Attachment no. 1 to the Resolution no. 25
of the General Meeting of Makarony Polskie S.A.
of 28 June 2016

Consolidated text that takes into account amendments made with the Resolution of the Supervisory Board no. 11 of 31 May 2016 and approved with the Resolution no. 25 of the General Meeting of Makarony Polskie Spółka Akcyjna with its registered seat in Rzeszów of 28 June 2016 concerning approval of an amendment to the Regulations of the Supervisory Board

REGULATIONS OF THE SUPERVISORY BOARD MAKARONY POLSKIE S.A. with its registered office in Rzeszów

§ 1

Wherever in the Regulations reference is made to:

1. The Company – it should be understood as Makarony Polskie S.A. with its registered office in Rzeszów.
2. The Articles of Association – it should be understood as the Articles of Association of Makarony Polskie S.A. with its registered office in Rzeszów.
3. The Board, the Supervisory Board—it should be understood as the Supervisory Board of Makarony Polskie S.A. with its registered office in Rzeszów.
4. The Management Board – it should be understood as the Management Board of Makarony Polskie S.A. with its registered office in Rzeszów.
5. The Commercial Companies Code – it should be understood as the act of 15 September 2000. – The Commercial Companies Code (Journal of. Laws. No. 94, item 1037 as amended).

§ 2

1. The Supervisory Board shall be composed of 5 to 7 members appointed and dismissed by the General Meeting.
2. The tenure of the Supervisory Board runs for two years.
3. The mandates of the Supervisory Board members shall expire on the day on which an Ordinary General Meeting approving the Company's financial statement for the last full financial year of its office is held. If during the term of office of the Company's Supervisory Board a supplementary or an extending election was carried out, the mandate of the newly appointed member of the Supervisory Board shall expire simultaneously with the mandates of the remaining members of the Company's Supervisory Board.

§ 3

1. The meeting of the Supervisory Board shall be valid and shall have the authority to adopt resolutions provided that at least 4 (four) of its members are present at the meeting and all of its members have been duly invited.
2. The Supervisory Board is obliged to hold at least 1 (one) meeting every quarter.
3. Without prejudice to art. 388 § 4 of the Commercial Companies Code, the members of the Supervisory Board shall be entitled to participate in adopting resolutions of the Board by casting their vote in writing through another member of the Supervisory Board.
4. Without prejudice to art. 388 § 4 of the Commercial Companies Code the Supervisory Board may adopt resolutions in writing or by means of direct distant communication facilities. The resolution shall be valid if all members of the Supervisory Board have been informed about the content of the draft resolution.
5. The Supervisory Board shall adopt resolutions by an absolute majority of votes in the presence of at least half of the members of the Supervisory Board.

§ 4

1. The Supervisory Board shall exercise an ongoing supervision over the Company's activities in all aspects of its business.
2. The Supervisory Board be competent, among others, to deal with the following matters:
   a) the evaluation of the financial statement and the Management Board report with regard to their conformity with the books and documents as well as the actual state of affairs, the evaluation of the motions of the Management Board regarding the distribution of profit and the covering of losses and submitting an annual report in writing on the results of this evaluation to the General Meeting,
   b) the approval of the annual financial plans of the Company and the supervision of their performance,
   c) the selection of a statutory auditor to audit the Company's financial statement,
   d) granting consent to acquire or sell real estate, perpetual usufruct or the shares in real estate of a value over 10% (say: ten percent) of the Company's equity calculated according to the last Company's balance sheet approved by the General Meeting, unless it has been stipulated in the annual financial plan of the Company approved by the Supervisory Board,
   e) granting consent to sell the Company's assets, the value of which exceeds 10% (say: ten percent) of the total value of the Company's equity calculated according to the last Company's balance sheet approved by the General Meeting, unless it has been stipulated in the annual financial plan of the Company approved by the Supervisory Board,
   f) granting consent to assume an obligation or to issue a disposition which on the basis of one or several related legal transactions exceeds the amount of 10% (say: ten percent) of the Company's equity calculated according to the last Company's balance sheet approved by the General Meeting, unless it has been stipulated in the annual financial plan of the Company approved by the Supervisory Board,
   g) granting consent to pay the Shareholders advances towards expected dividends,
   h) appointing and dismissing the Management Board of the company or its individual members,
   i) establishing the rules and the terms and conditions of remunerating the members of the Management Board as well as the amount of remuneration of its individual members.
3. The entity that is to perform the function of the statutory auditor in the Company shall be elected in such a way that the independence during the performance of the mandated tasks is ensured. The change of the statutory auditor shall be performed at least once every five years.
4. The remuneration of the members of the Management Board shall be determined on the basis of clear rules and procedures with the consideration of its motivating character and ensuring an effective and smooth management of the company. The remuneration should correspond to the size of the company's operation, remain in relation to the economic performance as well as be connected with the scope of liability resulting from the performed function, taking into consideration the level of remuneration of members of the Management Board in similar companies on a comparable market.
5. The Supervisory Board shall monitor effectiveness of the implemented in the Company systems and functions in the field of effective internal control, risk management, compliance systems and internal audit function, based on, among others, reports submitted to the Supervisory Board on a periodical basis directly by the persons responsible for these functions and by the Management Board, and also shall perform an annual assessment of the effectiveness of operation of the said systems and functions. If there is an audit committee operating in the Company, it monitors effectiveness of the mentioned above systems and functions, however, it does not absolve the Supervisory Board from performance of an annual assessment of the effectiveness of operation of the said systems and functions.
6. If internal audit function is not isolated within the Company's organisational structure, the Supervisory Board shall assess each year whether there is a need for such an isolation.

§ 4a

1. The Supervisory Board may appoint from among their members standing or ad hoc committees for the needs of examination of specific issues. The committees report to the Supervisory Board on their activities. It shall take place at least once a year.

2. The committee shall be composed of 3 to 5 members. A member of the Committee may be revoked from the committee any time with a resolution of the Supervisory Board.
3. The chairman of the committee is elected by the Supervisory Board from among committee members. The chairman of the committee shall convene the committee meeting and shall chair it. If the committee meeting cannot be convened by the committee chairman, it shall be convened by a committee member authorised by the chairman.
4. Should the Supervisory Board consist of more than 5 members, the Audit Committee specified in Article 86 section 1 of the Act of 7 May 2009 on Statutory Auditors and Their Self-Government, Entities Authorised to Audit Financial Statements and Public Supervision (consolidated text – Journal of Laws of 2015 item 1011, as amended) shall be a standing committee of the Supervisory Board.
5. Should the Supervisory Board consist of no more than 5 members, the tasks of the audit committee will be performed by the Supervisory Board, unless the Supervisory Board passes a resolution on appointment of the Audit Committee, in which case all the tasks shall be taken over by the Audit Committee.
6. In a case mentioned in section 5 above, the Supervisory Board may, anytime, pass a resolution to liquidate the Audit Committee, in which case the tasks of the Audit Committee will be performed by the Supervisory Board – however it is not allowed if the Supervisory Board consists of more than 5 members.
7. The stipulations of these Regulations shall apply to the committees in cases that are not governed in the by-law of the standing committee or in a resolution on establishment of an ad hoc committee.

§ 5

Besides the activities resulting from legal regulations, once a year the Supervisory Board prepares and presents to the General Meeting reports resulting from the applicable set of the Best Practice for GPW Listed Companies.

§ 6

1. A member of the Supervisory Board shall have the interest of the Company in view while performing their functions.
2. A member of the Supervisory Board should not resign from performing this function during the term of office if this would render impossible the functioning of the Board, especially if this would render impossible to timely adopt a significant resolution.
3. A member of the Supervisory Board should inform the remaining members of the Board about the ensuing conflict of interest and refrain from expressing an opinion in the discussion and from voting on adopting a resolution on the issue which caused the conflict of interests.
4. Members of the Supervisory Board should be able to devote indispensable time for performance of their duties.
5. A member of the Supervisory Board cannot accept benefits that could have an impact on his impartiality and objectivism while taking decisions or which could have a negative impact on assessment of independence of his opinions and judgements.
6. Should a member of the Supervisory Board deem that a decision of the Supervisory Board be contrary to the interest of the Company, he may demand that his standpoint thereon be stated in the minutes of the Supervisory Board meeting.
7. The Supervisory Board, prior to giving its consent on conclusion of a significant agreement by the Company with a shareholder holding at least 5% of the total number of votes in the Company or with a related company, shall assess influence of such a transaction on the interest of the Company. The above obligation shall not apply to typical transactions and to transactions concluded on arms' length terms within the carried out operational activities by the Company with the entities belonging to the capital group of the Company.

§ 7

1. A member of the Supervisory Board is obliged to submit valid information on the personal, actual and organizational connections with the given shareholder, in particular a majority shareholder to the Management Board. The Management Board shall make these pieces of information publicly known according to the procedure applied by public companies.
2. A member of the Supervisory Board should enable the Management Board to make the information on the acquisition or sale of the company's shares or the shares of a dominant or subsidiary company as well as on transactions with such companies publicly known according to a proper procedure if they are significant for the economic position of the member of the Supervisory Board.
3. A member of the Supervisory Board imparts a declaration to other members of the Supervisory Board and to the Management Board about fulfilling by him the criteria of impartiality specified in Attachment II to the 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 and in an applicable set of Best Practice for GPW Listed Companies.
4. The chairman of the Audit Committee should meet the criteria of independence specified in section 3 above.

§ 8

1. The Company shall be represented by the Supervisory Board in agreements between the Company and the member of the Management Board as well in disputes, without prejudice to paragraph 3.
2. The Supervisory Board shall be entitled, by way of a resolution, to authorize the Chairman of the Supervisory Board or its member to perform duties referred to in paragraph 1.
3. In case of appointing a plenipotentiary by the General Meeting to perform duties referred to in paragraph 1, they prevail over the person referred to in paragraph 2.
4. The authorization or power of attorney referred to in paragraph 2 and 3 should be separately granted for each individual activity.

§ 9

1. The Board shall elect the Chairman from among its members, it may also appoint Deputy Chairmen and a Secretary.
2. The Chairman of the Supervisory Board shall direct the works of the Supervisory Board.
3. The tasks of the Chairman of the Supervisory Board shall in particular consist of:
   a) organizing the meetings of the Supervisory Board,
   b) convening and chairing the meetings of the Supervisory Board,
   c) planning, organizing and controlling the supervisory activities of the Board,
   d) representing the Board towards the shareholders and the Company authorities.
4. In the absence of the Chairman of the Supervisory Board, they shall be substituted by one of the members of the Board designated by them.

§ 10

While performing its duties the Board shall be entitled to:

a) examine all activities of the Company,
b) demand reports, explanations and information from the Management Board and the employees,
c) verify the books and documents, including financial documents,
d) demand access to all premises of the Company.

§ 11

1. A member of the Supervisory Board shall be obliged to:
   a) participate in the meetings of the Supervisory Board,
   b) execute the resolutions of the Supervisory Board and binding resolutions of the General Meeting,
   c) submit reports to the Board on the performed supervision referred to in paragraph 4,

d) immediately notify the Supervisory Board and the Management Board of the noticed irregularities.

2. The Supervisory Board shall perform its duties collectively, however, it may delegate its members to individually perform certain supervisory activities, determined by a resolution of the Supervisory Board.
3. The Supervisory Board may determine a permanent scope of supervisory activities for its individual members.
4. The members of the Supervisory Board shall submit a written report on the performed inspections during the meeting of the Board.
5. Members of the Supervisory Board, delegated to permanently and individually perform the supervisory activities shall submit a written report during the meeting of the Board. The competition ban, referred to in article 380 of the Commercial Companies Code shall apply to such members of the Supervisory Board.
6. The Company provides the Supervisory Board with the possibility to use professional, independent advisory services that in the opinion of the Supervisory Board are indispensable for their performance of effective supervision in the Company. Selecting an entity providing advisory services, the Supervisory Board takes into account the financial standing of the Company.

§ 12

The forms of work of the Supervisory Board are meetings, supervisory activities and the participation in the works of the Company authorities.

§ 13

1. The meeting of the Supervisory Board shall be convened by the Chairman or an authorized member of the Board who shall simultaneously establish the agenda of the meeting. In justified cases the meeting of the Supervisory Board may be convened by the member of the Supervisory Board or the Management Board of the Company.
2. For the validity of the resolutions of the Supervisory Board it is required to notify all members ofthe Supervisory Board about the date of the meeting and the anticipated agenda at least 7 days before the meeting.
3. In urgent cases the Chairman of the Supervisory Board may convene a meeting at a date that falls within a shorter period of time than the one determined in paragraph 2 with the consent of at least half of the members of the Supervisory Board.
4. Documents that shall be examined during a meeting should be submitted to the members of the Supervisory Board by the Management Board at least 3 business days before the meeting.
5. The Supervisory Board shall receive for each of its meetings exhaustive information on all significant matters concerning the Company's activities and the risk connected with the pursued activity as well as the ways of managing this risk.
6. The members of the Supervisory Board should be notified about the meetings of the Board by means of registered post, fax or electronic mail, provided that the Member of the Supervisory Board grants their consent to receive notifications via electronic mail.
7. The members of the Supervisory Board may submit additional items to the agenda to the Chairman, no later than 3 days before the meeting.
8. The agenda of the Supervisory Board meeting should not be amended or supplemented during the meeting. This requirement is not applicable if all members of the Supervisory Board are present and grant their consent to amend or supplement the agenda and if it is necessary for the Supervisory Board to take certain actions in order to protect the Company against damage as well as in case of a resolution the subject of which is the evaluation whether a conflict of interests between the member of the Supervisory Board and the Company exists.

§ 14

The meetings of the Supervisory Board, except matters directly concerning the Management Board or its members, in particular: dismissal, liability and the determination of remuneration are available and open to Management Board members.

§ 15

1. A resolution passed by mail for its validity shall require:
   a) the consent for mail voting by all members of the Supervisory Board,
   b) an appropriate majority of votes.
2. The resolution is adopted on the day, on which the last signed vote of the member of the Supervisory Board is received.
3. The Management Board of the Company shall inform all members of the Supervisory Board in writing on the results of the voting on the next business day after the end of the voting.
4. The end of the voting shall be construed as:
   a) not granting consent to the mail voting by at least one member of the Supervisory Board,
   b) votes cast by all members of the Supervisory Board.

§ 16

1. The voting shall be open, unless it concerns personal matters or at least one member of the Supervisory Board demands a secret voting.
2. Minutes shall be kept of the Supervisory Board meetings. The minutes shall be signed by all present members of the Supervisory Board. A member of the Supervisory Board shall be entitled to mark their separate sentences in the minutes. The refusal to sign the minutes by a member of the Supervisory Board should be stated in the minutes by the Chairman or a member of the Supervisory Board substituting them.
3. The members of the Management Board and invited persons may participate in the meetings of the Supervisory Board without the voting right.

§ 17

1. The members of the Supervisory Board are obliged to attend the General Meeting and the Extraordinary General Meeting of the Company.
2. The absence of a member of the Supervisory Board in the Meetings referred to in paragraph 1 requires explanation. This explanation should be presented at the General Meeting.

§ 18

1. The Supervisory Board shall consider and issue their opinion on the matters being the object of the resolutions of the General Meeting, based on the materials presented to the Supervisory Board and their own knowledge.
2. The members of the Supervisory Board should, within their powers and within the scope indispensable for the settlement of matters discussed by the General Meeting of the Company, provide the participants of the General Meeting with explanations and information concerning the Company.

§ 19

1. The members of the Supervisory Board shall be entitled to a remuneration according to the rules established by the General Meeting.
2. The office and administrative services of the Supervisory Board shall be provided by the Management Board.

§ 20

1. Appointing members of the Management Board, the Supervisory Board aims at ensuring versatility and diversity of that body, among others in terms of sex, field of education, age and professional experience.

2. Being aware that the term of the office of the members of the Management Board is coming to its end and being aware of their plans as regards further fulfilment of their function in the Management Board, the Supervisory Board shall take prior actions aimed at ensuring effective operation of the Management Board.
3. Holding a position by the Management Board Members in management or supervisory boards of the companies that do not belong to the capital group of the Company requires a consent of the Supervisory Board given under the control rights entrusted to the Supervisory Board.

§ 21

1. The regulations of the Commercial Companies Act and Articles of Association of the Company shall apply to any matters that are not governed herein.
2. These Regulations or any amendments hereto shall take effect as of the date of approval by the General Meeting.