

**Annual report on activities  
of the Supervisory Board of Fabryka Farb i Lakierów ŚNIEŻKA SA  
for the period from 1 January 2012 to 31 December 2012**

## **I Introduction**

This report is an assessment of work performed by the Supervisory Board in 2012 and was drafted pursuant to the recommendation specified in Part III section 1 clause 2 of the "Code of Best Practice for WSE Listed Companies" to be published on the Company website.

## **II Composition of the Supervisory Board**

The Supervisory Board was chosen for its sixth term of office by the Annual General Meeting of Shareholders on 17 June 2011. In 2012 the Supervisory Board was composed of:

Stanisław Mikrut – Chairman of the Supervisory Board,  
Jerzy Pater – Deputy Chairman of the Supervisory Board,  
Stanisław Cymbor – Secretary of the Supervisory Board,  
Anna Pater – Member of the Supervisory Board,  
Dariusz Orłowski – Member of the Supervisory Board,  
Zbigniew Łapiński – Member of the Supervisory Board.

In 2012 there was also an Audit Committee in the Company being a body of the Supervisory Board, comprising all Members of the Supervisory Board.

## **III Meetings and resolutions**

In the reporting period the Supervisory Board held 7 meetings where 48 resolutions were adopted.

During the reporting period the attendance on meetings was ~100 %.

Adoption of resolutions by the Supervisory Board was each time supported by written and oral arguments presented by members of the Management Board and written justifications of persons filing motions which were discussed by the Supervisory Board.

Members of the Supervisory Board – Shareholders-Founders delegated to perform certain supervisory activities independently at meetings of the Supervisory Board – presented matters subject to audit activities in the cases assigned to them in resolutions of the Supervisory Board and submitted reports on supervisory activities.

#### **IV Assessment of work of the Supervisory Board**

The Supervisory Board fulfilled all supervisory responsibilities which are specified in the Code of Commercial Partnerships and Companies, the Company's Articles of Association and the Rules and Regulations of the Supervisory Board.

The Supervisory Board complied with all the recommendations presented in the "Code of Best Practice for WSE Listed Companies".

Members of the Supervisory Board have relevant knowledge and experience.

The majority of members of the Supervisory Board dedicate all workdays in a week for performance of their duties.

Signatures:

<b>1. Mikrut Stanisław</b>	<b>Chairman</b>	.....
<b>2. Pater Jerzy</b>	<b>Deputy Chairman</b>	.....
<b>3. Cymbor Stanisław</b>	<b>Secretary</b>	.....
<b>4. Pater Anna</b>	<b>Member</b>	.....
<b>5. Łapiński Zbigniew</b>	<b>Member</b>	.....
<b>6. Orłowski Dariusz</b>	<b>Member</b>	.....