

**RULES OF PROCEDURE OF THE MANAGEMENT BOARD
OF LUBELSKI WĘGIEL BOGDANKA S.A. WITH REGISTERED OFFICE IN BOGDANKA**

Article 1

GENERAL PROVISIONS

1. The Rules of Procedure specify operational strategy and principles of functioning of the Management Board of Lubelski Węgiel Bogdanka Spółka Akcyjna with registered office in Bogdanka, hereinafter referred to as the Company.
2. The Management Board of the Company acts on the basis of the provisions of the Commercial Companies Code, the Company's Articles of Association, the ENEA Group Code adopted by the Company's General Shareholders Meeting, the Derivative Acts of the ENEA Group, these Rules of Procedure and other applicable provisions of law.

Article 2

POWERS AND DUTIES OF THE MANAGEMENT BOARD

1. The Company's Management Board runs the Company's affairs, manages its assets and represents the Company outside with respect to third parties and before or out of court.
2. During execution of their duties, members of the Management Board shall act in accordance with the provisions of the applicable law, as well as the Company's Articles of Association, the ENEA Group Code, the Derivative Acts of the ENEA Group and the principles of good practice, which the Company undertook to apply.
3. In the event of a conflict between the interests of the Company and personal interests of a Member of the Management Board, his/her spouse, relatives or relatives related by affinity up to the second degree, the Management Board Member shall refrain from deciding in such matters and may demand that this be recorded in the minutes.
4. The Management Board members have mandatory obligation to inform the Supervisory Board of any conflict of interest in connection with the function performed or on the possibility that such a conflict arises.
5. Members of the Management Board are obliged to immediately provide the Company with information about any events with respect to which the Company has to comply with disclosure requirements pursuant to the provisions applicable to public companies.

Article 3

MODE OF OPERATION OF THE MANAGEMENT BOARD

1. The President of the Management Board shall manage the work of the Management Board.
2. The Management Board is composed of members appointed by the Supervisory Board: President of the Management Board and Members of the Management Board, with a proviso that the division of functions and powers among particular members of the Management Board is determined by the Company's Organisational Rules.

3. All Members of the Management Board are obliged and authorised to jointly run the Company's affairs, with a proviso that each Member of the Management Board shall exercise direct supervision over the Company's activities within their respective field of competence specified in the Company's Organisational Rules, and - in matters in which the Members of the Management Board are competent pursuant to the Company's Organisational Rules - individually run ordinary activities of the Company, to the exclusion of matters that require a resolution of the Management Board, unless any other Member of the Management Board raises an objection and demands that a given matter be resolved by the Management Board collectively.
4. Members of the Management Board undertake to cooperate with each other and inform each other of any key actions they undertake in connection with the Company's affairs, and of any actions that depart from the agreed rules of conduct in a given situation or actions that fall within the competence of other Members of the Management Board.

Article 4

MEETINGS OF THE MANAGEMENT BOARD

1. Meetings of the Management Board shall be held in the Company's registered office on Tuesdays, unless a person who convenes a meeting decides otherwise.
2. Meetings of the Management Board are convened by the President of the Management Board at his/her own initiative or at the request of a Member of the Management Board. If the President of the Management Board cannot convene a meeting of the Management Board, each Member of the Management Board shall have the right to convene the meeting.
3. A meeting of the Management Board shall be chaired by the President, and in his/her absence, by a Member of the Management Board designated by the President. Should the President fail to designate such a person, the meeting shall be chaired by a person selected from among the Members who are present at the meeting.
4. Participation of the Management Board Members in the meetings is obligatory.
5. A Member of the Management Board shall provide a reason for his/her absence in writing or with the use of remote communication means. Absence shall be justified by the President of the Management Board or a Member of the Management Board designated by the President, which must be recorded in the minutes of the meeting.
6. Members of the Management Board may participate in meetings of the Management Board via telephone or other means of telecommunication which enable simultaneous mutual communication of all the Members of the Management Board who participate in the meeting.
7. The agenda and any necessary documents for the meeting of the Management Board shall be provided by the Management Board Office in accordance with the *Instruction for Filing Applications with Company Bodies*.
8. For important reasons, a meeting may be convened on an ad hoc basis and with no materials provided beforehand. Such an ad hoc meeting may take place on condition that all the Members of the Management Board are effectively notified of the meeting.
9. Employees of the Company who are responsible for the matters discussed at a meeting of the Management Board as well as experts and external advisors may be invited to the meeting.

Article 5

RESOLUTIONS OF THE MANAGEMENT BOARD

1. Resolutions of the Management Board can be adopted, provided that all the Members of the Management Board have been properly notified of the Management Board meeting and at least half of the Management Board Members are present at the meeting.
2. The Management Board shall adopt resolutions in an open ballot.
3. Secret ballot shall be ordered in the case of voting on personnel matters and at the request of a Member of the Management Board.
4. Subject to mandatory provisions of the Commercial Companies Code, resolutions of the Management Board are adopted by the absolute majority of votes.
5. In case of a tie, the President of the Management Board has the casting vote.
6. Resolutions of the Management Board can be adopted without a need to convene a meeting, in writing, with the use of remote communication means and via Internet, including in particular by e-mail, provided that all the Members of the Management Board give their consent to this form of voting.
7. The date of adoption of a resolution that has passed in writing is the date on which the resolution is signed by the last Management Board Member. The date of adoption of a resolution that has passed with the use of remote communication means and by voting via Internet, including in particular by e-mail, is the date on which the last vote was cast.
8. Resolutions adopted in writing or with the use of remote communication means shall be presented at the forthcoming meeting of the Management Board together with the result of the vote.

Article 6

MINUTES OF THE MANAGEMENT BOARD MEETINGS

1. Meetings of the Company's Management Board are recorded in the minutes.
2. The minutes of the meeting of the Company's Management Board shall include:
 - sequential number,
 - date and venue of the meeting
 - attendance list of the Management Board Members and other persons participating in the meeting of the Management Board,
 - acknowledgement that the meeting has been validly convened and it is legally binding,
 - the agenda,
 - content of resolutions,
 - results of the vote on particular resolutions,
 - possible dissenting opinions (*votum separatum*) of the Management Board Members and their declarations submitted to the minutes.
3. The minutes shall be signed by a secretary and Members of the Management Board who are present at the meeting.
4. Members of the Management Board who were absent from a meeting shall confirm that they are aware of what was discussed during the meeting by making a relevant note at the end of the minutes of the meeting and signing the minutes.

5. Any persons who participate in a meeting of the Management Board and read the relevant documents shall keep confidential any information about the meeting and the resolutions adopted at the meeting.
6. It shall be admissible that the minutes of the Management Board meeting be drawn up after the meeting, at the time specified by the Chairman of the meeting. In such a case, the minutes shall be approved at the next meeting of the Management Board.
7. A resolution included in the minutes may take the form of a separate document as an excerpt from the minutes.
8. Such an excerpt shall be signed by the Member of the Management Board who chaired the meeting and the person who drew up the minutes.
9. Documents of the meeting of the Management Board, i.e. original copies of the minutes and the materials considered by the Management Board at the relevant meeting as well as the register of minutes and resolutions shall be collected and kept by the Company's Management Board Office.

Article 7

FINAL PROVISIONS

1. Documents related to the activities of the Management Board and documents provided to the Management Board by the General Shareholders Meeting, the Supervisory Board, Management Committees and Divisions of the ENEA Group shall be kept by the Company.
2. These Rules of Procedure shall become effective as of the date of approval.