



**BY-LAW
OF THE NOMINATION AND REMUNERATION COMMITTEE
OF THE SUPERVISORY BOARD OF
GRUPA KĘTY S.A.**

By-law of the Nomination and Remuneration Committee of the Supervisory Board of Grupa KĘTY S.A. adopted by resolution of the Supervisory Board of Grupa KĘTY Spółka Akcyjna on 2 June 2022.

**BY-LAW
OF THE NOMINATION AND REMUNERATION COMMITTEE
OF THE SUPERVISORY BOARD OF GRUPA KĘTY S.A.**

I. General Provisions

§ 1

1. The Committee By-law determines the membership, the method of appointment, the tasks and methods of work of the Committee.
2. The Committee is a standing committee of the Supervisory Board.
3. The Committee is a collective body to provide advice and consultation to the Supervisory Board.

§ 2

1. The basis for appointing the Committee is § 10.1.b) of the Supervisory Board By-law, and the basis of drawing up the Committee By-law is § 10.2.b) of the Supervisory Board By-law.
2. The Committee acts based on the internal regulations of the Company, specifically the provisions of this By-law, the Supervisory Board By-law, the Company Articles, and also abides by the requirements of Annex I to the European Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board, as well as by the recommendations and principles provided for in 'The Best Practice for GPW Listed Companies 2021' followed by the Company.

§ 3

1. As long as the Committee By-law refers to the:
 - a) Address – it is understood to be the Address within the meaning of the Supervisory Board By-law;
 - b) Committee – it is understood to be the Nomination and Remuneration Committee of the Supervisory Board of Grupa KĘTY S.A.;
 - c) Remuneration Policy – it is understood to be the Remuneration Policy of the Grupa KĘTY S.A. Management Board and Supervisory Board Members adopted based on the relevant regulations;
 - d) Supervisory Board – it is understood to be the Supervisory Board of Grupa KĘTY S.A.;
 - e) Committee By-law – it is understood to be this By-law of the Nomination and Remuneration Committee of the Supervisory Board of Grupa KĘTY S.A.;
 - f) Management Board – it is understood to be the Management Board of Grupa KĘTY S.A.;
 - g) Company – it is understood to be Grupa KĘTY S.A.;
 - h) Articles – it is understood to be the Articles of Grupa KĘTY S.A.
2. All of the capitalised terms in this Committee By-law, which have not been defined above, have the meaning assigned to them in the Articles or the Supervisory Board By-law.

II. Committee members

§ 4

1. The Committee consists of at least three Members appointed for the term of the Supervisory Board.
2. The Committee members are appointed by the Supervisory Board by way of resolution from among the Board members and perform their functions until their resignation from the function at the Committee in the manner applicable to appointing the Committee or until their mandate as a member of the Supervisory Board expires.
3. If the membership of the Committee no longer fulfils the requirements of the Committee By-law, the Supervisory Board shall immediately supplement the membership of the Committee.
4. The Committee appoints a Chairman of the Committee from among the Committee Members, by way of a resolution.
5. The Committee members receive monthly remuneration for the work on the Committee, in compliance with the Remuneration Policy.

III. Scope of authorisation and powers

§ 5

1. The Committee fulfil its tasks resulting from the Committee By-law in the scope entrusted by the Supervisory Board. The basic scope of the Committee activity is advising and supporting the Supervisory Board in performing their duties.
2. The basic competencies of the Committee include but are not limited to:
 - a) As regards the Management Board members nominations:
 - carrying out recruitment procedures with the aim to find candidates to act as the Management Board members;
 - presenting recommendations to the Supervisory Board in reference to a candidate or candidates to act as the Management Board members;
 - presenting recommendations to the Supervisory Board in reference to the structure, size and membership of the Management Board.
 - b) As regards remuneration:
 - analysing the Management Board members' remuneration system, which includes analysing all components of the remuneration due and paid to the Management Board members, as well as carrying out a comparative analysis in reference to other entities operating on the market of similar scale and profile of operation (if available), and presenting recommendations in that regard to the Supervisory Board;
 - if the General Meeting authorises the Supervisory Board to specify the elements of the Remuneration Policy with more detail in accordance with the binding laws – presenting recommendations and proposals of the detailed scope to the Supervisory Board;
 - presenting recommendations and proposals to the Supervisory Board in reference to the data and information included in the annual report on remuneration prepared by the Supervisory Board in accordance with the applicable laws;
 - presenting recommendations and proposals to the Supervisory Board in reference to amending the Remuneration Policy or the principles of remuneration and the terms of employment specified for the particular Management Board members;

- if the Company has implemented an incentive scheme (e.g. Management Options Plan) – carrying out an analysis and presenting recommendations and proposals to the Supervisory Board in reference to the scheme assumptions and terms.
- 3. The Committee shall cooperate with external auditors employed by the Company as regards assessment of the remuneration paid to the Management Board Members.
- 4. When performing their functions, the Committee may not trespass the competencies granted to the Supervisory Board.
- 5. Without prejudice to the generally binding laws, and in consideration of the scope of tasks of the Committee, as set out in the Committee By-law, the Committee may – without intermediation of the Supervisory Board – claim the provision of information and explanations or submission of documents needed for the performance of their tasks.
- 6. The Management Board or other persons indicated by the Management Board provide the Committee with access to documents and technical means needed for the performance of their tasks.

IV. Methods of work of the Committee

§ 6

1. The Committee meetings are held as needed, at the dates determined by the Committee Chairman, in arrangement with the other members of the Committee.
2. The dates of the Committee meetings shall be determined in a manner ensuring the proper performance of tasks by the Committee.
3. The Committee meetings are held at the registered office of the Company or in another place in the territory of the Republic of Poland, as indicated by the Committee Chairman or other person referred to in § 6.4 of the Committee By-law.
4. The meetings of the Committee are convened by the Committee Chairman, and in the case of inability of convening the Committee meeting by the Committee Chairman – by another member of the Committee indicated by the Committee Chairman.
5. Also a member of the Committee or Chairman of the Supervisory Board may request convening a meeting of the Committee. A request for convening the Committee meeting shall comprise the proposed agenda.
6. The Committee meetings are convened through electronic mail at least one business day before the planned date of the meeting, by way of sending invitations to the identified Addresses of all of the Committee members and the Chairman of the Supervisory Board.
7. The Committee meetings may be held without formal convening, providing that all of the Committee members consent thereto on the date of the Committee meeting at the latest.
8. The Committee members may participate in the Committee meetings and take part in voting on resolutions through the means of direct remote communication, in a manner enabling simultaneous communication in real time and mutual identification among all of the Committee members participating in the Committee meeting and voting (a video conference, a teleconference).
9. The Committee may request the participation in its meeting of the members of the Supervisory Board, members of the Management Board, the statutory auditor, or the employees or co-workers of the Company, as well as external experts and other people whose explanations are needed to the Committee. The Committee may at any time exclude from the meeting any person referred to in the preceding sentence, if the Committee deems it necessary in order to ensure the proper fulfilment of their duties.

§ 7

1. The Committee meetings are opened and chaired by the Committee Chairman or in his absence by another Member of the Committee indicated by the Chairman.
2. The Committee decisions are made in the form of resolutions. The resolutions are passed with an absolute majority of votes. In the event of an equal number of votes for and against a resolution, decisive is the vote of the Chairman, and in his absence – of the other person chairing the Committee meeting, as specified in § 7.1 of the Committee By-law.
3. For the validity of the Committee resolutions passed at the Committee meeting, proper invitation of all of the Committee members to the Committee meeting is required, or consent to holding a meeting of the Committee without formal convening, in accordance with § 6.7 of the Committee By-law, as well as presence of at least half of the Committee members at the meeting.
4. The Committee resolutions do not bind the Supervisory Board.

§ 8

1. The Committee may pass resolutions outside of a meeting of the Committee, in written mode or on correspondence basis with the use of electronic mail.
2. Passing resolutions outside of a meeting of the Committee, as specified in § 8.1 of the Committee By-law, is ordained by the Committee Chairman on their own initiative or at a request of a Committee member.
3. The Committee Chairman serves a draft of the resolution to be passed in the manners specified in § 8.1 of the Committee By-law to all of the Committee members, at the identified Addresses, along with the documents and information related to that resolution, and identifies in which of the manners the resolution is going to be passed, as well as specifies the principles of casting votes, and specifically the final date for the votes casting.
4. For the validity of the Committee resolutions passed outside of a meeting, the requirements specified in § 8.3 of the Committee By-law must be fulfilled, and votes must be cast by at least half of the Committee members.
5. The Committee passes resolutions in writing, such that all of the Committee members who participate in voting sign one copy of the resolution, or all of the Committee members who participate in voting sign separate, identical counterparts of the resolution.
6. The original or scanned copy of a resolution with signatures of all of the Committee members (in case a resolution is passed in writing on one copy of the resolution), or the originals or scanned copies of a resolution with signatures of the specific members of the Committee (in case a resolution is passed in writing on separate counterparts of the resolution) must be served to the Committee Chairman at the date identified by them. The Committee member who has not put their signature or failed to serve the original or scanned copy of a resolution at the specified date is counted in the quorum but is not considered to be a person who participated in the voting.
7. The Committee passes resolutions with the use of electronic mail such that each member of the Committee who participates in the voting casts their vote at the date specified by the Committee Chairman and informs all of the Committee members about their voting at the Addresses, whereas in each case a separate e-mail with the identification of the number of the resolution and type of vote cast ('for', 'against', 'abstained') must be sent for each resolution voted on. A Committee member who fails to cast their vote at the specified date is counted in the quorum but is not considered to be a person who participated in the voting.

8. Each member of the Committee who does not agree with the contents of a resolution passed in the manner specified in § 8.1 of the Committee By-law and voted ‘against’ the resolution, may attach their separate justified opinion to the minutes on passing the resolution.
9. The Committee Chairman or another person acting on their authorisation, immediately after written voting or voting through the means of direct remote communication, with the use of electronic mail, forwards to the other members of the Committee the information on the voting results, through electronic mail at their respective Addresses.

§ 9

1. The Committee members vote personally on the passing of resolutions.
2. The Committee resolutions are passed in open voting.

§ 10

1. Minutes are taken of the Committee meetings or passing resolutions outside of a meeting of the Committee in the manners specified in § 8.1 of the Committee By-law. The minutes are taken by the Chairman or another member of the Committee identified by them.
2. The minutes of a Committee meeting shall comprise at least the subsequent number of the minutes, the date and place of taking, the list of persons present and participating in the Committee meetings as well as participating in the voting on resolutions through the means of direct remote communication, the agenda, the motions reported by the persons present at the Committee meeting, the contents of the resolutions and the results of voting, as well as the reported separate opinions.
3. The minutes of passing resolutions outside of a meeting of the Committee in the manners specified in § 8.1 of the Committee By-law shall comprise at least the subsequent number of the minutes, the date and place of taking, the list of the voting Committee members, the agenda, the motions reported by the persons present during the Committee meeting, the contents of the resolutions and the results of voting, as well as the reported separate opinions, and information that all of the Committee members have been notified about the contents of the draft resolution.
4. The minutes of a Committee meeting are signed by the persons who participated in the meeting at the closest possible date.
5. The minutes of passing a resolution outside of a meeting of the Committee in the manners specified in § 8.1 of the Committee By-law are signed by the Committee members who participated in the voting at the closest possible date.
6. The minutes are kept at the registered office of the Company.
7. All of the Supervisory Board members have the right of insight into the minutes of the Committee meetings and other documents resulting from the work of the Committee.

V. Final provisions

§ 11

1. The Committee work is serviced by the Company.
2. The Committee submits a report on its activities in the respective reporting year to the Supervisory Board, at a date enabling the Supervisory Board to attach the Committee report to the annual report on the activities of the Supervisory Board presented to the General Meeting.