

## TERMS OF REFERENCE OF THE MANAGEMENT BOARD

of BBI DEVELOPMENT NARODOWY FUNDUSZ INWESTYCYJNY S.A.

(THE FUND)

### DEFINITIONS

1. **Terms of Reference:** these Terms of Reference of the Management Board of BBI Development NFI SA
2. **Fund, Company:** BBI Development NFI SA
3. **Management Board:** Management Board of the Fund
4. **Articles of Association:** Articles of Association of the Fund
5. **Supervisory Board:** Supervisory Board of the Fund

### § 1

1. These Terms of Reference set out the procedure of the Management Board of BBI Development NFI SA having its registered office in Warsaw.
2. The Management Board of the Fund operates on the basis of the applicable law, including the Code of Commercial Companies, the Articles of Association and these Terms of Reference.
3. The Management Board shall deal with all the matters pertaining to the Company except the matters falling within the remit of other bodies of the Fund in accordance with the applicable provisions of the Articles of Association, the Commercial Companies Code and the Act on national investment funds and their privatisation of 30 April 1993 Journal of Laws no. 44, item 202, as amended) or in other applicable legislation.
4. Subject to the provisions of section 5 below, in accordance with Article 14(1) of the Articles of Association of the Fund, two Management Board members shall act jointly to make statements for and bind the Company, and where the Management Board consists of one person, the Company shall be represented by the Management Board President.
5. If a commercial proxy (*prokurent*) has been nominated, he shall make statements and bind the Fund always acting together with one Management Board member, in accordance with Article 14(2) of the Articles of Association of the Fund. Appointment of a commercial proxy shall each time be approved by all the members of the Fund.
6. The persons representing the Fund, referred to in section 4 and 5 above, may grant powers of attorney to make statements and undertake acts in fact for and on behalf of the Fund.

## **§ 2**

1. The number of the Management Board members and the method of their appointment and term of office shall be laid down in the Articles of Association of the Fund.
2. The Management Board shall divide between themselves the specific categories of obligations relating to the particular area of the Company's activities.
3. One of the Management Board members shall be responsible for the Company's finances.
4. In the case of changes to the Management Board, the Management Board member who leaves his office shall formally hand over all of the matters he has been in charge of along with all the relevant documents held and other materials pertaining to the Company, whether in paper or electronic form, which he has prepared or received during his role in the Management Board.
5. The documents and other materials relating to the Company referred to in section 4 shall be provided to the Management Board President or to another person indicated by the Management Board.

## **§ 3**

1. Management Board members shall be responsible for proper conduct of the Fund's affairs.
2. Management Board members shall fulfil their duties with the highest diligence, taking into account the professional nature of the conducted business and in ensuring proper use of their expertise and experience, while remaining loyal to the Fund.
3. If any obstacles arise preventing a Management Board member from performing his duties, he shall immediately notify this fact to the Management Board President, and if this is impossible, other Management Board members and/or the Supervisory Board Chairman (or the persons substituting him). In such circumstances the Management Board shall appoint another Management Board member to take over the respective duties.
4. Management Board members shall immediately inform the Supervisory Board Chairman or the person substituting him of any actual or potential conflict of interest arising in connection with their roles.
5. Where any matters are transacted that give rise to a conflict of interest between the Company and a Management Board member, his spouse, next of kin and the persons who have personal connections with him, the Management Board member shall refrain from adjudicating on any such matters.
6. In the agreements between the Fund and a Management Board member, as well as in the event of any conflict between them, the Company shall be represented by the Supervisory Board or an attorney appointed by a resolution of the General Meeting.
7. A member of the Management Board of the Fund shall treat his holdings in the Fund's shares as a long-term investment, taking into account the term of his office.

## **§ 4**

1. The Management Board President shall manage the work of the Fund's Management Board and shall co-ordinate the work of the other Management Board members.
2. Where the Management Board President is unable to act, his role shall be fulfilled by the Management Board member designated by the President.

## **§ 5**

1. The Fund's Management Board shall set out the strategy and key goals of the Fund, taking into account the interest of the Company, and presents the same to the Supervisory Board, remaining responsible for their implementation. The Fund's Management Board shall ensure transparency and effectiveness of the system of management in the Company and shall ensure that the Company's affairs are conducted in accordance with law and the Best Practice in Public Companies in 2005, a code adopted by the Stock Exchange Board by resolution no. 44/1062/2004 of 15 December 2004.

2. The Fund's Management Board shall regularly prepare and present to the Supervisory Board all the legally required, comprehensive information about all the matters pertaining to the Fund's activities and the risks attaching to conducted business, including the methods of managing such risks.

## **§ 6**

1. The Fund's Management Board shall meet as frequently as it is necessary for proper functioning of the Company, however at least one a month.
2. The Fund's Management Board meetings shall be convened by the Management Board President or the person replacing him, taking into account the provisions of § 4, or on his own initiative, or at a written request of any member of the Management Board.
3. Each Management Board member acting individually shall have the right to request that certain matters be put on the agenda of a Management Board meeting.
4. The notice of Management Board meeting may be presented to the Management Board members in any written form (by hand, by registered mail, by courier or by fax) or by using electronic communication means (e-mail). The notice of a meeting shall include the date and venue of the meeting and the proposed agenda. The notice shall be provided in such a way and at such a date as to allow all the Management Board members to participate in the meeting.
5. A Management Board meeting may be held without being formally convened if all the Management Board members are present and none of them raises any objection to the Management Board meeting being held in such a procedure.
6. The Management Board agenda specified in the notice of Management Board meeting may not be amended or supplemented during the meeting it relates to unless all the Management Board members consent to such amendment or supplementation.
7. The Fund's Management Board meetings may be attended, in an advisory capacity, by Supervisory Board members, commercial proxies, employees of the Company and other persons invited by the Fund's Management Board.

## **§ 7**

1. The Fund's Management Board shall take decisions in the form of resolutions.
2. Management Board resolutions shall be adopted by a simple majority of votes.
3. The Management Board's resolutions may be adopted if all the members of the Management Board have been duly notified of the date of the meeting.
4. A member of the Fund's Management Board may take part in the vote on particular matters laid down in the agenda as specified in the notice of the Management Board meeting by using direct means of remote communication, provided that he has been notified of the text of the draft resolution.

## **§ 8**

1. The Fund's Management Board may issue resolutions without having a meeting, through circulation or by using direct means of remote communication.
2. A vote held in the procedures referred to in section 1 above shall be ordered by the Management Board President or the person replacing him, taking into account the provisions of § 4.
3. Resolutions adopted in the procedures referred to in section 1 above may be adopted provided that the following rules are observed:
  - a. they may not concern matters voted upon in a secret ballot
  - b. adoption of a resolution shall require that each member of the Management Board receives a draft resolution in writing
  - c. members of the Management Board sign the text of the resolutions, indicating whether they are for or against the resolution or abstain from vote, and specifying the date of the signature
  - d. the resolution shall be considered adopted at the date of the last signature.
4. Resolutions adopted in the manner specified in section 1 above shall be valid when all the Management Board members have been advised of the contents of the draft resolution and none of them has objected to the proposed method of adopting the resolution. An objection shall be considered as effective if it is reported to the person who

has ordered the vote immediately, but not later than on the next working day after the vote on the resolution has been ordered.

### **§ 9**

1. The Management Board shall vote on resolutions in an open procedure. Each member of the Fund's Management Board shall have the right to submit a request for a secret ballot on the particular case.
2. Secret ballot shall be held using voting cards. Voting cards for a secret ballot shall bear the Fund's official seal and shall contain information about the voting options (for, against, abstention). The right of vote shall be exercised by putting the 'x' sign in the appropriate box next to the selected voting option. Secret ballot shall must not be used in the case of a vote by circulation or by using direct means of remote communication.

### **§ 10**

1. Minutes shall be taken at each Management Board meeting. The minutes shall be prepared in accordance with Article 376 of the Commercial Companies Code. The resolutions adopted by the Management Board shall bear the date and number (corresponding to the sequence in which they are adopted) as well as a concise description of their subject matter.
2. The minutes shall include the date and place of the meeting, list of Management Board members present, the agenda, the results of voting on the individual items, text of the resolutions and any dissenting opinions raised.
3. The minutes and the resolutions shall be signed by all the members of the Management Board present at the meeting.
4. In the case of a vote held using the procedure set out in § 8(1), the resolution shall be signed by all the Management Board members participating in the vote.
5. Minutes shall be taken of the vote held using direct means of electronic communication. The minutes shall be signed by the person who has ordered the vote and by the minute-taker.  
The minutes shall include a reference of the remote communication means used.

### **§ 11**

Any matters relating to the procedure of the Management Board not regulated by these Terms of Reference, the Articles of Association or the applicable law shall be resolved by the Management Board members through a vote.

### **§ 12**

Any amendments and supplements to these Terms of Reference shall be made on the basis of a resolution of the Fund's Management Board and shall be approved by the Supervisory Board.

### **§ 13**

These Terms of Reference shall become effective on the day when the Fund's Management Board passes a resolution on its adoption and on its approval by the Fund's Supervisory Board, pursuant to the provisions of Article 13(3) of the Fund's Articles of Association.

Radosław Świątkowski  
Management Board Member

Piotr Litwiński  
Management Board Member