

**Changes to the Statutes of PGE Polska Grupa Energetyczna S.A. made by the Ordinary General Meeting (“OGM”) of the company on May 15, 2019**

I. In § 3 clause 3 item 1), the following fragment was deleted:  
*“(Journal of Laws of 2012, item 1059, as amended)”*

Change introduced by the resolution no. 24 of the OGM.

II. In § 14 clause 3 item 7), the phrase “100,000 euro” was replaced by the following phrase:  
*“400,000 zlotys”*

Change introduced by the resolution no. 25 of the OGM.

III. § 16 clause 3 was changed as follows:

*“3. A member of the Management Board shall submit his/her resignation to another member of the Management Board or a commercial proxy, and shall notify the Chairperson of the Supervisory Board of such resignation. If, in consequence of the resignation of a member of the Management Board, none of the mandates in the Management Board was to be held, a member of the Management Board shall submit his/her resignation to the Supervisory Board.”*

Change introduced by the resolution no. 26 of the OGM.

IV. 1. In § 18 clause 1 item 4), the phrase “a statutory auditor” was replaced by the following phrase:  
*“an audit firm”*

2. § 18 clause 1 item 12) was changed as follows:

*“12) providing opinions on the Management Board's reports on representation expenses, expenses on legal services, marketing services, public relations services and social communication services, and management consultancy services, as well as a report on the use of the good practices referred to in Article 7 clause 3 of the State Property Management Act of 16 December 2016,”*

3. § 18 clause 2 was changed as follows:

*“2. The competence of the Supervisory Board shall also include giving consent to the following: -----*

*1) disposing of the components of non-current assets within the meaning of the provisions of the Accounting Act of 29 September 1994, classified as intangible assets, fixed assets or long-term investments, including their use as a contribution to a company or cooperative, if the market value of such components exceeds 20,000,000 zlotys or 5% of the value of total assets within the meaning of the Accounting Act established on the basis of the latest approved financial statements, as well as making such components available for use by another entity for a period longer than 180 days in a calendar year, on the basis of a legal act, if the market value of the subject of a legal act exceeds*

*1,000,000 zlotys or 5% of the total value of assets, with the proviso that making an asset available for use in the case of:*

*a) rental agreements, lease agreements and other agreements providing for making an asset available for use by other entities – the market value of the subject of a legal act shall be understood as the value of benefits for:*

*- one year – if an asset is made available for use on the basis of agreements entered into for an indefinite period of time,*

*- the whole term of an agreement – for agreements entered into for a definite period of time,*

*b) loan-for-use agreements and other agreements providing for making an asset available for use free of charge by other entities – the market value of the subject of a legal act shall be understood as the equivalent of benefits which would be available in the case of entering into a rental or lease agreement for:*

*- one year – if an asset is made available for use on the basis of agreements entered into for an indefinite period of time,*

*- the whole term of an agreement – for agreements entered into for a definite period of time,*

*2) purchasing components of non-current assets within the meaning of the Accounting Act of 29 September 1994 whose value exceeds:*

*a) 20,000,000 zlotys or*

*b) 5% of the value of total assets within the meaning of the Accounting Act of 29 September 1994 established on the basis of the latest approved financial statements,*

*3) acquiring or purchasing shares or interests in another company whose value exceeds:*

*a) 20,000,000 zlotys or*

*b) 10% of the value of total assets within the meaning of the Accounting Act of 29 September 1994 established on the basis of the latest approved financial statements,*

*4) disposing of shares or interests in another company whose market value exceeds:*

*a) 20,000,000 zlotys or*

*b) 10% of the value of total assets within the meaning of the Accounting Act of 29 September 1994 established on the basis of the latest approved financial statements,*

*5) the Company's entering into the following agreements:*

*a) agreements providing for donations or debt releases or other agreements with similar consequences whose value exceeds 20,000 zlotys or 0.1% of the value of total assets within the meaning of the Accounting Act of 29 September 1994 established on the basis of the latest approved financial statements,*

*b) agreements not related to the Company's business activities specified in § 3 clause 1 of the Statutes whose value equals at least 20,000 zlotys,*

*c) agreements for the provision of legal services, marketing services, public relations and social communication services, as well as advisory services connected with management if the net amount of total remuneration to be paid for provided services under one agreement or more agreements entered into with the same entity is higher than 500,000 zlotys per year,*

*d) changes in agreements for the provision of legal services, public relations services, social communication services and management consultancy services if such changes increase the amount of remuneration above the amount referred to in letter c,*

*e) agreements for the provision of legal services, public relations services, social communication services and management consultancy services which do not provide for the maximum amount of remuneration,*

*6) the Company's granting of sureties or guarantees for entities other than directly or indirectly subordinate companies (within the meaning of the Commercial Companies Code),*

*7) agreements providing for the construction or commissioning of connections with power systems of other countries,*

*8) the Company's incurring other liabilities with a value equal to or exceeding 400,000,000 zlotys, exclusive of agreements or liabilities related to trade transactions concerning electricity and gas, related products or related rights, as well as trade transactions concerning the purchase and sale of fuels and raw materials,*

*9) advance payments towards planned dividends,*

*10) investment undertakings concerning or related to a power generation unit or a combined heat and power generation unit with a value exceeding 200,000,000 zlotys, or a power distribution network with a value exceeding 20,000,000 zlotys, within the meaning of the Energy Law, to be carried out or co-financed by the Company or to be secured by the Company or on the Company's assets,*

*11) projects concerning or related to exploration or prospection for mineral deposits or extraction of minerals with a value exceeding 200,000,000 zlotys, within the meaning of the Geological and Mining Law, to be carried out or co-financed by the Company or to be secured by the Company or on the Company's assets,*

*12) the manner of exercising the voting right by a representative of PGE Polska Grupa Energetyczna S.A. at General Meetings in companies in which the Company holds at least 50% of shares or interests, in matters concerning power generation units or combined heat and power generation units with a value exceeding 200,000,000 zlotys or power distribution networks with a value exceeding 20,000,000 zlotys, within the meaning of the Energy Law,*

*13) the manner of exercising the voting right by a representative of PGE Polska Grupa Energetyczna S.A. at General Meetings in companies in which the Company holds at least 50% of shares or interests, in matters concerning projects related to exploration or prospection for mineral deposits or*

*extraction of minerals, within the meaning of the Geological and Mining Law, with a value exceeding 200,000,000 zlotys,*

*14) the manner of exercising the voting right by a representative of PGE Polska Grupa Energetyczna S.A. at General Meetings in companies whose objects include electric power generation, transmission, distribution or trade, in matters concerning the following:*

- the incurring of contingent liabilities by such companies,*
- the execution of credit or loan agreements by such companies,*
- the establishment of security by such companies, including security on such companies' assets,*
- the execution of other agreements by such companies or the adoption of resolutions by such companies' General Meetings,*
- concerning or related to power generation units, combined power and heat generation units with a value exceeding 200,000,000 zlotys or power distribution networks, within the meaning of the Energy Law, with a value exceeding 20,000,000 zlotys, or concerning or related to exploration or prospection for mineral deposits or extraction of minerals, within the meaning of the Geological and Mining Law, with a value exceeding 200,000,000 zlotys,*

*15) the manner of exercising the voting right by a representative of PGE Polska Grupa Energetyczna S.A. at General Meetings in companies for which the Company is the parent company within the meaning of Article 4 item 3 of the Competition and Consumer Protection Act of 16 February 2007, in the following matters:*

- a) the establishment of another company by a company,*
- b) changes in a company's statutes, articles of association or objects,*
- c) a company's merger, transformation, demerger, dissolution or liquidation,*
- d) an increase or decrease in a company's share capital,*
- e) the disposal or lease of a company's undertaking or its organized part, or the establishment of a limited property right thereon,*
- f) the redemption of shares or interests,*
- g) the determination of remuneration for members of management boards and supervisory boards,*
- h) decisions with respect to claims for compensation of damage caused in connection with the establishment of a company and the fulfilment of managerial or supervisory duties,*
- i) matters referred to in Article 17 clause 1 of the Act on the Management of State-owned Property of 16 December 2016, subject to § 42 item 8."*

Above mentioned changes were introduced by the resolution no. 27 of the OGM.

V. 1. § 41<sup>1</sup> clause 1 was changed as follows:

*"1. The Company's disposal of components of non-current assets within the meaning of the Accounting Act of 29 September 1994 whose market value exceeds 0.1% of the total assets established on the basis of the latest approved financial statements shall be carried out in the form of a tender procedure or an auction, unless the market value of components to be disposed of is lower than 20,000 zlotys."*

2. In § 41<sup>1</sup> clause 2, after the phrase "...without conducting a tender procedure", the following phrase was added:

*"or an auction"*

3. In § 41<sup>1</sup> clause 2 item 1), after the phrase "... a tender procedure", the following phrase was added:

*"or an auction"*

4. In § 41<sup>1</sup> clause 3 item 1), after the phrase "An announcement about a tender procedure", the following phrase was added:

*"or an auction"*

5. § 41<sup>1</sup> clause 3 item 2) was changed as follows:

*"2) A tender procedure or an auction shall be conducted not earlier than 14 days after the date of the publication of an announcement about a tender procedure or an auction,"*

6. § 41<sup>1</sup> clause 3 item 3) was changed as follows:

*"3) The following people and entities shall not participate in tender procedures or auctions:*

*a) the Members of the Management Board and the Supervisory Board,*

*b) the entity conducting a tender procedure or an auction as well as the Members of its Management Board and Supervisory Board,*

*c) people who have been entrusted with the performance of actions related to the conduct of a tender procedure or an auction,*

*d) spouses, children, parents and siblings of people referred to in letters a-c,*

*e) people who remain with the person conducting a tender procedure or an auction in a legal or factual relationship which may give rise to justified doubts as to the impartiality of the person conducting a tender procedure,"*

7. In § 41<sup>1</sup> clause 3 item 4), after the phrase "Participation in a tender procedure", the following phrase was added:

*"or an auction"*

8. In § 41<sup>1</sup> clause 3 item 5), after the phrase "Before the beginning of a tender procedure", the following phrase was added:

*"or an auction"*

9. § 41<sup>1</sup> clause 3 item 8) was changed as follows:

*„8) The Company shall determine regulations specifying the principles and rules of conducting a tender procedure or an auction, the content of an announcement about a tender procedure or an auction, as well as the form and the conditions of a tender procedure or an auction,”*

10. § 41<sup>1</sup> clause 3 item 9) was changed as follows:

*“9) The organizer of a tender procedure or an auction shall be entitled to close the tender procedure or the auction without selecting any of the submitted bids without providing any reasons,”*

11. In § 41<sup>1</sup> clause 3 item 10), after the phrase “the tender procedure”, the following phrase was added:

*“or the auction”*

Above mentioned changes were introduced by the resolution no. 28 of the OGM.

**VI. 1.** In § 42 item 3), the phrase “a statutory auditor” was replaced by the following phrase:  
*“an audit firm”*

2. § 42 item 4) was changed as follows:

*“4) to submit documents referred to in items 1 and 2 together with an audit report prepared by a statutory auditor to the Supervisory Board for evaluation, not later than within fourteen days from receiving a statutory auditor's audit report,”*

3. In § 42 item 5), the phrase “§ 18 clause 2 items 8,9” was replaced by the following phrase:

*“§ 18 clause 2 items 10,11”*

4. In § 42 item 6), the phrase “§ 18 clause 2 items 10, 11, 12” was replaced by the following phrase:

*“§ 18 clause 2 item 14”*

5. In § 42 item 7), the phrase “50,000,000 euro” was replaced by the following phrase:

*“200,000,000 zlotys”,*

while the phrase “5,000,000 euro” was replaced by the following phrase:

*“20,000,000 zlotys”*

6. § 42 item 8) was changed as follows:

*“8) in the companies for which the Company is the parent company within the meaning of Article 4 item 3 of the Competition and Consumer Protection Act of 16 February 2007, in connection with article 17 clause 7, Article 18 clause 2, Article 20 and Article 23 as well as taking into account Article 18a and Article 23a of the State Property Management Act, to implement the principles specified in the State Property Management Act of 16 December 2016,”*

7. § 42 item 9) was changed as follows:

*“9) to draw up a report on representation expenses, expenses on legal services, marketing services, public relations services and social communication services, as well as management consultancy services, as well as a report on the use of the good practices referred to in Article 7 clause 3 of the State Property Management Act of 16 December 2016, and to submit such reports together with the Management Board's report on the Company's activities for the previous financial year to the Supervisory Board.”*

Above mentioned changes were introduced by the resolution no. 29 of the OGM.

**VII.** 1. In § 45, clause 4 was deleted.

2. Clauses 5-10 were renumbered as 4-9.

Above mentioned changes were introduced by the resolution no. 30 of the OGM.