



Polish Oil and Gas Company (PGNiG SA)  
Head Office

Warsaw, December 6th 2012

### **Amendments to the PGNiG's Articles of Association**

Current Report No. 177/2012

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG", "Company") informs, that the Extraordinary General Shareholders Meeting of PGNiG of December 6, 2012 adopted resolution no. 3/XII/2012 concerning changes to the Company's Articles of Association.

The changes to the Articles of Association become effective as from the date of their registration by the Register Court.

1. Previous wording of Par. 6:

The Company shall engage in production, service and trade activities in the following areas:

1. extraction of crude petroleum,
2. extraction of natural gas,
3. service activities incidental to oil and gas extraction,
4. mining of sulphur-bearing ores,
5. other mining and quarrying n.e.c.,
6. manufacture of refined petroleum products,
7. processing of refined petroleum products,
8. service activities in the area of installing, repair and maintenance of machinery for mining, quarrying and construction,
9. production of electricity,
10. transmission of electricity,
11. distribution of electricity,
12. production of gas fuels,
13. distribution of gas fuels through mains
14. production of heat (steam and hot water),
15. distribution of heat (steam and hot water),
16. test drilling and boring,
17. general construction work related to linear engineering structures: pipelines, power supply lines, electric traction lines and telecommunication transmission lines,

18. construction of central heating and ventilation installations,
19. construction of gas installations,
20. maintenance and repair of motor vehicles,
21. retail sale of fuels,
22. wholesale of solid, liquid and gas fuels and related products,
23. wholesale of intermediate products,
24. other specialised wholesale,
25. hotels and motels, with restaurant,
26. hotels and motels, without restaurant,
27. freight transport by road by specialised vehicles,
28. freight transport by road by universal vehicles,
29. transport via pipelines,
30. cargo storage and warehousing at other storage facilities,
31. activities of travel agencies,
32. wireline telecommunications,
33. mobile telecommunications,
34. data transmission and communication,
35. radio communication,
36. research and experimental development on technical sciences,
37. geological and exploration activities,
38. geodetic and cartographic activities,
39. letting of own property,
40. operating of residential real estate,
41. operating of non-residential real estate,
42. buying and selling of own real estate,
43. activities of libraries other than public libraries,
44. archive activities,
45. museums activities,
46. technical testing and analysis,
47. leasing of the Company's electricity and gas transmission assets,
48. other financial intermediation,
49. management activities of holding companies,
50. printing n.e.c.,
51. service activities related to printing,
52. auxiliary graphic activities,
53. services related to installation, repair and maintenance of measuring, controlling, checking, testing and navigating instruments and appliances,
54. construction of heating, water, ventilation and gas installations,
55. activities of agents involved in the sale of fuels, ores, metals and industrial chemicals,

56. activities of agents involved in the sale of a variety of goods,
57. wholesale of hardware, plumbing and heating equipment and supplies,
58. other retail sale in non-specialised stores,
59. financial leasing,
60. activities auxiliary to financial intermediation related to insurance and pension funding,
61. renting of machinery and equipment,
62. data processing,
63. database activities,
64. other computer related activities,
65. accounting and book-keeping activities,
66. advertising,
67. call centre activities,
68. miscellaneous business activities n.e.c.,
69. operating of real estate on a fee or contract basis,
70. other provision of lodging n.e.c.

Amended wording of Par. 6:

“Par. 6 The Company shall engage in production, service and trade activities in the following areas:

- 1) trade of gas fuel through mains,
- 2) natural gas mining,
- 3) crude oil mining,
- 4) test drilling and boring,
- 5) construction of transmission pipelines and distribution systems,
- 6) service activities incidental to oil and gas extraction,
- 7) service activities incidental to other mining and quarrying,
- 8) mining of chemical and fertiliser minerals,
- 9) other mining and quarrying n.e.c.,
- 10) manufacture and processing of refined petroleum products,
- 11) production of gas fuels,
- 12) wholesale of chemical products,
- 13) wholesale of other intermediate products,
- 14) retail sale of automotive fuel in specialised stores,
- 15) wholesale of fuels and related products,
- 16) construction of plumbing, heating, gas and air conditioning installations,
- 17) repair and maintenance of machinery,
- 18) repair of motor vehicles other than motorcycles,
- 19) transport of gas fuels via pipelines,
- 20) transport of other products via pipelines,

- 21) freight transport by road,
- 22) storage and warehousing of gas fuels,
- 23) storage and warehousing of other products,
- 24) manufacture of industrial gases,
- 25) manufacture of other chemical products n.e.c.,
- 26) wholesale of waste and scrap,
- 27) other research and experimental development on natural sciences and engineering,
- 28) engineering activities and related technical consultancy,
- 29) other professional, scientific and technical activities n.e.c.,
- 30) other technical testing and analysis,
- 31) installation of industry machinery and equipment,
- 32) production and supply of steam, hot water and air for air-conditioning systems,
- 33) other specialised construction activities, n.e.c.,
- 34) wired telecommunications activities,
- 35) wireless telecommunications activities other than satellite telecommunications services,
- 36) satellite telecommunications activities,
- 37) other telecommunications activities,
- 38) production of electricity,
- 39) distribution of electricity,
- 40) trade of electricity,
- 41) renting and leasing of other machinery, equipment and tangible goods n.e.c.,
- 42) financial leasing
- 43) other financial service activities, except insurance and pension funding n.e.c., including debt trading for own account,
- 44) other activities auxiliary to financial services, except insurance and pension funding,
- 45) other credit granting,
- 46) dealing in financial markets on behalf of others (e.g. stock broking) and related activities,
- 47) securities brokerage,
- 48) commodity contracts brokerage,
- 49) other activities auxiliary to insurance and pension funding,
- 50) administration of financial markets,
- 51) accounting and book-keeping activities; tax consultancy,
- 52) activities of head offices and holding companies other than financial holdings,
- 53) activities of agents involved in the sale of fuels, ores, metals and industrial chemicals,
- 54) activities of agents involved in the sale of a variety of goods,

- 55) wholesale of hardware, plumbing and heating equipment and supplies,
- 56) computer facilities management activities,
- 57) data processing; hosting and related activities,
- 58) other information technology and computer service activities,
- 59) computer programming activities,
- 60) reproduction of recorded media,
- 61) repair and maintenance of electronic and optical equipment,
- 62) repair and maintenance of electrical equipment,
- 63) wholesale of computers, computer peripheral equipment and software,
- 64) wholesale of electronic and telecommunications equipment and parts,
- 65) wholesale of other office machinery and equipment,
- 66) wholesale of other machinery and equipment,
- 67) publishing of directories and mailing lists,
- 68) other software publishing,
- 69) computer consultancy activities,
- 70) web portals,
- 71) other information service activities n.e.c.,
- 72) engineering activities and related technical consultancy,
- 73) renting and leasing of office machinery and equipment (including computers),
- 74) leasing of intellectual property and similar products, except copyrighted works,
- 75) repair and maintenance of computers and computer peripheral equipment,
- 76) repair and maintenance of (tele)communications equipment,
- 77) repair and maintenance of consumer electronics,
- 78) other service activities n.e.c.,
- 79) call centre activities,
- 80) other publishing activities,
- 81) service activities related to printing,
- 82) other printing,
- 83) photocopying, document preparation and other specialised office support activities,
- 84) other human resources provision,
- 85) other business support service activities n.e.c.,
- 86) water collection, treatment and supply,
- 87) non-specialised wholesale,
- 88) library activities,
- 89) archive activities,
- 90) museums activities,
- 91) buying and selling of own real estate,
- 92) operating of real estate on a fee or contract basis,
- 93) renting and operating of own or leased real estate,

- 94) other education n.e.c.,
- 95) renting and leasing of cars and light motor vehicles,
- 96) renting and leasing of other motor vehicles excluding motorcycles,
- 97) tour operator activities,
- 98) hotels and similar accommodation,
- 99) holiday and other short-stay accommodation,
- 100) camping grounds, recreational vehicle parks and trailer parks,
- 101) other accommodation,
- 102) retail sale in non-specialised stores with food, beverages or tobacco predominating,
- 103) other retail sale in non-specialised stores,
- 104) retail trade not in stores, stalls or markets,
- 105) organisation of conventions and trade shows,
- 106) other amusement and recreation activities.”

2. Previous wording of Par. 16.1:

“Eligible employees have the right to acquire, free of charge, up to 15% of the shares acquired by the State Treasury on the date of registration of the Company, on the terms and conditions stipulated in the Commercialisation and Privatisation Act and in the Regulation of the Minister of State Treasury of January 29th 2003 on detailed rules governing division of eligible employees into groups, determination of the number of shares for each group, and on procedure of acquisition of shares by eligible employees (Dz. U. No. 35, item 303, of 2003).”

Amended wording:

In Par. 16.1, where the year and the number of *Dziennik Ustaw* (the journal of laws) is indicated in parenthesis, the phrase “as amended” shall be added following the indication of the year (“2003”).

3. Previous wording of Par. 19:

“Subject to the mandatory provisions of the Commercial Companies Code and these Articles of Association, resolutions of the Company’s governing bodies shall be passed with an absolute majority of votes, understood as the situation where the number of votes “in favour” of a resolution exceeds the total number of votes “against” and abstentions, with the proviso that:

- 1) in the event that the number of votes “in favour” of a resolution of the Management Board is equal to the total number of votes “against” and abstentions, the President of the Management Board shall have the casting vote,
- 2) in the event that the number of votes “in favour” of a resolution of the Supervisory Board is equal to the total number of votes “against” and abstentions, the Chairman of the Supervisory Board shall have the casting vote.”

Amended wording:

The existing text of Par. 19 shall be inserted under Par. 19.1, and Par 19.2. to 19.11 shall be added:

"2. The voting rights of the Company shareholders shall be limited so that at the General Meeting none of them can exercise more than 10% of the total vote at the Company as at the date of the General Meeting, provided that such a restriction of the voting rights shall be deemed non-existent for the purpose of determining the obligations of buyers of major holdings of shares provided for in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005.

3. The restriction of the voting rights referred to in Par. 19.2 shall not apply to the shareholders specified in Par. 67.

4. For the purpose of restricting the voting right pursuant to Par. 19.2, the votes of shareholders bound by a parent-subsidary relationship (Shareholder Group) shall be aggregated and if the aggregated number of votes exceeds 10% (ten percent) of the total vote at the Company, it shall be subject to reduction. The rules governing the aggregation and reduction of votes are set out in Par. 19.7 and 19.8 below.

5. A shareholder within the meaning of Par. 19.2 shall be any person, including a parent and a subsidiary, that is entitled, directly or indirectly, to vote at the General Meeting, on the basis of any legal title, including persons who do not hold any Company shares, in particular usufructuaries, pledgees, holders of rights under depositary receipts, as defined in the Act on Trading in Financial Instruments of July 29th 2005, as well as persons entitled to participate in the General Meeting despite having disposed of their shareholdings after the record date.

6. A parent and a subsidiary, as the case may be, shall mean a person who:

1) meets the relevant criteria set forth in Art. 4.1.4) of the Commercial Companies Code, or

2) is a parent company, a subsidiary or both a parent company and a subsidiary within the meaning of the Act on Competition and Consumer Protection of February 16th 2007, or

3) is a parent, ultimate parent, subsidiary, lower-tier subsidiary, jointly-controlled entity or both a parent (including an ultimate parent) and a subsidiary (including a lower-tier subsidiary and a jointly-controlled entity) within the meaning of the Accountancy Act of September 29th 1994, or

4) exerts (in the case of a parent) or is subject to (in the case of a subsidiary) significant influence, within the meaning of the Act on the Transparency of Financial Relations between State Authorities and State-Controlled Enterprises, as well as on Financial Transparency of Certain Entrepreneurs of September 22nd 2006, or

5) whose votes conferred by the Company shares held directly or indirectly are aggregated with votes of other person or persons pursuant to the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005, in connection with the holding, disposal or acquisition of major holdings of shares in the Company.

7. The aggregation of votes shall involve adding up all the votes held by individual shareholders in a Shareholder Group.

8. The reduction of votes shall involve decreasing the total number of votes at the General Meeting of the Company held by shareholders being members of a Shareholder Group down to the threshold of 10% (ten percent) of the total vote at the Company. The reduction of votes shall be made as follows:

1) the number of votes of the shareholder holding the highest number of votes in the Company from among all the shareholders in a Shareholder Group shall be reduced by



the number of votes in excess of 10% of the total number of votes at the Company held by all the shareholders in the Shareholder Group;

2) if despite the reduction referred to in Par. 19.8.1) above the total number of votes at the General Meeting held by the shareholders in the Shareholder Group exceeds the threshold of 10% (ten percent) of the total vote at the Company, the number of votes held by the other shareholders in the Shareholder Group shall be further reduced (in the following order: from the shareholders holding the highest number of votes to the shareholders holding the lowest number of votes). The number of votes of the Shareholding Group shall be further reduced until the total number of votes held by the shareholders in the Shareholder Group does not exceed 10% (ten percent) of the total vote at the Company;

3) if the order for the purpose of the reduction of votes referred to in Par. 19.8.1) or 19.8.2) cannot be established due to the fact that two or more shareholders hold the same number of votes, the votes of shareholders holding the same number of votes shall be reduced proportionally, with fractional numbers rounded down to the whole number of shares. To the extent not provided for above, the rules set forth in Par. 19.8.1) or 19.8.2) shall apply accordingly;

4) a shareholder whose voting rights have been restricted shall in each case retain the right to exercise at least one vote;

5) the restriction of voting rights shall also apply to shareholders absent from the General Meeting.

9. Every shareholder who intends to participate, in person or by proxy, in the General Meeting shall be required, without a separate request referred to in Par. 19.10 below, to notify the Management Board or the Chairman of the General Meeting of the fact of holding, directly or indirectly, more than 10% (ten percent) of the total vote at the Company.

10. Notwithstanding the provisions of Par. 19.9 above, in order to establish the basis for the aggregation or reduction of votes, each of the Company's shareholders, the Management Board, the Supervisory Board or individual members of such bodies may request a Company shareholder to disclose whether such a shareholder is the parent or a subsidiary of another shareholder within the meaning of Par. 19.6 above. The power referred to in the preceding sentence shall also include the right to request the disclosure of the number of votes held by a Company shareholder individually or jointly with other Company shareholders.

11. A person who fails to perform or incorrectly performs the disclosure obligation referred to in Par. 19.9 and 19.10 above may vote only one share until the disclosure obligation is duly fulfilled and any attempts to vote the remaining shares shall be ineffective.”

#### 4. Previous wording of Par. 21.6:

“The manner of operation of the Management Board is defined in its Rules of Procedure, adopted by the Management Board and approved by the Supervisory Board.”

Amended wording:

In Par. 21.6, after the full stop, the following wording shall be added: "In justified cases, votes may be cast by written ballot or by using means of remote communication, with the minutes of such voting to be approved at the next meeting of the Management Board."

5. Previous wording of Par. 22.2.7:

“Adoption of annual business plans, including investment plans, long-term strategic plans, and investment plans relating to development of the transmission system, subject to Par. 33.1.6;”

Amended wording:

Par. 22.2.7 shall read as follows: “7) Adoption of annual business plans, including investment plans, subject to Par. 33.1.6;”

and

6. in Par. 22.2, Par. 22.2.7a shall be added, reading as follows: “7a) Approval of the strategy for the Company and the PGNiG Group and long-term strategic plans, subject to Par. 33.1.6a;”;

7. Previous wording of Par. 22.2:

“A resolution of the Management Board shall be required in particular for:

- 1) adoption of the rules of procedure for the Management Board;
- 2) adoption of the Company’s organisational rules;
- 3) establishment and liquidation of branches;
- 4) appointment of a commercial proxy;
- 5) division of authority between the Management Board members, provided, however, that a relevant resolution of the Management Board must be approved by the Supervisory Board pursuant to Par. 33.1.11;
- 6) contracting and extending loans and contracting credit facilities, subject to Par. 33.2.3 and 33.3.16;
- 7) adoption of annual business plans, including investment plans, long-term strategic plans, and investment plans relating to development of the transmission system, subject to Par. 33.1.6;
- 8) assumption of contingent liabilities, including extension by the Company of guarantees and sureties, as well as issuance of promissory notes, subject to Par. 33.2.3 and 33.3.16;

- 9) acquisition or disposal of non-current assets, including real property, perpetual usufruct rights to real property or interest in real property, with a value equal to or higher than the zloty equivalent of EUR 50,000, subject to Par. 33.2.1, 33.2.2, and Par. 56.3.2 and 56.3.3;
- 10) issues to be considered by the Supervisory Board or the General Meeting upon the Management Board's request;
- 11) adoption of information referred to in Par. 23.2."

Amended wording:

Par. 22.2.12 shall be added, reading as follows: "12) establishment of another company, subscription for, acquisition or disposal of shares in another company, including definition of the terms and procedure for such disposal, subject to Par. 33.3.8 and Par. 56.6."

8. Previous wording of Par. 24.3:

„A Management Board member should have a university-level education and at least five years' occupational experience."

Amended wording:

The full stop in Par. 24.3 shall be deleted and the following wording shall be added: ", subject to mandatory provisions of law."

9. Previous wording of Par. 25.2:

"A member of the Management Board shall be appointed following a qualification procedure carried out pursuant to the Regulation of the Polish Council of Ministers of March 18th 2003 concerning qualification procedures for members of management boards of certain commercial-law companies (Dz.U. No. 55, item 476). The Regulation shall not apply to Management Board members elected by employees."

Amended wording:

In Par. 25.2, where the year and the number of *Dziennik Ustaw* (the journal of laws) is indicated in parenthesis, the phrase "as amended" shall be added following the number of the item ("476").

10. Previous wording of Par. 30:

"The General Meeting shall define the rules and amounts of remuneration for Management Board members."

Amended wording:

Par. 30 shall read as follows: “Par. 30 The Supervisory Board shall define the rules and amounts of remuneration for Management Board members, unless applicable mandatory provisions of law state otherwise.”

11. Previous wording of Par. 33.1.6:

“Approval of annual business plans, including investment plans, long-term strategic plans, and investment plans relating to development of the transmission system.”

Amended wording:

Par. 33.1.6 shall read as follows: “6) Approval of annual business plans, including investment plans;”.

12. Previous wording of Par. 33.1:

“1. The Supervisory Board’s powers shall include:

- 1) assessment of the Directors’ Report on the Company’s operations and of the financial statements for the previous financial year in terms of their consistency with the accounting books, documents, and the actual state of affairs;
- 2) assessment of the Management Board’s proposals concerning distribution of profit or coverage of loss;
- 3) submission of written reports on the results of the activities referred to in Par. 33.1.1) and 33.1.2 above to the General Meeting;
- 4) assessment of the consolidated financial statements, both in terms of their consistency with the accounting books and documents, and with the actual state of affairs; assessment of the Directors’ Report on the operations of the Group, and reporting on the results of those activities to the General Meeting;
- 5) selection of an auditor to audit the financial statements;
- 6) approval of annual business plans, including investment plans, long-term strategic plans, and investment plans relating to development of the transmission system;
- 7) adoption of the rules of procedure governing the Supervisory Board’s operations;
- 8) adoption of a consolidated text of the Company’s Articles of Association as prepared by the Company’s Management Board;
- 9) approval of the rules of procedure for the Company’s Management Board;
- 10) approval of the Company’s organisational rules;
- 11) approval of the Management Board’s resolution on the division of authority between the Management Board members;
- 12) issuance of opinions on any matters submitted by the Management Board for consideration to the General Meeting;
- 13) issuance of opinions on information referred to in Par. 23.2;

14) issuance of opinions on proposals referred to in Par. 17.3.”

Amended wording:

“Par. 33.1.6a shall be added, reading as follows: “6a) approval of the strategy for the Company and the PGNiG Group and long-term strategic plans;”.

13. Previous wording of Par. 33.2.3:

“3) assumption of other liabilities whose value exceeds 20% of the Company’s share capital, except where the liability has been provided for in any of the plans approved by the Supervisory Board, referred to in Par. 33.1.6;”

Amended wording:

Par. 33.2.3 shall read as follows: “3) assumption of other liabilities whose value exceeds 20% of the Company’s share capital, except where the liability has been provided for in any of the plans approved by the Supervisory Board, referred to in Par. 33.1.6, or it arises from execution or amendment of an agreement for the provision of gas fuel transmission or distribution services to the Company;”;

14. Previous wording of Par. 33.3.2:

“2) submission of proposals regarding the rules and amounts of remuneration for Management Board members;”.

Amended wording:

Par. 33.3.2 shall read as follows: “2) definition of rules and amounts of remuneration for Management Board members, unless applicable mandatory provisions of law state otherwise;”.

15. Previous wording of Par. 33.3.8:

“8) granting permission for the Company to form another company with a share capital not exceeding the złoty equivalent of EUR 1,000,000;”.

Amended wording:

Par. 33.3.8 shall read as follows: “8) granting permission for the Company to form another company with a share capital exceeding the złoty equivalent of EUR 2,000,000, or to subscribe for, acquire or dispose of shares in another company with a value exceeding the złoty equivalent of EUR 2,000,000, including definition of the terms and procedure for such disposal; if a transaction requires approval by the General Meeting under Par. 56.6, the Supervisory Board shall only issue an opinion concerning the proposal in accordance with Par. 33.1.12;”.

16. Previous wording of Par. 33.6:

“6. The Management Board shall submit to the Supervisory Board copies of notifications provided to the Minister of Finance concerning sureties and guarantees issued, in line with Art. 34 of the Act on Sureties and Guarantees Issued by the State Treasury and Certain Legal Persons, dated May 8th 1997 (Dz.U. of 2003, No. 179, item 1689, as amended).”

Amended wording:

In Par. 33.6, where the year and the number of *Dziennik Ustaw* (the journal of laws) is indicated, the number “179” shall be replaced with “174”.

17. Previous wording of Par. 35.4:

“4. Members of the Supervisory Board other than members appointed pursuant to Par. 36.1 should meet the requirements set forth in the Regulation of the Council of Ministers on courses and examination for candidates for supervisory board members of companies wholly owned by the State Treasury, dated September 7th 2004. (Dz.U. No. 198, item 2038).”

Amended wording:

In Par. 35.4, where the year and the number of *Dziennik Ustaw* (the journal of laws) is indicated in parenthesis, the phrase “as amended” shall be added following the number of the item (“2038”).

18. Previous wording of Par. 36.1:

“1. One member of the Supervisory Board appointed by the General Meeting should satisfy all of the following criteria:

- 1) he or she should be elected in accordance with the procedure set forth in Par. 36.3;
- 2) he or she may not be a related party of the Company or any of the Company’s subsidiaries;
- 3) he or she may not be a related party of the Parent or another subsidiary of the Parent; and
- 4) he or she may not have any links to the Company or to any of the entities specified in Par. 36.1.2) and 36.1.3) above which could materially affect his/her ability to make impartial decisions in his/her capacity as a Supervisory Board member.

Amended wording:

Par. 36.1 shall read as follows: “1. One member of the Supervisory Board appointed by the General Meeting should satisfy the independence criteria (independent member of

the Supervisory Board). The term ‘independent member of the supervisory board’ shall mean an independent member as defined by the Commission Recommendation of February 15th 2005 on the role of non-executive or supervisory directors of listed companies and the committees of the (supervisory) board (2005/162/EC), with due regard to the provisions of the Code of Best Practices for WSE-Listed Companies;”;

19. Previous wording of Par. 36:

“1. One member of the Supervisory Board appointed by the General Meeting should satisfy all of the following criteria:

- 1) he or she should be elected in accordance with the procedure set forth in Par. 36.3;
- 2) he or she may not be a related party of the Company or any of the Company’s subsidiaries;
- 3) he or she may not be a related party of the Parent or another subsidiary of the Parent; or
- 4) he or she may not have any links to the Company or to any of the entities specified in Par. 36.1.2) and 36.1.3) above which could materially affect his/her ability to make impartial decisions in his/her capacity as a Supervisory Board member.

2. For the avoidance of doubt, the links referred to in Par. 36.1.2)–36.1.4) above do not include membership in the PGNiG Supervisory Board.

3. The Supervisory Board shall elect the member satisfying the criteria set forth in Par. 36.1 in a separate vote. Proposals of candidates for the position of a Supervisory Board member who satisfies the criteria specified in Par. 36.1 may be submitted by shareholders present at the General Meeting whose agenda includes election of a Supervisory Board member referred to in Par. 36.1. Any such proposal shall be submitted in writing to the Chairman of the General Meeting along with a written representation by a given candidate to the effect that the candidate agrees to stand for the election and meets the criteria set forth in Par. 36.1.2)– 36.1.4). If no candidates for the position are proposed by the shareholders in the manner provided for in the previous sentence, candidates to the Supervisory Board who satisfy the criteria set forth in Par. 36.1.2)– 36.1.4) shall be nominated by the Supervisory Board.”

Amended wording:

Par. 36.2 shall be deleted,

20. Previous wording of Par. 36.3:

“3. The Supervisory Board shall elect the member satisfying the criteria set forth in Par. 36.1 in a separate vote. Proposals of candidates for the position of a Supervisory Board member who satisfies the criteria specified in Par. 36.1 may be submitted by shareholders present at the General Meeting whose agenda includes election of a Supervisory Board member referred to in Par. 36.1. Any such proposal

shall be submitted in writing to the Chairman of the General Meeting along with a written representation by a given candidate to the effect that the candidate agrees to stand for the election and meets the criteria set forth in Par. 36.1.2)– 36.1.4). If no candidates for the position are proposed by the shareholders in the manner provided for in the previous sentence, candidates to the Supervisory Board who satisfy the criteria set forth in Par. 36.1.2)– 36.1.4) shall be nominated by the Supervisory Board.”

Amended wording:

Par. 36.3 shall read as follows: “3. The Supervisory Board shall elect the member satisfying the criteria set forth in Par. 36.1 in a separate vote. Proposals of candidates for the position of a Supervisory Board member who satisfies the criteria specified in Par. 36.1 may be submitted by shareholders present at the General Meeting whose agenda includes election of a Supervisory Board member referred to in Par. 36.1. Any such proposal shall be submitted in writing to the Chairman of the General Meeting along with a written representation by a given candidate to the effect that the candidate agrees to stand for the election and meets the criteria set forth in Par. 36.1. If no candidates for the position are proposed by the shareholders in the manner provided for in the previous sentence, candidates to the Supervisory Board who satisfy the criteria set forth in Par. 36.1 shall be nominated by the Supervisory Board.”

21. Previous wording of Par. 44.3:

“A secret vote shall be ordered at the request of a Supervisory Board member or when the issue put to a vote concerns personnel matters. In the event of a secret vote, Par. 44.4 shall not apply.”

Amended wording:

The second sentence in Par. 44.3. shall read as follows: “In the event of a secret vote, Par. 44.4 and 44.6 shall not apply.”

22. Previous wording of Par. 44:

“1. The Supervisory Board may adopt resolutions if at least half of its members are present at a meeting, and all the members have been invited to the meeting.

2. The Supervisory Board shall adopt resolutions in an open vote.

3. A secret vote shall be ordered at the request of a Supervisory Board member or when the issue put to a vote concerns personnel matters. In the event of a secret vote, Par. 44.4 shall not apply.

4. The Supervisory Board may adopt resolutions by written ballot or with the use of means of remote communication, subject to Art. 388.4 of the Commercial Companies Code. Adoption of a resolution using any of these methods shall require justification



and prior notification of all Supervisory Board members of the contents of the draft resolution.

5. Resolutions adopted pursuant to Par. 44.4 shall be presented at the next meeting of the Supervisory Board, along with the voting results.”

Amended wording:

Par. 44.6 shall be added, reading as follows: “6. Members of the Supervisory Board may participate in the adoption of Supervisory Board resolutions by casting their votes in writing, “for” or “against” a resolution, through the intermediation of another member of the Supervisory Board, provided they received a draft of the resolution together with the meeting agenda. Resolutions concerning matters referred to in Art. 388.4 of the Commercial Companies Code may not be adopted in this manner.”

23. Previous wording of Par. 47:

„1. The General Meeting shall be convened by the Management Board acting:

- 1) on its own initiative,
  - 2) at a written request of the Supervisory Board,
  - 3) at a written request of a shareholder or shareholders representing at least one-tenth of the share capital, submitted at least one month before the proposed date of the General Meeting,
  - 4) at a written request of the State Treasury as a shareholder, irrespective of its stake in the Company's share capital, submitted at least one month before the proposed date of the General Meeting,
  - 5) at a written request of a Supervisory Board member appointed pursuant to Par. 36.1 of these Articles of Association.
2. The General Meeting shall be convened within two weeks from the date of the request referred to in Par. 47.1.2–47.1.4.
3. If the General Meeting is not convened within the time limit specified in Par. 47.2 and
- 1) the request was submitted by the Supervisory Board, then the Supervisory Board shall be authorised to convene the General Meeting,
  - 2) the request was submitted by shareholders specified in Par. 47.1.3 or 47.1.4, then the registry court may, after having requested the Management Board to submit a relevant representation, authorise the shareholders to convene an Extraordinary General Meeting.“

Par. 47 shall read as follows:

“1. The General Meeting shall be convened by the Management Board acting:

- 1) on its own initiative,
- 2) at a request of a shareholder or shareholders representing at least one-twentieth of the share capital, made in writing or in electronic form,

- 3) at a request of the State Treasury as a shareholder, irrespective of its stake in the Company's share capital, made in writing or in electronic form,
  - 4) at a request of a Supervisory Board member appointed pursuant to Par. 36.1 of these Articles of Association, made in writing or in electronic form,
  - 5) at a written request of the Supervisory Board.
2. The General Meeting shall be convened within two weeks from the date of the request referred to in Par. 47.1.2–47.1.4.
  3. If the General Meeting is not convened within the time limit specified in Par. 47.2, the registry court may authorise a shareholder or shareholders referred to in Par. 47.1.2 and 47.1.3 to convene an Extraordinary General Meeting.
  4. Shareholders representing at least half of the share capital or at least half of the total vote may convene an Extraordinary General Meeting.
  5. The Supervisory Board may convene an Annual General Meeting if the Management Board fails to do so within the time limit specified in the Commercial Companies Code or these Articles of Association, or an Extraordinary General Meeting if the Supervisory Board deems it advisable, irrespective of the procedure prescribed in Par. 47.1.5.
  6. A General Meeting shall be convened by publishing a relevant notice on the Company's website and in any other form prescribed for the purposes of current disclosures under the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.
  7. The notice shall be published at least twenty-six days before the date of a General Meeting.”

24. Previous wording of Par. 49.3:

“A shareholder or shareholders representing at least one-tenth of the share capital may request that certain matters be placed on the agenda of the next General Meeting. The same right is held by the State Treasury as the Company's shareholder, irrespective of its stake in the share capital.”

Amended wording:

In Par. 49.3 the word “tenth”, which follows the word “one”, shall be replaced with the word “twentieth”.

25. Previous wording of Par. 49.4:

“4. If the request referred to in Par. 49.3 is made after publication of the notice convening a General Meeting, it shall be regarded as a request for convening an Extraordinary General Meeting.”

Amended wording:

Par. 49.4 shall read as follows: “4. The request referred to in Par. 49.3 should be submitted to the Management Board not later than 21 days before the scheduled date of the General Meeting. The request should contain justification or a draft resolution concerning the proposed item of the agenda. The request may be submitted in electronic form. The Management Board shall be obliged to announce changes to the agenda made at the request of shareholders promptly but in no event later than 18 days before the scheduled date of the General Meeting. The announcement shall be published in the manner prescribed for notices convening General Meetings.”

26. Previous wording of Par. 50:

“A General Meeting shall be opened by the Chairman or the Deputy Chairman of the Supervisory Board, or – in the event of their absence – by the President of the Management Board or a person designated by the Management Board. Then, subject to Art. 401.1 of the Commercial Companies Code, the Chairman of the General Meeting shall be elected from among persons entitled to participate in the Meeting.”

Amended wording:

In Par. 50, “Art. 401.1”, which is preceded by the words “subject to”, shall be replaced with “Art. 399.3 and Art. 400.3”.

27. Previous wording of Par. 55:

“The Annual General Meeting shall be convened by the Management Board once a year. It should be held within six months following the end of the financial year.”

Amended wording:

The full stop after the first sentence of Par. 55 shall be deleted and the following wording shall be added: “, subject to Par. 47.5.”

28. Previous wording of Par. 56.2:

“2. The following matters shall require resolutions of the General Meeting:

- 1) appointment and removal from office of Supervisory Board members,
- 2) review and approval of the Group’s consolidated financial statements and the Directors’ Report on the Group’s operations for the preceding financial year,
- 3) suspension of members of the Management Board from duties or their removal from office,
- 4) definition of the rules and amounts of remuneration for Management Board members.”

Amended wording:

Par. 56.2.4 shall be deleted.

29. Previous wording of Par. 56.3:

“3. The following matters related to the Company's assets shall require resolutions of the General Meeting:

- 1) disposal or lease of the Company's business or its organised part, and encumbering it with limited property rights,
- 2) acquisition of non-current assets, including real property, perpetual usufruct rights to real property or interest in real property, with a value exceeding the zloty equivalent of EUR 2,000,000,
- 3) disposal of non-current assets, including real property, perpetual usufruct rights to real property or interest in real property, with a value exceeding the zloty equivalent of EUR 1,000,000,
- 4) conclusion by the Company of a credit facility, loan, surety or other similar agreement with or for the benefit of a member of the Management or Supervisory Board, a commercial proxy or a liquidator,
- 5) increase in or reduction of the Company's share capital,
- 6) issue of convertible bonds or bonds with pre-emptive rights and issue of subscription warrants referred to in Art. 453.2 of the Commercial Companies Code,
- 7) acquisition of the Company own shares in the situation specified in Art. 362.1.2 of the Commercial Companies Code,
- 8) squeeze-out carried out in compliance with Art. 418 of the Commercial Companies Code,
- 9) creation, use and liquidation of capital reserves,
- 10) use of statutory reserve funds,
- 11) decisions in relation to claims for redress of any damage occasioned at the Company's incorporation or in the exercise of management or supervisory duties,
- 12) granting approval for conclusion of an agreement whereby the Company leases out its non-current assets comprising the transmission network to another entity,
- 13) granting approval for the termination, renunciation or material amendment to the subject matter, term or termination provisions of a lease agreement concluded with the transmission system operator in relation to Par. 6.47 of the Articles of Association.”

Amended wording:

Par. 56.3.3a shall be added, reading as follows: “3a contribution to another company of non-current assets, including real property, perpetual usufruct rights to real property or

interest in real property, with a value exceeding the zloty equivalent of EUR 1,000,000, irrespective of the provisions of Par. 56.6,”.

and

30. Par. 56.3.12 and 56.3.13 shall be deleted,

31. Previous wording of Par. 56.4:

“4. In addition, the following matters shall require resolutions of the General Meeting:

- 1) merger, transformation or division of the Company,
- 2) relocation of the Company’s registered office abroad,
- 3) creation of preference rights attached to shares,
- 4) establishment of, transformation of the Company into, or joining a European company,
- 5) formation by the Company of another company with the share capital exceeding the zloty equivalent of EUR 1,000,000,
- 6) amendments to these Articles of Association and change of the Company’s business profile,
- 7) dissolution and liquidation of the Company,
- 8) definition of the rules of remuneration for the Supervisory Board members.”

Amended wording:

Par. 56.4.5 shall be deleted,

32. Previous wording of Par. 56.5:

“5. Unless the Commercial Companies Code provides otherwise and subject to the provisions below, resolutions of the General Meeting shall be passed with an absolute majority of votes. Resolutions concerning the following matters may be adopted by a majority of at least four-fifths of the votes when the State Treasury’s stake in the share capital is less than 51%, provided that at least a half of the Company’s share capital is represented at the General Meeting:

- 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 exploration for, production of, and trade in crude oil and natural gas,
- 4) selling or leasing the Company’s business or its organised part whose activities include exploration for, production of, and trade in crude oil and natural gas, as

- well as encumbering such business or its organised part with limited property rights,
- 5) merger effected by way of transfer of all assets of the Company to another company,
  - 6) division of the Company,
  - 7) creation of preference rights attached to shares,
  - 8) establishment of, transformation of the Company into, or joining a European company,
  - 9) amendments to this paragraph of these Articles of Association,
  - 10) adoption of a decision referred to in Par 56.3.13.”

Amended wording:

Par. 56.5.10 shall be deleted.

33. Previous wording of Par. 56.6:

“6. Subscribing for or acquiring shares in other companies, excluding subscriptions or acquisitions made in exchange for the Company’s claims as part of settlement or arrangement proceedings, shall require the General Meeting's approval. In addition, the General Meeting's approval shall be required for:

- 1) disposal of shares, including definition of the terms and the procedure for the disposal, except for:
  - a) disposal of shares traded on the public market,
  - b) disposal of shares held by the Company if the holding does not exceed 10% of the share capital of a given company,
  - c) disposal of shares acquired in exchange for the Company’s claims as part of settlement or arrangement proceedings,
- 2) *[deleted]*”

Amended wording:

Par. 56.6 shall read as follows: “6. The General Meeting's approval shall be required for:

- 1) subscription for, acquisition or disposal of shares in companies of the PGNiG Group, which, pursuant to generally applicable laws, act as the distribution system operator or storage system operator, including definition of the terms and procedure for the disposal,
- 2) establishment of a company, or acquisition of or subscription for shares in a company other than the company referred to in Par. 56.6.1 above, except if:
  - a) made in exchange for the Company’s claims as part of settlement or arrangement proceedings,

b) made with a view to implementing the strategy approved in accordance with Par. 33.1.6a and related to a company whose business consists in:

- production or generation of fuels or energy, or
- trading in fuels or energy, or
- transmission, distribution or transport of fuels or energy, or
- construction of buildings related to the production, generation, transmission, distribution, transport of fuels or energy, or
- production or supply of steam, hot water or air for air-conditioning systems, or

c) related to a company in which the Company holds at least 50% of shares, or

d) related to acquisition of or subscription for shares in other companies which have not commenced operations, or

e) made with a view to implementing the strategy approved in accordance with Par. 33.1.6a and related to the acquisition of or subscription for shares in a company that owns, as part of a holding company structure, shares in the companies referred to in Par. 56.6.2.b, or

f) made in primary or secondary trading of securities on the public market,

3) disposal of shares in a company other than the company referred to in Par. 56.6.1 above, including definition of the terms and procedure for the disposal, except for:

- a) disposal of shares traded on the public market,
- b) disposal of shares held by the Company if the holding does not exceed 10% of the share capital of a given company,
- c) disposal of shares acquired in exchange for the Company's claims as part of settlement or arrangement proceedings,".

#### 34. Previous wording of Par. 63:

"1. Allocation of the Company's net profit shall be determined by way of a resolution of the General Meeting.

2. The General Meeting shall make contributions from profit to the statutory reserve funds corresponding to at least 8% of the profit for the given financial year until the statutory reserve funds amount to no less than one-third of the share capital.

3. The General Meeting may allocate a portion of profit for:

- 1) dividend to the shareholders,
- 2) other capitals and funds,
- 3) other purposes.

4. The Annual General Meeting shall determine the dividend record date and the dividend payment date. The dividend record date may be set for the date of the relevant resolution or within three months from that date.

5. *[deleted]*

6. Dividend for the years 2005–2010 may also take form of non-cash dividend.

7. The General Meeting shall determine the assets to be distributed as non-cash dividend and the manner of measuring the assets' value.

8. The General Meeting shall determine the dividend policy of PGNiG S.A. for the years 2005–2010. The General Meeting may indicate a shareholder who will be paid non-cash dividend.”

Amended wording:

Par. 63.6– 63.8 shall be deleted.

35. Previous wording of Par. 64.1:

“1. The Company’s announcements shall be published in *Monitor Sądowy i Gospodarczy* and displayed at the Company’s registered office in a place accessible to all the employees.”

Amended wording:

The full stop in Par. 64.1 shall be deleted and the following wording shall be added: “, except for a notice convening a General Meeting, which shall be announced in the manner specified in Par. 47.6”.

36. Previous wording of Par. 64.3:

“3. Within fifteen days from the approval by the General Meeting of the financial statements, the Company’s Management Board shall submit documents referred to in Art. 70 of the Polish Accountancy Act of September 29th 1994 (Dz. U. of 2002, No. 76, item 694) for publication in *Monitor Polski B*.”

Amended wording:

In Par. 64.3, the year, number and item in the relevant *Dziennik Ustaw* (the journal of laws) indicated in parenthesis shall read as follows: “(Dz. U. of 2009, No. 152, item 1223, as amended)”.

37. Previous wording of Par. 64.4:

“4. The Company’s Management Board shall publish information within the scope and within the timeframes provided for in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, dated July 29th 2005 (Dz.U. No. 184, item 1539), and in the Minister of Finance’s Regulation on current and periodic information to be published by issuers of securities, dated October 19th 2005 (Dz.U. No. 209, item 1744), or any other act of law which may replace the abovementioned Act or Regulation.”



Amended wording:

Par. 64.4 shall read as follows: “4. The Company’s Management Board shall publish information within the scope and within the timeframes provided for in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, dated July 29th 2005 (Dz.U. of 2009, No. 185, item 1439), and in the Minister of Finance’s Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. No. 33, item 259, as amended), or any other act of law which may replace the abovementioned Act or Regulation”.

38. Previous wording of Par. 66:

“1. The distribution system operator within the meaning of these Articles of Association shall be a subsidiary of Polskie Górnictwo Naftowe i Gazownictwo S.A, being an energy utility company involved in the distribution of gas fuel, responsible for network traffic in the gas distribution system, ongoing and long-term security of the system’s operation, as well as operation, maintenance, repair and necessary extension of the distribution network, including interconnections to other gas systems.

2. The transmission system operator within the meaning of these Articles of Association shall be a company responsible for transport of gas fuels through transmission networks to distribution networks or end customers connected to the transmission network, spun off from Polskie Górnictwo Naftowe i Gazownictwo S.A.

3. For the purposes of these Articles of Association:

- 1) *[deleted]*
- 2) “Commercial Companies Code” shall mean the Commercial Companies Code of September 15th 2000 (Dz.U. No. 94, item 1037, as amended);
- 3) “Related Party” shall mean a party related to a given entity as defined in the Minister of Finance’s Regulation on current and periodic information to be published by issuers of securities, dated October 19th 2005 (Dz.U. No. 209, item 1744);
- 4) The terms “parent” and “subsidiary” shall be construed in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, dated July 29th 2005 (Dz.U. No. 184, item 1539).
- 5) *[deleted]*
- 6) *[deleted]*

Amended wording:

Par. 66 shall be deleted.

39. Par. 67 shall be added, reading as follows: "Par. 67 Voting right restrictions referred to in Par. 19.2 shall not apply to:

- 1) shareholders who as at the date of the General Meeting's resolution imposing the limitation of voting rights are holders of shares conferring more than 10% of the total vote at the Company;
- 2) shareholders acting together with shareholders referred to in Par. 67.1 pursuant to agreements concerning joint exercise of voting rights. In Par. 66.3.4 the year, number and item in the relevant Dziennik Ustaw (the journal of laws) shall read as follows: "(Dz.U. of 2009, No. 185, item 1439)".