

“Resolution No [...] of the Supervisory Board of Agora S.A. of 12 May 2016

w on approval of the report of the Supervisory Board on operations in 2015

1. The Supervisory Board accepts the report of the Supervisory Board of Agora S.A. on operations in 2015 in the wording appended hereto as Appendix No 1.
2. The resolution shall enter into force on the date of its adoption.

Appendix 1 to Resolution No [...] of the Supervisory Board of 12 May 2016

**“Report on Operations of
the Supervisory Board of Agora S.A. (“Company”) in 2015**

I. In the financial year 2015, the Supervisory Board of Agora S.A. (“Supervisory Board”, “Board”)

had the following members:

1. Andrzej Szlęzak - Chairman of the Supervisory Board,
2. Wanda Rapaczynski - Member of the Supervisory Board,
3. Sławomir S. Sikora - Member of the Supervisory Board.
4. Tomasz Sielicki - Member of the Supervisory Board,
5. Dariusz Formela - Member of the Supervisory Board
6. Paweł Mazur - Member of the Supervisory Board.

II. The activities of the Supervisory Board in 2015 were primarily focused on the following issues:

- 1) monitoring and discussing with the Management Board the Company’s and Agora Group’s financial results, the Agora Group’s market position in the area of its activity, the budget, competition and investment strategy of the Company and of the Agora Group, essential projects and business decisions, including those pertaining to acquisitions, oversight and supervision in respect of monitoring the internal control systems, internal audit and risk management, oversight and supervision in respect of monitoring the external auditors’ independence.
- 2) approval of reports on annual and semi-annual activity of the Board’s advisory bodies and of the Board itself.
- 3) recommending to the General Meeting:
the results of assessment of the financial reports of the Company and Agora Group for 2014, the results of assessment of the Directors’ Report on operations of the Company and Agora Group for 2014, outcome of assessment of the Company’s situation in 2014, the motion for discharging the members of the Management Board from their duties in 2014 the opinions on the assessment of the Management Board’s motion concerning coverage of loss incurred by the Company in 2014 and non-payment of the dividend;
- 4) analysing and determining the remuneration and incentive bonuses for members of the Company’s Management Board.

The activity of the Supervisory Board outside the formal meeting focused on supporting Members of the Company’s Management Board by participation in working meetings and numerous consultations. Moreover, the members of the Supervisory Board participated in the work of two advisory bodies operating at the Supervisory Board, i.e. the Audit Committee and the Personnel and Remuneration Committee.

The tasks of the Audit Committee in 2015 included without limitation:

- 1) oversight and supervision in respect of monitoring the financial reporting of the Company and the Agora Group as well as financial audit activities, consisting of the following activities in particular:
monitoring the process of financial report preparation (quarterly, semi-annual and annual reports),

presentation of recommendations to the Supervisory Board in respect of approval of the annual report audited by an external auditor,
monitoring the accuracy of the financial information presented by the Company;

- 2) oversight and supervision in respect of monitoring the internal control systems, internal audit and risk management, consisting of the following activities in particular:
review of the internal control and risk management procedures to ensure compliance with the law and internal regulations,
assessment of compliance with the risk management policy and presentation of recommendations in this respect;
- 3) oversight and supervision in respect of monitoring the external auditors' independence, consisting of the following activities in particular:
monitoring the independence of the external auditor in respect of the audit carried out thereby,
discussing the course of the audit with the external auditor.

The 2015 Report on Operations and statements of the Audit Committee are appended hereto as Appendix 1.

Tasks of the Human Resources and Remuneration Commission in 2015 included in particular:

- 1) periodic assessment of the remuneration policy applicable to Management Board members and providing the Supervisory Board with the relevant recommendations in this respect,
- 2) recommendations regarding the amount of remuneration and granting additional benefits to individual members of the Management Board to be considered by the Supervisory Board.

The Report on Operations in 2015 and statements of Human Resources and Remuneration Commission are appended hereto as Appendix 2.

III. In the financial year 2015, six meetings of the Supervisory Board were held:

- 1) **On 19 February 2015**, the Supervisory Board:
familiarised with the report on the meeting of the Audit Committee and accepted the presented recommendations;
familiarised with the report on the meeting of the Human Resources and Remuneration Commission and accepted the presented recommendations,
discussed the operational and financial results of the Company and Agora Group for Q4 2014, the budget of the Company and of Agora Group for 2015,
adopted resolutions determining the amount of bonuses for Members of the Company's Management Board for 2014, taking into account the recommendation of the Human Resources and Remuneration Commission,
adopted a resolution determining the criteria for awarding bonuses to Members of the Company's Management Board for 2015, taking into account the recommendation of the Human Resources and Remuneration Commission,
adopted a resolution concerning the consent to conclude a cash management system agreement by the Company in the group of accounts.
- 2) **On 27 March 2015**, the Supervisory Board:
familiarised with the report of the meeting of the Audit Committee and accepted the presented recommendations,

familiarised with the report on the meeting of the Human Resources and Remuneration Commission and accepted the presented recommendations,
discussed the operational and financial results of the Company and Agora Group for 2014,
discussed a draft statement and report of the Management Board on compliance with corporate governance rules by the Company in 2014,
adopted a resolution on approval of the annual report on operations in 2014 and statements of the Audit Committee,
adopted a resolution on approval of the annual report on operations in 2014 and statements of the Human Resources and Remuneration Commission,
adopted a resolution on approval of the annual report on operations of the Supervisory Board and its advisory bodies in 2014,

3) **On 9 May 2014**, the Supervisory Board:

familiarised with the report of the meeting of the Audit Committee and accepted the presented recommendations,
discussed the operational and financial results of the Company and Agora Group for 2015, adopted a resolution taking into account the Audit Committee's recommendation concerning:

- ✓ assessment of the Company's financial statements (report) for the financial year 2014, the consolidated financial statements of Agora S.A. Group for 2014, the Directors' Report on operations of the Company in 2014, the Directors' Report on operations of Agora S.A. Capital Group in 2014 and the motion filed by the Management Board concerning the coverage of the net loss for 2014, taking into account the recommendation of the Audit Committee,
- ✓ submission of the results of said assessment to the Company's General Meeting,
- ✓ the request for discharging the members of the Management Board from their duties in 2014,

adopted a resolution on concise assessment of the Company's position in 2014, taking into account the recommendation of the Audit Committee,
assessed the draft resolutions for the Company's General Meeting.

4) **On 13 August 2015**, the Supervisory Board:

familiarised with the report of the meeting of the Audit Committee and accepted the presented recommendations,
discussed the operational and financial results of the Company and Agora Group for 2015,
adopted a resolution on approval of the semi-annual report on operations in 2015 and statements of the Audit Committee,

5) **On 5 November 2015**, the Supervisory Board:

familiarised with the report of the meeting of the Audit Committee and accepted the presented recommendations,
discussed the operational and financial results of the Company and Agora Group for Q3 2015, assessed the draft resolutions for the General Meeting of the Company.
discussed the proposed dates of publication of the periodic reports and meetings of the Supervisory Board and its advisory bodies in 2016,

6) **On 14 December 2015**, the Supervisory Board:

discussed an essential project for the Company.

In 2015, the Supervisory Board did not adopt any resolution in writing, according to § 23(1) of the Company's Articles.

IV. Self-Evaluation of the Supervisory Board

Pursuant to the principles of II.Z.10.2. of the Best Practice of GPW Listed Companies in 2016, the Supervisory Board prepared an evaluation of its work in 2015.

The Supervisory Board continuously supervises the operations of the Company in all aspects of its operations. In line with the provisions of the Company's Articles, the Supervisory Board holds regular meetings at least once a quarter or on an ad hoc basis, handling issues assigned to it by provisions of the Articles and the Companies Code on as-needed basis. Additionally, the work of the Supervisory Board is supported by two teams appointed from among its members: the Audit Committee and the Human Resources and Remuneration Commission, whose scope of works is described in section II of this report.

All members of the Supervisory Board are adequately qualified and experienced having worked for large companies and law firms, which enables them to effectively exercise their duties of the Supervisory Board members.

Given the cooperation with the Company's Management Board both during official meetings and additional informal consultations, the Supervisory Board is of the opinion that this body acted effectively, ensuring adequate supervision of the Company in 2015.

V. Assessment of independence of members of the Supervisory Board

The Supervisory Board consists of 6 members pursuant to §18 of the Articles. The Supervisory Board has carefully analysed the statement submitted by its members regarding compliance with the independence criteria.

The majority of members of the Supervisory Board meet the independence criteria, and thus the current composition of the Supervisory Board complies with the requirement of section II.Z.3 of the Best Practice of GPW Listed Companies in 2016.

The current composition of the Supervisory Board ensures a variety of perspectives for assessment of the Management Board's activities and the operations of the Company, while taking care of the substantive knowledge in the areas of the Company's ventures.

Andrzej Szlęzak
Chairman of the Supervisory Board