

5 September 2018

Amendments to the Articles of Association of ZUE S.A.:

1. § 13 has been amended and reads as follows:

1. The Company's Supervisory Board shall comprise 5 (five) to 7 (seven) members appointed and dismissed by the General Meeting for a common three-year term.
2. The General Meeting shall define the number of the Supervisory Board members for the term and appoint the Supervisory Board Chairperson and Vice-Chairperson.
3. Subject to Section 4 below, at least two independent members within the meaning of Article 129.3 of the Polish Act on Auditors¹ shall be appointed to the Supervisory Board. At least two independent members should meet the independence criteria referred to in the Code of Best Practice.² In addition, the Supervisory Board should include a required number of members who meet the criteria referred to in Article 129.1 and Article 129.5 of the Polish Act on Auditors.
4. If the Supervisory Board decide to appoint the Audit Committee including more than three members, the Supervisory Board should include the number of independent members who meet other criteria referred to in Section 3 above to enable the selection of the Audit Committee members in compliance with the law and, in particular, the Polish Act on Auditors.
5. Each Shareholder may propose candidates for the position of the Supervisory Board independent member. The proposal should be submitted in writing to the Company's Management Board not later than 7 (seven) business days before the General Meeting. The independent member shall be elected by the General Meeting. The proposal shall include the candidate's personal details, grounds for the proposal, and a description of the candidate's skills and professional experience. The proposal shall be accompanied by the candidate's written statement containing their consent, confirmation of compliance with the independence criteria specified in Section 3 and their obligation to submit prompt notice should the said independence criteria no longer be met. If no candidates who meet the independence criteria are proposed, a candidate for the position of the Supervisory Board independent member is appointed at the General Meeting by the Company's Management Board.
6. The Supervisory Board comprising at least five members but less than specified by the General Meeting (expiry of the term of office of certain members) shall be competent to pass valid resolutions until its composition is supplemented by the General Meeting. In such a case, the Management Board shall promptly undertake measures to reach the number as specified in the Articles of Association and the current resolutions of the General Meeting.

¹ The Polish Act on Auditors, Audit Firms and Public Supervision of 11 May 2017 [Journal of Laws of 6 June 2017, item 1089].

² Rules of Corporate Governance specified in "2016 Code of Best Practice for WSE Listed Companies" approved of by the resolution passed by the Warsaw Stock Exchange Board of 13 October 2015, as amended.

Previous wording:

1. The Company's Supervisory Board shall comprise 5 (five) to 7 (seven) members appointed and dismissed by the General Meeting for a common three-year term.
2. The General Meeting shall define a number of the Supervisory Board members for the term and appoint the Supervisory Board Chairperson and Vice-Chairperson.
3. 2 (two) independent members may be appointed to the Supervisory Board. Each and every independent member shall meet the following criteria:
 - (a) An independent member is not a member of the Management Board of the Company or the Company's subsidiary or associate nor has held such a position in the past five years;
 - (b) An independent member has not held in the past three years any high managerial position in the Company or the Company's subsidiary or associate. For the purposes of this paragraph, a high managerial position shall mean a position of director or equivalent position directly reporting to the Management Board, specified members of the Management Board or the management board of the Company's subsidiary or associate;
 - (c) An independent member has not been paid by the Company any remuneration other than the remuneration for their position of the Supervisory Board member nor is authorised to participate in employee stock option plan or another incentive compensation scheme;
 - (d) An independent member is not the Company's shareholder or does not represent the shareholder(s) holding shares, which confer rights to the majority of votes at the General Meeting of the Company or the general meeting of the Company's subsidiary;
 - (e) An independent member has not directly or indirectly maintained in the past year any significant business relations with the Company or the Company's subsidiary or associate as a shareholder, member of the management board, proxy or employee holding a high managerial position of an entity maintaining such business relations with the Company or the Company's subsidiary or associate. For the purposes of this paragraph, significant business relations shall mean the transactions whose value exceeds 5% (five percent) of the Company's revenue for the past financial year;
 - (f) An independent member is not an entrepreneur whose activity is competitive to the Company or the Company's subsidiary or associate, or a shareholder, member of the governing body, employee or proxy of a company whose business is competitive to the Company or the Company's subsidiary or associate;
 - (g) An independent member has not been in the past three years a shareholder or employee of existing or former auditor of the Company or the Company's subsidiary or associate;

- (h) An independent member is not a member of the close family of a member of the Management Board or the Supervisory Board or entities specified in items (a) – (g) above.
- 4. For the purposes of section 3 above, a member of close family shall mean a spouse, descendant, ancestor, sibling, adopted child or foster parent, partner or person living in the same household.
- 5. Each Shareholder may propose candidates for the position of independent member. The proposal shall be submitted to the Management Board of the Company in writing not later than 7 (seven) business days prior to the General Meeting the independent member shall be elected at. The proposal shall contain the candidate's personal details, the grounds for the proposal and a description of the candidate's professional skills and experience. The proposal shall be accompanied by the candidate's written statement in which they give their consent, confirm they meet the independence criteria specified in section 3 above and undertake to give a prompt notice should they are no longer be independent. If no proposal is submitted according to the abovementioned procedure a candidate for the position of the Supervisory Board independent member shall be specified during the General Meeting by the Management Board of the Company.
- 6. The Supervisory Board comprising at least five members but less than specified by the General Meeting (expiry of the term of office of certain members) shall be competent to pass valid resolutions until its composition is supplemented by the General Meeting. In such a case, the Management Board shall promptly undertake measures to reach the number as specified in the Articles of Association and the current resolutions of the General Meeting.

2. § 16 has been amended and reads as follows:

- 1. The Supervisory Board shall exercise constant supervision over all areas of the Company's operation.
- 2. The powers of the Supervisory Board include:
 - (a) Appointment and dismissal of members of the Management Board, including the Management Board President;
 - (b) Suspending some or all members of the Management Board;
 - (c) Delegating members of the Supervisory Board for not more than 3 (three) months so that they perform the duties of the Management Board members who have been dismissed, resigned or cannot perform their duties for other reasons (e.g. suspension for serious reasons);
 - (d) Assessment of the Company's financial statements for the past financial year;
 - (e) Assessment of the Management Board Report on the Company's activities in the past financial year and the Management Board motions concerning the distribution of profit or coverage of loss;
 - (f) Submission of annual reports on the assessments referred to in items (d) and

- (e) to the General Meeting taking into consideration the reporting requirements set out in the Code of Best Practice;
 - (g) Appointment and dismissal of an audit firm conducting the audit of the Company's financial statements;
 - (h) Approval of the Management Board rules and the amendments thereto;
 - (i) Representing the Company in connection with agreements and disputes with members of the Management Board;
 - (j) Defining or changing rules governing the remuneration of the Management Board President or members of the Management Board other than the Management Board President;
 - (k) Approval of the involvement of the Management Board members in competitive activities or the participation of the Management Board members in competitive companies as their shareholders or members of their governing bodies;
 - (l) Approval of agreements with business entities whose shareholders or members of governing bodies include the members of the Management Board;
 - (m) Defining the transaction value limits on the basis of the Company's equity – the Management Board shall obtain a prior consent of the Supervisory Board for exceeding the abovementioned limits;
 - (n) Approval of the Company's paths of development;
 - (o) Approval of the acquisition or sale of real estate or leasehold estate (or interest therein) by the Company;
 - (p) Approval of the conclusion by the Company or its subsidiary of a major contract with the Company's related entity, member of the Supervisory Board or the Management Board or any entities related thereto;
 - (q) Review of and giving opinion on issues to be covered by resolutions passed by the General Meeting.
3. A major contract referred to in section 2 (p) above shall be defined as the contract with the Company's related entity whose value exceeds the equivalent of PLN 500,000 (five hundred thousand zlotys), except for the contracts concluded by the Company as part of its ongoing activities with the subsidiary in which the Company holds a majority interest.

Previous wording:

1. The Supervisory Board shall exercise constant supervision over all areas of the Company's operation.
2. The powers of the Supervisory Board include:

- (a) Appointment and dismissal of members of the Management Board, including the Management Board President;
- (b) Suspending some or all members of the Management Board;
- (c) Delegating members of the Supervisory Board for not more than 3 (three) months so that they perform the duties of the Management Board members who have been dismissed, resigned or cannot perform their duties for other reasons (e.g. suspension for serious reasons);
- (d) Assessment of the Company's financial statements for the past financial year;
- (e) Assessment of the Management Board Report on the Company's activities in the past financial year and the Management Board motions concerning the distribution of profit or coverage of loss;
- (f) Submission of annual reports on the assessments referred to in items (d) and (e) to the General Meeting;
- (g) Appointment and dismissal of an auditor responsible for auditing the Company's financial statements;
- (h) Approval of the Management Board rules and the amendments thereto;
- (i) Representing the Company in connection with agreements and disputes with members of the Management Board;
- (j) Defining or changing the rules governing remuneration payable to the Management Board President or members of the Management Board other than the Management Board President;
- (k) Approval of the involvement of the Management Board members in competitive activities or the participation of the Management Board members in competitive companies as their shareholders or members of their governing bodies;
- (l) Approval of the agreements concluded with business entities whose shareholders or members of governing bodies include the members of the Management Board in which;
- (m) Defining the transaction value limits on the basis of the Company's equity – the Management Board shall obtain a prior consent of the Supervisory Board if the abovementioned limits are exceeded;
- (n) Approval of the Company's paths of development;
- (o) Approval of the acquisition or sale of real property or leasehold right (or interest therein) by the Company;
- (p) Approval of the conclusion by the Company or its subsidiary of a major contract with the Company's related entity, member of the Supervisory Board or the Management Board or any entities related thereto;

- (q) Preparing and submitting to the Ordinary General Meeting, once a year, a concise assessment of the Company's standing taking account of the internal control and risk management systems;
 - (r) Preparing and submitting to the Ordinary General Meeting, once a year, the assessment of its own work;
 - (s) Review and giving opinion on issues to be covered by a resolution at the General Meeting.
3. A major contract referred to in section 2 (p) above shall be defined as the contract with the Company's related entity whose value exceeds the equivalent of PLN 500,000 (five hundred thousand złoty), save for the contracts concluded by the Company as part of its ongoing activities with the subsidiary in which the Company holds a majority interest.

3. § 17 has been amended and reads as follows:

- 1. Special task committees may be appointed at the Supervisory Board.
- 2. At least Audit Committee shall be formed at the Supervisory Board if ZUE S.A. exceeds at the end of the financial year under analysis and the financial year preceding the financial year under analysis at least two of the three amounts specified in Article 128.4.4 of the Polish Act on Auditors.
- 3. The rules passed by the Supervisory Board shall define detailed rules governing the operation of the Supervisory Board and its committees.

Previous wording:

The rules passed by the Supervisory Board shall contain detailed rules governing its operation.