

# PRIME MINISTER'S OFFICE



STATE TREASURY DEPARTMENT

Warsaw, 27 June 2018

DSKP.WNI.282.19.1.2018.KŚ

**Management Board  
of Powszechny Zakład Ubezpieczeń S.A.**

## SHAREHOLDER'S MOTION

REGARDING THE SUBMISSION OF A DRAFT RESOLUTION IN RESPECT TO THE MATTERS  
INCLUDED IN THE AGENDA OF THE ORDINARY SHAREHOLDER MEETING OF  
POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA CONVENED  
TO BE HELD ON 28 JUNE 2018

Acting on behalf of the State Treasury, a shareholder of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (PZU SA) (as per the attached power-of-attorney), pursuant to Article 401 § 4 of the Commercial Company Code, I hereby submit the following draft resolutions in respect to the matters included in the agenda of the Ordinary Shareholder Meeting of PZU SA convened for 28 June 2018:

- to item 14 of the agenda “Approve the PZU SA Management Board Report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services for 2017” – the draft resolution is attached to this motion,
- to item 18 of the agenda “Adopt a resolution to adopt Bylaws of the PZU SA Shareholder Meeting” – the draft resolution is attached to this motion.

## JUSTIFICATION

The purpose of the amendments to the draft resolution on the PZU SA Management Board Report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services for 2017 is to adjust its contents to the wording of § 18(a)

of the Articles of Association of PZU SA, according to which the Shareholder Meeting has the power to adopt a resolution on its review of the Management Board's report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.

As regards the justification for the amendments to the contents of the resolution on the adoption of the Bylaws of the Shareholder Meeting of PZU SA, the State Treasury proposes a new wording of the Bylaws of the Shareholder Meeting as per the attachment to the said resolution. The proposed amendments take into consideration the applicable laws and the rules of corporate governance adopted by the Company, as laid down in the Code of Best Practice for WSE Listed Companies. The purpose of the proposed amendments is to streamline the conduct of Shareholder Meeting sessions in consideration of the rights vested in the Company's shareholders.

  
Dyrektor  
Departament Skarbu Państwa  
Mateusz Berger

### Attachments:

- draft OSM resolutions
- power of attorney no. DSKP.WOP.5112.1.2018.DL.

**RESOLUTION NO. .../2018**

**ADOPTED BY THE ORDINARY SHAREHOLDER MEETING  
OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA**

**on 28 June 2018**

in the matter of    the Management Board Report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services for 2017

Pursuant to § 18(a) of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna, the following is hereby resolved:

§ 1

The Ordinary Shareholder Meeting has reviewed the Management Board Report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services for 2017.

§ 2

This resolution shall come into force at the time of its adoption.

Chairperson  
of the Ordinary Shareholder Meeting  
of PZU SA

In reference to item 18 of the Agenda

**RESOLUTION NO. .../2018**

**ADOPTED BY THE ORDINARY SHAREHOLDER MEETING**

**OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA**

**on 28 June 2018**

**in the matter of adopting the Bylaws of the Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna**

Pursuant to § 19 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna, the following is hereby resolved:

**§ 1**

The Bylaws of the Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna in the wording attached to this resolution are hereby adopted.

**§ 2**

The Bylaws come into effect as of the next Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna.

**§ 3**

This resolution shall come into force at the time of its adoption.

Chairperson  
of the Ordinary Shareholder Meeting of PZU SA

*The attachment to the draft resolution of the Ordinary Shareholder Meeting is provided in the attached file.*

**Bylaws of the Shareholder Meeting of  
Powszechny Zakład Ubezpieczeń Spółka Akcyjna**

**Chapter 1  
General provisions**

§ 1

**Scope and coverage**

1. The Bylaws of the Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna with its registered office in Warsaw, hereinafter referred to as the "Bylaws", set forth as follows:
  - 1) the rules of participation in the Company's Shareholder Meeting;
  - 2) the rules governing the election of the SM Chairperson and his/her tasks related to running the meeting;
  - 3) the procedure for considering appeals against decisions of the SM Chairperson in points of order;
  - 4) composition and tasks of the vote counting committee;
  - 5) the manner of casting and counting votes;
  - 6) the manner of conducting the discussion;
  - 7) the procedure of submitting motions and draft resolutions;
  - 8) the procedure of proposing candidates to the governing bodies of the Company elected by the Company's Shareholder Meeting and of electing these governing bodies.
2. Provisions of the generally applicable law and the Company's Articles of Association shall apply to the matters not regulated in the Bylaws.

§ 2

**Amendments to Bylaws**

1. The Bylaws may be amended by a resolution adopted by the Company's Shareholder Meeting.
2. Amendments to the Bylaws come into force no earlier than from the Company's next Shareholder Meeting after the Shareholder Meeting during which such amendments to the Bylaws were made.

§ 3

**Glossary**

Terms and abbreviations used in the Bylaws mean:

- 1) media – printed press, radio stations, television stations, newspapers and magazines, as well as information portals published electronically;
- 2) SM Chairperson – a person elected to be the chairperson of a given Shareholder Meeting;
- 3) Company – Powszechny Zakład Ubezpieczeń Spółka Akcyjna with its registered office in Warsaw;
- 4) SM participant – a shareholder, a shareholder's representative or other person authorized to exercise the voting rights attached to shares present at a Shareholder Meeting;
- 5) SM or Shareholder Meeting – shareholder meeting of the Company.
- 6)

## **Chapter 2**

### **Persons authorized to attend Shareholder Meeting**

#### **§ 4**

##### **Shareholders**

1. A Shareholder Meeting may be attended by persons who are Company shareholders sixteen days before the date of a Shareholder Meeting (date of registration of participation in a Shareholder Meeting). A Shareholder Meeting may be attended by shareholders who have obtained from an entity keeping their securities account a name-specific certificate of the right to participate in a Shareholder Meeting, upon request submitted not earlier than after the announcement on convening a Shareholder Meeting is published and not later than on the first business day following the date of registration of participation in a Shareholder Meeting.
2. A shareholder may transfer shares in the period between the Shareholder Meeting record date and the date when a Shareholder Meeting ends.
3. The Company compiles a list of shareholders entitled to attend a Shareholder Meeting based on the list prepared by the entity keeping the securities depository and provided to the Company in accordance with the Financial Instruments Trading Act.
4. The list of shareholders referred to in sec. 3, signed by the Company's Management Board, will be displayed in the premises of the Company's Management Board for three business days prior to the date of the Shareholder Meeting.
5. At the request of a shareholder, the list of shareholders referred to in sec. 3 may be sent free of charge, by e-mail, to the address provided by the shareholder.

#### **§ 5**

##### **Shareholder's Proxy**

1. Shareholders may attend a Shareholder Meeting and exercise the right to vote in person or through a proxy.
2. A shareholder's proxy should produce, at the Company's request:
  - 1) powers-of-attorney, excluding powers-of-attorney extended in electronic form;
  - 2) a valid ID card or passport – in case of natural persons;
  - 3) relevant documents confirming the authorization to act on the shareholder's behalf, including authorization of the persons granting the powers-of-attorney – in case of legal persons or organizational units having no legal personality.
3. Any documents related to the powers-of-attorney prepared in a foreign language, including official documents confirming the power of attorney, should be produced along with their translation into Polish by a sworn translator.
4. A proxy may represent more than one shareholder and vote differently from the shares of different shareholders.
5. A shareholder holding shares registered in more than one securities account or on a collective account may appoint separate proxies to exercise the rights attached to shares registered in each of the accounts or on the collective account.

#### **§ 6**

##### **Notification of granting powers-of-attorney in electronic form**

1. A shareholder may grant powers-of-attorney to attend and vote at a Shareholder Meeting in electronic form.
2. Powers-of-attorney granted in electronic form are not required to be signed with a qualified electronic signature.
3. The shareholder or the proxy should promptly notify the Company about granting powers-of-attorney in electronic form by sending it to the e-mail address: wz.pzu@pzu.pl:
  - 1) powers-of-attorney;
  - 2) scans of the documents mentioned in § 5 sec. 2 item 2 and 3 and sec. 3;

- 3) business name or first name and surname of the shareholder and the proxy;
- 4) telephone number and e-mail address to contact the shareholder or the shareholder's proxy.
4. The Company takes appropriate and proportionate action to identify the shareholder and the proxy to verify the validity of the powers-of-attorney granted in electronic form. In consultation with the shareholder or the shareholder's proxy, such action may be taken on the days preceding the Shareholder Meeting, after the Company receives the list of shareholders entitled to participate in the Shareholder Meeting as referred to in § 4 section 3.
5. The provisions of sec. 1-4 apply accordingly to revocation of powers-of-attorney granted in electronic form.

#### § 7

##### **Verification of the right to attend Shareholder Meeting**

1. In the process of verifying the right to attend a Shareholder Meeting, documents are produced to identify the person or entity and their right to attend the Shareholder Meeting.
2. If there are doubts as to authenticity of the documents produced in the process, the person or entity may be requested to produce the originals of the relevant documents or their certified copies confirmed by a notary or other entity authorized to certify copies.
3. If the documents referred to in sec. 2 are not produced, the person or entity may be denied attendance at the Shareholder Meeting.
4. The verification referred to in sec. 1 and 2 should be proportional to the objective pursued.

#### § 8

##### **Other persons present at a Shareholder Meeting**

The following persons may be present at a Shareholder Meeting:

- 1) the media, unless the subject matter of the meeting indicates that their presence might cause damage to the Company;
- 2) members of the Company's Management Board and Supervisory Board;
- 3) individuals referred to in art. 370 § 3 and art. 395 § 3, 2nd sentence, of the Commercial Company Code;
- 4) individuals invited by the Company's Management Board or another entity convening the Shareholder Meeting.

#### § 9

##### **Broadcast**

The Company will ensure a public broadcast of Shareholder Meeting sessions. Information on the planned broadcast of Shareholder Meeting sessions is published on the Company's website.

### **Chapter 3**

#### **Session of Shareholder Meeting**

#### § 10

##### **Opening of Shareholder Meeting**

1. A Shareholder Meeting session is opened by the Chairperson or Deputy Chairperson of the Company's Supervisory Board.
2. In absence of the persons referred to in sec. 1, the Shareholder Meeting is opened by the President of the Management Board or a person designated by the Company's Management Board.
3. The person opening a Shareholder Meeting should ensure prompt election of the SM Chairperson and he/she should refrain from making any other substantive or formal decisions.

§ 11

**Electing SM Chairperson**

1. A SM Chairperson is elected from among SM participants.
2. Every SM participant has the right to stand as a candidate for the SM Chairperson or propose one candidate for the position of the SM Chairperson.
3. The SM Chairperson is elected in a secret ballot in the order in which candidates have been proposed.
4. The person opening the Shareholder Meeting oversees over the proper course of the ballot to elect the SM Chairperson, announces the results of voting and hands over the running of the Shareholder Meeting to the SM Chairperson.

§ 12

**SM Chairperson**

1. The tasks of a SM Chairperson include in particular:
  - 1) ensuring that a Shareholder Meeting session is conducted efficiently and in accordance with the accepted agenda;
  - 2) counteracting the abuse of rights by SM participants and ensuring respect for the rights of minority shareholders;
  - 3) managing a Shareholder Meeting in an efficient fashion, in particular by:
    - a) giving the floor to SM participants,
    - b) if necessary, preparing a list of individuals requesting the floor or specifying a maximum speaking time,
    - c) denying the floor to SM participants, in particular if their statement pertains to matters outside the scope of the request to grant the floor or goes beyond the agenda of the meeting, violates the law or good practices, prevents the proper conduct of the session;
  - 4) putting matters to a vote, staying attentive so that voting proceeds properly;
  - 5) announcing voting results;
  - 6) stating whether the respective resolutions have been adopted or not and announcing them;
  - 7) ordering short breaks in the proceedings;
  - 8) cooperating with the notary public drafting the minutes;
  - 9) resolving regulatory concerns;
  - 10) taking other decisions of a technical nature.
2. The SM Chairperson may use the assistance of lawyers and other experts present at the Shareholder Meeting.

§ 13

**Chairmanship and attendance record**

1. Immediately after taking over the chairmanship, the SM Chairperson:
  - 1) signs the attendance record of the SM participants;
  - 2) confirms that the Shareholder Meeting has been convened correctly;
  - 3) states that the Shareholder Meeting is capable of adopting resolutions;
  - 4) informs the SM participants that the session is attended by other persons referred to in § 8 of the Bylaws.
2. The attendance record contains the following data:
  - 1) first name and surname or the business name of the SM participant;
  - 2) number of shares represented by the SM participant;
  - 3) number of votes held by the SM participant;
  - 4) signature of the SM participant.
3. The attendance record is updated or corrected in accordance with changes in the composition of the SM participants after the Shareholder Meeting begins its session.
4. The SM Chairperson will inform the Shareholder Meeting about every update or correction of the attendance record.



5. The attendance record signed by the SM Chairperson will be made available for inspection during the SM.

#### § 14

##### **Vote counting committee**

1. If ballots at the Shareholder Meeting are not carried out with the use of magnetic cards or other electronic devices, the Chairperson may order that a vote counting committee be elected.
2. A vote counting committee is composed of three persons elected by the Meeting.
3. SM participants and the SM Chairperson may propose candidates for the vote counting committee.
4. The persons proposed as candidates are entered in the list of candidates, provided that they give their consent to stand as a candidate.
5. The ballot is secret and is held in alphabetic order:
6. The duties of the vote counting committee include:
  - 1) overseeing the correct course of the ballot;
  - 2) determining the results of the ballot and communicating them to the Chairperson to be announced;
  - 3) other activities related to proceeding with ballots.
7. Should any irregularities be found in the course of voting, the vote counting committee will promptly notify the SM Chairperson and propose further action.
8. Documents containing the results of each ballot are signed by all members of the vote counting committee and by the SM Chairperson.

#### § 15

##### **Resolutions**

1. Resolutions of the Shareholder Meeting are adopted in accordance with the provisions of generally applicable law, the Company's Articles of Association, good practices, Company's interest and with respect for shareholder rights.
2. Draft resolutions submitted by the Company's Management Board on important matters or matters that could raise concern among shareholders will be accompanied by a justification, unless shareholders receive information otherwise to ensure that the resolution is adopted based on an informed decision.
3. Every SM participant has the right to propose changes and additions to draft resolutions included in the agenda of the Shareholder Meeting – until the discussion on the draft is closed.
4. The proposals referred to in sec. 4, along with a short justification, should be submitted to the SM Chairperson in writing, separately for each draft resolution, stating the first name and surname (business name) of the SM participant proposing the changes or additions.
5. The Shareholder Meeting resolutions that affect shareholder rights should come into force while allowing for a sufficient period of time between decisions resulting in specific corporate events and the dates when shareholder rights resulting from such corporate events are determined.

#### § 16

##### **Voting**

1. If proxies of more than one shareholder participate in a Shareholder Meeting then, before the voting is closed, they should be given appropriate time to cast their votes from all the shares they represent.
2. Voting may be conducted using an electronic voting and vote counting system.

#### § 17

##### **Providing information to shareholder during Shareholder Meeting**

1. Upon a shareholder's request, the Company's Management Board will provide such shareholder with information about the Company if necessary to evaluate a matter included in the agenda of a Shareholder Meeting.
2. The Company's Management Board will refuse to provide information if that could cause damage to the company, its affiliate or subsidiary, in particular, through disclosure of technical, trade or organizational secrets of the enterprise.
3. A Member of the Company's Management Board may refuse to provide information if this could constitute a basis for his criminal, civil or administrative liability.
4. The information referred to in sec. 1 is deemed to have been provided if it is available on the Company's website.

5. For important reasons and when providing information during a Shareholder Meeting is impossible or significantly hindered because of the need to collect and prepare data or because of an extensive range of requested information, the Company's Management Board may provide a written answer outside the Shareholder Meeting or refuse to provide information on the terms and within the time limits specified in the Commercial Company Code.

#### § 18

##### **Discussion during a session, removal of a SM participant**

1. Each matter included in the agenda is discussed by the SM Chairperson or a person designated by the SM Chairperson.
2. In case of a discussion, the SM Chairperson grants the floor to the SM participants in the order of their requests. The SM Chairperson may grant the floor out of turn to members of the Company's Management Board and the Company's Supervisory Board.
3. If a SM participant:
  - 1) exceeds the speaking time limit set by the SM Chairperson,
  - 2) speaks on matters outside of the agenda,
  - 3) makes offensive remarks in his/her statement,
  - 4) prevents the proper conduct of the session– the SM Chairperson warns the SM participant, and if the SM participant does not heed the warning, the SM Chairperson may deprive him of the right to speak.
4. The SM Chairperson may decide to expel a person disturbing the peace and order of a Shareholder Meeting from the room, including a SM participant, if the exercise of his/her rights or the manner in which such rights are exercised may hinder the proper operation of the Company's governing bodies.

#### § 19

##### **Technical motions**

1. In technical matters the SM Chairperson grants the right to speak out of the order. A motion on a technical matter may be submitted by any shareholder.
2. Motions on technical matters are deemed to be those concerning the manner of proceeding and voting, in particular those:
  - 1) restricting, postponing or closing the discussion;
  - 2) closing the list of speakers;
  - 3) restricting the speaking time;
  - 4) regarding the manner of conducting the meeting;
  - 5) regarding the order of adopting resolutions on motions under a given item of the agenda.
3. The SM Chairperson puts a technical motion to a vote.
4. A technical motion rejected in a vote may not be resubmitted during a discussion on the same matter.

#### § 20

##### **Adjournments**

1. The SM Chairperson may, single-handedly or at the request of a shareholder or a shareholder's proxy, order technical breaks in the meeting.
2. A Shareholder Meeting may adopt a resolution on adjournment longer than the technical break by a two-thirds majority of votes, however such adjournment may not last longer than thirty days in total.
3. The resolution referred to in sec. 2 should specify the date of resumption of the adjourned Shareholder Meeting proceedings, however such a date may not restrict or prevent the majority of shareholders, including minority shareholders, from participating in the resumed proceedings.

## **Chapter 4**

### **Election of Company's Supervisory Board**

#### **§ 21**

##### **Proposing candidates to the Company's Supervisory Board**

1. Each shareholder may propose a candidate for a member of the Company's Supervisory Board.
2. The motion referred to in sec. 1 should be made to the Company's Management Board, however if the motion is submitted at a Shareholder Meeting that elects members of the Company's Supervisory Board, the motion to be valid should be submitted to the SM Chairperson before the voting to elect members of the Company's Supervisory Board begins.
3. The motion referred to in sec. 2 should be accompanied by:
  - 1) justification containing at least information on the candidate's qualifications, in particular information required by the generally applicable law and the Company's Articles of Association;
  - 2) declaration of the candidate made in writing, expressing consent to stand as a candidate for the Company's Supervisory Board;
  - 3) declaration of the candidate made in writing that he/she meets the requirements to discharge the function of a member of the Company's Supervisory Board resulting from the provisions of generally applicable law or other regulations applicable to the Company and that there are no contraindications for the candidate to discharge this function;
  - 4) other documents, as required by the provisions of generally applicable law or other regulations applicable to the Company.

#### **§ 22**

### **Election of Company's Supervisory Board**

1. Voting in the matter of dismissing or appointing members of the Company's Supervisory Board is held in secret ballots in alphabetical order, in consideration of § 20 sec. 5 of the Company's Articles of Association.
2. If a motion is submitted to elect the Company's Supervisory Board through voting in separate groups, the relevant provisions of the Commercial Company Code will apply.

## **Chapter 5**

### **Closing of the Shareholder Meeting, minutes**

#### **§ 23**

##### **Closing of the Shareholder Meeting**

After the agenda has been exhausted, the SM Chairperson announces that the Shareholder Meeting is closed.

#### **§ 24**

##### **Minutes**

1. Draft SM resolutions put to a vote but not adopted are placed in the minutes prepared by a notary.
2. The minutes are signed by the notary and by the SM Chairperson.