additional conditional rights to acquisition of Stocks from the Reserve Pool, if the number of conditional rights is sufficient. In such case the Supervisory Board immediately updates the Preliminary Annual List.
- 7.13. In case of termination of the employment/cooperation/performance of functions in the Management Board in the period from entering of the Regulations into force to approval by GSM of a financial report covering the Settlement Period 3, a given Entitled Person loses all conditional rights to acquisition of Stocks.
- 7.14. In the case described in point 7.13, the Management Board (and for members of the Management Board - the Supervisory Board) by way of a resolution may decide that the given Entitled Person may be entitled to conditional rights to acquisition of Stocks. Such resolution requires a justification as well as a consent of the Supervisory Board expressed by a resolution (unless the resolution was adopted by the Supervisory Board).
- 7.15. If the Supervisory Board does not adopt the resolution described in point 7.14 within 90 days from the termination of the employment/cooperation/performance of functions in the Management Board, it causes that all conditional rights to acquisition of Stocks granted (or that may be granted) to the given Entitled Person are added to the Reserve Pool, and the Supervisory Board immediately changes the Preliminary Annual Lists and the Final Annual Lists.
- 7.16. Point 7.13 does not apply to rights to acquisition of Stocks granted on the basis of Notice 1 or Notice 2, that is termination of the employment/cooperation/performance of functions in the Management Board does not affect the Entitled Person's right to acquisition of Stocks awarded with Notice 1 or Notice 2.

- 7.17. If the provisions of Chapter 15 are applied, point 7.13 shall be applicable only if the termination of the employment/cooperation/performance of a function in the Management Board occurs before 31 December 2020.
- 7.18. If the provisions of Chapter 16 are applied, point 7.13 shall be applicable only if the termination of the employment/cooperation/performance of a function in the Management Board occurs before the day mentioned in point 16.2.
- 7.19. Taking into account the provisions of points 7.11, 7.12 and 6.12, the number of conditional rights to acquisition of Stocks granted to the Entitled Person shall be equal in each Settlement Period.
- 7.20. The number of conditional rights to acquisition of Stocks to be granted to an Entitled Person (in the Preliminary Annual List) is equal for the Entitled Persons with the same Grade, unless the Correction Factor has been applied or points 7.10, 7.11, 7.12 or 6.12 are applicable.

## **Chapter 8**

### **Detailed rules of implementation of the Incentive Scheme**

- 8.1. Within 30 days from the start of a Settlement Period, the Supervisory Board adopts:
  - a) a separate resolution on indicating Financial Objective in the particular Settlement Period, and;
  - b) a separate resolution on indicating selected members of the Management Board as the Entitled Persons who will be entitled to conditional rights to acquisition of Stocks, and a copy of the resolution is submitted to the Management Board.
- 8.2. The resolution mentioned in point 8.1.b includes:
  - a) the full name of a member of the Management Board;
  - b) number of conditional rights to acquisition of Stocks that may be awarded to the member;
  - c) Non-financial Objective determined for the member;
  - d) Percentage ratio of the Financial Objective to the Non-Financial Objective determined for the member (50% : 50%, unless there is an exception as described in point 10.6).
- 8.3. Within 40 days from the start of a Settlement Period the Management Board adopts a resolution on indicating selected employees of the Company as the Entitled Persons who will be entitled to conditional rights to acquisition of Stocks, and a copy of the resolution is submitted to the Supervisory Board.
- 8.4. The resolution mentioned in point 8.3 includes:
  - a) the full name of an employee/co-worker;
  - b) number of conditional rights to acquisition of Stocks that may be awarded to the employee/co-worker;
  - c) Non-financial Objective determined for the employee/co-worker;
  - d) Percentage ratio of the Financial Objective to the Non-Financial Objective determined for the employee/co-worker (50% : 50%, unless there is an exception as described in point 10.6).
- 8.5. Within 50 days from the start of a Settlement Period the Supervisory Board adopts a resolution on approval of the Management Board's resolution described in point 8.4, and then the Supervisory Board, taking into account the resolutions mentioned in point 8.2 and 8.4 adopts a resolution on determining a uniform list of the Entitled Persons who may be granted conditional rights to acquisition of Stocks in a given Settlement Period (**Preliminary Annual List**).
- 8.6. The Preliminary Annual List shall include:
  - a) the full name of a given Entitled Person;
  - b) number of conditional rights to acquisition of Stocks that may be awarded to the Entitled Person for the given Settlement Period, provided that the Financial or Non-Financial Objective is met, and the given Entitled Person is included in the Final Annual List;
  - c) Non-financial Objective determined for the Entitled Person;
  - d) Percentage ratio of the Financial Objective to the Non-Financial Objective determined for the Entitled Person (ratio of the Financial Objective to the Non-Financial Objective is 50% : 50%, unless there is an exception as described in point 10.6).
  - e) Financial Objective determined by the Supervisory Board in the particular Settlement Period – according to point 8.1.a
- 8.7. Within 30 days from GSM's approval of a financial report for a given Settlement Period, the Supervisory Board adopts a resolution determining whether the Financial Objective for the given Settlement Period has been met.
- 8.8. Within 30 days from GSM's approval of a financial report for a given Settlement Period, the

- Supervisory Board adopts a resolution determining whether the Non-Financial Objective of each member of the Management Board included in the Preliminary Annual List for the given Settlement Period has been met.
- 8.9. The Supervisory Board provides to the Management Board copies of the resolutions mentioned in point 8.7 and 8.8.
  - 8.10. Within 45 days from GSM's approval of a financial report for a given Settlement Period, the Management Board adopts a resolution determining whether the Non-Financial Objective of each of the employees /co-workers included in the Preliminary Annual List for the given Settlement Period has been met.
  - 8.11. The Management Board without delay provides to the Supervisory Board a copy of the resolution mentioned in point 8.10.
  - 8.12. Within 60 days from the approval by GSM of a financial report for a given Settlement Period, the Supervisory Board, taking into account the resolutions mentioned in point 8.7, 8.8 and 8.10, adopts a resolution on determining a uniform list of the Entitled Persons who were granted conditional rights to acquisition of Stocks after the given Settlement Period (**Final Annual List**).
  - 8.13. The Final Annual List shall include:
    - a) the full name of the given Entitled Person;
    - b) number of conditional rights to acquisition of Stocks granted to the Entitled Person for the Settlement Period.
  - 8.14. In cases described in point 7.11-7.13 and in case a person is included in the Incentive Scheme, the Supervisory Board, upon the Management Board's request or on own initiative, adopts a resolution on changing the Preliminary Annual List.
  - 8.15. Granting conditional rights to acquisition of Stocks to the Entitled Person is done when the Final Annual List is adopted.
  - 8.16. Granting rights to acquisition of Stocks to the Entitled Person in the amount of 10% of conditional rights to acquisition of Stocks granted to the Entitled Person in the Final Annual List for the Settlement Period 1 is made when the Entitled Person receives the Notice 1, described in point 11.2.
  - 8.17. Granting rights to acquisition of Stocks to the Entitled Person in the amount of 20% of conditional rights to acquisition of Stocks granted to the Entitled Person in the Final Annual List for the Settlement Period 2 is made when the Entitled Person receives the Notice 2, described in point 12.2.
  - 8.18. Granting to the Entitled Person rights to acquisition of Stocks as part of the Incentive Scheme is made after adoption of the Ultimate List and when the Entitled Person receives the Final Notice 2 described in point 14.5; the rule therefore is that Stocks may be acquired only after the Final Annual List for the Settlement Period 3 and the Ultimate List are adopted.

## **Chapter 9** **Financial Objective**

- 9.1. Granting 50% of conditional rights to acquisition of Stocks to an Entitled Person in a Settlement Period depends on meeting the financial objective by the Company in the given Settlement Period (**Financial Objective**). Financial Objective in the particular Settlement Period is each time determined by the Supervisory Board – according to point 8.1.a. By determining the Financial Objective in the particular Settlement Period, the Supervisory Board determines the amount of Income which the Company should acquire in the particular Settlement Period.
- 9.2. The Financial Objective is met when the Company achieves in the particular Settlement Period the Income indicated each time in resolution of the Supervisory Board mentioned in point 8.1.a.
- 9.3. Meeting the Financial Objective is not gradual, that is if the Company does not meet the Financial Objective in the given Settlement Period, the Entitled Person shall not be entitled to 50% of conditional rights to acquisition of Stocks in the given Settlement Period (or different amount, if point 10.6 applies).
- 9.4. If only the Financial Objective is met in the given Settlement Period, and the Non-financial is not, then in the Final Annual List for this Settlement Period the given Entitled Person will be granted 50% of conditional rights to acquisition of Stocks (or different amount, if point 10.6 applies) that would be granted if also the Non-Financial Objective was met.
- 9.5. If points 10.6 and 10.8 are applicable, point 9.4 applies respectively.

**Chapter 10**  
**Non-Financial Objective**

- 10.1. Granting 50% of conditional rights to acquisition of Stocks to an Entitled Person in a Settlement Period depends on meeting by the Entitled Person in the Settlement Period a personal objective not connected with the financial standing of the Company (**Non-Financial Objective**).
- 10.2. The Non-Financial Objective for the members of the Management Board is determined by the Supervisory Board.
- 10.3. The Non-Financial Objective for the employees/co-workers is determined by the Management Board.
- 10.4. The Non-Financial Objective for Entitled Persons is determined each time for a given Settlement Period.
- 10.5. Meeting the Non-Financial Objective is not gradual, that is if a given Person does not meet the Non-Financial Objective in a given Settlement Period, such Entitled Person shall not be entitled to 50% of conditional rights to acquisition of Stocks in the given Settlement Period (or different amount, if point 10.6 applies).
- 10.6. Regarding the persons included in the Incentive Scheme after adoption of the Regulations, the Management Board (and for the Supervisory Board – the Management Board) may increase the percentage ratio of the Non-Financial Objective to the Financial Objective with simultaneous proportional decrease of the Financial Objective's percentage ratio (the sum of the Non-Financial and Financial Objectives' ratio must amount to 100%).
- 10.7. The change described in point 10.6 applies only in the given Settlement Period.
- 10.8. The change described in point 10.6 may not result in that the percentage ratio of the Non-Financial Objective in the given Settlement Period will be higher than 80%, and the percentage ratio of the Financial Objective for the given Entitled Person in the given Settlement Period lower than 20%.
- 10.9. The rules described in point 9.1 and 9.3 as well as in point 10.1 and 10.5 apply respectively if the Management Board or the Supervisory Board exercise their right described in point 10.6.
- 10.10. If only the Non-Financial Objective is met in a given Settlement Period, and the Financial is not, then in the Final Annual List for this Settlement Period the given Entitled Person will be granted 50% of conditional rights to acquisition of Stocks (or different amount, if point 10.6 applies) that would be granted if also the Financial Objective was met.
- 10.11. If points 10.6 and 10.8 are applicable, point 10.10 applies respectively.

**Chapter 11**  
**Acquisition of some part of Stocks after Settlement Period 1**

- 11.1. The Entitled Person indicated in the resolution on approval of the Final Annual List for the Settlement Period 1 is entitled to acquire Stocks in the amount of 10% of conditional rights to acquisition of Stocks granted to the Entitled Person in the Final Annual List for the Settlement Period 1.
- 11.2. Within 10 days from adoption of the Final Annual List for the Settlement Period 1, the Supervisory Board sends written notices to the Entitled Persons indicated in the Final Annual List for the Settlement Period 1; the notice will include information on granting the right described in point 11.1 (**Notice 1**).
- 11.3. The Notice 1 includes at least the full name of the Person Entitled to acquire Stocks after the Settlement Period 1, the number of Stocks to which the Person is entitled and date and place of signing the Stock sales agreement, whereas the date of signing the Stock sales agreement should not be longer than 45 days from adoption of the Final Annual List for the Settlement Period 1. In individual cases this period may be changed with Supervisory Board's resolution.
- 11.4. A copy of the Notice 1 the Supervisory Board sends to the Intermediary.
- 11.5. Before conclusion of the Stock sales agreement based on this Chapter, the Company shall sign with the Entitled Person an agreement on Stock sales prohibition (lock-up agreement, concluded if Stocks are acquired), in accordance with which the Entitled Person will be obliged to not sale Stocks within 18 months from signing of the Stock sales agreement, but not longer than to 30 June 2021.
- 11.6. The Entitled Person does not have any rights to claims with regard to conclusion of the Stock sales agreement until the Notice 1 is received.

**Chapter 12**  
**Acquisition of some part of Stocks after Settlement Period 2**

- 12.1. The Entitled Person indicated in the resolution on approval of the Final Annual List for the Settlement Period 2 is entitled to acquire Stocks in the amount of 20% of conditional rights to acquisition of Stocks granted to the Entitled Person in the Final Annual List for the Settlement Period 2.
- 12.2. Within 10 days from adoption of the Final Annual List for the Settlement Period 2, the Supervisory Board sends written notices to the Entitled Persons indicated in the Final Annual List for the Settlement Period 2; the notice will include information on granting the right described in point 12.1 (**Notice 2**).
- 12.3. The Notice 2 includes at least the full name of the Person Entitled to acquire Stocks after the Settlement Period 2, the number of Stocks to which the Person is entitled and date and place of signing the Stock sales agreement, whereas the date of signing the Stock sales agreement should not be longer than 45 days from adoption of the Final Annual List for the Settlement Period 2. In individual cases this period may be changed with Supervisory Board's resolution.
- 12.4. A copy of the Notice 2 the Supervisory Board sends to the Intermediary.
- 12.5. Before conclusion of the Stock sales agreement based on this Chapter, the Company shall sign with the Entitled Person an agreement on Stock sales prohibition (lock-up agreement, concluded with a condition precedent that will be fulfilled in case of Stocks acquisition), in accordance with which the Entitled Person will be obliged to not sale Stocks within 18 months from signing of the Stock sales agreement, but not longer than to 30 June 2021.
- 12.6. The Entitled Person does not have any rights to claims with regard to conclusion of the Stock sales agreement until the Notice 2 is received.

**Chapter 13**  
**Additional List**

- 13.1. Within 10 days from adoption of the Final Annual List for the Settlement Period 3, the Supervisory Board (upon the Management Board's request or on own initiative) may adopt a resolution on granting from the Reserve Pool to the given Entitled Persons additional conditional rights to acquisition of Stocks (**Additional List**).
- 13.2. Granting additional conditional rights to acquisition of Stocks may include only those Entitled Persons who were included in at least one Final Annual List, and who made an above-standard contribution to the Company's development during the Incentive Scheme.
- 13.3. Adoption of the Additional List may take place if in accordance with any Final Annual List any Entitled Person was granted at least one conditional right to acquisition of Stocks.
- 13.4. The number of additional conditional rights to acquisition of Stocks granted on the basis of the Additional List may not exceed the number equal to 20% of all Stocks covered by the Incentive Scheme.

**Chapter 14**  
**Ultimate List, Final Notice, acquisition of Stocks and lock-up agreement**

- 14.1. The Supervisory Board immediately after adoption of a resolution on determining the Additional List (or in case of lack of timely adoption of the resolution on determining the Additional List) shall adopt a resolution on determining a uniform list of the Entitled Persons who were granted rights to acquire Stocks as part of the Incentive Scheme (**Ultimate List**).
- 14.2. The Ultimate List shall include:
  - a) the full name of a given Entitled Person;
  - b) number of rights to acquisition of Stocks granted to the Entitled Person.
- 14.3. In the Ultimate List the number of rights to acquisition of Stocks granted to the Entitled Person is a sum of the number of conditional rights to acquisition of Stocks arising out of the Final Annual Lists and the Additional List, after deduction of the number of Stocks acquired by the Entitled Person in accordance with the provisions of Chapter 11 and Chapter 12.
- 14.4. If the provisions of Chapter 15 or 16 do not apply, then the Ultimate List may not be adopted earlier than on 1 July 2021.
- 14.5. Within 10 days from adoption of the Ultimate List, the Supervisory Board sends written notices to the Entitled Persons indicated in the Ultimate List with information on granting the right to

- acquisition of Stocks (**Final Notice**).
- 14.6. The Final Notice includes at least the full name of the Person Entitled to acquire Stocks, the number of rights to acquisition of Stocks to which the Person is entitled and date and place of signing the Stock sales agreement, whereas the date of signing the Stock sales agreement should not be longer than 30 days from adoption of the Ultimate List. In individual cases this period may be changed with Supervisory Board's resolution.
  - 14.7. A copy of the Final Notice the Supervisory Board sends to the Intermediary.
  - 14.8. The Stocks sales agreement is concluded in written.
  - 14.9. Before conclusion of the Stocks acquisition agreement, the Company shall sign with the Entitled Person an agreement on Stock sales prohibition (lock-up agreement, concluded if Stocks are acquired), in accordance with which the Entitled Person will be obliged to not sale Stocks within 18 months from signing the Stock sales agreement, but not longer than to 30 June 2021.
  - 14.10. Point 14.9 will not apply if conclusion of the Stock sales agreement takes place on 30 June 2021 or later.
  - 14.11. The Entitled Person does not have any rights to claims with regard to conclusion of the Stock sales agreement until the Final Notice is received.

### **Chapter 15** **Acquisition of Stocks in case of high capitalisation of the Company**

- 15.1. If on 31 December 2020 the Company is a public company pursuant to the provisions of the Offering Act, and its average capitalisation (understood as the average of the product of all stocks of the Company and the average price of Company's stock on trading days on the stock market in October 2020, November 2020 and December 2020) amounts to over PLN 500 000 000, then all the Financial and Non-Financial Objectives in all Settlement Periods will be deemed met.
- 15.2. In the case described in point 15.1, the Supervisory Board immediately changes all Final Annual Lists for the Settlement Period 1 and the Settlement Period 2 in such a way that the number of conditional rights to acquisition of Stocks granted to the given Entitled Persons will reflect meeting of all the Financial and Non-Financial Objectives for the Settlement Period 1 and 2.
- 15.3. In the case described in point 15.1, the Supervisory Board immediately adopts the Final Annual List for the Settlement Period 3, taking into account the provisions of point 15.1 (meeting of all the Financial and Non-Financial Objectives for the Settlement Period 3).
- 15.4. In the case described in point 15.1, the Supervisory Board, after adoption of the Final Annual List for the Settlement Period 3 and adoption of the Additional List or lapse of the deadline mentioned in point 13.1, immediately adopts the Ultimate List including the updated Final Annual Lists (in accordance with point 15.2) as well as the Final Annual List for the Settlement Period 3 (in accordance with point 15.3).
- 15.5. After adoption of the Ultimate List, the procedure described in point 14.5 and subsequent applies.
- 15.6. Chapter 15 does not apply if there are premises indicated in point 16.1 and 16.2. of the Regulations - in such a case Chapter 16 shall apply.

### **Chapter 16** **Other cases of Stocks acquisition**

- 16.1. If in the period from 1 July 2018 to 30 June 2021 any stockholder of the Company (other than any stockholder holding on the day of adoption of the Regulations at least 10% of all Company's shares) starts to hold over 50% of all Company's shares (exceeding), then all the Financial and Non-Financial Objectives in all the Settlement Periods will be deemed fulfilled, provided that the condition indicated in point 16.2 below was also fulfilled.
- 16.2. Point 16.1 applies if in the month preceding the exceeding by a given stockholder of the Company of the threshold of 50% of all Company's stocks, the capitalisation of the Company (understood as the average product of all Company's stocks and the average price of one Company's stock on trading days on the stock market in the given month) amounts to:
  - a) at least PLN 135 000 000 - if the exceeding takes place in the period from 1 July 2018 to 31 December 2018;
  - b) at least PLN 182 000 000 - if the exceeding takes place in the period from 1 January



- 2019 to 31 December 2019;
- c) at least PLN 246 000 000 - if the exceeding takes place in the period from 1 January 2020 to 30 June 2021.
- 16.3. In the case described in point 16.1. the Supervisory Board immediately adopts the Final Annual Lists for the Settlement Periods whereas the number of conditional rights to acquisition of Stocks granted to the given Entitled Persons will reflect meeting of all the Financial and Non-Financial Objectives for all Settlement Periods. The above should be understood in such a way that the Supervisory Board adopts the Final Annual Lists for all Settlement Periods that have not been adopted so far. The Final Annual Lists include all the Entitled Persons included in the latest Preliminary Annual List. Each Entitled Person is granted such number of conditional rights to acquisition of Stocks that would be granted if all the Financial and Non-Financial Objectives were met - for the current Settlement Period, as well as for the subsequent ones.
- 16.4. If on the exceeding day at least one Final Annual List was adopted, the Supervisory Board immediately changes all already adopted Final Annual Lists so that they reflect meeting of all Financial and Non-Financial Objectives for all Settlement Periods. The rules described in point 16.3 are applicable respectively with regard to point 16.4.
- 16.5. In the case described in point 16.1, the Supervisory Board, after adoption or change of the Final Annual List for the Settlement Period 3 and adoption of the Additional List or lapse of the deadline mentioned in point 13.1, immediately adopts the Ultimate List including the adopted or updated Final Annual Lists (in accordance with point 16.4), and then the procedure described in point 14.5 and subsequent is applied.
- 16.6. Chapter 16 does not apply if Chapter 15 applies.
- 16.7. If fulfilment of the premises from points 15.1 and 16.1 takes place on the same day (31 December 2020), Chapter 16 shall apply.
- 16.8. If this Chapter applies, point 14.9 shall not be applicable (lock-up agreements will not be concluded with the Entitled Persons who acquire Stocks as a result of implementation of the provisions of this Chapter).

## **Chapter 17** **Final Provisions**

- 17.1. Stocks that will not be distributed as part of the Incentive Scheme or will not be timely acquired by the Entitled Persons shall be acquired by the Company for the purpose of their redemption, in accordance with the applicable provisions of law.
- 17.2. The Company bears the cost of the Incentive Scheme, including the cost of conclusion of the Stocks sales agreements.
- 17.3. In case of a split or a reverse split of the Company's stocks and change of the nominal value of a stock, the number of conditional rights to acquisition of Stocks granted to the Entitled Persons, as well as the number of rights to acquisition of Stocks granted to the Entitled Persons shall be increased/decreased in accordance with the split/reverse split of Company's Stocks. The price of Stocks shall also be changed (increased or decreased respectively).
- 17.4. The Regulations enter into force on the date of their signing by GSM.
- 17.5. The change of the Regulations requires a resolution of GSM and notifying the members of the Incentive Scheme (via e-mail), whereas the change shall not affect the right to acquisition of Stocks granted on account of receiving one of the Notices, unless the change occurs after receipt of any of the Notices.
- 17.6. In matters not regulated herein, the applicable provisions of the Commercial Companies Code and Company's Articles of Association shall apply.
- 17.7. The Supervisory Board is authorised to interpret the Regulations.
- 17.8. If any provision of the Regulation is invalid or unenforceable, this shall not affect the validity of the Regulations. In such case GSM shall adopt a relevant change of the Regulations and replace the invalid or unenforceable provision with a provision most similar to the invalid provision.

Number of shares under which valid votes were cast is: 901,000 shares

Percentage share in the Company's share capital: 53,15%

Number of votes in favour of the resolution is: 901.000

Number of votes against the resolution is: 0

Number of votes abstaining is: 0