

**Resolution No. ....../2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: election of the Chairman of the General Meeting.**

Acting in accordance with article 409 § 1 of the Commercial Partnerships and Companies Code and § 28 section 1 of the Statutes of the Company:

**§ 1**

..... is hereby elected as Chairman of the Extraordinary General Meeting of KGHM Polska Miedź Spółka Akcyjna.

**§ 2**

This resolution comes into force upon its adoption.

**Resolution No. ....../2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: acceptance of the agenda.**

The Extraordinary General Meeting of KGHM Polska Miedź S.A. resolves the following:

**§ 1**

The following agenda of the Extraordinary General Meeting of KGHM Polska Miedź Spółka Akcyjna is hereby accepted:

1. Opening of the General Meeting.
2. Election of the Chairman of the General Meeting.
3. Confirmation of the legality of convening the General Meeting and its capacity to adopt binding resolutions.
4. Acceptance of the agenda.
5. Adoption of resolutions on changes in the composition of the Supervisory Board.
6. Adoption of resolutions on determining the terms of setting the remuneration of members of the Management Board of the Company.
7. Adoption of resolutions on determining the amount of remuneration of members of the Supervisory Board of the Company.
8. Closing of the General Meeting.

**§ 2**

This resolution comes into force upon its adoption.

**Justification**

The placing in the agenda of the EGM of KGHM Polska Miedź S.A. of points on resolutions on determining the terms of setting the remuneration of Members of the Management Board of the Company and on determining the amount of remuneration of Members of the Supervisory Board of the Company arises from art. 2 sec. 1 of the Act of 9 June 2016 *on the terms of setting remuneration of individuals managing certain companies* (Journal of Laws 2016 item 1202) according to which the Minister of the State Treasury, as an entity authorised to exercise shareholder rights in the company KGHM Polska Miedź S.A., is obliged to undertake actions aimed at shaping and applying in the Company the terms of setting the remuneration for members of the management body and for members of the supervisory body, as set forth in the aforementioned Act, no later than by the date of the Ordinary General Meeting, the subject of which will be to review and approve the report on the activities of the company and the financial statements for the financial year beginning in 2016.

**Resolution No. ....../2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: changes in the composition of the Supervisory Board.**

Acting in accordance with article 385 § 1 of the Commercial Partnerships and Companies Code and § 16 section 2 of the Statutes of the company KGHM Polska Miedź S.A., the General Meeting of the company KGHM Polska Miedź S.A. resolves the following:

**§ 1**

The Extraordinary General Meeting dismisses ..... from the composition of Supervisory Board of the company KGHM Polska Miedź S.A.

**§ 2**

This resolution comes into force upon its adoption.

**Justification**

The placing in the agenda of the General Meeting of the above point is justified by the necessity to strengthen supervision over all of the company KGHM Polska Miedź S.A.'s activities. Pursuant to § 16 section 1 of the Statutes of the Company, the Supervisory Board of KGHM Polska Miedź S.A. is composed of seven to ten members, appointed by the General Meeting for a mutual term of office, which lasts for three years. Currently, there are nine persons in the Supervisory Board of the Company. The State Treasury, as a shareholder of the company KGHM Polska Miedź S.A., submits the aforementioned proposal to change the composition of the Supervisory Board of the Company.

**Resolution No. .... /2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: changes in the composition of the Supervisory Board.**

Acting in accordance with article 385 § 1 of the Commercial Partnerships and Companies Code and § 16 section 2 of the Statutes of KGHM Polska Miedź S.A., the General Meeting of the company KGHM Polska Miedź S.A. resolves the following:

**§ 1**

The Extraordinary General Meeting hereby appoints ..... to the composition of the Supervisory Board of the company KGHM Polska Miedź S.A.

**§ 2**

This resolution comes into force upon its adoption.

**Justification**

The placing in the agenda of the General Meeting of the above point is justified by the necessity to strengthen supervision over all of the company KGHM Polska Miedź S.A.'s activities. Pursuant to § 16 section 1 of the Statutes of the Company, the Supervisory Board of KGHM Polska Miedź S.A. is composed of seven to ten members, appointed by the General Meeting for a mutual term of office, which lasts for three years. Currently, there are nine persons in the Supervisory Board of the Company. The State Treasury, as a shareholder of the company KGHM Polska Miedź S.A., submits the aforementioned proposal to change the composition of the Supervisory Board of the Company.

**Resolution No. ....../2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: the terms of setting the remuneration of Members of the Management Board.**

Acting in accordance with article 2 section 2 point 1, article 4, article 5, article 6, article 7 and article 8 of the Act of 9 June 2016 *on the terms of setting the remuneration of individuals managing certain companies* (Journal of Laws of 2016, item 1202) and § 20 section 2 point 9 of the Statutes of the Company, the General Meeting of the Company KGHM Polska Miedź Spółka Akcyjna with its registered head office in Lubin (the Company) resolves the following:

**§ 1**

1. A contract shall be signed with a Member of the Management Board of the Company on the provision of management services for the term of the mandate (Contract), which have to be provided in person, whether or not the Member acts in a business capacity.
2. The provisions of the Contract shall be determined by the Supervisory Board under the terms specified in the Act of 9 June 2016 *on the terms of setting the remuneration of individuals managing certain companies* (Act) and in accordance with this Resolution.

**§ 2**

1. The total remuneration of a Member of the Management Board of the Company shall consist of a fixed part, which represents the monthly base salary (Fixed Remuneration), and a variable part, which represents the supplementary remuneration for a financial year of the Company (Variable Remuneration).
2. The monthly Fixed Remuneration for individual members of the Management Board of the Company shall range from ..... to ..... of the average monthly remuneration in the corporate sector, net of profit-based awards in the fourth quarter of the preceding year, announced by the President of the Central Statistical Office (GUS).
3. The Supervisory Board of the Company is hereby authorised to determine the amount of the Fixed Remuneration for individual members of the Management Board in accordance with section 2.

### **§ 3**

1. The Variable Remuneration depends on the degree of achievement of the Management Targets and it shall not exceed ..... % of the Fixed Remuneration.
2. Management Targets shall be determined, including in particular the restructuring of the company or any increase of the company's value, and any improvement of economic and financial indicators.
3. The Supervisory Board of the Company is hereby authorised to determine the specific Management Targets referred to in section 2, and to determine the Weights of the Targets as well as objective and measurable criteria (indicators) for their achievement and settlement (KPIs). The objective and measurable criteria of the achievement and settlement of the Targets shall account for 90% of the Weights, which shall make the Variable Remuneration in the nature of a claim, subject to section 6.
4. The determination and application of the terms of remuneration of members of management and supervisory bodies of subsidiaries in compliance with the terms specified in the Act shall represent a separate target, as well as a condition for the payment of the variable part of the remuneration, which represents the supplementary remuneration for the financial year of the Company.
5. The fulfilment of the conditions of the Variable Remuneration of individual members of the Management Board for whom Management Targets were determined for a given financial year and who were in office in the financial year under evaluation shall be confirmed by the Supervisory Board, which shall determine the amount due on the basis of the audited financial statements and other documents, depending on the set Targets, subject to section 6.
6. The Variable Remuneration shall be granted after the approval of the Management Board's report on the activities of the Company and the financial statements for the preceding financial year and after the member receives approval for the performance of his/her duties from the General Meeting.

### **§ 4**

1. The Contract shall obligate the Member of the Management Board to disclose any intention to serve in the bodies of any other commercial company and to acquire shares in it, and it may prohibit serving in the bodies of any other commercial company or impose other restrictions on the additional activities of the Member of the Management Board.
2. The Member of the Management Board may not receive remuneration for serving in the bodies of the Company's subsidiaries within the group as defined in Article 4 point 14 of the Competition and Consumer Protection Act of 16 February 2007.

3. The Supervisory Board is hereby authorised to define the prohibitions and restrictions referred to in the aforementioned sections 1 and 2, the obligation to report compliance, and sanctions for non-compliance.

## **§ 5**

1. The Supervisory Board shall specify in the Contract the scope and the terms of provision to the Member of the Management Board of technical devices and assets of the Company, necessary to perform the function, as well as the limits or the terms of determining the limits of costs incurred by the Company due to the provision and use of devices and assets by the Member of the Management Board for business purposes.
2. The Contract may also define the terms under which the Member of the Management Board may use assets of the company for personal purposes.

## **§ 6**

1. In the event of expiration of the mandate, in particular due to death, dismissal or resignation, the Contract shall terminate on the last day of the mandate without notice or any additional action being required.
2. If the Contract is terminated by agreement of the Parties, the termination notice period shall be no more than 3 (three) months.
3. Each Party may terminate the Contract effective immediately upon material breach of the Contract by the other Party.
4. Each Party may terminate the Contract for reasons other than defined in section 3 with a notice of no more than 3 (three) months.
5. The Contract may provide for a different termination notice period, depending on the period that the Member of the Management Board has been in office, subject to section 1, or require that the termination notice shall be effective at the end of a given month.
6. If the Contract is terminated with or without notice by the Company for reasons other than breach of basic obligations, the Member of the Management Board may be granted severance pay in an amount of no more than 3 (three) times the fixed part of remuneration, provided that the Member has been in office for at least 12 (twelve) months before termination.
7. Expiry of the mandate after the end of a financial year evaluated in terms of achievement of the Management Targets shall not invalidate the right to receive the Variable Remuneration on the terms specified in § 3. Expiry of the mandate during the financial year shall not invalidate the right to receive a part of the Variable Remuneration, under the terms specified in § 3, in proportion to the duration of the mandate during the financial year.

## **§ 7**

1. The Supervisory Board may conclude a non-competition contract, effective after the end of the Member of the Management Board's mandate, but it may only be concluded if the member of the Management Board has been in office for at least 3 (three) months.
2. It is prohibited to conclude a non-competition contract after terminating, with or without notice, of the management service contract.
3. The non-competition period shall be no more than 6 (six) months after the end of the mandate of the Member of the Management Board.
4. If the member of the Management Board fails to comply with or improperly complies with the non-competition contract, the member shall pay damages to the Company at least in the amount equal to the compensation due for the entire non-competition period.
5. The non-competition contract shall expire before the end of its term if the member of the Management Board accepts a function in another company as understood by Article 1 section 3 point 7 of the Act on the terms of setting the remuneration of individuals managing certain companies.

## **§ 8**

This resolution comes into force on the date it is adopted.



**Resolution No. ....../2016  
of the Extraordinary General Meeting  
of the Company KGHM Polska Miedź Spółka Akcyjna  
with its registered head office in Lubin dated 7 December 2016**

**regarding: determining the terms of setting the remuneration of Members of the Supervisory Board.**

Acting in accordance with article 2 section 2 point 1 and article 10 of the Act of 9 June 2016 *on the terms of setting the remuneration of individuals managing certain companies* (Journal of Laws of 2016, item 1202) and § 21 section 2 of the Statutes of the Company, the General Meeting of the Company KGHM Polska Miedź Spółka Akcyjna with its registered head office in Lubin (the Company) resolves the following:

**§ 1**

1. The monthly remuneration of the Members of the Supervisory Board shall be equal to the average monthly remuneration in the corporate sector, net of profit-based awards in the fourth quarter of the preceding year, announced by the President of the Central Statistical Office (GUS), multiplied by .....
2. The monthly remuneration of the Chairman of the Supervisory Board determined in section 1 shall be increased by 10%.
3. The monthly remuneration of the Deputy Chairman of the Supervisory Board determined in section 1 shall be increased by 9%.
4. The monthly remuneration of the Secretary to the Supervisory Board determined in section 1 shall be increased by 8%.
5. The remuneration of the Chairmen of the committees of the Supervisory Board determined in section 1 shall be increased by 9%.
6. The additional remuneration defined in sections 2 – 4 and 5 shall be non-cumulative.

**§ 2**

This resolution comes into force on the date it is adopted.

*Translation from the original Polish version.*

*In the event of differences resulting from the translation, reference should be made to the official Polish version.*