

**RESOLUTION NO. 1**  
**of the Extraordinary General Meeting**  
**of "PGE Polska Grupa Energetyczna Spółka Akcyjna"**  
**of 14 December 2016**

*concerning the election of Chairperson of the Extraordinary General Meeting*

Acting pursuant to article 409 § 1 of the Commercial Companies Code and § 32 of the Company Statutes, the Extraordinary General Meeting of "PGE Polska Grupa Energetyczna Spółka Akcyjna" with its registered office in Warsaw ("**the Company**"), adopts as follows:

**§ 1**

The Extraordinary General Meeting elects Ms Anna Kowalik as Chairperson of the Extraordinary General Meeting of the Company.

**§ 2**

The resolution becomes effective as at the time of its adoption.

The total number of valid votes cast: 1 394 882 780

The number of votes cast for the resolution: 1 394 882 779

The number of votes cast against the resolution: 1

The number of abstaining votes: 0

The resolution was adopted in a secret ballot.

The valid votes was cast from 1 394 882 780 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

At this point an objection was raised to the protocol to the above resolution no. 1.

**RESOLUTION NO. 2**  
**of the Extraordinary General Meeting**  
**of "PGE Polska Grupa Energetyczna Spółka Akcyjna"**  
**of 14 December 2016**

*concerning the adoption of the agenda of the Extraordinary General Meeting*

The Extraordinary General Meeting of "PGE Polska Grupa Energetyczna Spółka Akcyjna" with its registered office in Warsaw ("**the Company**"), adopts as follows:

**§ 1**

The Extraordinary General Meeting of the Company adopts the following agenda of the Extraordinary General Meeting:

1. The opening of the General Meeting.
2. The election of Chairperson of the General Meeting.
3. The ascertainment of the correctness of convening the General Meeting and its capability of adopting binding resolutions.
4. The adoption of the agenda of the General Meeting.
5. The adoption of a decision not to elect the Returning Committee.
6. The adoption of a resolution concerning the principles of determining the amount of remuneration for members of the Management Board of the company PGE Polska Grupa Energetyczna S.A.
7. The adoption of a resolution concerning the principles of determining the amount of remuneration for members of the Supervisory Board of the company PGE Polska Grupa Energetyczna S.A.
8. The adoption of a resolution concerning changes in the Company Statutes of PGE Polska Grupa Energetyczna S.A.
9. The adoption of a resolution concerning the payment of the costs related to the convening and holding of the General Meeting.
10. The closing of the General Meeting.

**§ 2**

The resolution becomes effective as at the time of its adoption.

The total number of valid votes cast: 1 394 882 780

The number of votes cast for the resolution: 1 394 832 779

The number of votes cast against the resolution: 1

The number of abstaining votes: 50 000

The resolution was adopted in an open ballot.

The valid votes was cast from 1 394 882 780 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

At this point an objection was raised to the protocol to the above resolution no. 2.

**RESOLUTION NO. 3**  
**of the Extraordinary General Meeting**  
**of "PGE Polska Grupa Energetyczna Spółka Akcyjna"**  
**of 14 December 2016**

*concerning the adoption of a decision not to elect the Returning  
Committee*

Acting pursuant to § 16 clause 6 of the Regulations of the General Meeting of PGE Polska Grupa Energetyczna S.A., the Extraordinary General Meeting of "PGE Polska Grupa Energetyczna Spółka Akcyjna" with its registered office in Warsaw ("**the Company**"), adopts as follows:

**§ 1**

The Extraordinary General Meeting decides not to elect the Returning Committee.

**§ 2**

The resolution becomes effective as at the time of its adoption.

The total number of valid votes cast: 1394 882 779

The number of votes cast for the resolution: 1 394 832 779

The number of votes cast against the resolution: 0

The number of abstaining votes: 50 000

The resolution was adopted in an open ballot.

The valid votes was cast from 1 394 882 779 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

At this point an objection was raised to the protocol to the above resolution no. 2.

**RESOLUTION NO. 4**  
**of the Extraordinary General Meeting of**  
**“PGE Polska Grupa Energetyczna Spółka Akcyjna”**  
**of 14 December 2016**

*concerning the principles of determining the amount of remuneration for members of the Management Board.*

Acting pursuant to Article 2 clause 2 item 1, Article 4, Article 5, Article 6, Article 7 and Article 8 of the Act of 9 June 2016 *on the principles of determining the amount of remuneration for people managing certain companies* (Journal of Laws of 2016, item 1202), the Extraordinary General Meeting of the company “PGE Polska Grupa Energetyczna Spółka Akcyjna” with its registered office in Warsaw (“Company”) adopts as follows:

**§ 1**

1. With a member of the Management Board, the Company enters into an agreement for the provision of managerial services for the duration of appointment (“Agreement”).  
A member of the Management Board is obliged to provide such services in person irrespective of whether such a member acts in the capacity of a self-employed person conducting their own business.
2. The content of the Agreement is determined by the Supervisory Board pursuant to the conditions specified in the Act of 9 June 2016 *on the principles of determining the amount of remuneration for people managing certain companies* (“Act”) and pursuant to the provisions of this resolution.

**§ 2**

1. The total remuneration of a member of the Management Board consists of a fixed part constituting a basic monthly remuneration (Fixed Remuneration) and a variable part constituting a supplementary remuneration for the Company's financial year (Variable Remuneration).
2. The amount of the monthly Fixed Remuneration of members of the Management Board will be determined by the Supervisory Board, subject to the following conditions:
  - a) The Fixed Remuneration of the President of the Management Board will be determined within the range from 7 to 15 times the average remuneration in the business sector exclusive of profit-based bonuses in the fourth quarter of the previous year as announced by the President of the Central Statistical Office of Poland,
  - b) The Fixed Remuneration of the other members of the Management Board will be determined within the range from 7 to 15 times the average remuneration in the business sector exclusive of profit-based bonuses in the fourth quarter of the previous year as announced by the President of the Central Statistical Office of Poland,

### § 3

1. The Variable Remuneration depends on the degree to which Managerial Objectives have been achieved and may not exceed 100% of the Fixed Remuneration.
2. The General Meeting establishes the following general catalogue of Managerial Objectives:
  - a) EBITDA for the PGE Capital Group at the level specified in the approved material and financial plan for a given accounting year;
  - b) compliance with the covenants under credit agreements – (net debt/EBITDA);
  - c) the availability index for the centrally dispatched operating units of PGE Górnictwo i Energetyka Konwencjonalna S.A.;
  - d) achievement of particular milestones in the Megainvestment Projects of PGE Górnictwo i Energetyka Konwencjonalna S.A. (Opole, Turów) – effective until the completion of the Megainvestment Projects;
  - e) improvement in the customer service quality indexes (e.g. the customer invoicing/non-invoicing index), effective customer experience management, continual increase in sales of new products (sales of products containing energy and products which are synergic to electricity and gas);
  - f) adjustment to the essence of the structural changes within the sector (implementation of a process- and task-based structure, a correspondence technical support system);
  - g) development of a structural approach to marketing, product, and process innovations; financing of research development and pilot projects as well as implementations; creation of an ecosystem for innovations within the PGE Group based on the effective utilisation of funds allocated for this purpose;
  - h) creation of a structural approach to brand building, product marketing; sponsorship of cultural, sports, and social events.
3. The General Meeting established the following additional Managerial Objectives to be accomplished by 30 June 2017:
  - a) implementing the principles of remunerating members of the management and supervisory bodies in all companies belonging to the Capital Group in accordance with the provisions of the Act,
  - b) determining the composition of the supervisory boards in all companies belonging to the Capital Group in such a manner that their members hold qualifications required of members of supervisory boards, such qualifications being confirmed by a positive result of the examination for candidates for members of supervisory boards, or hold statutory qualifications exempting them from the obligation to pass the examination, in particular hold a doctoral degree in economic sciences or law, or are entered in the lists of legal counsels, attorneys, expert auditors or investment advisers.
4. The General Meeting authorises the Supervisory Board to establish detailed Managerial Objectives, their respective weights, as well as objective and measurable criteria of their accomplishment and settlement (KPI - key performance indicators), subject to the following conditions:
  - a) a given member of the Management Board is entitled to the Variable Remuneration after the approval of the Management Board's report on the

Company's activities and the Company's financial statements for the previous financial year and after the acknowledgement of their discharge of duties by the General Meeting,

- b) the payment of a part of the Variable Remuneration may be delayed for up to 36 months depending on the fulfilment of conditions, by a specified deadline, in accordance with the established Managerial Objectives; then such a part of the Variable Remuneration may be paid in full or in part at the end of the settlement period,
  - c) the Variable Remuneration is calculated on a pro rata basis; the proportion will depend on the number of days on which members of the Management Board are to provide their services in a given financial year.
  - d) the Management Board ascertains the fulfilment of the conditions of the Variable Remuneration by particular members of the Management Board for whom Managerial Objectives have been established for a given financial years and who have performed their functions in the year under assessment, determining the due amount on the basis of financial statements verified by expert auditors as well as other documents, depending on established Objectives.
5. The expiry of the mandate assessed with respect to the accomplishment of Managerial Objectives does not result in the loss of the right to receive the Variable Remuneration under the conditions specified in items 1-4 above provided, however, that the duration of performing a function in the financial year under assessment was longer than 3 (three) months.

#### § 4

1. The Agreement obliges members of the Management Board to notify the Company of any intention to perform functions in the governing bodies of any other commercial company, to acquire shares in such a company, or to acquire the consent of the Supervisory Board for the aforementioned actions; the Agreement may provide for a prohibition against performing functions in the governing body of any other commercial company or it may impose other restrictions concerning additional activities of members of the Management Board.
2. A member of the Management Board may not receive remuneration for performing the function of a member of a governing body in companies subsidiary to the Company within the capital group within the meaning of Article 4 item 14 of the Competition and Consumer Protection Act of 16 February 2007.
3. The General Meeting authorises the Supervisory Board to determine prohibitions and restrictions referred to in items 1 and 2 above, relevant reporting obligations as well as sanctions for any improper fulfilment of such obligations.

#### § 5

In the Agreement, the Supervisory Board will determine the scope of principles of providing a member of the Management Board with technical equipment and resources constituting the Company's assets and necessary for the performance of the function; the Supervisory Board may also determine limits or a manner of determining limits concerning costs incurred by the Company in connection with providing a member of the Management Board with such equipment and resources as well as a member's using such equipment and resources for business purposes.

## § 6

1. In the event of the expiry of the mandate, in particular in consequence of a member's death, dismissal or resignation, the Agreement will terminate on the last day of a member's performing the function without any necessity of additional activities.
2. Either Party has the right to terminate the Agreement with immediate effect in the event of the other Party's material breach of the provisions of the Agreement.
3. Either Party has the right to terminate the Agreement for reasons other than those specified in clause 2 with a maximum notice period of 3 (three) months subject to the condition that if during the notice period there occurs an event referred to and clause 1 and resulting in the termination of the Agreement caused by the discontinuation in the performance of the function, the Agreement will be terminated pursuant to clause 1.
4. If the Agreement is terminated by notice or otherwise by the Company for reasons other than those specified in clause 2, a member of the Management Board may be granted a severance pay in the amount not higher than 3 (three) times the Fixed Remuneration provided such a member has performed the function for a period of at least 12 (twelve) months before the termination of the Agreement.
5. A member of the Management Board is not entitled to the severance pay referred to in clause 4 if:
  - a) the Agreement is terminated by notice or otherwise, or amended in consequence of a change in the function performed by a member in the Management Board,
  - b) the Agreement is terminated by notice or otherwise, or amended in consequence of appointing a member for another term of office of the Management Board,
  - c) a member is appointed as a member of the management board in a company belonging to the Capital Group,
  - d) a member resigns from their function.

## § 7

1. The Supervisory Board and a member of the Management Board may enter into a non-competition agreement binding and effective after the discontinuation in the performance of the function; such a non-competition agreement may be entered into only if a member of the Management Board has performed their function for a period of at least 6 (six) months, and its amount may not exceed 50% of the Fixed Remuneration specified in § 2 clause 2 of this resolution.
2. Entering into a non-competition agreement after the termination of the agreement for the provision of managerial services is unacceptable.
3. The period of the prohibition against competition may not exceed 6 (six) months from the discontinuation of the performance of the function of a member of the Management Board.
4. Should a member of the Management Board fail to perform, or improperly perform, a non-competition agreement, such a member will be obliged to pay the Company a contractual penalty in the amount not lower than the amount of compensation due for the whole non-competition period.
5. In a non-competition agreement, the Supervisory Board is obliged to determine at least activities competitive to those of the Company, the amount of compensation



for complying with the prohibition against competition, the deadline for the payment of such compensation, information provision obligations of a member of the Management Board as well as cases in which the prohibition against competition becomes ineffective. The Supervisory Board may determine the Company's right to withdraw from a non-competition agreement or the Parties' rights to terminate a non-competition agreement.

## § 8

The resolution becomes effective as at the time of its adoption.

The total number of valid votes cast: 1 394 882 779

The number of votes cast for the resolution: 1 092 195 679

The number of votes cast against the resolution: 59 066 995

The number of abstaining votes: 243 620 105

The resolution has been adopted in an open ballot.

The valid votes was cast from 1 394 882 779 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

**RESOLUTION NO. 5**  
**of the Extraordinary General Meeting of**  
**“PGE Polska Grupa Energetyczna Spółka Akcyjna”**  
**of 14 December 2016**

*concerning the principles of determining the amount of remuneration for members of the Supervisory Board.*

Acting pursuant to Article 2 clause 2 item 1, Article 10 of the Act of 9 June 2016 *on the principles of determining the amount of remuneration for people managing certain companies* (Journal of Laws of 2016, item 1202), the Extraordinary General Meeting of the company “PGE Polska Grupa Energetyczna Spółka Akcyjna” with its registered office in Warsaw (“Company”) adopts as follows:

**§ 1**

1. The General Meeting determines the monthly remuneration for members of the Supervisory Board as a product of the average remuneration in the business sector exclusive of profit-based bonuses in the fourth quarter of the previous year as announced by the President of the Central Statistical Office of Poland and the following factor:
  - a) for the Chairperson of the Supervisory Board – 1.7
  - b) for the other members of the Supervisory Board – 1.5
2. Members of the Supervisory Board are entitled to the remuneration referred to in clause 1 irrespective of the number of convened meetings of the Supervisory Board.
3. A member of the Supervisory Board is not entitled to the remuneration for a month in which a member has not been present at any correctly convened meeting and such absences have not been justified. The Supervisory Board decides whether a particular absence of a member of the Supervisory Board has been justified or unjustified by way of a resolution.

**§ 2**

The resolution becomes effective as at the day of its adoption.

The total number of valid votes cast: 1 394 749 779

The number of votes cast for the resolution: 1 141 393 767

The number of votes cast against the resolution: 139 654 335

The number of abstaining votes: 113 701 677

The resolution has been adopted in an open ballot.

The valid votes was cast from 1 394 749 779 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

**RESOLUTION NO. 6**  
**of the Extraordinary General Meeting of**  
**“PGE Polska Grupa Energetyczna Spółka Akcyjna”**  
**of 14 December 2016**

*concerning the changes in the Company Statutes*

Acting pursuant to Article 430 § 1 of the Commercial Companies Code and § 37 clause 1 item 8 of the Company Statutes, the Extraordinary General Meeting of “PGE Polska Grupa Energetyczna Spółka Akcyjna” with its registered office in Warsaw (the “Company”), adopts as follows:

**§1**

In the Company Statutes in § 3 clause 4 is added reading as follows:

“4. The Company shall perform tasks connected with ensuring energy security for the Republic of Poland.”

**§2**

This resolution shall come into force upon adoption with effect as at the day of entry of the changes into the National Court Register.

The total number of valid votes cast: 1 394 882 779

The number of votes cast for the resolution: 1 274 457 949

The number of votes cast against the resolution: 77 619 543

The number of abstaining votes: 42 805 287

The resolution was adopted in an open ballot.

The valid votes was cast from 1 394 882 779 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.

**RESOLUTION NO. 7**  
**of the Extraordinary General Meeting of**  
**“PGE Polska Grupa Energetyczna Spółka Akcyjna”**  
**of 14 December 2016**

*concerning the payment of the costs related to the convening and holding  
of the Extraordinary General Meeting*

Acting pursuant to Article 400 § 4 of the Commercial Companies Code, the Extraordinary General Meeting of “PGE Polska Grupa Energetyczna Spółka Akcyjna” with its registered office in Warsaw (“**the Company**”) adopts as follows:

**§ 1**

The Extraordinary General Meeting decides that the costs related to the convening and holding of this Extraordinary General Meeting are to be borne by the Company.

**§ 2**

The resolution becomes effective as at the time of its adoption.

The total number of valid votes cast: 1 394 882 779

The number of votes cast for the resolution: 1 262 369 621

The number of votes cast against the resolution: 132 090 708

The number of abstaining votes: 422 450

The resolution was adopted in an open ballot.

The valid votes was cast from 1 394 882 779 shares accounting for 74.60% in share capital of PGE Polska Grupa Energetyczna S.A.