Draft resolution of the General Meeting of Grupa Azoty S.A. of Tarnów

Resolution No. ...
of the Annual General Meeting
of Grupa Azoty S.A. of Tarnów
dated June 30th 2017
to amend Resolution No. 8 of the
Extraordinary General Meeting
of Grupa Azoty S.A. of Tarnów dated December 2nd 2016
on the rules of remuneration for the Management Board Members

Acting pursuant to Art. 378.2 of the Commercial Companies Code, in conjunction with Art. 4.7 of the Act on Rules of Remunerating Persons Who Manage Certain Companies, dated June 9th 2016 (Dz.U. of 2016, item 1202), the Annual General Meeting of Grupa Azoty Spółka Akcyjna of Tarnów resolves as follows:

Section 1

Resolution No. 8 of the Extraordinary General Meeting of Grupa Azoty S.A. dated December 2nd 2016 shall be amended as follows:

1) Section 2.2 shall read as follows:

“2. Fixed Remuneration of individual members of the Management Board shall range from 7x to 15x of the average monthly remuneration in the business sector, net of bonuses paid from profit, in the fourth quarter of the previous year, as announced by the President of the Central Statistics Office of Poland.”,

2) Section 3.1 shall read as follows:

“1. Variable Remuneration shall depend on the progress of the management objectives (“Management Objectives”) and shall not exceed 100% of the Fixed Remuneration in the previous financial year for which the Variable Remuneration payable is computed.”,

3) Section 3.3 and Section 3.4 shall read as follows:

“3. The General Meeting hereby authorises the Supervisory Board to define the detailed Management Objectives in the areas specified in Section 3.2 above, and to define Weights for such Objectives as well as objective and measurable criteria (indicators) for assessing and accounting for their implementation (KPIs).

4. The following objectives are set as separate Management Objectives whose achievement is a precondition for payment of the Variable Remuneration:
1) development and application of rules governing the remuneration of members of the governing bodies, reflecting the rules stipulated in the Act,
2) performance of the duties specified in Art. 17–20, Art. 22 and Art. 23 of the Act on State Property Management of December 16th 2016 (Dz.U. of 2016, item 2259),
- at the Company’s subsidiaries within the meaning of Art. 4.3 of the Competition and Consumer Protection Act of February 16th 2007 (Dz.U. of 2017, item 229).”.

Section 2

This Resolution shall become effective as of its date.

Grounds:
The proposed amendments are intended to clarify the current wording of Section 2.2, Section 3.1 and Section 3.3 of Resolution No. 8 dated December 2nd 2016 and to bring the wording of Section 3.4 in compliance with the amended provisions of the Act on Rules of Remunerating Persons Who Manage Certain Companies, dated June 9th 2016.