

**Polskie Górnictwo Naftowe i Gazownictwo SA**  
Centrala Spółki

Warsaw, May 28th 2019

**Draft resolutions for the Annual General Meeting of PGNiG S.A. to be held on June 27th  
2019**

Current Report No. 23/2019

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA (“PGNiG” or the “Company”) is publishing draft resolutions to be submitted to the vote of the Annual General Meeting of PGNiG convened for June 27th 2019.

**Resolution No. / 2019**  
**of the General Meeting of**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo SA**  
**dated June 27th 2019**

**concerning:** approval of the agenda for the Annual General Meeting of PGNiG SA.

Section 1

The Annual General Meeting of PGNiG SA resolves to adopt the following agenda:

1. Opening of the Meeting.
2. Appointment of Chairman of the Meeting.
3. Confirmation that the Meeting has been duly convened and has the capacity to pass resolutions.
4. Preparation of the attendance list.
5. Adoption of the agenda.
6. Review and approval of the financial statements of PGNiG S.A. for 2018.
7. Review and approval of the consolidated financial statements of the PGNiG Group for 2018 and the Directors' Report on the Operations of PGNiG S.A. and the PGNiG Group in 2018.
8. Resolutions to grant discharge to members of the Management Board of PGNiG S.A. in respect of performance of their duties in 2018.
9. Resolutions to grant discharge to members of the Supervisory Board of PGNiG S.A. in respect of performance of their duties in 2018.
10. Resolution on allocation of the Company's net profit for 2018 and setting the dividend record date and the dividend payment date.
11. Resolution to amend Resolution No. 9/VIII/2016 of the Extraordinary General Meeting of Polskie Górnictwo Naftowe i Gazownictwo S.A. of Warsaw dated September 9th 2016 to determine the rules of remuneration for members of the Company's Supervisory Board.
12. Resolution to amend Resolution No. 9/XI/2016 of the Extraordinary General Meeting of Polskie Górnictwo Naftowe i Gazownictwo S.A. of Warsaw dated November 24th 2016 on the rules of remuneration for members of the Management Board of PGNiG S.A.
13. Closing of the Meeting.

Section 2

This Resolution shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to review and approve the separate financial statements of PGNiG S.A. for 2018.

Section 1

Acting pursuant to Art. 395.5 of the Commercial Companies Code and Art. 56.1.1 and 56.2.2 of the Company's Articles of Association, the General Meeting of Polskie Górnictwo Naftowe i Gazownictwo S.A. resolves to approve:

1. The separate financial statements of PGNiG S.A. for the financial year from January 1st to December 31st 2018, prepared in accordance with International Financial Reporting Standards, comprising:
  - a) statement of profit or loss for the period from January 1st to December 31st 2018, showing net profit of PLN 3,289m;
  - b) statement of comprehensive income for the period from January 1st to December 31st 2018, showing net comprehensive income of PLN 3,549m;
  - c) statement of financial position as at December 31st 2018, showing total assets of PLN 36,993m;
  - d) statement of cash flows for the period from January 1st to December 31st 2018, showing a net increase in cash of PLN 3,164m;
  - e) statement of changes in equity for the period from January 1st to December 31st 2018, showing an increase in equity of PLN 2,800m;
  - f) notes, including a summary of the adopted accounting policies and other explanatory notes.

Section 2

This Resolution shall come into force as of its date.

### **Statement of reasons**

Art. 52.2 of the Polish Accounting Act of September 29th 1994 (Dz.U. of 2019, item 351) provides that the financial statements of an entity must be signed by the entity's director or, where the entity is managed by a body composed of more than one member – by all members of that body (i.e. the Company's Management Board). Pursuant to Art. 49.1. of the Accounting Act, the financial statements must be accompanied by the Directors' report on the entity's operations. The Directors' Report on the operations of PGNiG S.A. and the PGNiG Group for 2018 has been prepared as a single document (Art. 55.2a of the Accounting Act) and has been submitted for approval together with the consolidated financial statements of the PGNiG Group. Once approved, the separate financial statements are submitted by the Management Board to the Supervisory Board for assessment and then to the General Meeting for approval.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to review and approve the consolidated financial statements of the PGNiG Group for 2018 and the Directors' Report on the operations of PGNiG S.A. and the PGNiG Group in 2018.

Section 1

Acting pursuant to Art. 395.5 of the Commercial Companies Code and Art. 56.1.1 and Art. 56.2.2 of the Company's Articles of Association, the General Meeting of Polskie Górnictwo Naftowe i Gazownictwo S.A. resolves to approve:

1. The consolidated financial statements of the PGNiG Group for the financial year from January 1st to December 31st 2018, prepared in accordance with International Financial Reporting Standards, comprising:
  - g) consolidated statement of profit or loss for the period from January 1st to December 31st 2018, showing net profit of PLN 3,209m;
  - h) consolidated statement of comprehensive income for the period from January 1st to December 31st 2018, showing net comprehensive income of PLN 3,438m;
  - i) consolidated statement of financial position as at December 31st 2018, showing total assets of PLN 53,271m;
  - j) consolidated statement of cash flows for the period from January 1st to December 31st 2018, showing a net increase in cash of PLN 1,347m;
  - k) consolidated statement of changes in equity for the period from January 1st to December 31st 2018, showing an increase in equity of PLN 3,005m;
  - l) notes, including a summary of the adopted accounting policies and other explanatory notes;
2. Directors' Report on the operations of PGNiG S.A. and the PGNiG Group in 2018.

Section 2

This Resolution shall come into force as of its date.

## **Statement of reasons**

Art. 63c.3 of the Polish Accounting Act of September 29th 1994 (Dz.U. of 2019, item 351) provides that the consolidated financial statements of a group must be signed by the parent entity's director or, where the entity is managed by a body composed of more than one member – by all members of that body (i.e. the Company's Management Board) and other persons responsible for the preparation of the consolidated financial statements.

Pursuant to Art. 55.2a of the Accounting Act, the group's financial statements must be accompanied by the Directors' report on the group's operations. Once approved, the consolidated financial statements of the Group and the Directors' report on the operations of PGNiG S.A. and the PGNiG Group are submitted by the Management Board to the Supervisory Board for assessment and then to the General Meeting for approval.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Piotr Woźniak, President of the Management Board of PGNiG S.A., in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Piotr Woźniak in respect of his performance of duties as President of the Management Board of PGNiG S.A. in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Radosław Bartosik, Vice President of the PGNiG Management Board, Chief Operating Officer, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Radosław Bartosik in respect of his performance of duties as Vice President of the PGNiG Management Board, Chief Operating Officer, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.



**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Łukasz Kroplewski, Vice President of the PGNiG Management Board, Development, in respect of his performance of duties in the financial year 2018

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Łukasz Kroplewski in respect of his performance of duties as Vice President of the PGNiG Management Board, Development, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Michał Pietrzyk, Vice President of the PGNiG Management Board, Finance, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Michał Pietrzyk in respect of his performance of duties as Vice President of the PGNiG Management Board, Finance, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Maciej Woźniak, Vice President of the PGNiG Management Board, Trade, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Maciej Woźniak in respect of his performance of duties as Vice President of the PGNiG Management Board, Trade, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Magdalena Zegarska, Vice President of the PGNiG Management Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Magdalena Zegarska in respect of his performance of duties as Vice President of the PGNiG Management Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Bartłomiej Nowak, Chairman of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Bartłomiej Nowak, in respect of his performance of duties as Chairman of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Piotr Sprzączak, Deputy Chairman of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Piotr Sprzączak, in respect of his performance of duties as Deputy Chairman of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Sławomir Borowiec, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Sławomir Borowiec, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Piotr Broda, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Piotr Broda, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.



**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Andrzej Gonet, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Andrzej Gonet, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Mieczysław Kawecki, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Mieczysław Kawecki, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Stanislaw Sieradzki, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Stanisław Sieradzki, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** to grant discharge to Grzegorz Tchorek, Member of the PGNiG Supervisory Board, in respect of his performance of duties in the financial year 2018.

Section 1

Acting pursuant to Art. 393.1 and Art. 395.2.3 of the Commercial Companies Code and Art. 56.1.2 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. grants discharge to Grzegorz Tchorek, in respect of his performance of duties as Member of the PGNiG Supervisory Board, in the period from January 1st to December 31st 2018.

Section 2

This Resolution has been passed by secret ballot and shall come into force as of its date.

**Resolution No. / 2019**  
**of the Annual General Meeting**  
**of the Company under the business name of**  
**Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**dated June 27th 2019**

**concerning:** on allocation of the Company's net profit for 2018 and setting the dividend record date and the dividend payment date.

Section 1

Acting pursuant to Art. 395.2.2 and Art. 348.4 of the Commercial Companies Code and Art. 56.1.3 and Art. 56.1.4 of the Company's Articles of Association, the Annual General Meeting of PGNiG S.A. resolves as follows:

1. Net profit of PGNiG S.A. for 2018 of PLN 3,289,305,045.15 shall be allocated as follows:
  - a) PLN 1,040,096,674.26 shall be distributed to the Company's shareholders as dividend (PLN 0.18 per share);
  - b) PLN 2,249,208.370.89 shall be transferred to the Company's statutory reserve funds.
2. The dividend record date shall be July 26th 2019.
3. The payment date for the dividend net of interim dividend already paid shall be August 7th 2019.

Section 2

This Resolution shall come into force as of its date.

**Statement of reasons**

In accordance with the dividend policy defined in the 'PGNiG Group Strategy for 2017–2022 with an Outlook until 2026', the Management Board proposes to distribute up to 50% (i.e. 32%) of the consolidated net profit for 2018 as dividend.

The Management Board would like to note that the 'PGNiG Group Strategy for 2017–2022 with an Outlook until 2026' provides for significant capital expenditure in the period covered by the strategy, in particular on the implementation of production projects, activities related to exploration for and appraisal of crude oil and natural gas deposits, expansion of the distribution network, and development of the power generation sector.

When evaluating the feasibility of its investment plans, the PGNiG Management Board took into account the PGNiG Group's financial standing, including the available sources of external financing and PGNiG's own cash resources, including cash generated in PGNiG's day-to-day operations. It can thus be concluded that the funds available to the PGNiG Group are sufficient to finance its investment plans and pay dividend.

It should also be noted that in 2018 the Management Board resolved to pay an interim dividend of PLN 404,482,039.99 from PGNiG S.A.'s net profit for 2018. The amount of the dividend to be paid on August 7th 2019 will be reduced by the amount of the interim dividend already paid.

**Resolution No. / 2019**  
**of the Annual General Meeting of**  
**Polskie Górnictwo Naftowe i Gazownictwo S.A. of Warsaw**  
**dated June ... 2019**

**concerning:** to amend Resolution No. 9/VIII/2016 of the PGNiG Extraordinary General Meeting dated September 9th 2016 to determine the rules of remunerating members of the Company's Supervisory Board.

Pursuant to Art. 2 in conjunction with Art. 10 of the Act on Rules of Remunerating Persons Who Direct Certain Companies, dated June 9th 2016 (Dz. U. of 2017, item 2190, as amended), the Annual General Meeting hereby resolves as follows:

Section 1

Resolution No. 9/VIII/2016 of the PGNiG Extraordinary General Meeting, included in Notarial Deed No. Rep. A 1275/2016 of September 9th 2016, to determine the rules of remunerating members of the Company's Supervisory Board, shall be amended so that Section 1 of the Resolution reads as follows:

"Section 1. The monthly remuneration of Members of the Company's Supervisory Board shall be determined as the product of the reference salary within the meaning of Art. 1.3.11 of the Act on Rules of Remunerating Persons Who Direct Certain Companies dated June 9th 2016, and the following multipliers:

- for the Chairman of the Supervisory Board – 1.7;
- for the Deputy Chairman and Secretary of the Supervisory Board – 1.6;
- for other Members of the Supervisory Board – 1.5."

Section 2

This Resolution shall become effective as of its date.

Total number of valid votes cast: [ ]

Number of votes in favour of the resolution: [ ]

Number of votes against the resolution: [ ]

Number of abstentions: [ ]

The resolution has been passed by secret ballot.

### **Statement of reasons**

In order to clarify the existing rules of remunerating members of the Supervisory Board of Polskie Górnictwo Naftowe i Gazownictwo S.A., and to ensure that the provisions on determining such remuneration are universal and take account of any changes in the reference salary, including those introduced by any state budget-related statutes, in Resolution No. 9/VIII/2016 of the Company's Extraordinary General Meeting of September 9th 2016 to determine the rules of remunerating members of the Company's Supervisory Board, the provisions referring to the [x] times the average salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of the preceding year, as announced by the President of GUS (Statistics Poland), should be replaced by provisions referring to the [x] times the reference salary within the meaning of Art. 1.3.11 of the *Act on Rules of Remunerating Persons who Direct Certain Companies* dated June 9th 2016 (the "Remuneration Act"). Such amendment would eliminate any interpretative doubts that may arise in connection with the obligation to 'freeze' the remuneration of Supervisory Board members under the 2019 State Budget Act of January 16th 2019 (Dz.U. of 2018, item 2435), according to which in 2019 the reference salary referred to in Art. 1.3.11 of the Remuneration Act is the average monthly salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of 2016.



**Resolution No. / 2019**  
**of the Annual General Meeting of**  
**Polskie Górnictwo Naftowe i Gazownictwo S.A. of Warsaw**  
**dated June ... 2019**

**concerning:** to amend Resolution No. 9/XI/2016 of the PGNiG Extraordinary General Meeting dated November 24th 2016 on the rules of remunerating members of the Management Board of PGNiG S.A.

Pursuant to Art. 2 in conjunction with Art. 4 of the Act on Rules of Remunerating Persons Who Direct Certain Companies, dated June 9th 2016 (Dz.U. of 2017, item 2190, as amended), the Annual General Meeting hereby resolves as follows:

Section 1

Resolution No. 9/XI/2016 of the PGNiG Extraordinary General Meeting, included in Notarial Deed No. Rep. A 1802/2016 of November 24th 2016, on the rules of remunerating members of the Management Board of PGNiG S.A., shall be amended so that Section 2.2 of the Resolution reads as follows:

“2. The amount of monthly Fixed Remuneration of Management Board Members shall be determined by the Supervisory Board, with the proviso that:

- a) the Fixed Remuneration of the President of the Management Board shall be an amount within the range of 7 to 15 times the reference salary within the meaning of Art. 1.3.11 of the Act on Rules of Remunerating Persons Who Direct Certain Companies, dated June 9th 2016,
- b) the Fixed Remuneration of Members of the Management Board shall be an amount within the range of 7 to 15 times the reference salary within the meaning of Art. 1.3.11 of the Act on Rules of Remunerating Persons Who Direct Certain Companies, dated June 9th 2016.”

Section 2

This Resolution shall become effective as of its date.

Total number of valid votes cast: [ ]

Number of votes in favour of the resolution: [ ]

Number of votes against the resolution: [ ]

Number of abstentions: [ ]

The resolution has been passed by secret ballot.

### Statement of reasons

In order to clarify the existing rules of remunerating members of the Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A., and to ensure that the provisions on determining such remuneration are universal and take account of any changes in the reference salary, including those introduced by any state budget-related statutes, in Resolution No. 9/XI/2016 of the Company's Extraordinary General Meeting of November 24th 2016 to determine the rules of remunerating members of the Management Board of PGNiG S.A., the provisions referring to the [x] times the average salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of the preceding year, as announced by the President of GUS (Statistics Poland), should be replaced by provisions referring to the [x] times the reference salary within the meaning of Art. 1.3.11 of the *Act on Rules of Remunerating Persons who Direct Certain Companies* dated June 9th 2016 (the "Remuneration Act"). Such amendment would eliminate any interpretative doubts that may arise in connection with the obligation to 'freeze' the remuneration of Management Board members under the 2019 State Budget Act of January 16th 2019 (Dz.U. of 2018, item 2435), according to which in 2019 the reference salary referred to in Art. 1.3.11 of the Remuneration Act is the average monthly salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of 2016.

Legal basis:

Par. 19.1.1 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated March 29th 2018 (Dz.U. of 2018, item 757).