

**-Draft-**

**Resolution No. ....**

**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

**OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA**

**of 17 August 2016**

**on election of the Chairman of the Extraordinary General Shareholders Meeting**

**Article 1**

Acting under Article 409.1 of the Polish Commercial Companies Code, Article 47.2 of the Articles of Association and Article 8 of the Rules of Procedure of the General Shareholders Meeting, the Extraordinary General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A. with registered office in Bogdanka hereby elects Mr/Mrs ..... to act as Chairman of the General Shareholders Meeting.

**Article 2**

The Resolution will enter into force on the day of its adoption.

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**Resolution No. ....**

**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

**OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA**

**of 17 August 2016**

**on adopting the agenda of the Extraordinary General Shareholders Meeting**

### **Article 1**

The Extraordinary General Shareholders Meeting of Lubelski Węgiel BOGDANKA S.A. with registered office in Bogdanka adopts the agenda of the Extraordinary General Shareholders Meeting in the following wording:

1. Opening of the General Shareholders Meeting.
2. Electing the Chairman of the General Shareholders Meeting.
3. Acknowledging the General Shareholders Meeting to be validly convened and acknowledging its capacity to adopt resolutions.
4. Adopting the agenda.
5. Adopting resolutions on amendment to the Articles of Association, the Company's entry into the ENEA Group and acceptance of the ENEA Group Code.
6. Adopting a resolution on amendment to the Rules of Procedure of the General Shareholders Meeting.
7. Adopting a resolution on determining the rules and amounts of remuneration of the Supervisory Board members.
8. Miscellaneous.
9. Closing of the General Shareholders Meeting.

### **Article 2**

The Resolution will enter into force on the day of its adoption.

*-Draft-*

**Resolution No. ....**

**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING  
OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA  
of 17 August 2016**

**on amendments to the Articles of Association, the Company's entry into the ENEA Group and acceptance of the ENEA Group Code.**

**Article 1**

The Extraordinary General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A. in Bogdanka, acting under Article 430.1 of the Polish Commercial Companies Code and Article 52.4.2 of the Company's Articles of Association, hereby decides to introduce amendments to the Articles of Association which consist in replacing the entire wording of the existing Articles of Association with the following new wording:

**“UNIFORM TEXT OF THE ARTICLES OF  
ASSOCIATION OF LUBELSKI WĘGIEL  
BOGDANKA S.A.**

**I. GENERAL PROVISIONS**

**Article 1**

1. Company name: Lubelski Węgiel Bogdanka Spółka Akcyjna.
2. The Company may use the abbreviated name: LW Bogdanka S.A. and a distinctive graphic mark.

**Article 2**

Registered office: Bogdanka, located in the Puchaczów commune in the Lublin province.

### **Article 3**

1. The Company operates in the territory of the Republic of Poland and abroad. The Company may establish and close local offices, representative offices, branches and other establishments.
2. The Company may join other companies as shareholder or partner, and enter into various economic organisations in the Republic of Poland, abroad and in duty-free areas, in accordance with the applicable laws.

### **Article 4**

1. The Company's business purpose is to conduct activities aimed at implementation of the mission and strategy of the ENEA Group, which define the interest of the ENEA Group.
2. The ENEA Group shall mean ENEA S.A. and other companies to which the ENEA Group Code applies.
3. The implementation of the mission and strategy of the ENEA Group cannot violate the legitimate interests of the Company's minority shareholders, in line with the principle of equal treatment of shareholders in the same circumstances as defined in Article 20 of the Commercial Companies Code and taking account of the Best Practice of WSE Listed Companies.

### **Article 5**

The duration of the Company's activity is unlimited.

## **II. OBJECTS OF THE COMPANY**

### **Article 6**

The Company's objects, in accordance with the Polish Classification of Activity (PKD), are as follows:

- 1) agriculture, forestry, hunting and fishery (section A);
- 2) mining and production (section B);
- 3) industrial processing (section C);
- 4) production and supply of electricity, gas, steam, hot water and air for air-conditioning installations (section D);
- 5) water supply; liquid and solid waste management; activities related to reclamation (section E);

- 6) construction (section F);
- 7) wholesale, retail sale and repair of motor vehicles, including motorcycles (section G);
- 8) transport and warehouse management (section H);
- 9) activities related to lodging and catering (section I);
- 10) information and communications (section J);
- 11) financial and insurance (section K);
- 12) real estate activities (section L);
- 13) professional, scientific and technical activities (section M);
- 14) administration and support activities (section N);
- 15) education (section P).

### **III. CAPITAL**

#### **Article 7**

1. The Company's share capital amounts to PLN 170,067,950 (one hundred and seventy million, sixty-seven thousand, nine hundred and fifty zloty) and is divided into 34,013,590 (thirty-four million, thirteen thousand, five hundred and ninety) shares with a par value of PLN 5 (five zloty) per share, including:
  - 1) 19,770,590 (nineteen million seven hundred seventy thousand five hundred and ninety) series A bearer shares bearing numbers from 00000001 to 19770590;
  - 2) 3,243,000 (three million two hundred and forty-three thousand) series B shares numbered from 0000001 to 3243000, including 3,242,865 (three million two hundred and forty-two thousand eight hundred and sixty-five) bearer shares and 135 (one hundred and thirty-five) registered shares;
  - 3) 11,000,000 (eleven million) series C bearer shares numbered from 0000001 to 11000000.
2. The conditional share capital of the Company amounts to a maximum of PLN 6,802,725 (six million, eight hundred and two thousand seven hundred and twenty-five zloty) and is divided into not more than 1,360,545 (one million three hundred and sixty thousand five hundred and forty-five) ordinary series D bearer shares with a nominal value of PLN 5 (five zloty) each.
3. The purpose of the conditional increase in capital referred to in Section 2 is to grant the right to acquire series D shares to the holders of subscription warrants issued by the Company under resolution no. 26/2013 of the Annual General Shareholder Meeting of 4 July 2013.
4. The Company's shares are registered shares or bearer shares.

5. Registered shares may be converted into bearer shares at a shareholder's request at any time.
6. Conversion of bearer shares into registered shares is inadmissible.
7. Shares may be taken up in exchange for cash or non-cash contributions.
8. Shares may be redeemed with the consent of the shareholder by being purchased by the Company (voluntary redemption).
9. The rules, procedures and terms of share redemption shall be determined from time to time by way of a resolution of the General Shareholders Meeting.

#### **IV. GOVERNING BODIES**

##### **Article 8**

The Company's governing bodies are:

- 1) General Shareholders Meeting;
- 2) Supervisory Board;
- 3) Management Board.

#### **GENERAL SHAREHOLDERS MEETING**

##### **Article 9**

At the General Shareholders Meeting, one share corresponds to one vote.

##### **Article 10**

General Shareholders Meetings are held at the Company's registered office, in Lublin, Warsaw or Poznań.

##### **Article 11**

The General Shareholders Meeting adopts resolutions if at least half of the Company's share capital is represented at the General Shareholders Meeting.

##### **Article 12**

1. The following matters, in addition to those resulting from applicable laws, require a resolution of the General Shareholders Meeting:
  - 1) review and approval of the financial statements for the previous financial year and of the Directors' Report on the Company's operations;

- 2) decision on the distribution of net profit or coverage of net loss;
  - 3) discharging members of the Company's governing bodies of their duties;
  - 4) establishing a dividend date and dividend payment date;
  - 5) appointment and dismissal of the Supervisory Board members;
  - 6) determination of the number of the Supervisory Board members;
  - 7) determination of the rules and amounts of remuneration of the Supervisory Board members;
  - 8) disposal or lease of the Company's enterprise or an organised part thereof, or creation of limited property rights therein;
  - 9) entry by the Company or its subsidiary into a loan, borrowing, surety or other similar agreement with, or for the benefit of, a Management Board member, a Supervisory Board member, a proxy or a liquidator;
  - 10) determination of the rules, procedures and terms of share redemption;
  - 11) creation and liquidation of the Company's funds or capital;
  - 12) adoption of the Rules of Procedure of the General Shareholders Meeting specifying in detail the rules for holding meetings and adopting resolutions;
  - 13) entering into and leaving the ENEA Group by the Company;
  - 14) implementing the ENEA Group Code.
2. Consent of the General Shareholders Meeting is not required in order for the Company to acquire or dispose of a real property, perpetual usufruct or interest in a real property.

### **Article 13**

Material changes to the Company's objects may be made without the buy-out of shares if a relevant resolution is adopted by the majority of two-thirds of votes in the presence of shareholders representing at least 50% of the share capital.

## **SUPERVISORY BOARD**

### **Article 14**

1. The Supervisory Board consists of 5 (five) to 9 (nine) members.

2. The Supervisory Board members are appointed for a joint term of office. The term of office of the Supervisory Board lasts three consecutive years.
3. The mandate of the Supervisory Board member arises when a member is appointed to their function, and expires on a date on which the General Shareholders Meeting approves the financial statements for the last full financial year in which the function is performed, or upon dismissal, resignation or death of the Supervisory Board member.
4. Subject to mandatory provisions of the Commercial Companies Code, resolutions of the Supervisory Board are adopted by the absolute majority of votes. In the event of a voting tie, the Chairman of the Supervisory Board has the casting vote.
5. The Supervisory Board may appoint standing and temporary committees from among its members. The Audit Committee is a standing committee at the Supervisory Board. The tasks of the committees and their by-laws are stipulated in the Rules of Procedure of the Supervisory Board.

#### **Article 15**

1. The Supervisory Board may include independent members, who meet the following criteria:
  - a) they have no employment relationship or a similar legal relationship with the Company, any of its local offices or related entities;
  - b) they are not Supervisory Board or Management Board members at any of the Company's related entities;
  - c) they are not shareholders holding 5% or more of the total vote at the Company's General Shareholders Meeting or the Shareholders Meeting or General Shareholders Meeting of any of the Company's related entities;
  - d) they are not employees or Supervisory Board or Management Board members of an entity holding 5% or more of the total vote at the Company's General Shareholders Meeting or the Shareholders Meeting or General Shareholders Meeting of any of the Company's related entities,
  - e) they are not descendants or ascendants, spouses, siblings, parents of a spouse or adoptees of any of the persons listed in items a) to d) above.
2. An independent Supervisory Board member should meet the independence criteria stipulated in Article 15.1 throughout the entire term of his/her office. If the Supervisory Board or Management Board becomes aware that an independent Supervisory Board member has ceased to meet the independence criteria during his/her term of office, steps should be taken to effect his/her early resignation or removal from office.
3. An independent Supervisory Board member is obliged to immediately notify the Company in writing should he/she cease to meet the independence criteria stipulated in Article 15.1.



4. The related entity referred to in Article 15.1 shall be understood as the Company's parent, subsidiary or a subsidiary of the Company's parent. The parent-subsidiary relation shall be determined in accordance with the relevant provisions of the Commercial Companies Code.

### **Article 16**

1. Two members of the Supervisory Board are appointed by the General Shareholders Meeting from among the candidates selected by the Company's employees. The provisions of the previous sentence shall not apply to electing Supervisory Board members by voting in separate groups, referred to in Articles 385.3 to 385.9 of the Commercial Companies Code initiated upon the request of an entity not related to the Company within the meaning of Article 15.4 of the Company's Articles of Association.
2. Failure to select the Supervisory Board members referred to in Article 16.1 shall not prevent the Supervisory Board from operating.
3. The manner of selecting and dismissing the Supervisory Board members referred to in Article 16.1 is stipulated in the Rules of Selecting and Dismissing Supervisory Board Members Selected by the Company's Employees, which is approved by the Supervisory Board.

### **Article 17**

The powers of the Supervisory Board, apart from those resulting from applicable laws, include the following:

- 1) assessment of the Directors' Report on the Company's operations, the financial statements for the preceding financial year, the Directors' Report on the group's operations, and the consolidated financial statements of the group, if such reports are prepared;
- 2) appointment of a chartered auditor to audit the annual financial statements and the consolidated financial statements of the Company's group,
- 3) assessment of motions of the Management Board regarding the distribution of net profit or covering of net losses;
- 4) submission to the General Shareholders Meeting of an annual written report on the results of the assessments referred to in items 1 and 3;
- 5) adoption of the Rules of Procedure of the Supervisory Board, determining in detail the procedures of the Supervisory Board;
- 6) adoption of the uniform text of the Company's Articles of Association prepared by the Management Board;

- 7) granting consent for making an advance payment to the shareholders towards an anticipated dividend;
- 8) approving the Rules of Selecting and Dismissing Supervisory Board Members Selected by the Company's Employees;
- 9) appointing and dismissing the Management Board members;
- 10) determination of the rules and amounts of remuneration of the Management Board members;
- 11) suspending the Management Board members from office;
- 12) delegation of the Supervisory Board members, for a period of up to three months, to temporarily perform the duties of Management Board members who have been removed from office, resigned from office or are unable to perform their duties for another reason;
- 13) granting consent to Management Board members for taking positions on the governing bodies of other entities;
- 14) representing the Company in agreements and disputes between the Company and the Management Board members;
- 15) granting consent for the Company to enter into a significant agreement with a shareholder holding at least 5% of the total vote in the Company or a related entity. A significant agreement within the meaning of the previous sentence shall be an agreement whose value, on the date of the agreement, exceeds 10% of the value of the Company's consolidated equity established on the basis of the latest published financial statements of the Company. The above obligation does not apply to typical transactions and transactions executed on an arm's length basis within the Company's operating activities with entities that form part of the Company's group.

### **Article 18**

1. Supervisory Board members may participate in adopting resolutions of the Supervisory Board by casting their vote in writing through another Supervisory Board member. Casting a vote in writing may not concern items introduced to the agenda at the Supervisory Board meeting.
2. The Supervisory Board may adopt resolutions in a written form or with the use of means of remote communication. A resolution shall be valid if all members of the Supervisory Board have been notified of the contents of the draft resolution. The date of adoption of a resolution that has passed in writing is the date on which the resolution is signed by the last Supervisory Board member.

## MANAGEMENT BOARD

### Article 19

1. The Management Board is composed of 3 (three) to 7 (seven) members, including the President of the Management Board and the remaining members of the Management Board.
2. The Management Board members are appointed for a joint term of office. The term of office of the Management Board lasts three consecutive years.
3. The mandate of the Management Board member arises when a member is appointed to their function, and expires on a date on which the General Shareholders Meeting approves the financial statements for the last full financial year in which the function is performed, or upon dismissal, resignation or death of the Management Board member.

### Article 20

1. The Company's Management Board is obliged to administer the Company's affairs in order for the Company to achieve its objectives.
2. The Company's Management Board administers the Company's affairs in compliance with the ENEA Group Code adopted by the General Shareholders Meeting.

### Article 21

1. The Management Board shall be headed by the President of the Management Board.
2. Subject to mandatory provisions of the Commercial Companies Code, resolutions of the Management Board are adopted by the absolute majority of votes. In the event of a voting tie, the President of the Management Board has the casting vote.
3. The Management Board may adopt resolutions with the use of a telephone or other means of remote communication in a manner that makes it possible for all participating members to communicate directly and simultaneously.
4. The Management Board may adopt resolutions without holding a meeting by way of signing the same copy (copies) of a draft resolution or separate documents of the same wording, with a proviso that in order to adopt a resolution under this procedure, a statement of reasons for that resolution must be prepared beforehand and the draft resolution must be presented to all Management Board members together with the statement of reasons.
5. After the General Shareholders Meeting amends the Articles of Association, the Management Board shall draft a uniform text of the amended Articles of Association, and shall submit it for approval by the Supervisory Board.

## **Article 22**

Statements may be made on behalf of the Company by two members of the Management Board acting jointly, or by one member of the Management Board acting jointly with a proxy.

## **Article 23**

1. The Management Board manages the Company's operations and represents the Company in relations with third parties.
2. A resolution of the Management Board is required for matters which fall outside the scope of the Company's ordinary course of business, including in particular:
  - 1) adoption of the Rules of Procedure of the Management Board;
  - 2) adoption of the Organisational Rules of the Company's enterprise;
  - 3) creation and liquidation of branches;
  - 4) appointment of proxies and attorneys, with the exception of attorneys in litigation, with a proviso that a consent of all Management Board members is required in order to appoint a proxy;
  - 5) adoption of a material and financial plan, including an investment plan;
  - 6) the Company granting guarantees, suretyships and avals;
  - 7) issuing and accepting promissory notes with a net value exceeding PLN 200,000 (two hundred thousand zloty);
  - 8) carrying out other legal acts that result in assuming a liability or acquiring, disposing of, or encumbering non-current assets with a total net value of more than PLN 200,000 (two hundred thousand zloty);
  - 9) any matters which are submitted by the Management Board for consideration by the Supervisory Board, the General Shareholders Meeting, or the ENEA Group's Committees.

## **V. MANAGEMENT OF THE COMPANY'S RESOURCES**

### **Article 24**

The Company's financial year shall be a calendar year.

### **Article 25**

The Company shall establish the following types of capital and funds:

- 1) share capital;
- 2) statutory reserve funds;
- 3) reserve capital;
- 4) revaluation reserve;
- 5) the Company Social Benefits Fund.

#### **Article 26**

1. The General Shareholders Meeting shall, by way of a resolution, dispose of the profit, and in particular may exclude it from being distributed among the shareholders, assign it in whole or in part to each capital or fund, and at the same time determine the manner in which these write-offs are used.
2. The Company may make advance payments to the shareholders towards an anticipated dividend if it holds sufficient funds to make such payments and approved financial statements for the previous financial year shows profit. Consent of the Supervisory Board is required in order to make the payment.

#### **Article 27**

The Company's loss shall be covered from the statutory reserve fund or reserve capital, and once they are exhausted, from the profits to be generated in the following years or, following a procedure for reducing the share capital, from that capital, unless the General Shareholders Meeting decides otherwise.

### **VI. FINAL PROVISIONS**

#### **Article 28**

1. Unless otherwise required by applicable laws, all announcements shall be published by the Management Board solely on the Company's website.
2. Announcements convening the General Shareholders Meeting shall also be displayed on the notice board at the Company's registered office.
3. Under Article 4.2 of the Articles of Association, during the period in which the Company is not part of the Enea Group, the Supervisory Board shall have the powers specified in Article 32 of the Company's Articles of Association in its version before the amendments referred to in Resolution No. 3 of the Extraordinary General Shareholders Meeting of [...], while the General Shareholders Meeting shall have the powers specified in Article 52 of the Company's Articles of Association in its version before the amendments referred to in Resolution No. 3 of the Extraordinary General Shareholders Meeting of [...].
4. Any matters not provided for in these Articles of Association shall be governed by the provisions of the Commercial Companies Code."

## **Article 2**

1. The Extraordinary General Shareholders Meeting decides that the Company enters into the ENEA Group and implements the ENEA Group Code.
2. The legal basis under which the Company forms part of the ENEA Group shall be the ENEA Group Code adopted by the Management Board of ENEA S.A. by virtue of Resolution No. 417/2013 of 9 September 2013 (as amended) attached to this resolution.

## **Article 3**

1. With respect to Article 1, this Resolution shall become effective on the day of its adoption.
2. With respect to Article 2, this Resolution shall become effective when the amendments to the Company's Articles of Association specified in Article 1 are registered by the registry court.

### **Appendix:**

The Enea Group Code

*-Draft-*

**Resolution No. ....**

**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

**OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA**

**of 17 August 2016**

**on amendments to the Rules of Procedure of the General Shareholders Meeting**

### **Article 1**

The Extraordinary General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A. in Bogdanka decides to amend the Rules of Procedure of the General Shareholders Meeting adopted by virtue of Resolution No. 5 of the Extraordinary General Shareholders Meeting of 14 November 2008 (amended by Resolution No. 6 of the Extraordinary General Shareholders Meeting of 11 August 2009) by replacing the existing wording of the Rules of Procedure of the General Shareholders Meeting with the following new wording:

### **“UNIFORM TEXT OF THE RULES OF PROCEDURE OF THE GENERAL SHAREHOLDERS MEETING OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA**

#### **Article 1**

##### **General Provisions**

1. These Rules of Procedure establish the procedure for organising and principles for conducting General Shareholders Meetings of Lubelski Węgiel Bogdanka S.A. with registered office in Bogdanka (the **“Company”**). Together with the provisions of the Commercial Companies Code of 15 September 2000 and the Company's Articles of Association, they form the legal basis for the functioning of the General Shareholders Meeting.
2. The Rules of Procedure are adopted by the Company's General Shareholders Meeting by way of a resolution.

## **Article 2**

### **Convening a General Shareholders Meeting**

1. The General Shareholders Meeting shall be convened as an Annual or Extraordinary General Shareholders Meeting.
2. General Shareholders Meeting is convened by the Management Board, subject to the provisions of the Commercial Companies Code.
3. Subject to Article 10 of the Company's Articles of Association, General Shareholders Meeting is held at a venue and time indicated by the Company's Management Board in an announcement on the convocation of a General Shareholders Meeting, with due consideration for the need to ensure that as many shareholders as possible can participate in the Meeting.
4. A request to convene a General Shareholders Meeting and include particular matters on the agenda submitted by authorised entities should be justified.

## **Article 3**

### **Preparing a General Shareholders Meeting**

1. The Management Board is responsible for preparing and organising a General Shareholders Meeting.
2. The Management Board's duties associated with convening and holding a General Shareholders Meeting include all the acts provided for in the relevant provisions of law and the Company's Articles of Association, in particular:
  - a) establishing the agenda, subject to the exceptions provided for by law and in the Company's Articles of Association;
  - b) announcing the General Shareholders Meeting;
  - c) drawing up and signing a list of shareholders entitled to participate in the General Shareholders Meeting;
  - d) ensuring that the list of shareholders entitled to participate in the General Shareholders Meeting is displayed in the Management Board's office three days before the Meeting is held;
  - e) ensuring that Meetings and adopted resolutions are recorded in minutes in the form as required by the law.

## **Article 4**

### **Authorisation to Participate in the General Shareholders Meeting**

1. Only persons who are shareholders of the Company sixteen days before the date of the General Shareholders Meeting (i.e. the date of registering participation in the Meeting) are entitled to participate in the Meeting with the right to vote.



2. Persons entitled under registered shares and temporary certificates and pledgees and usufructuaries who are entitled to vote have the right to participate in the General Shareholders Meeting provided that they are entered in the shareholders register on the date of registering participation in the Meeting.
3. A list of entities entitled under bearer shares in documentary form will be drawn up on the basis of bearer share documents, provided that they or appropriate certificates replacing them are submitted to the Company not later than on the date of registering participation in the General Shareholders Meeting and are not collected before the end of that day, and in the case of dematerialised bearer shares on the basis of a list prepared on the basis of certificates confirming the right to participate in the General Shareholders Meeting or other equivalent documents issued in accordance with the provisions of the Act on Trading in Financial Instruments, which will be provided to the Company by the entity maintaining the securities deposit. The entity maintaining the securities account will issue a named certificate at the request of the entitled party submitted no earlier than after the announcement of the convocation of the General Shareholders Meeting and no later than the first weekday after the date of registering participation in the Meeting.
4. Further, members of the Company's Management Board and the Supervisory Board have the right to participate in the General Shareholders Meeting. The chartered auditor who audits the Company's financial statements and the Company's chief accountant are also entitled to participate in the General Shareholders Meeting convened to discuss financial affairs of the Company.
5. Experts and guests invited by the body which convenes a particular General Shareholders Meeting can also participate in the Meeting.
6. A shareholder can transfer its shares in the period between the date of registering participation in the General Shareholders Meeting and the date when the Meeting ends.
7. Members of the Supervisory Board and the Management Board and the Company's certified auditor should, within the limits of their powers and to the extent necessary to resolve matters being discussed by the General Shareholders Meeting, provide participants in the Meeting with clarifications and information relating to the Company.
8. The Management Board is obliged to provide a shareholder, at its request, with information relating to the Company, if it justifiably needs such information to assess a matter on the agenda. The Management Board will refuse to provide information if it could inflict damage to the Company or any of its affiliates or subsidiaries, in particular due to the disclosure of their technical, commercial or organisational secrets.
9. A member of the Management Board can refuse to provide information if providing it could constitute a basis for his/her criminal, civil law or administrative liability.

10. A response will be deemed to have been provided if appropriate information has been made available on the Company's website.
11. For valid reasons, the Management Board can give a response in writing outside the General Shareholders Meeting, not later than within two weeks from the date when a request is submitted during a Meeting.

## **Article 5**

1. Shareholders can participate in the General Shareholders Meeting and exercise their voting rights either personally or through a proxy. Powers of attorney to participate in a General Shareholders Meeting and vote should be granted in writing or in electronic form.
2. Granting and revoking a power of attorney in electronic form does not require a secure electronic signature verified using a valid qualified certificate. Powers of attorney granted in writing should be attached to the attendance register.
3. Shareholders which are not natural persons participate in the General Shareholders Meeting and exercise voting rights through a person authorised to make declarations of will on their behalf or through a proxy. The right to make declarations of will on behalf of a shareholder which is not a natural person should be confirmed by a copy of the relevant register or by a power of attorney or series of powers of attorney confirming the proxy's authorisation, produced when the attendance register is being drawn up.
4. Shareholders will notify the Company of a power of attorney being granted or revoked in electronic form by logging onto its website and filling in the relevant form relating to power of attorney. Logging on is possible after a questionnaire, which requires that data be provided enabling the shareholder and the proxy to be identified, has been filled in on the website.
5. A person performing the function of member of the Company's Management Board or an employee of the Company can be a proxy at a General Shareholders Meeting.
6. If a proxy is a member of the Management Board or Supervisory Board, a liquidator of the Company, an employee of the Company or a member of its corporate bodies or an employee of a subsidiary of the Company or a cooperative company which is dependent on it, the power of attorney will only authorise it to represent the shareholder at one General Shareholders Meeting and will require that it vote in accordance with instructions issued by the shareholder. The proxy referred to in the preceding sentence should also inform the shareholder which it is representing of any circumstances which indicate the existence of a conflict of interests or the possibility of a conflict of interests occurring. The proxy referred to in this Article 5.6 cannot grant a further power of attorney.

7. Only one proxy can act on behalf of one shareholder at a General Shareholders Meeting at any particular time.
8. If both the shareholder and its proxy are present at the General Shareholders Meeting, the shareholder will have the right to vote.

## **Article 6**

### **Drawing up a List of Shareholders and an Attendance Register for the General Shareholders Meeting**

1. The Management Board will draw up and sign a list of shareholders entitled to participate in the General Shareholders Meeting.
2. The list should contain the following information:
  - a) the first names and surnames or business names of the shareholders entitled to participate in the General Shareholders Meeting;
  - b) the shareholders' places of residence or registered office;
  - c) the quantity, type and numbers of the shareholders' shares and the number of votes to which they are entitled.
3. If the right to vote attached to shares is held by a pledgee or usufructuary, that fact will be noted on the list of shareholders at the request of the entitled entity.
4. The list of shareholders entitled to participate in the General Shareholders Meeting should be displayed in the Management Board's office for three weekdays before the Meeting is held.
5. Shareholders can view the list of shareholders entitled to participate in the General Shareholders Meeting and request a copy provided that they pay the cost of making the copy.

## **Article 7**

1. On the basis of the list of shareholders entitled to participate in the General Shareholders Meeting drawn up and displayed in accordance with the provisions of

Article 407 of the Commercial Companies Code, an attendance register for the Meeting will be drawn up according to the following procedure:

- a) whether or not a shareholder is specified on the list of entities entitled to participate in the General Shareholders Meeting is verified;
  - b) the identity of the shareholder or its representative or proxy is verified on the basis of an identity card, passport or other document allowing identification;
  - c) whether or not powers of attorney are correct (with regard to proxies) or authorisations to represent a shareholder which is not a natural person are verified (powers of attorney should then be attached to the register of minutes of the General Shareholders Meeting maintained by the Management Board). It will be assumed that a written document confirming the right to represent a shareholder at the General Shareholders Meeting complies with the law and does not require additional confirmations, unless the Chairman doubts its authenticity or validity on a *prima facie* basis.
  - d) the shareholder or its proxy signs the attendance register;
  - e) a card or other document is issued to the shareholder or its proxy authorising it to vote.
2. Proxies of shareholders entitled to participate in the General Shareholders Meeting must also submit powers of attorney granted to them by the shareholders (in the case of legal persons, they should also produce a current copy of the relevant register in which the shareholder is entered). They should then sign the attendance register legibly with their full given name and surname alongside the surname or business name of their principal.

## **Article 8**

### **Opening a General Shareholders Meeting and Electing a Chairman**

1. The General Shareholders Meeting shall be opened by the Chairman or Deputy Chairman of the Supervisory Board, or a person appointed by the Chairman. In the absence of such persons, the General Shareholders Meeting shall be opened by the President of the Management Board or a person appointed by the Management Board. Subject to the provisions of Article 399.3 and 400.3 of the Commercial Companies Code, the Chairman of the General Shareholders Meeting will then be elected from among the persons entitled to participate in the Meeting. The person opening the General Shareholders Meeting should ensure that a Chairman is elected without delay and refrain from making any other substantive or formal determinations.

2. Every participant in the General Shareholders Meeting has the right to nominate one candidate for the position of Chairman, such nominations being recorded in the minutes. Persons who have been nominated as candidates are entered on the list of candidates provided that they give their consent.
3. The election is carried out in the form of a secret ballot for each candidate separately, in alphabetical order.
4. The person who receives the greatest number of votes will be appointed the Chairman. If more than one candidate receive the same number of votes, an additional vote will be carried out in which only those candidates will participate.
5. The Chairman should not resign from his/her function without valid reasons.

### **Article 9**

1. The Chairman of the General Shareholders Meeting will acknowledge that the Meeting has been validly convened and that a notary responsible for drawing up the minutes of the Meeting is present.
2. As soon as he/she has been elected, the Chairman will order that the attendance register for the General Shareholders Meeting be verified and sign it. The Chairman will then declare the number of shareholders present at the Meeting, specifying the number of shares and votes represented at the Meeting. The attendance register will remain displayed during the General Shareholders Meeting, until the Meeting is closed.
3. The Chairman directs the deliberations of the General Shareholders Meeting and makes decisions in procedural matters. In particular, the Chairman invites shareholders to speak, accepts motions and draft resolutions and submits them for discussion, orders votes to be carried out and carries out votes and issues appropriate orders on matters of order. The Chairman is also authorised to interpret these Rules of Procedure.
4. When performing his duties, the Chairman should ensure that the Meeting runs smoothly, counteract any abuse of rights by participants in the General Shareholders Meeting and ensure that the rights and interests of all the shareholders are respected.
5. The General Shareholders Meeting may order a break in the proceedings by a majority of two-thirds of votes. In total, the breaks may not last longer than thirty days.
6. The Chairman can independently order short breaks in a Meeting which do not constitute a break aimed at adjourning the Meeting such as referred to in Article 408.2 of the

Commercial Companies Code. However, breaks cannot be aimed at impeding shareholders in exercising their rights.

7. The Chairman signs the minutes of the General Shareholders Meeting as soon as they have been completed by the notary.
8. If the voting at the General Shareholders Meeting is to take place in a manner other than electronic, the General Shareholders Meeting will elect a three-person Ballot Counting Committee. The election of members of the Ballot Counting Committee is subject to the provisions governing the election of the Chairman of the General Shareholders Meeting.

## **Article 10**

### **Procedure for Holding Meetings**

1. The Chairman does not have the right to independently remove matters from the agenda or change their order.
2. Each time the Chairman of the General Shareholders Meeting presents a matter on the agenda, he/she will open a discussion and invite participants to speak in the order that they express a wish to do so. The Chairman can propose that a joint discussion be held on several related items of the agenda.
3. Participants can only speak on matters on the agenda which are currently being considered.
4. The Chairman can invite members of the Supervisory Board and the Management Board and experts and other persons participating in the General Shareholders Meeting with the Chairman's consent to speak out of turn.
5. Members of the Company's corporate bodies are obliged - each within the limits of their powers - to provide exhaustive answers and clarifications in response to any questions asked in connection with the agenda.
6. Shareholders have the right to speak and make a rejoinder with regard to each item of the agenda.
7. When each matter on the agenda is being considered, the Chairman can determine the time that one speaker will have to speak and make a rejoinder, depending on its subject. Such a restriction will not apply to Management Board and Supervisory Board members and the chartered auditor.

8. The Chairman has the right to inform a speaker that he/she has digressed from the subject of the discussion or exceeded the time limit determined in accordance with Article 10.7. If the speaker does not respond to the Chairman's comments, the Chairman can take the back the floor from him.
9. No new items may be included on the agenda unless all of the Company's share capital is represented and none of the persons present makes an objection.
10. The General Shareholders Meeting can adopt resolutions on matters of order and matters relating to the convocation of an Extraordinary General Shareholders Meeting, even if they have not been included on the agenda. Voting on matters of order can only relate to matters associated with conducting the General Shareholders Meeting. This shall not apply to voting on resolutions that may affect the exercise of the Company's shareholders rights.
11. A resolution on refraining from considering a matter on the agenda can only be adopted if there are significant and relevant reasons for doing so. A motion in such a matter should be justified in detail. If a matter has been included on the agenda at the request of shareholders, their consent will be required to refrain from considering that matter. Removing a matter from the agenda or refraining from considering a matter on the agenda at the request of shareholders requires a resolution of the General Shareholders Meeting supported by 75% of the votes.
12. In formal matters (motions regarding the procedure for discussion and voting), the Chairman can invite participants to speak out of turn. A motion regarding a formal matter may be proposed by any shareholder.
13. The Chairman will order that a vote be held on a formal motion immediately after it has been discussed. The motion will be approved by an ordinary majority of votes cast.
14. Only two speakers can speak in a discussion on motions regarding formal matters -one for and one against the motion - unless the General Shareholders Meeting decides otherwise.
15. In matters of order, the Chairman can independently decide that a motion submitted will not be considered.
16. The Chairman will close the General Shareholders Meeting once the agenda has been exhausted.

## **Article 11**

If the Company's shares are introduced to public trading on a regulated market, the Management Board's answers to questions during a General Shareholders Meeting should take into account the fact that a public company fulfils disclosure obligations as provided by applicable laws and that information cannot be provided otherwise than by the procedure provided in those laws.

## **Article 12**

### **Adopting Resolutions and Voting**

1. The General Shareholders Meeting adopts resolutions on matters on the agenda after a vote has been held. Voting can be carried out using an electronic system for casting and calculating votes which enables the number of votes cast for and against and abstentions to be determined and, in the case of secret ballots, prevents the type of votes cast by individual shareholders from being identified.
2. Subject to Article 12.3, the General Shareholders Meeting adopts resolutions in open voting.
3. Secret ballots are held:
  - a) for elections and motions on dismissing members of the Company's corporate bodies or liquidators;
  - b) for motions on holding members of the Company's corporate bodies or liquidators liable;
  - c) in personnel-related matters;
  - d) at the request of at least one shareholder participating in the General Shareholders Meeting;
  - e) in other circumstances stipulated in applicable laws.
4. A shareholder cannot, either personally or through a proxy or as a proxy of another person vote on the adoption of resolutions concerning its liability towards the Company on any account, including resolutions on acknowledging the performance of its duties, releasing it from liability towards the Company and disputes between it and the Company.



5. Voting will be held on resolutions after their drafts have been read out by the Chairman or by a person nominated by him. The Chairman may decide not to read out a draft resolution if the shareholders had a chance to familiarise themselves with its content prior to the beginning of the General Shareholders Meeting session. In the case of introducing amendments to a draft resolution during the General Shareholders Meeting, the Chairman may decide to read out solely those excerpts of the resolution that concern the amendment.
6. Each shareholder has the right to submit draft resolutions during a General Shareholders Meeting concerning matters included on the agenda and to submit proposals for amendments and additions to draft resolutions on the agenda of the Meeting, until the discussion on the item of the agenda involving the draft resolution to which that proposal relates is closed. The Chairman may limit the number of draft resolutions, or proposals for amendments and additions to draft resolutions submitted by a shareholder if the shareholder abuses the right referred to in the previous sentence.
7. The order of voting on resolutions with regard to which proposals for amendments have been submitted shall be as follows:
  - a) voting on motions regarding a draft resolution - motions whose adoption or rejection will determine whether other motions are adopted or rejected will be voted on first;
  - b) voting on a draft resolution with the proposed wording in its entirety, incorporating any amendments resulting from adopted motions. The order of voting on motions regarding a draft resolution will be determined by the Chairman in compliance with the above rules.
8. The provisions of Article 12.7 above will not apply in the event that a proposal for an amendment to a draft resolution involves a necessary addition and only one proposal for addition to the resolution is submitted. In such case voting will be held on the entire draft resolution together with the addition submitted during the General Shareholders Meeting.
9. The Chairman of the General Shareholders Meeting will announce the outcome of the vote and declare that the resolution has been adopted or that it has not been adopted because the required majority of votes has not been obtained. The Chairman will then read out the resolution which has been adopted.
10. The Chairman should allow a party which objects to a resolution to briefly justify its objection.

11. At the request of a person entitled to participate in the General Shareholders Meeting, a written declaration of that person regarding matters on the agenda will be included in the minutes.

### **Article 13**

#### **Electing the Supervisory Board**

1. Subject to the provisions of the Commercial Companies Code and the Company's Articles of Association, the General Shareholders Meeting appoints and dismisses members of the Supervisory Board.
2. Each shareholder has the right to nominate candidates for the Supervisory Board. Candidates for the position of member of the Supervisory Board should be nominated and justified in detail such as to enable an informed choice to be made.
3. Members of the Supervisory Board should have appropriate education, professional experience and life experience and be able to devote sufficient time to performing their function in the Supervisory Board properly.
4. Nominated candidates should make an oral declaration for inclusion in the minutes agreeing to their candidacy for the position of member of the Supervisory Board. If an absent person is nominated, his/her written consent must be submitted.
5. A candidate for the position of member of the Supervisory Board should make a statement in writing or orally for inclusion in the minutes in which they declare that they are not aware of any circumstances which would cause their election to the position of member of the Supervisory Board to be unlawful.
6. Candidates for the position of member of the Supervisory Board are obliged to submit a declaration on whether they fulfil the independence criteria, for inclusion in the minutes. An independent member of the Supervisory Board is deemed to be a candidate who on the date of the election satisfies the independence criteria set out in Article 15 of the Articles of Association.
7. Voting is carried out separately for each of the candidates nominated, in alphabetical order. The candidates who obtain the greatest number of the votes will be elected as members of the Supervisory Board. However, they must obtain an absolute majority of votes cast. If more than one candidate receive the same number of votes but their number exceeds the number of positions to be filled in the Supervisory Board, an additional vote will be held in which only those candidates will participate. If the number of candidates nominated is equal to the number of places to be filled in the Supervisory Board, at the request of the Chairman, the General Shareholders Meeting can carry out

an election by way of joint *en block* voting for all the candidates nominated, unless any of the shareholders objects.

8. If the Supervisory Board is elected by voting in separate groups, the provisions of Article 385.3-9 of the Commercial Companies Code will apply.

## **Article 14**

### **Adjourning the General Shareholders Meeting**

1. If the General Shareholders Meeting approves an adjournment of the Meeting, in order to maintain the validity and continuity of the Meeting it is not necessary for the same entities to participate in the General Shareholders Meeting. In particular:
  - a) after an adjournment, a different number of participants can participate in the Meeting, provided that they are on the list of parties entitled to participate drawn up in accordance with Article 407 of the Commercial Companies Code, i.e. the right to participate is determined by Article 406 of the Commercial Companies Code and the time limits specified therein are counted in relation to the date when the General Shareholders Meeting was convened, and not from the date when the Meeting is resumed;
  - b) if the Chairman elected before the adjournment was approved is absent on the date when the General Shareholders Meeting is resumed, a new Chairman will be elected;
  - c) if a shareholder entitled to participate in the General Shareholders Meeting is represented by a different representative, that person should submit a power of attorney document or other appropriate document authorising him/her to represent the shareholder in question.
2. Further matters cannot be included on the agenda which are not specified in the announcement convening the General Shareholders Meeting.
3. A resolution approving an adjournment of a General Shareholders Meeting does not require an additional announcement to be made according to the procedure for convening a General Shareholders Meeting, including with regard to the place where the Meeting will be resumed after the adjournment, provided that the Meeting will be held in the same town or city.
4. If the General Shareholders Meeting approves an adjournment of the Meeting, two sets of minutes will be drawn up. The first set of minutes will record resolutions adopted before the adjournment and state that the Meeting was adjourned. The second set of

minutes drawn up after the General Shareholders Meeting has been resumed will record resolutions adopted after the resumption of the Meeting. If more than one adjournment of the General Shareholders Meeting are approved, a separate set of minutes will be drawn up in accordance with the above principles for each part of the Meeting.

5. A register of attendance of participants in the General Shareholders Meeting participating in a particular part of the Meeting should be attached to each set of notarised minutes drawn up in accordance with Article 14.4.
6. Within one week from the end of the General Shareholders Meeting, the Company will disclose the results of voting on its website, which will be available until the date when the time limit for contesting a resolution of the General Shareholders Meeting lapses.

## **Article 15**

### **Final Provisions**

1. Any amendments to these Rules of Procedure will require a resolution of the General Shareholders Meeting and will become effective not earlier than at the time of the General Shareholders Meeting following the General Shareholders Meeting during which the amendments were adopted.
2. These Rules of Procedure become effective at the moment when they are adopted.”

## **Article 2**

With respect to Article 2, this Resolution shall become effective when the amendments to the Company’s Articles of Association specified in Article 2016 are entered into the court register.

*-Draft-*

**Resolution No. ....**

**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

**OF LUBELSKI WĘGIEL BOGDANKA SPÓŁKA AKCYJNA**

**of 17 August 2016**

**on determining the rules and amounts of remuneration of the Supervisory Board members**

The Annual General Shareholders Meeting of Lubelski Węgiel BOGDANKA S.A. with registered office in Bogdanka, acting under Article 392.1 of the Commercial Companies Code, Article 43.3 and Article 43.4 in conjunction with Article 52.2.2 of the Company's Articles of Association, hereby determines the following rules and amounts of remuneration of the Supervisory Board members:

**Article 1**

1. Subject to Article 1.3 below, the Supervisory Board members, irrespective of the function held, are entitled to a fixed monthly lump-sum remuneration for each month of holding a seat on the Supervisory Board in the amount of the 1.0 multiple of average monthly remuneration in the corporate sector without payment of awards from profit in the fourth quarter of the previous year announced by the President of the Central Statistical Office of Poland.
2. Members of the Supervisory Board who sit on the Audit Committee shall not be entitled to additional remuneration.
3. In connection with Article 43.3 of the Company's Articles of Association and internal regulations of the ENEA Group with respect to the rules of remuneration applicable to supervisory bodies of subsidiaries, the indicated representatives of the ENEA Group who seat on the Company's Supervisory Board ("the ENEA Group Representative") shall not be entitled to remuneration for holding a seat on the Supervisory Board. Enea S.A. shall

inform the Company which Supervisory Board members are the ENEA Group Representatives within the meaning of this section.

4. The remuneration specified in Article 1.1 above is due regardless of the frequency with which meetings are formally convened.
5. If a member of the Supervisory Board is appointed or dismissed during a calendar month, the remuneration specified in Article 1.1 above shall be calculated on a pro rata basis, in proportion to the number of days of their membership in a given month.
6. The abovementioned remuneration shall be paid by the 10th day of the month following the month of holding the function.

### **Article 2**

A member of the Supervisory Board shall not be entitled to remuneration for a given month if they did not attend any of the formally convened meetings in that month for unjustified reasons. It is the Supervisory Board that decides, by way of a resolution, whether a member's absence from the meeting will be rendered justified or unjustified.

### **Article 3**

1. Remuneration of the members of the Supervisory Board is charged to the Company's operating expenses.
2. The Company also covers, under Article 392.3 of the Commercial Companies Code and Article 43.4 of the Company's Articles of Association, the costs incurred in connection with holding a seat on the Supervisory Board, in particular the costs of travel from the place of residence to the place of the Supervisory Board meeting and back, costs incurred in connection with exercising individual supervision as well as the costs of allowances and accommodation.

### **Article 4**

In compliance with the Personal Income Tax Act, during the course of the year, the Company calculates and deducts advances on personal income tax on the salaries of the Supervisory Board members.

### **Article 5**

Resolution No. 3 of the Extraordinary General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A. with registered office in Bogdanka of 16 November 2015 on the rules and amounts of remuneration of the Supervisory Board members shall be repealed.

### **Article 6**

The Resolution shall become effective on the day of its adoption.