

**TO THE MERGER PLAN**  
**DRAFT AMENDMENTS TO THE ARTICLES OF ASSOCIATION (*STATUT*)**  
**OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA**

The Management Boards of the Merging Companies propose the introduction of the following amendments to the Articles of Association (*Statut*) of Polski Koncern Naftowy ORLEN Spółka Akcyjna to be adopted in connection with the Merger of PKN ORLEN and PGNiG:

1) *in Article 2 of the Articles of Association of PKN ORLEN it is proposed to:*

*a) in section 2, after item 89), add the following items 90) - 151):*

- 90) test drilling and boring;
- 91) service activities incidental to other extraction and quarrying;
- 92) extraction of chemical and fertiliser minerals;
- 93) other extraction and quarrying not elsewhere classified;
- 94) wholesale of chemical products;
- 95) wholesale of other intermediate products;
- 96) construction of plumbing, heating, gas and air conditioning installations;
- 97) repair of motor vehicles other than motorcycles;
- 98) storage and warehousing of gas fuels;
- 99) manufacture of industrial gases;
- 100) wholesale of waste and scrap;
- 101) other research and experimental development on natural sciences and engineering;
- 102) other technical testing and analysis;
- 103) installation of industrial machinery and equipment;
- 104) financial leasing;
- 105) other financial service activities, except insurance and pension funding not elsewhere classified, including debt trading for own account;
- 106) other forms of credit granting;
- 107) financial markets dealing on fee or agency basis (e.g. stock broking) and related activities;
- 108) securities brokerage;
- 109) commodity contracts brokerage;
- 110) administration of financial markets;
- 111) activities of agents involved in the sale of a variety of goods;
- 112) wholesale of hardware, plumbing and heating equipment and supplies;
- 113) computer facilities management activities;
- 114) other information technology and computer service activities;
- 115) reproduction of recorded media;
- 116) repair and maintenance of electronic and optical equipment;
- 117) repair and maintenance of electrical equipment;
- 118) wholesale of electronic and telecommunications equipment and parts;
- 119) wholesale of other office machinery and equipment;
- 120) wholesale of other machinery and equipment;
- 121) publishing of directories and mailing lists;
- 122) other software publishing;
- 123) other information service activities not elsewhere classified;
- 124) activities of insurance agents and brokers;
- 125) leasing of intellectual property and similar products, except copyrighted works;
- 126) repair and maintenance of (tele)communications equipment;
- 127) repair and maintenance of consumer electronics;

- 128) other service activities not elsewhere classified;
- 129) call centre activities;
- 130) other publishing activities;
- 131) service activities related to printing;
- 132) other printing;
- 133) photocopying, document preparation and other specialised office support activities;
- 134) other business support service activities not elsewhere classified;
- 135) water collection, treatment and supply;
- 136) library activities;
- 137) archive activities;
- 138) museums activities;
- 139) buying and selling of own real estate;
- 140) operating of real estate on a fee or contract basis;
- 141) renting and operating of own or leased real estate;
- 142) renting and leasing of cars and light motor vehicles;
- 143) renting and leasing of other motor vehicles excluding motorcycles;
- 144) tour operator activities;
- 145) holiday and other short-stay accommodation;
- 146) camping grounds, recreational vehicle parks and trailer parks;
- 147) other accommodation;
- 148) retail sale in non-specialised stores with food, beverages or tobacco predominating;
- 149) organisation of conventions and trade shows;
- 150) other amusement and recreation activities;
- 151) other passenger land transport services, not elsewhere classified.”;

*b) add the following sections 5 and 6:*

“5

The Company shall, within the scope of business provided for in section 1, perform the duties to ensure energy safety of the Republic of Poland.

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1. The minister competent for matters pertaining to energy, having obtained the opinion of the entity entitled to exercise the rights to the shares owned by the State Treasury, shall grant a written consent for:
  - a) amendments to material provisions of existing commercial contracts on natural gas imports to Poland, or execution of new commercial contracts on natural gas imports to Poland,
  - b) implementation of strategic investment projects or Company’s involvement in investment projects which may result in a lasting or temporary deterioration of the economic efficiency of the Company’s operations, but are required to ensure energy security in terms of ensuring such security within the scope of:
    - 1) ensuring continuity of gas supplies to consumers and maintaining the necessary reserves of gas;
    - 2) ensuring safe operation of gas networks;
    - 3) ensuring gas fuels balance, managing the operations and capacity of power equipment connected to the common gas distribution network;
    - 4) natural gas production.

2. Motions in matters referred to in section 1 need to be submitted with a justification of the Management Board and a written opinion of the Supervisory Board.”

2) *in Article 3 of the Articles of Association of PKN ORLEN, amend section 1 as follows:*

“1

The share capital amounts to PLN 1,415,177,561.25 (one billion four hundred and fifteen million, one hundred and seventy-seven thousand, five hundred and sixty-one and 25/100) and is divided into 1,160,942,049 (one billion one hundred and sixty million, nine hundred and forty-two thousand, forty-nine) shares having the nominal value of PLN 1.25 (one zloty and twenty-five grosze) each, including:

- a) 336,000,000 (three hundred and thirty-six million) series A bearer shares, numbered from A-000000001 to A-336000000;
- b) 6,971,496 (six million, nine hundred and seventy-one thousand, four hundred and ninety-six) series B bearer shares, numbered from B-0000001 to B-6971496;
- c) 77,205,641 (seventy-seven million, two hundred and five thousand, six hundred and forty-one) series C bearer shares, numbered from C-00000001 to C-77205641;
- d) 7,531,924 (seven million, five hundred and thirty-one thousand, nine hundred and twenty-four) series D bearer shares, numbered from D-0000001 to D-7531924;
- e) 198,738,864 (one hundred and ninety-eight million, seven hundred and thirty-eight thousand, eight hundred and sixty-four) series E bearer shares, numbered from E-000000001 to E-198738864;
- f) 534,494,124 (five hundred and thirty-four million, four hundred and ninety-four thousand, one hundred and twenty-four) series F bearer shares, numbered from F-000000001 to F-534494124,”

3) *in Article 7 of the Articles of Association of PKN ORLEN it is proposed to:*

*a) amend section 4(1) as follows:*

“1. The Management Board shall convene an Extraordinary General Meeting on its own initiative, at the request of the Supervisory Board, or at the request of a shareholder or shareholders representing at least one-twentieth of the Company's share capital, and the shareholder being the State Treasury, regardless of its share in the share capital, within two weeks from the submission of such request. The request to convene the General Meeting should specify matters to be included on its agenda or a draft resolution on the proposed agenda of the meeting.”;

*b) amend section 4(3) as follows:*

“3. A shareholder or shareholders representing at least one-twentieth of the Company's share capital may request that certain matters be placed on the agenda of the next General Meeting, in accordance with the laws of general application. Such right is also enjoyed by the State Treasury as a shareholder, regardless of its share in the share capital.”;

*c) in section. 7(14) replace the full stop with a comma and add the following item 15:*

“15. The adoption of a resolution consenting for the subscription, acquisition or sale of shares in entities forming the Company's Group which, based on generally applicable laws, act as natural

gas distribution system operator or a natural gas storage system operator, including the terms and conditions, and procedure of the sale.”;

*d) amend section 9 as follows:*

“9

1. Any resolution of the General Meeting on preference rights attached to shares, a merger of the Company with another entity by way of transferring all of the Company's assets to such other entity, dissolution of the Company (including as a result of transferring the Company's registered office or principal establishment abroad), liquidation of the Company, transformation of the Company, or reduction of the Company's share capital by way of cancellation of a part of Company shares without a simultaneous capital increase shall require a majority of no less than 90% of votes cast,
2. If the share of the State Treasury in the share capital of the Company decreases below 49%, the resolutions of the General Meeting regarding:
  - 1) dissolution of the Company;
  - 2) relocation of the Company's registered office abroad;
  - 3) change of the Company's business profile in a way that would limit its operations in the area of prospecting, production of, and trade in crude oil and natural gas;
  - 4) sale or lease of, or creation of any limited right in rem on the Company's business or the business of any of the organised part thereof which includes exploration for, production of, and trade in crude oil and natural gas;
  - 5) merger of the Company effected by way of transfer of all its assets to another company;
  - 6) demerger of the Company;
  - 7) creation of preference rights attached to shares;
  - 8) formation of, transformation of the Company into, or joining a European company;
  - 9) amendments to this item 2,will require the majority of 80% of the votes cast in the presence of shareholders representing at least half of the Company's share capital.”;

*4) in Article 8 of the Articles of Association of PKN ORLEN it is proposed as follows:*

*a) in section 11(19), replace the full stop with a coma and add the following sections 20 and 21:*

- „20. issuance of opinions on the Management Board's recommendations concerning nomination or removal of the Company's representatives in the Management and Supervisory Boards of System Gazociągów Tranzytowych EuRoPol Gaz S.A. and submission of such recommendations for acceptance to the State Treasury as a Company shareholder;
21. issuance of opinions on how the Company's representative should vote at the General Meeting of System Gazociągów Tranzytowych EuRoPol Gaz S.A.”;

*b) in section 12 amend item 8 as follows:*

- “8. exercise by the Company of voting rights at general meetings and meetings of shareholders:
- 1) subject to items 2) – 4) below, of Subsidiaries and other companies if the value of shares held by the Company, measured at acquisition or subscription price, exceeds one-fifth of the Company's share capital, where the vote relates to:
    - a) the company's merger with another company or its transformation,
    - b) sale or lease of the company's business or its encumbrance with usufruct rights,
    - c) amendments to articles of association,
    - d) conclusion of a parent/subsidiary agreement within the meaning of Art. 7 of the Commercial Companies Code,
    - e) dissolution of a company;
  - 2) of companies which own any natural gas transmission network, natural gas distribution network, interconnection gas pipeline or a direct gas pipeline, natural gas storage installation, where the vote relates to:
    - a) amendments to their articles of association;
    - b) increase or reduction in their share capital;
    - c) their merger, transformation or demerger;
    - d) sale of their shares;
    - e) disposal or lease of, or creation of any limited right in rem in their business or its organised part;
    - f) dissolution and liquidation of a company;
    - g) pledging or otherwise encumbering shares in a company;
    - h) obligation to make additional payments (*dopłaty*),
    - i) issuance of bonds,
    - j) entry into a contractual relationship with a foreign entity in relation to or in connection with the planning, analysis, construction, expansion or disposal of a distribution network, interconnection gas pipeline or a direct gas pipeline, within the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,
    - k) entry into a contractual relationship with a foreign entity in relation to or in connection with the design, analysis, construction, expansion or disposal of a storage facility, within the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,
    - l) entry into a contractual relationship with a foreign entity in relation to or in connection with the design, analysis, construction, expansion or disposal of a generation unit or a cogeneration unit, within the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,
    - m) entry into a contractual relationship with a foreign entity in relation to or in connection with prospecting or appraisal of hydrocarbon deposits or production of hydrocarbons within the meaning of the Polish Geological and Mining Law having the value that exceeds the PLN equivalent of EUR 5,000,000,

- with the proviso that items j-m above do not apply to credit facility agreements, maintenance services, including overhauls, geophysical, drilling and well services and projects, as well as services or deliveries relating to such agreements or projects and, in addition, item m does not include the activities of a foreign Subsidiary pertaining to contracts and agreements concluded as part of day-to-day management of the organisational structure of a company, including employment contracts and use of assets where the related liabilities are equal to or less than EUR 5,000,000, and day-to-day administrative expenses;
- 3) of companies which are natural gas distribution system operators, where the vote relates to:
- a) the approval of annual financial plans of those companies;
  - b) the approval of long-term strategic plans of operation of those companies;
  - c) the amendment of articles of association;
  - d) increase or reduction of share capital;
  - e) merger, transformation or demerger of a company;
  - f) transfer of shares in a company;
  - g) sale and lease of a company business or an organised part thereof and establishment of any right in rem thereon;
  - h) dissolution and liquidation of a company;
  - i) entry into a contractual relationship with a foreign entity in relation to or in connection with the planning, analysis, construction, expansion or disposal of a distribution network, interconnection gas pipeline or a direct gas pipeline, within the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000, with the exclusion of any credit facility agreements, maintenance services, including overhauls and service works, as well as services or deliveries relating to such agreements or projects.
- 4) of companies which are natural gas storage system operators, where the vote relates to:
- a) the amendment of articles of association;
  - b) increase or reduction of share capital;
  - c) merger, transformation or demerger of a company;
  - d) transfer of shares in a company;
  - e) sale and lease of a company business or an organised part thereof and establishment of any right in rem thereon;
  - f) dissolution and liquidation of a company;
  - g) entry into a contractual relationship with a foreign entity in relation to or in connection with the planning, analysis, construction, expansion or disposal of a storage unit, within the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000, with the exclusion of any credit facility agreements, maintenance services, including overhauls and service works, as well as services or deliveries relating to such agreements or projects.

The PLN equivalent in euros is determined at the mid exchange rate of that currency to PLN announced by the National Bank of Poland on the date preceding the request for the consent of the

Supervisory Board on the date on which the Management Board reaches the conclusion that such action does not require such consent in view of the value thereof.”;

5) *in Article 9(7) of the Articles of Association of PKN ORLEN*

a) *after section 7(3) the following section 7(4) shall be added:*

„4. Any matters referred to in Article 2 section 6.”;

b) *after section 11 the following sections 12 – 14 shall be added:*

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1. The Company's Management Board is required, at any request of the State Treasury, the shareholder with certain personal rights, to prepare and to deliver to it, on the terms as provided in item 3 below, the detailed information about the tasks performed to guarantee national energy security.

2 The Company's Management Board is required, to prepare, no later than before the lapse of two months from the date of completion of the ordinary General Meeting approving the report on the activities of the Company, and deliver to the State Treasury as the shareholder with personal rights, on the terms as provided in item 3 below, the information concerning:

1) the implementation of strategic investment projects or participation in investment projects, required to ensure energy security of Poland;

2) entry into a contractual relationship with a foreign entity by an operator or owner of a distribution system or interconnection gas pipeline, concerning or related to the planning, analysis, construction, extension or disposal of a transmission network, distribution network, interconnection gas pipeline or direct gas pipeline in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

3) entry into a contractual relationship with a foreign entity by operator or owner of storage facility, concerning or related to the planning, analysis, construction, extension or disposal of a storage facility in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

4) entry into a contractual relationship with a foreign entity by owner of a generation or cogeneration unit, concerning or related to the planning, analysis, construction, extension or disposal of a generation or cogeneration unit in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

5) entry into a contractual relationship with a foreign entity, in relation to or in connection with hydrocarbon exploration, appraisal or production, within the meaning of the Polish Geological and Mining Law, if the value of the contractual relationship exceeds the PLN equivalent of EUR 5,000,000,

- with the proviso that items 1) – 5) above do not apply to information about: credit facility agreements, maintenance services, including overhauls, geophysical, drilling and well services and projects, as well as services or deliveries relating to such agreements or projects and, in addition, item 5) does not include the activities of a foreign subsidiary pertaining to contracts and agreements concluded as part of day-to-day management of the organisational structure of a company, including employment contracts and use of assets where the related liabilities are equal to or less than EUR 5,000,000, and day-to-day administrative expenses.

The PLN equivalent in euros is determined at the mid exchange rate of that currency to PLN announced by the National Bank of Poland on the date on which the obligation to provide information was created.”;

2. The annual information referred to in item 1 is presented by the Company's Management Board to the entity authorised to exercise the rights attached to the shares held by the State Treasury in accordance with the prevailing laws and the minister competent for matters pertaining to energy based on the laws regulating government administration divisions and the competencies of central government administration institutions.

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1. The Company's Management Board presents the State Treasury, as a shareholder with specific personal right thereto, within 21 days after the completion of the General Meeting or the Meeting of the Shareholders of companies which are an Affiliate or a Subsidiary of the Company, where the subject of such General Meeting or the Meeting of the Shareholders was:

1) any strategic investment projects or participation in investment projects, required to ensure energy security of Poland,

2) entry into a contractual relationship with a foreign entity by an operator or owner of a distribution system or interconnection gas pipeline, concerning or related to the planning, analysis, construction, extension or disposal of a transmission network, distribution network, interconnection gas pipeline or direct gas pipeline in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

3) entry into a contractual relationship with a foreign entity by operator or owner of storage facility, concerning or related to the planning, analysis, construction, extension or disposal of a storage facility in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

4) entry into a contractual relationship with a foreign entity by owner of a generation or cogeneration unit, concerning or related to the planning, analysis, construction, extension or disposal of a generation or cogeneration unit in the meaning of the Polish Energy Law, if the contractual relationship is related to infrastructure with an actual or estimated value for any new, including planned infrastructure that exceeds the PLN equivalent of EUR 500,000,

5) entry into a contractual relationship with a foreign entity, in relation to or in connection with hydrocarbon exploration, appraisal or production, within the meaning of the Polish Geological and Mining Law, if the value of the contractual relationship exceeds the PLN equivalent of EUR 5,000,000,

6) approval of annual financial plans,

with detailed information concerning the decisions adopted by the General Meeting or the Meeting of the Shareholders regarding the matters referred to in items 1) – 6) and an assessment of consequences thereof to the energy security referred to in Article 2 section 5, provided that the above does not

apply to information about credit facility agreements, maintenance services, including overhauls, geophysical, drilling and well services and projects, as well as services or deliveries relating to such agreements or projects and, in addition, item 5) does not include information concerning the activities of a foreign subsidiary of the Company or a company referred to above pertaining to contracts and agreements concluded as part of day-to-day management of the organisational structure of a company, including employment contracts and use of assets where the related liabilities are equal to or less than EUR 5,000,000, and day-to-day administrative expenses.



The PLN equivalent in euros is determined at the mid exchange rate of that currency to PLN announced by the National Bank of Poland on the date on which the obligation to provide information was created.

2. After the end of each quarterly period, the Company's Management Board will make and deliver or ensure the making and delivery to the Authorised Entity and the minister competent for matters of energy, by the end of the month in which the interim report was published on the Warsaw Stock Exchange, the economic and financial analysis of the Company and the companies that are considered Affiliates of the Company acting as a distribution system operator or a storage system operator.

3. The Company's Management Board will present the information referred to in items 1 and 2 to the entity authorised to exercise the rights to the shares of the State Treasury in accordance with the applicable laws and to the minister competent for matters of energy in accordance with the laws governing government administration institutions and the competencies of government administration central bodies.

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If the personal right of the State Treasury as the Company shareholder provided in section 12 and section 13 above, expires once the State Treasury sells all the shares in the Company that are owned thereby, the obligation referred to in those items of delivery of annual financial information will constitute (will be transformed) the right of the State Treasury as a third party, exercisable by presenting such information exclusively to the minister competent for matters of energy, in accordance with the laws governing government administration institutions and the competencies of government administration central bodies, unless the State Treasury makes a different representation with respect to the Company.”.