



Reinhold Polska AB („Company")

Statement regarding application of corporate governance principles

On the basis of resolution Nr 1013/2007 of Management Board of Warsaw Stock Exchange in Warsaw regarding scope and structure of reports on application of corporate governance by public companies and § 29 item 3 of Stock Exchange Rules, the Company is stating that applies Code of Best Practice for WSE listed Companies.

The Company applies all principles from Code of Best Practice for WSE listed Companies, except for:

Number of the rule	Rule	Comments (justification for non-compliance with this rule)
II. 1. 6)	„A company should operate a corporate website and publish: annual reports on the activity of the Supervisory Board taking account of the work of its committees together with the evaluation of the work of the Supervisory Board and of the internal control system and the significant risk management system submitted by the Supervisory Board.”	The Company is registered and acts on the basis of Swedish Law. Accordingly to that Law in Company does not act Supervisory Board.
II. 1. 11)	„A company should operate a corporate website and publish: information known to the Management Board based on a statement by a member of the Supervisory Board on any relationship of a member of the Supervisory Board with a shareholder who holds shares representing not less than 5% of all votes at the company's General Meeting.”	The Company is registered and acts on the basis of Swedish Law. Accordingly to that Law in Company does not act Supervisory Board.

II. 3.	„Before a company executes a significant agreement with a related entity, its Management Board shall request the approval of the transaction/agreement by the Supervisory Board. This condition does not apply to typical transactions made on market terms within the operating business by the company with a subsidiary where the company holds a majority stake. For the purpose of this document, the linked entity shall be understood within the meaning of the Regulation of the Minister of Finance dated 19 October 2005 concerning current and periodic reports submitted by issuers of securities.”	The Company is registered and acts on the basis of Swedish Law. Accordingly to that Law in Company does not act Supervisory Board.
III. 1.-9.	„Best Practice for Supervisory Board Members”	The Company is registered and acts on the basis of Swedish Law. Accordingly to that Law in Company does not act Supervisory Board.
IV. 1.	„Presence of representatives of the media should be allowed at General Meetings.”	The company observes requirements of Swedish company law. Accordingly to those requirements other persons may participate in shareholders meetings with the prior written consent of shareholders meeting given by all present shareholders (in public companies simple majority is enough). The articles of association may prescribe that, a person who is not a shareholder shall be entitled to be present or otherwise follow the proceedings at the general meeting notwithstanding that such a resolution has not been adopted by general meeting.
IV. 2.	„The rules of General Meetings should not restrict the participation of shareholders in General Meetings and the exercising of their rights. Amendments of the rules should take effect at the earliest as of the next General Meeting.”	Accordingly to Swedish law there is no obligation to approve regulations of shareholders meeting.

Legal grounds:

§29 item. 3 of Stock Exchange Rules adopted on the basis of Resolution nr 12/1170/2007 of Supervisory Board of Warsaw Stock Exchange dated from the 4th July 2007