

# **THE ARTICLES OF ASSOCIATION OF ELEKTROTIM S.A.**

## **Chapter I General Provisions**

### **Article 1**

1. The Company runs its business activity under the name ELEKTROTIM Spółka Akcyjna.
2. The Company is entitled to use the abbreviation ET S.A. and ELEKTROTIM S.A., as well as its distinguishing graphic sign.

### **Article 2**

The Company's seat is in Wrocław.

### **Article 3**

The Company runs its business activity in the territory of the Republic of Poland as well as abroad.

### **Article 4**

The Company can create agencies, branches as well as research and development centres, enterprises and branch offices.

### **Article 5**

The Company can form and be a shareholder or a partner in other companies, including those with foreign capital, acting in the country and abroad, as well as participate in all and every structures and organizational and legal relations admissible by the law.

### **Article 6**

The duration of the Company is indeterminate.

## **Chapter II**

### **The Company's Objective**

#### **Article 7**

1. The Company's core objective, according to the Polish Classification of Business Activities (PKD), is:
  1. Carrying out electric installations (PKD 43.21.Z)
2. The Company's remaining objective, according to the Polish Classification of Business Activities (PKD), is:
  - 1) Civil engineering works related to constructing facilities (PKD 41)

- 2) Works related to building civil and water engineering objects (PKD 42)
  - 3) Specialist construction works (PKD 43)
  - 4) Manufacturing metal structures and their elements (PKD 25.11.Z)
  - 5) Producing computers, electronic and optical appliances and (PKD 26)
  - 6) Producing electrical devices (PKD 27)
  - 7) Producing machines and devices not classified otherwise (PKD 28)
  - 8) Repair, maintenance and installation of machines and devices (PKD 33)
  - 9) Collecting wastes, other than hazardous (38.11.Z)
  - 10) Collecting hazardous wastes (38.12.Z)
  - 11) Wholesale and retail of passenger cars and wagons (45.11.Z)
  - 12) Wholesale trade, excluding vehicles (PKD 46)
  - 13) Road transport of goods (49.41.Z)
  - 14) Storage and warehousing of remaining goods (52.10.B)
  - 15) Services supporting land transportation (52.21.Z)
  - 16) Telecommunication (PKD 61)
  - 17) Activity related to software and advising on IT and related activities (PKD 62)
  - 18) Providing services related to information (PKD 63)
  - 19) Financial services, excluding insurance and pension funds (PKD 64)
  - 20) Activity supporting financial services, insurance and pension funds (PKD 66)
  - 21) Purchase and resale of real estate for the Company's sole needs (68.10.Z)
  - 22) Lease and management over real estate, owned or leased (68.20.Z)
  - 23) Real estate management as ordered (68.32.Z)
  - 24) Legal activity, book-keeping and tax advice services (PKD 69)
  - 25) Activity of central companies (head Office); advice related to management (PKD 70)
  - 26) Activity pertaining to architecture and engineering; technical research and tests (PKD 71)
  - 27) Scientific research and development (PKD 72)
  - 28) Advertisement, market research and public opinions (PKD 73)
  - 29) Other professional, scientific and technical activity (PKD 74)
  - 30) Rent and lease (PKD 77)
  - 31) Detective and security-related services (PKD 80)
  - 32) Cleaning (81.29.Z)
  - 33) Services related to management of green areas (81.30.Z)
  - 34) Administrative office services and other activity that supports running business activity (PKD 82)
  - 35) Other extra school forms of education not classified otherwise (85.59.B)
  - 36) Activity supporting education (85.60.Z)
  - 37) Repair and maintenance of computers and peripheral devices (PKD 95.11.Z)
  - 38) Repair and maintenance of (tele)communication devices (PKD 95.12.Z)
3. In the case when any of the aforementioned types of business activity requires a separate permit or a concession, the Company shall begin such business activity after obtaining such permit or concession.

### **Chapter III**

## **Initial capital. Shares**

### **Article 8**

1. The Company's initial capital is PLN 9,983,009.00 (say: nine million, nine hundred eighty three thousand and nine) and is divided into:
  - a) PLN 5,206,333 (say: five million, two hundred and six thousand, three hundred thirty three PLN) shares payable to bearer of A series and nominal value being PLN 1.00 (say one PLN) each,
  - b) PLN 793,667 (say: seven hundred ninety three thousand, six hundred sixty seven PLN) shares payable to bearer of B series and nominal value being PLN 1.00 (say one PLN) each,
  - c) PLN 300,000 (say: three hundred thousand PLN) shares payable to bearer of C series and nominal value being PLN 1.00 (say one PLN) each,
  - d) PLN 3.683.009 (say: three million, six hundred eighty three thousand, nine PLN) shares payable to bearer of D series and nominal value being PLN 1.00 (say one PLN) each.
2. Before the Company was registered, the amount of PLN 1,875,000 had been paid (say: one million, eight hundred seventy five thousand PLN) for covering the initial capital.
3. The founders are:
  - 1) TIM S.A.,
  - 2) Diakun Andrzej,
  - 3) Ficoń Bogusław,
  - 4) Grzegorzczak Piotr,
  - 5) Kaweckie Marian,
  - 6) Łukomska Maria,
  - 7) Mazur Tadeusz,
  - 8) Mędrak Zdzisław,
  - 9) Skrabski Dariusz,
  - 10) Szymczak Feliks,
  - 11) Ścigala Zenon,
  - 12) Wojdyło Marian,
  - 13) Wójcikowski Artur.

### **Article 9**

1. The Company's shares can be bearers or registered.
2. Bearer shares are not subject to replacement into registered shares.

### **Article 10**

1. The Company can increase its initial capital by way of issuing new shares or increasing the nominal value of existing shares.
2. The Shareholders have a priority to take over new shares, in a proportion adequate to the number of already possessed shares (the law to collect)
3. The General Meeting can increase the initial capital providing resources from the supplementary capital or other reserve capitals allocated from the profit,

if these can be used for such purpose.

### **Article 11**

A share can be redeemed by obtaining a consent to do so from the shareholder by way of purchasing it by the Company (voluntary redemption) or without the shareholder's consent (compulsory redemption).

## **Chapter IV**

### **Company Governing Bodies**

#### **Article 12**

The bodies are:

1. the Management Board,
2. the Supervisory Board,
3. the General Meeting.

#### **Article 13**

The principles regulating the functioning of the Company governing bodies are determined by regulations set forth in the Code of Commercial Companies, provisions of these Articles as well as the rules and regulations of the said bodies.

### **The Management Board**

#### **Article 14**

1. The Management Board consists of at least one and no more than five members, elected for their common tenure by the Supervisory Board. One of the Members is the President of the Board.
2. The President of the Board manages operations of the Management Board.
3. The Management Board's term of office last for no more than 5 years.
4. The number of Members for the Management Board, their term of office and remuneration is determined in a resolution of the Supervisory Board.
5. Mandate of the Member of the Board shall expire:
  - a) at the General Meeting of Shareholders endorsing the Financial Reports for the complete financial year of operating as the Member of the Board, at the latest,
  - b) due to death,
  - c) due to dismissal,
  - d) due to submitted resignation.
5. The Supervisory Board or the General Meeting can suspend or dismiss a Member of the Board prior to the expiration of the term of office.

#### **Article 15**

1. The Management Board manages the Company and represents it.
2. All and every issue not reserved by virtue of provisions of law or the Articles

regarding competences of other bodies of the Company are within the scope of activities performed by the Board.

3. The Company's Management Board is entitled to provide the shareholders with advance on the dividend planned at the end of the fiscal year, having fulfilled the conditions and in the mode specified in Article 349 of the Code of Commercial Companies.
4. Resolutions of the General Meeting are passed by absolute majority of votes. In case of equal division of votes, the President of the Board shall cast the deciding vote.
5. The Rules of the Board are resolved by the Board of the Company and approved by the Supervisory Board.

#### **Article 16**

In order to be entitled to make declarations and statements on behalf of the Company the following cooperation is required:

- 1) two members of the Management Board or
- 2) one member of the Board, along with the Proxy.

#### **Article 17**

1. In case of a conflict of the Company's interests with personal interests of Member of the Board, its spouse, relatives, and second-degree relatives, as well as persons with whom the Member of the Board has personal relationship, the Member should withdraw from resolving such cases and may demand this in the protocole.
2. A member of the Management Board cannot, without obtaining a consent from the Supervisory Board, deal with competitive companies, nor can they participate in a competitive company as a partner, founder or a member of a body in an association of capital, nor can they participate in any other competitive artificial person as a member of its body. The ban includes participation in a competitive association of capital in a case when the said member of the Management Board has at least 10% shares or contribution or the right to appoint at least one member of the Management Board of such capital.

#### **Article 18**

In the contract of association between the Company and the member of the Board, as well as during a dispute with such member, the Company is represented by the Supervisory Board or an Attorney appointed with a Resolution of the General Meeting.

### **Supervisory Board**

#### **Article 19**

1. The Supervisory Board consists of five members.
2. The General Meeting appoints and dismisses the Chairperson and the Supervisory Board and its Members.
3. The General Meeting appoints each Member of the Supervisory Board with a

- separate Resolution specifying its term of office.
4. The term of office of the Member of the Supervisory Board shall last no longer than 5 years.
  5. The term of office for each Member of the Supervisory Board, as well as remuneration of its Chairperson and Members is determined in the resolution of the General Meeting.
  6. The mandate of the Member of the Supervisory Board shall expire:
    - a) at the General Meeting of Shareholders endorsing the Financial Reports for the complete financial year of operating as the Member of the Supervisory Board, at the latest,
    - b) due to death,
    - c) due to dismissal,
    - d) due to submitted resignation.
  7. Should the term of office for a member of the Supervisory Board expire during their term, appointment of a new Member takes place for the term of office of this Member whose term expired.
  8. The Supervisory Board performs the function of an audit committee. The Supervisory Board can select such audit committee appointing persons who are members of the Supervisory Board.
  9. The tasks of the audit committee, realized by the Supervisory Board or the selected committee, include:
    - 1) monitoring the process of financial reporting,
    - 2) monitoring the efficiency of internal control systems, internal audit and risk management,
    - 3) monitoring activities related to execution of financial control,
    - 4) monitoring the independence of an expert auditor and the entity authorized to check financial reports.
  10. At least two members of the Supervisory Board should be independent ones. Independent members mean those persons who meet the criteria set forth in Annexe II to the Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.
  11. The Member of the Supervisory Board should have high qualifications, experience and be ready to dedicate necessary amount of time to carrying out one's duties.

## **Article 20**

1. The Supervisory Board convenes at least three times a year.
2. The Chairperson of the Supervisory Board is obliged to convene a meeting of the Board.
3. The Board or a Member of the Supervisory Board may request convening the Supervisory Board providing the suggested Agenda.
4. The meeting should take place within two weeks from filing a motion to do so. The set date of the meeting of the Supervisory Board shall not be later than 6 weeks from the day the Chairperson receives the motion.
5. In case the Chairperson of the Supervisory Board fails to convene the meeting under section 4, the applicant may convene it on their own,

specifying the date, place, and the suggested agenda.

6. Meeting of the Supervisory Board are convened by virtue of effective delivery of invitations to all members of the Supervisory Board, at least seven days before the set date of such meeting.
7. Invitation for all members of the Supervisory Board can be delivered in writing or by means of electronic mail, by a return acknowledgement of receipt.
8. The Supervisory Board may also hold a meeting in case its Members are invited in a mode different than set in subsection 7 hereof and not following the required 7-day term without notice, and all of the Members shall be present at the meeting and shall agree to that by unanimity resolving a Resolution on the Agenda of the meeting of the Supervisory Board.

### **Article 21**

1. The Supervisory Board resolves resolutions during a meeting or in a written form using means of direct communication over distance.
2. The Supervisory Board adopts resolutions by absolute majority of votes. In case of equal division of votes, the Chairperson of the Supervisory Board shall cast the deciding vote.
3. The Supervisory Board adopts resolutions during the meeting in the presence of at least half of the composition of the Supervisory Board and invitation of all of its Members, subject to section 4 of this paragraph.
4. Members of the Supervisory Board can participate in adopting resolutions of the Board casting their votes, in a written form, through the agency of another member of the Supervisory Board. Casting a vote in writing cannot pertain to issues included in the agenda during the meeting of the Supervisory Board.
5. A Resolution passed in writing or by means of direct communication over distance shall be valid when all Members of the Supervisory Board are notified about the content of the draft resolution.
6. The Chairperson of the Supervisory Board may order voting in writing or by using means of direct communication over distance.
7. Resolving a resolution in writing or by using means of direct communication over distance does not apply to appointing the Deputy Chairperson of the Supervisory Board and the Secretary, appointing members of the Management Board and dismissing or suspending such persons.

### **Article 22**

1. The Supervisory Board supervises the Company's activity in all its objectives.
2. Extraordinary duties of the Supervisory Board include:
  - 1) evaluating the report presented by the Management Board and concerning the Company's activity in the scope of compliance with account books and documents, as well as with the actuality,
  - 2) assessing the Financial Reports for the previous financial year in the scope of compliance with account books and documents, as well as with the actuality of the previous financial year,
  - 3) evaluating the report concerning the Group of Companies' activity for

- the previous year in the scope of compliance with account books and documents, as well as with the actuality,
- 4) assessing the Financial Reports of the Group of Companies for the previous financial year in the scope of compliance with account books and documents, as well as with the actuality,
  - 5) assessing motions of the Board regarding the share of profit or covering loss,
  - 6) submitting to the General Meeting an annual written report on activities of the Supervisory Board,
  - 7) examining and giving opinion on issues which are to be subject of resolutions of the General Meeting,
  - 8) selecting an expert auditor to carry out the examination of the Financial Statements of the Company and the Group of Companies,
  - 9) approving yearly plans of the economic activity and long-term plans of development of the Company,
  - 10) appointing and dismissing members of the Management Board and determining their remunerations,
  - 11) suspending, due to important reasons, particular or all members of the Board,
  - 12) delegating a Member or Members of the Supervisory Board, for a period not exceeding three months, to temporarily perform activities of those members of the Management Board who have been dismissed, resigned or, due to other reasons, cannot perform their activities,
  - 13) passing the Rules of the Supervisory Board,
  - 14) approving the Rules of the Board,
  - 15) expressing consent to take out a credit, a loan, as well as emission of bonds, excluding issuance of convertible senior bonds or emission of bond with pre-emptive right of a total value exceeding 20% of own capitals presented in the latest approved Financial Statements of the Company,
  - 16) giving consent to purchase or sell property of a value exceeding 10% of equity capitals presented in the latest approved Financial Statements of the Company,
  - 17) giving consent to purchase, take up or sell stocks or shares in commercial companies, as well as joining commercial companies and private partnerships, as well as leaving such companies,
  - 18) giving consent to purchase or sell real estate, perpetual usufruct or an interest in an immovable property or perpetual usufruct,
  - 19) giving consent to the Company to give loan, guarantee or other burden of the Company's assets for the benefit of a third party,
  - 20) giving consent for the Company to conclude a significant, not typical agreement/transaction, concluded under conditions other than commercial (not routine one) with an associated party,
  - 21) other issues which are within the scope of competences of the Supervisory Board by virtue of unconditionally binding legislative regulations,
  - 22) giving consent for the Members of the Board to have a seat in boards



and supervisory boards of companies not being part of the Group of Companies of the Company.

3. The Supervisory Board exercises its duties jointly yet it can delegate its members to perform certain supervisory activities by themselves.

### **General Meeting**

#### **Article 23**

1. The General Meeting can be Ordinary or Extraordinary.
2. The Ordinary General Meeting is convened by the Management Board so that it takes place within six months after each fiscal year of the Company.
3. The Supervisory Board has the right to convene a Usual General Meeting if the Management Board does not convene such within the period specified in item 2.
4. The Extraordinary General Meeting:
  - a) is convened by the Company's Management Board at its own initiative,
  - b) can be convened by the Supervisory Board if it deems it necessary,
  - c) can be convened by the shareholders representing at least half of the initial capital or at least half of the votes in the Company. Shareholders appoint the president of such meeting,
  - d) the meeting can be convened at a shareholder's or shareholders' request if they represent at least one twentieth of the share capital. Such shareholder or shareholders can demand that specific issues be added to the agenda of such meeting. A request for an Extraordinary General Meeting should be submitted to the Management Board in writing or by means of electronic mail.

#### **Article 24**

The General Meeting takes place in the Company's seat or any other place located in the territory of the Republic of Poland.

#### **Article 25**

1. Shareholders can participate in the General Meeting and exercise its voting right in person or through the attorney.
2. Resolutions of the General Meeting are passed by absolute majority of votes, unless this Articles of Association or the Code of Commercial Companies provide more strict conditions for resolving the resolutions.
3. The Company does not allow to take part in the General Meeting by means of electronic communication.

#### **Article 26**

Resolutions of the General Meeting must be adopted in cases referred to in the Code of Commercial Companies, especially those pertaining to:

- 1) considering and approving the report of the activities of the Company's Management Board for the previous financial year,

- 2) considering and approving the Financial Statements of the Company for the previous financial year,
- 3) considering and approving the Report of the Group of Companies' operations for the previous year,
- 4) considering and approving the Consolidated Financial Reports of the Group of Companies for the previous year,
- 5) resolving a resolution of profit division or covering a loss,
- 6) acknowledging fulfilment of duties for the Company's bodies,
- 7) changing the subject of the Company's business activity,
- 8) changing the Company's Articles of Association,
- 9) increasing or decreasing the share capital,
- 10) decisions concerning claims to make amends that happened during the Company's establishment or supervising or managing it,
- 11) selling or leasing a Company or its organized part and establishing rights in property on them,
- 12) issuance of convertible or senior bonds and issuance of subscription warrants,
- 13) dissolution and liquidation of the Company,
- 14) a fusion with another company,
- 15) electing the Chairperson and the Members of the Supervisory Board and setting their remunerations,
- 16) dismissing or suspending members of the Board before the expiry date of their term of office,
- 17) dismissing members of the Supervisory Board before the expiry date of their term of office,
- 18) appointing and dismissing liquidators and determining their remunerations,
- 19) setting the record day and the dividend payment day.

## **Chapter V**

### **Accountancy of the Company**

#### **Article 27**

The Company's fiscal year is a calendar year.

#### **Article 28**

The Company forms the following capitals and funds:

- 1) share capital,
- 2) supplementary capital,
- 3) reserve capital,
- 4) development fund,
- 5) other capitals and funds allowed by the provisions of law.

### **Article 29**

The Company's net profit can be intended for:

- 1) deductions for supplementary capital,
- 2) deductions for other capitals and funds allowed by the provisions of law,
- 3) dividend for the shareholders,
- 4) other purposes defined in the resolution of the General Meeting.

## **Chapter VI**

### **Final Provisions**

### **Article 30**

The Company publish all notifications required by law in the "Court and Economic Monitor".

### **Article 31**

All issues not settled with this Articles of Association regulations of the Code of Commercial Companies and other legislative regulations shall apply.