

## **BY-LAWS OF THE SUPERVISORY BOARD OF EUROCASH S. A.**

(consolidated text reflecting the amendments approved on April 25, 2006,  
June 28, 2007, June 9, 2008 and May 25, 2009)

### **I. GENERAL:**

#### **§ 1**

1. The By-laws herein shall determine the principles and mode of functioning of the Supervisory Board of Eurocash S.A.
2. The By-laws shall also constitute a settlement concerning co-operation of members of the Supervisory Board in the field of performance of their powers and obligations arising out from the Statutes, resolutions of the General Assembly and the regulations of law.
3. The By-laws is freely available on the web site of the Company.

#### **§ 2**

As used herein, the following terms shall have the following meaning:

- a) *By-laws* – the regulations herein, adopted by Resolution No. 3 of the Supervisory Board of November 22, 2004, and approved by way of Resolution No. 4 of the General Assembly of November 22, 2004, as amended,
- b) *Chairman* – the chairman of the Supervisory Board,
- c) *Company* - the joint stock company under the business name Eurocash S.A. with its seat in Komorniki next to Poznań, entered into the commercial register maintained by the Poznań District Court, XXI Commercial Department of the National Registry Court under the KRS number 0000213765,
- d) *Company's Securities*:
  1. the Company's shares - which shall mean the Company's shares of all series,
  2. the Company's Notes - which shall mean any notes, bonds and other debt securities issued by the Company,
  3. other securities issued by the Company, in particular: share options, subscription warrants and other securities, as defined by the Law of September 23, 2005 on Trading in Financial Instruments (Journal of Laws of 2005, No. 183 item 1538, hereinafter the "Law on Trading in Financial Instruments"),
- e) *Disclosure Officer* – a person responsible for the Company's investors' relations,
- f) *General Assembly* – the general assembly of the Company,
- g) *Member(-s) of the Board* – (a) natural person(-s) elected to the Supervisory Board in conformity with the stipulations of the Statutes,
- h) *Persons Associated* - a spouse, concubines, relatives, persons in kin up to second degree and persons connected by adoption, guardianship or custody as well as by any entity in which any of the above-mentioned persons is a dominating entity or a managing person,
- i) *Politra* – Politra B.V. a company organized and operating under Dutch law and with its registered seat in Amsterdam, the Netherlands,
- j) *Statutes* - the Company's statutes as adopted in the notarial deed of July 7, 2004 with further amendments,
- k) *Supervisory Board, Board* – The Supervisory Board of the Company.

## II. MEMBERS

### § 3

1. In relation to § 13 of the Statutes:

- a. the Supervisory Board consists of 5 (five) members, including the Chairman of the Supervisory Board, appointed for a joint 3-year term of office,
- b. as long as Politra (and its legal successors), organized and operating under the Dutch law, with its seat in Amsterdam, remains a shareholder holding 33% or more of the shares in the share capital of the Company, it shall have the right to appoint and dismiss 3 (three) members of the Supervisory Board,
- c. 2 (two) members of the Supervisory Board shall be appointed and dismissed by the General Assembly, where Politra shall not be entitled to vote on the pertinent resolutions regarding appointment and dismissal of these members, however, Politra is entitled to vote on the resolutions on the appointment of the members of the Supervisory Board, if the General Assembly, acting in accordance with the preceding sentences of this paragraph, did not elect this 2 (two) members of the Board, and on dismissal of these members if it is proved and confirmed by a resolution of the Supervisory Board that any of these 2 (two) members does not meet the criteria of being “an independent member” or/and the criteria referred to in the § 3 point 3 hereinafter,
- d. the members of the Supervisory Board appointed and dismissed by the General Assembly and at least 1 (one) member of the Supervisory Board appointed and dismissed by Politra B.V. should be independent from any relations which could have significant impact on the ability of such independent member to make impartial decisions. A person may be deemed to be “independent member of the Supervisory Board” within the meaning of the preceding sentence if he/she meets criteria of being independent as set forth in Annex II to the “Commission Recommendation of February 15, 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the supervisory board”. Irrespective of the provisions of point b) of the said Annex, a person who is an employee of the Company or an associated company cannot be deemed to meet the independence criteria described in the Annex. A relationship which shall preclude meeting of the independence criteria, as mentioned in the first sentence of this section, is an actual and significant relationship with any shareholder who has the right to exercise at least 5% of all votes at the General Assembly,
- e. dismissal of a member of the Supervisory Board by the General Assembly shall be effective only if simultaneously accompanied by appointment of a new member of the Supervisory Board,
- f. each member of the Supervisory Board may resign from the Supervisory Board upon written notification to the Company and Politra B.V., such notification to be made in six weeks’ advance. A member of the Supervisory Board should not resign from this function if this action could have a negative impact on the Supervisory Board’s capacity to act, including the adoption of resolutions by the Supervisory Board. Politra B.V. shall be obligated to immediately appoint a new member of the Supervisory Board, if the resignation was submitted by the member who had been appointed by it. The Management Board is obliged to call immediately the General Assembly in order to appoint a new member of the

Supervisory Board, if the resignation was submitted by the member who had been appointed by the General Assembly.

2. In case of an impediment in performing duties by a member of the Board he/she shall be obliged to inform immediately the Chairman of incapability of performance of his/her duties.
3. Supervisory Board Members, including those appointed in compliance with article 385 § 3 of the Commercial Companies Code, shall meet the criteria established by the Supervisory Board in the Appendix no 1 hereto and approved by the Resolution of the General Assembly No 4 of November 22, 2004.
4. Candidates for members of the Supervisory Board elected by the General Assembly must be presented to the Chairman of the Board in writing at least ten (10) days prior to the General Assembly. The proposal should include the detailed reasoning. A candidate's CV, the candidate's statements accepting the position as a member of the Supervisory Board, once elected, and confirming that the candidate meets the criteria of "an independent member" shall be attached to the proposal. The statement should also include information that the candidate is able to devote all time required to properly perform the function. The Chairman presents the candidates to the Management Board with a motion to make the information available to the public in the current report regarding the draft resolutions to be presented to the General Assembly.
5. An "independent" Supervisory Board member elected by Politra shall deliver to the Chairman of the Supervisory Board a CV and his/her statements that s/he meets the criteria of "an independent member", accepts the position as a member of the Supervisory Board and confirms that s/he is able to devote all time required to properly perform the functions. Other Members elected by Politra shall deliver to the Chairman of the Supervisory Board a CV and s/he accepts the position as a member of the Supervisory Board and confirms that s/he is able to devote all time required to properly perform the functions and may also issue statement confirming that she/he meets the criteria of "an independent member". The sample statement is attached as the Appendix 2 hereto.
6. Every newly appointed member of the Supervisory Board shall be introduced to the Company's affairs, shall attend a meeting with the Management Board and relevant managers, shall receive a copy of the Company's regulations and other materials about the Company.
7. A Supervisory Board member should inform the remaining Members of the Board without unreasonable delay of any conflict of interest that arises, and should refrain from participating in discussions and from voting on passing a resolution on the issue in which the conflict of interest has arisen.
8. A Supervisory Board member should inform the remaining Members of the Board as well as the Management Board without unreasonable delay of any relationship with a shareholder who holds shares representing not less than 5% of all votes at the General Assembly. This obligation concerns economic, family and other relationships which may affect the position of the member of the Supervisory Board on issues decided by the Supervisory Board. Such information shall be made available to public in a form of current report immediately.
9. Pursuant to Art. 160 of the Law on Trading in Financial Instruments, a Member of the Supervisory Board shall, within 5 (five) business days from the date of a transaction, provide the Securities and Exchange Commission and the Company with written

information regarding the purchase and sale transactions concerning the Company's shares concluded by:

- a) themselves,
  - b) their spouse or the person who stays with them in cohabitation,
  - c) children who depend financially on them or the persons bound by adoption, custody or guardianship,
  - d) other relatives who stay with them in a the household for the period of at least a year,
  - e) other persons listed in the Law on Trading in the Financial Instruments.
10. Each member of the Supervisory Board shall take care to protect confidential information in the meaning of Art. 154 Section 1 of the Law on Trading in Financial Instruments in a particular manner, in particular, it is prohibited for the Members of the Board:
- a) to make any information (except standard marketing information agreed with the marketing department) available (e.g. allowing the internal documents of the business to be read by coincidence) to persons other than the entitled persons mentioned above, without consultation and acceptance by the Disclosure Officer,
  - b) any discussions being conducted by the Supervisory Board members, regarding issues connected with the activity of the Company in public places or in situations in which they could be overheard by third persons.

### **III. CHAIRMAN**

#### **§ 4**

1. The Chairman of the Supervisory Board shall be appointed and dismissed by way of a resolution of the Supervisory Board.
2. The Chairman of the Supervisory Board is responsible for:
  - a) performing tasks related to the fulfillment of the functions by the Supervisory Board,
  - b) maintaining contacts with the Management Board,
  - c) representing the Supervisory Board as regards third parties.
3. The Chairman of the Supervisory Board shall convene, open and conduct the meetings of the Supervisory Board.
4. The Chairman of the Supervisory Board shall furnish the Disclosure Officer with the information referred to in § 3 Point 7 (b).
5. At least 3 (three) weeks before the General Assembly during which the elections of the Supervisory Board's members are to be held the Chairman of the Supervisory Board shall contact the Company's major shareholders and request them to propose their candidates for the Supervisory Board members.
6. The Chairman of the Supervisory Board shall obtain the opinion of an independent financial advisor on the proposed issue price of the Company's shares (or the mechanism of calculation thereof) every time the Supervisory Board has consented to the exclusion of the pre-emptive rights of the existing Company's shareholders to subscribe for the shares in the share capital increased within the scope of the authorized capital as provided by § 6 (a) of the Statutes. Before the pertinent Supervisory Board's resolution regarding

the issue price (or the mechanism of calculation thereof) is undertaken, the Chairman shall present such opinion for the Board's discussion.

7. The Chairman of the Supervisory Board shall obtain the opinion of the Audit Committee on the candidates for the Company's external auditor. Before the pertinent Supervisory Board's resolution regarding the election of the Company's external auditor is undertaken, the Chairman shall present such opinion for the Board's discussion.

#### **IV. PERFORMANCE OF POWERS:**

##### **§ 5**

1. The Supervisory Board shall collectively handle supervision-related issues. The Supervisory Board may, by way of a simple majority resolution, delegate its particular Members to individually perform specific supervisory tasks.
2. A Supervisory Board member delegated by a group of shareholders to permanently exercise supervision pursuant to Art. 390 § 2 of the Commercial Companies Code or delegated to individually perform specific supervisory tasks by the Supervisory Board, should submit to the Supervisory Board detailed reports on the performance of his/her task every time at least one Member of the Supervisory Board requests for such report and at least once a year during the Supervisory Board meeting held before the annual General Assembly.
3. A Supervisory Board member delegated by a group of shareholders to permanently exercise supervision pursuant to Art. 390 § 2 of the Commercial Companies Code shall receive additional remuneration established by the General Assembly.
4. Members of the Supervisory Board should take relevant actions in order to receive from the Management Board regular and complete information on any and all significant issues concerning the Company's operations and on the risk related to the carried out business and ways of managing such risk.
5. On the Management Board's request, the Supervisory Board shall opine all draft resolutions to be presented to the Company's shareholders. The Supervisory Board's opinion shall be made available to all shareholders in the Company's seat not later than 14 (fourteen) days before the date of the General Assembly.
6. The Supervisory Board shall be represented at every General Assembly so that all questions submitted at the General Assembly may be answered. The Member of Supervisory Board who is not able to attend a General Assembly for important reason, shall present to the Chairman a written explanation of his/her absence thereon. The explanation shall be transmitted to the Chairman of the pertinent General Assembly and presented to the Company's shareholders during the General Assembly.
7. The Supervisory Board shall submit to the General Assembly the annual concise evaluation of the Company's standing which shall be part of the annual report of the Company. The evaluation shall be made available to the Company's shareholders in the Company's seat not later than 14 (fourteen) days before the date of each of the General Assembly.
8. Members of the Supervisory Board shall receive remuneration under the terms and conditions and in the amount specified in a resolution of the General Assembly.

## V. MEETINGS:

### § 6

1. The main form of the Supervisory Board activity shall be gathering in meetings and adopting resolutions concerning supervising the Company's affairs and performance of powers.
2. During each financial year, not less than 4 (four) meetings of the Supervisory Board shall be held.
3. A meeting of the Supervisory Board shall be convened by the Chairman via a facsimile transmission and simultaneously, for confirmation purposes, via registered mail. Invitations for the meeting of the Supervisory Board shall be sent to the recent address given to the Company by the Supervisory Board member. The invitation shall include the place, the day, the hour and the agenda of the meeting as well as the draft resolutions, if any. Upon the consent of all the Supervisory Board members, the Supervisory Board meetings may be convened via an e-mail notice only.
4. The Supervisory Board meeting may be also held without formally convening the meeting and it shall be capable of adopting resolutions if all members of the Supervisory Board participate in the meeting, and none of them objects to holding the meeting so convened nor to the placement of the respective issues on the agenda.
5. Should it be necessary to take urgent actions requiring a prior resolution of the Board where it is not possible to organize and conduct an extraordinary meeting, the Chairman of the Supervisory Board may order adopting the resolution outside the meeting, in writing or with the use of direct distant communication means (including but not limited to a phone or audiovisual conferences devices), provided that it does not constitute a breach of the binding laws and all members have been informed of the content of a draft resolution and gave their consent to that, and that the Chairman of the Supervisory Board participates in the voting.
6. A resolution in writing shall be adopted upon signing the contents of a resolution recorded either in one copy or in two copies or in a bigger number of copies by all members of the Supervisory Board.
7. Each member of the Supervisory Board and the Management Board has the right to submit a motion to the Chairman of the Supervisory Board for:
  - a) a matter to be placed on the agenda of an ordinary meeting,
  - b) an extraordinary meeting of the Supervisory Board to be convened, and information to be given regarding the matters which are to be the subject matter of such meeting,
  - c) a resolution to be adopted outside the meeting in writing or with the use of direct distant communication means (including but not limited to a phone or audiovisual conferences devices), and information to be given regarding the matters to be resolved according to such a procedure, and a draft resolution.
8. The motions referred to above shall be accompanied by the materials necessary to conduct the meeting or make a decision on the matter referred to in the motion.
9. The agenda of a Supervisory Board meeting should not be amended or supplemented during the meeting which it concerns, unless:
  - a. all members of the Board are present and agree to the amendment or supplementation of the agenda,

- b. the adoption of certain activities by the Supervisory Board is necessary in order to protect the Company against damage,
  - c. a resolution to be adopted concerns the determination whether there exists a conflict of interest between a Supervisory Board member and the Company.
10. Organizational and technical motions may always be the subject-matter of a valid resolution even if they are not placed on the agenda.
  11. The results of the Board's main activities shall be recorded in the form of:
    - a. the minutes of the meeting of the Supervisory Board, or
    - b. the minutes of the resolution of the Supervisory Board.
  12. The Supervisory Board meeting shall be minuted. The minutes shall be taken by a recorder or a Member of the Board indicated by the Chairman of the Board.
  13. In the minutes of every meeting, before the proceedings begin, an entry to the effect that there are no objections as to the manner of convening the meeting shall be placed. Objections may be filed only when they are accompanied by a detailed explanation of the reasons for filing them. A decision as to the continuance of the meeting shall be made by the Chairman of the Supervisory Board or a member of the Supervisory Board substituting the Chairman and chairing the meeting.
  14. The minutes shall be signed by all members of the Board who attended the meeting or voted the resolution. In case there is no separate minutes of the resolution and such resolution is included in the minutes of the Board's meeting, signing such minutes shall equal signing all minuted resolutions included in the minutes of the meeting.
  15. Unless the law or Statutes stipulates otherwise, the Supervisory Board may deny making the contents of the minutes of the Board's meeting or resolution available to a third party.

## **VI. RESOLUTIONS AND VOTING:**

### **§ 7**

1. Voting the Supervisory Board's resolution shall be conducted during a meeting or outside the meeting in writing with the use of direct distant communication means (including but not limited to a phone or audiovisual conferences devices) in accordance with § 6 item 5 of the By-laws.
2. Voting shall be open.
3. Only the votes given in favor of resolutions shall be counted.
4. Resolutions of the Supervisory Board shall be adopted by a simple majority of votes. In the case of an equal number of votes "for" and "against" a resolution, the vote of the Chairman of the Supervisory Board shall prevail.
5. Subject to § 13 Sections 8 and 10 – 15 of the Statutes, for a resolution of the Supervisory Board to be valid, all members of the Supervisory Board should be properly invited to the meeting and at least 3 (three) members of the Supervisory Board should be present at the meeting.
6. Subject to Point 7 herein, each member of the Supervisory Board shall have one vote and may cast it only in person.
7. Subject to Art. 388 § 2 sent. 2 and § 4 of the Commercial Companies Code, Supervisory Board members may take part in adopting Supervisory Board resolutions by casting their votes in writing via another member of the Supervisory Board.

8. An authorization to cast a vote accompanied by the relevant draft resolution shall be attached to the minutes of the meeting.
9. A resolution adopted in a manner that makes use of the rule referred to in Point 7 shall be signed by the members present at the meeting. A member of the Supervisory Board who votes on behalf of the absent member in accordance with Point 7 above shall sign the resolution on his/her own behalf and in substitution of the absent member of the Supervisory Board.

## § 8

Each member of the Board who objects adopting a resolution shall have the right to express his or her opinion either in the form of a separate entry introduced to the minutes of the meeting or resolution, or in the form of a separate document.

## VII. COMMITTEES OF THE SUPERVISORY BOARD

### § 9

1. Notwithstanding the provisions of § 6 Section 1 herein, the following two internal committees of the Supervisory Board shall be established:
  - a) the Audit Committee; and
  - b) the Remuneration Committee.
2. The Audit Committee shall consist of 3 (three) members elected by the Supervisory Board. The Supervisory Board shall appoint one of the Committee members as chairman. Without prejudice to § 3 Sections 1-5 of the By-laws, the following requirements must be observed in composing the Audit Committee:
  - a) at least 1 (one) member of the Audit Committee will be a so called financial expert, which implies that such person has relevant expertise in financial administration and accounting for listed companies or other sizable companies; and
  - b) at least 2 (two) members of the Audit Committee, shall be “independent” within the meaning of § 3 Section 1 (d) of the By-laws.
3. The Remuneration Committee shall consist of 3 (three) members elected by the Supervisory Board and at least 1 (one) of them shall be independent within the meaning of § 3 Section 1 (d) of the By-laws. The Supervisory Board shall appoint one of the Committee members as chairman.

### § 10

1. The responsibilities of the Audit Committee shall include:
  - a) supervising the submission of financial information by the Company in the periodical reports, forecasts, etc,
  - b) supervising the activities of external auditors of the Company,
  - c) giving the opinion on the candidates for the Company’s external auditors to be elected by the Supervisory Board, where external auditors should be changed once every 7 (seven) years,
  - d) supervising the relationship with the external auditor, including in particular (i) assessing the external auditor’s independence, remuneration and any non-auditing work for the Company, (ii) determining the involvement of the external auditor in respect of the contents and publication of financial reporting,

- e) each year evaluating internal control system functioning and the significant risk management system functioning as well as evaluating its own functioning in a form of an annual report of its deliberations, findings and relationship with the external auditor (including in particular his independence) to be included as a part of the Supervisory Board's annual report to be presented at the Ordinary General Assembly.
2. The chairman of the Audit Committee shall be responsible for the adequate functioning of the Audit Committee.
3. During each financial year, not less than 2 (two) meetings of the Audit Committee shall be held, one meeting per half-year, in each case – prior to the meeting of the Supervisory Board convened before publishing of the annual financial statements by the Company. The Audit Committee may invite the Management Board members or any Company's employees responsible for financial affairs and the external auditor of the Company to be present at its meetings.
4. Provisions of § 6 Sections 3-7 and 10-14 and § 12-13 hereto shall apply accordingly to the meetings of the Audit Committee. Where this is practically possible, notices convening a meeting, the agenda and memoranda of items to be considered and discussed therein shall be dispatched ultimately prior to the start of the weekend preceding the meeting to each member of the Audit Committee.

## § 11

1. The responsibilities of the Remuneration Committee shall include:
  - a) certifying to the Supervisory Board the existence of a remuneration policy for the Management Board, which is known to the Remuneration Committee in sufficient detail, including (i) the remuneration structure, (ii) the amount of fixed remuneration, (iii) the shares and/or options and/or other variable remuneration components and other forms of compensation (monetary and in-kind) as well as the performance criteria and the application thereof,
  - b) each year proposing for the Supervisory Board's approval the opinion on the compliance of the remuneration policy of the Management Board and application thereof with regards to the desired standards of corporate governance,
  - c) ensuring the disclosure to the Supervisory Board of the remuneration of the Management Board resulting from application of the remuneration policy,
  - d) each year evaluating its own functioning in a form an annual report of its activities to be included as a part of the Supervisory Board's annual report to be presented at the Ordinary General Assembly.
2. The chairman of the Remuneration Committee shall be primarily responsible for the adequate functioning of the Remuneration Committee.
3. The Remuneration Committee will hold at least 1 (one) meeting per year and whenever one or more of its members have requested a meeting.
4. Provisions of § 6 Sections 3-7 and 10-14 and § 12-13 hereto shall apply accordingly to the meetings of the Remuneration Committee. Where this is practically possible, notices convening a meeting and the agenda and memoranda of items to be considered and discussed therein shall be dispatched ultimately prior to the start of the weekend preceding the meeting to each member of the Remuneration Committee.

## **VIII. TECHNICAL SUPPORT:**

### **§ 12**

1. The Company's Management Board shall provide the Company's Supervisory Board with secretarial assistance, premises, technical means of telecommunication and give other assistance required during the Supervisory Board's meetings.
2. Documents related to meetings of the Supervisory Board are kept in the offices of the Company's Management Board at least for the period of 5 (five) years.

## **IX. FINAL STIPULATIONS:**

### **§ 13**

The Company shall incur costs of the Supervisory Board's activities.

### **§ 14**

To all issues not regulated by the By-laws proper provisions of law, the Statutes, or resolutions of the Supervisory Board or General Assembly shall apply.

### **§ 15**

1. The By-laws shall be adopted by the Supervisory Board on the basis of § 13 Section 8 of the Statutes as well as Art. 391 § 3 of the Commercial Companies Code.
2. The By-laws shall become effective as of the day it is approved by the General Assembly pursuant to § 13 Section 7 of the Statutes.

## APPENDIX 1

1. Each member of the Supervisory Board should meet the following criteria:
  - (i) high (at least master) degree education,
  - (ii) at least 15 years of professional and practical experience,
  - (iii) be of high morale,
  - (iv) execute a statement that she/he is able to devote all time required to properly perform the function on the Supervisory Board and shall, most of all, bear in mind the interests of the Company,
  - (v) present current CV and documents confirming his/her education and experience,
  - (vi) accept “*By-Laws of the Supervisory Board of Eurocash S. A.*”,
2. The candidates to be elected by General Meeting must present a statement confirming that the candidate meets the criteria of "an independent member". Such statement must be enclosed to the acceptance to candidate for the election as the Supervisory Board's member.
3. Supervisory Board' members elected by Politra may also confirm that she/he meets the criteria of "an independent member" .

---

## APPENDIX 2

Warsaw, \_\_\_\_\_

### STATEMENT

Acting pursuant to § 3 Point 5 of “By-laws of Supervisory Board of Eurocash S.A.”, I, the undersigned, \_\_\_\_\_, hereby confirm that I meet the criteria of “an independent member” of the Supervisory Board established in § 13 of the Statutes of Eurocash S.A. with its registered seat in Poznań.

---

[name and surname]

Member of the Supervisory Board of Eurocash S.A.

Attention:

Supervisory Board of Eurocash S.A.

Management Board of Eurocash S.A.