

## **A REPORT ON THE ACTIVITIES OF THE SUPERVISORY BOARD OF PGE POLSKA GRUPA ENERGETYCZNA S.A. IN THE YEAR 2012**

### **1. Information on the Supervisory Board's term of office and activities undertaken in the previous year of the term.**

On 18 August 2011 the eighth three-year term of office of the Supervisory Board came to its end. Pursuant to Article 369 § 4, in connection with A386 § 2 of the Commercial Companies Code, the mandates of the Members of the Supervisory Board expired at the date of holding the General Meeting approving the Company's financial statements for 2011, i.e. on 30 May 2012.

The Supervisory Board of the 9th term of office was appointed by the General Meeting on 31 May 2012.

### **2. The composition of the Supervisory Board, functions fulfilled by the particular members, changes in the composition of the Supervisory Board during the course of the financial year.**

From 1 January to 30 May 2012 the Supervisory Board performed its duties in the following composition:

- Marcin Zieliński – Chairperson
- Maciej Bałtowski – Vice Chairperson
- Jacek Barylski
- Małgorzata Dec
- Czesław Grzesiak
- Grzegorz Krystek
- Katarzyna Prus – Secretary of the Supervisory Board
- Zbigniew Szmuniewski
- Krzysztof Żuk.

On 30 May 2012 the General Meeting determined the number of members of the Supervisory Board as 7 and on 31 May 2013 appointed the following persons as members of the Supervisory Board:

- Marcin Zieliński – Chairperson
- Maciej Bałtowski
- Jacek Barylski
- Małgorzata Dec
- Czesław Grzesiak
- Grzegorz Krystek
- Katarzyna Prus.

On 6 June 2012 the Supervisory Board adopted a resolution concerning the appointment of Małgorzata Dec as Vice Chairperson of the Supervisory Board and a resolution concerning the appointment of Katarzyna Prus as Secretary of the Supervisory Board.

### **3. Information on the number of meetings held and resolutions adopted by the Supervisory Board.**

In 2012 the Supervisory Board held 18 meetings and adopted 112 resolutions.

### **4. Information on the Supervisory Board members' attendance at meetings and participation in voting on resolutions as well as their justified or unjustified absences.**

#	Date of meeting	Number of members present	Number of members absent	Resolutions on justification of absences
1.	10.01.2012	8 present	1 absent	resolution no. 343/VIII/2012
2.	10.01.2012	8 present	1 absent	
3.	09.02.2012	8 present	1 absent	
4.	15-17.02.2012	9 present	-	
5.	01.03.2012	9 present	-	
6.	13.03.2012	6 present	3 absent	-
7.	19.04.2012	9 present	-	
8.	22.05.2012	9 present	-	
9.	06.06.2012	7 present	-	
10.	03.07.2012	6 present	1 absent	resolution no. 13/IX/2012
11.	01.08.2012	6 present	1 absent	resolution no. 20/IX/2012
12.	08-09.08.2012	5 present	2 absent	resolution no. 24/IX/2012 resolution no. 25/IX/2012
13.	14.08.2012	5 present	2 absent	resolution no. 30/IX/2012
14.	14.08.2012	5 present	2 absent	resolution no. 31/IX/2012
15.	11.09.2012	6 present	1 absent	resolution no. 37/IX/2012
16.	18.10.2012	5 present	2 absent	resolution no. 41/IX/2012 resolution no. 42/IX/2012
17.	21.11.2012	5 present	2 absent	resolution no. 46/IX/2012 resolution no. 47/IX/2012
18.	20.12.2012	7 present	-	

### **5. Important issues dealt with by the Supervisory Board; conducted inspections and clarifying investigations.**

During its meetings held in 2012, the Supervisory Board dealt, among others, with the following issues:

**within the scope of the Supervisory Board's activities as provided for by the Company Statutes:**

- evaluating the IFRS-consistent standalone financial statements of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2011,
- evaluating the Management Board's report on the activities of PGE Polska Grupa Energetyczna S.A. for the year 2011,
- evaluating the IFRS-consistent consolidated financial statements of the PGE Capital Group for the year ended 31 December 2011,
- evaluating the Management Board's report on the activities of the PGE Capital Group for the year 2011,
- evaluating the Management Board's proposal concerning the distribution of net profit for 2011, the dividend record date and the dividend payment date,
- approving the Supervisory Board's report on the evaluation of "The IFRS-consistent standalone financial statements of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2011", "The Management Board's report on the activities of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2011" and the Management Board's proposal concerning the distribution of net profit for the financial year 2011,
- approving the Supervisory Board's report on the evaluation of "The IFRS-consistent consolidated financial statements of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2011" and "The Management Board's report on the activities of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2011",
- approving the Company's annual financial plan and real investment plan for 2012,
- approving the PGE Capital Group's efficiency improvement programme for the years 2012 – 2016,
- approving the document entitled "A Reviewed Strategy of PGE Polska Grupa Energetyczna S.A. for the Years 2012-2035",
- providing a positive opinion on the Management Board's proposal for the General Meeting concerning the redemption of the Company's treasury shares, the decrease in the Company's share capital, and the implementation of amendments to the Company Statutes,
- providing a positive opinion on amendments to the Regulations of the General Meeting,
- taking a decision to have the structure of the PGE Capital Group analysed by an independent external entity,
- giving consent to the Company's acquisition of shares in the increased share capital of PGE Systemy S.A. and the full payment for such shares by contribution in cash,
- giving consent to the Company's entering into a framework agreement on joint exploration and extraction of shale hydrocarbons with Polskie Górnictwo Naftowe i Gazownictwo S.A., Enea S.A., KGHM Polska Miedź S.A. and Tauron Polska Energia S.A.,
- giving consent to the Company's signing an out-of-court settlement with Regionalny Fundusz Gospodarczy S.A. concerning the settlement of mutual payables under a court settlement agreed on before the District Court in Częstochowa,
- giving consent to the Company's submission of binding offers concerning the acquisition of shares and interests in the companies of the Dong Group and the acquisition of shares in Iberdrola Renewables Polska Sp. z o.o.,
- giving consent to increasing the combined debt limit of PGE Polska Grupa Energetyczna S.A. in its current account,
- giving consent to the promotion of the PGE trademark by way of sponsoring leading sports clubs as well as sports or cultural events;
- providing a positive opinion on the use of the document entitled "The Principles of Conducting Sponsoring Activities in PGE Polska Grupa Energetyczna S.A. and the other

- companies of the PGE Capital Group" in PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group,
- appointing Vice Chairperson and Secretary of the Supervisory Board,
  - determining the composition of the permanent committees of the Supervisory Board of the 9th term of office,
  - approving amendments to the Company's Organizational Regulations and the Regulations of the Management Board,
  - determining the consolidated text of the Company Statutes,

**within the scope of the activities of the Management Board of PGE Polska Grupa Energetyczna S.A.:**

- recommending that the General Meeting grant discharge to the members of the Management Board for the performance of their duties in 2011,
- conducting recruitment procedures for the positions of President and Vice President of the Management Board of the 8th term of office and selecting two candidates for these positions,
- effecting changes in the composition of the Management Board of the 8th term of office of PGE Polska Grupa Energetyczna S.A. by dismissing Vice President of the Management Board for Operations,
- conducting recruitment procedures for the position of Vice President of the Management Board for Operations and selecting a candidate for this position,
- giving consent to the members of the Management Board to hold positions in other companies' governing bodies,

**within the scope of Corporate Governance:**

- adopting the report on the activities of the Supervisory Board of PGE Polska Grupa Energetyczna S.A. in 2011,
- adopting the report of the Supervisory Board of Polska Grupa Energetyczna S.A. on the evaluation of the Company's position in the year 2011, including opinions on the Company's internal control system and material risk management system",

**within the scope of the activities of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group:**

- becoming acquainted with the Management Board's information on the Company's position on the capital market,
- becoming acquainted, on a regular basis, with resolutions adopted by the Management Board of PGE Polska Grupa Energetyczna S.A.,
- becoming acquainted, on a regular basis, with the Management Board's information concerning the implementation of the non-core assets disposal programme,
- becoming acquainted with the Management Board's information on current and planned capital investment projects,
- becoming acquainted with the Management Board's information on the execution of the Company's purchases plan for 2011 and the purchases plan for 2012,
- becoming acquainted with the Management Board's information on the execution of the Company's shared orders plan for 2011 and the shared orders plan for 2012,
- becoming acquainted with the Management Board's information on the status of integration among the companies belonging to the PGE Capital Group after the process of consolidation,
- becoming acquainted with the Management Board's information on planned shared services centres,

- becoming acquainted with the Management Board's information on the functioning of PGE Energia Jądrowa S.A. and PGE EJ1 Sp. z o.o.,
- becoming acquainted with the Management Board's information on the nuclear project,
- becoming acquainted with the report on the status of the distribution network in 2011 and the distribution system modernization plan,
- becoming acquainted with the Management Board's information on the restructuring process in PGE Dystrybucja S.A.,
- becoming acquainted with the Management Board's information on the breakdown of the distribution network of PGE Dystrybucja in October 2012,
- becoming acquainted with the Management Board's information on the status of the Company's power generation assets;
- becoming acquainted with the Management Board's information on the principles of entering into contracts for the delivery of biomass for the generation facilities of the PGE Capital Group,
- becoming acquainted with the Management Board's information on the possibility of investment activities related to the construction of an incineration plant,
- becoming acquainted with the Management Board's information on planned legal changes related to the mechanisms supporting high-performance cogeneration plants,
- becoming acquainted with the Management Board's information on plans concerning the implementation of the EU Directive on remote (electronic) reading and measurement of electricity consumption,
- becoming acquainted with the Management Board's information on court disputes having material impact on the functioning of the PGE Capital Group,
- becoming acquainted, on a regular basis, with the Management Board's information concerning the social dialogue within the PGE Capital Group,
- becoming acquainted with the report on the effectiveness of the Company's sponsoring activities in 2011,
- becoming acquainted with the Management Board's information on the activities of the PGE Energia z Serca Foundation,
- becoming acquainted with the Management Board's information on the dates of the publication of periodic reports in 2012 and the restricted periods,

**within the scope of the financial activities of the Company and the PGE Capital Group:**

- becoming acquainted with the Management Board's information on the PGE Capital Group's financial plan for 2012,
- becoming acquainted with an analysis of the operating costs of the PGE Capital Group,
- becoming acquainted, on a regular basis, with the Management Board's information on the economic and financial position of the Company and the PGE Capital Group,
- becoming acquainted, on a regular basis, with reports concerning the costs of external consulting services in the Company and the PGE Capital Group,
- becoming acquainted, on a regular basis, with the Management Board's information on bonds issued and acquired by the Company, as well as bonds issued for bank guarantors,
- becoming acquainted with the Management Board's information on the sureties and guarantees for the liabilities of Electra Deutschland GmbH (now PGE Trading GmbH) granted by PGE Polska Grupa Energetyczna S.A.,
- becoming acquainted with the Management Board's information on the liquidity position of PGE Polska Grupa Energetyczna S.A.,
- becoming acquainted with the Management Board's information on costs incurred for the balancing needs of the PGE Capital Group in the years 2008-2012,

**within the scope of the investing activities of the Company and the PGE Capital Group:**

- becoming acquainted with the Management Board's information on the PGE Capital Group's consolidated real investments plan for the years 2012 and 2013,
- becoming acquainted with the Management Board's information on the execution of the investment plans of the companies belonging to the PGE Capital Group in 2011, and becoming acquainted, on a regular basis, with reports on the execution of capital investments plans of the companies belonging to the PGE Capital Group in the particular quarters of 2012,
- becoming acquainted with the Management Board's information on the implementation of strategic investment projects in 2011, as well as becoming acquainted, on a regular basis, with information on the execution of the strategic investment projects in the particular quarters of 2012,
- becoming acquainted, on a regular basis, with the Management Board's information on progress in the implementation of the CCS demonstration project in the Bełchatów Power Plant,
- becoming acquainted with the Management Board's information on progress in the execution of the investment task concerning the construction of units no. 5 and 6 in PGE Elektrownia Opole S.A.,
- becoming acquainted with the Management Board's information on investments in renewable energy and the use of relevant aid funds.

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In 2012 the Supervisory Board did not conduct any inspections or clarifying investigations.

**6. Information on the execution of a strategic or corrective programme.**

In February 2012 the Supervisory Board approved the document entitled "A Reviewed Strategy of PGE Polska Grupa Energetyczna S.A. for the Years 2012-2035".

**7. Information on the implementation of resolutions of the General Meeting related to the activities of the Supervisory Board – if applicable.**

In 2012 the General Meeting adopted two resolutions, resolution no. 37 of 30 May 2012 and resolution no. 6 of 27 June 2012, which authorized the Supervisory Board to determine the consolidated text of the Company Statutes of PGE Polska Grupa Energetyczna S.A., including amendments to the Statutes adopted by the General Meeting on 30 May and 27 June 2012.

The Supervisory Board implemented the aforementioned guidelines of the General Meeting on 07 August 2012, adopting resolution no. 22/IX/2012 concerning the determination of the consolidated text of the Company Statutes.

**8. Information on the Supervisory Board's suspension of members of the Management Board in their duties and delegation of members of the Supervisory Board to perform the duties of members of the Management Board - if applicable.**

In 2012 the Supervisory Board:

- did not suspend any member of the Management Board in their duties,
- did not delegate any member of the Supervisory Board to perform the duties of members of the Management Board of PGE Polska Grupa Energetyczna S.A.

## **9. Information on the Supervisory Board's decisions concerning the selection of a certified auditor and commissioned expert's opinions.**

In 2012 the Supervisory Board did not select a certified auditor because in 2010 the Supervisory Board had adopted a resolution concerning the selection of a certified auditor responsible for auditing the standalone and consolidated financial statements of PGE Polska Grupa Energetyczna S.A. for the years 2010-2013. The selected entity was KPMG Audyt Sp. z o.o. with its registered office in Warsaw.

In September 2012 the Supervisory Board adopted a resolution concerning the selection of a consulting firm to prepare a report entitled "An Analysis of the PGE Capital Group's Structure and an Evaluation of Justifications for the Maintenance of particular entities within the Group", simultaneously instructing the Management Board to immediately enter into an agreement for the preparation of such report with an entity appointed by the Supervisory Board.

The said analysis was drawn up and submitted to the Supervisory Board in October 2012.

## **10. Committees operating within the Supervisory Board of PGE Polska Grupa Energetyczna S.A.**

Pursuant to the Company Statutes, the Supervisory Board Regulations or a resolution of the General Meeting may provide for the appointment of committees within the structure of the Supervisory Board, in particular an audit committee and a remuneration committee. According to the effective Supervisory Board Regulations, the Supervisory Board may appoint permanent or ad hoc committees operating as collective advisory and opinion-making bodies of the Supervisory Board. Committees' objective is in particular providing the Supervisory Board with recommendations and opinions on matters belonging to their respective scopes of operation. Committees are appointed by the Supervisory Board from among its members. A committee consists of from 2 to 5 people. A committee elects its Chairperson from among its members. The Chairperson convenes meetings of a committee, manages the activities of a committee and represents it in relation with the Company's governing bodies and employees. The mandate of a committee's member expires simultaneously with the expiry of the mandate of a member of the Supervisory Board, the submission of a notice of resignation from membership in a committee or the dismissal from the composition of a committee by the Supervisory Board. Each member of the Supervisory Board is entitled to participate in meetings of any committee. The Chairperson of a committee may invite to its meetings members of the Management Board, the Company's employees and other people whose participation in meetings is justified. A committee makes decisions by way of consensus.

The Supervisory Board comprises the following permanent committees: the Audit Committee, Strategy and Development Committee, Appointment and Remuneration Committee and Corporate Governance Committee. The committees mentioned above were appointed based on resolutions of the Supervisory Board of 6 December 2007.

On 30 May 2012, in connection with the expiry of the mandates of the members of the Supervisory Board of the 8th term of office, the mandates of the aforementioned committees expired as well.

On 31 May 2012 the General Meeting appointed the members of the Supervisory Board of the 9th term of office. Therefore, on 6 June 2012 the Supervisory Board adopted a resolution concerning the determination of the composition of the permanent committee within the Supervisory Board of the 9th term of office.

## **The Audit Committee**

The Audit Committee is responsible for the examination of the correctness and efficiency of the performance of internal financial audits in the Company and the PGE Capital Group as well as for cooperation with the Company's auditors.

The Audit Committee is responsible in particular for the following:

- monitoring the work of the Company's certified auditors and presenting to the Supervisory Board recommendations concerning the selection and remuneration of the Company's certified auditors,
- before the audit of the Company's yearly financial statements, discussing with the Company's certified auditors the scope of their audit and monitoring their work,
- reviewing the Company's periodic and yearly financial (stand-alone and consolidated) financial statements, with emphasis put in particular on the following: all changes in accounting standards, principles and policies, major areas subject to evaluation, significant corrections resulting from an audit, declarations of the continuation of the activities, compliance with the effective accounting regulations,
- discussing with all proper people all problems or reservations which may have resulted from the audit of financial statements,
- analysing letters to the Management Board drawn up by the Company's certified auditors and the Management Board's responses, as well as examining the independence and objectivity of audits conducted by certified auditors,
- providing opinions on the Company's policy concerning dividend, profit distribution and issue of securities,
- reviewing the managerial accounting system,
- reviewing the internal control system (including the mechanisms of financial, operating, legal compliance, risk assessment and managerial controls) and annual reports,
- analysing the Company's internal auditors' reports and the main observations of other internal analysts as well as the Management Board's responses to such observations, including an examination of internal auditors' degree of independence,
- reviewing, on an annual basis, the internal audit programme, coordinating work of internal and external auditors as well as examining internal auditors' operating conditions,
- cooperating with the Company's organizational units responsible for audit and controlling as well as evaluating their work on a periodic basis,
- considering all other issues related to the Company's audit which have drawn the attention of the Audit Committee or the Supervisory Board,
- notifying the Supervisory Board of all important issues related to the activities of the Audit Committee.

In 2012 the Audit Committee operated in the following composition:

Name and surname	Function
to 30 May 2012	
Małgorzata Dec	Chairperson
Maciej Bałtowski	Committee Member
Grzegorz Krystek	Committee Member
Zbigniew Szmuniewski	Committee Member
Krzysztof Żuk	Committee Member
from 6 June 2012	
Małgorzata Dec	Chairperson
Maciej Bałtowski	Committee Member
Grzegorz Krystek	Committee Member



Name and surname	Function
Marcin Zieliński	Committee Member

At its meetings during that period, the Audit Committee conducted first of all analyses of the Company's financial plan for 2012 and the financial statements for 2011, i.e. the Company's standalone financial statements, the Management Board's report on the Company's activities, the consolidated financial statements of the PGE Capital Group and the Management Board's report on the activities of the PGE Capital Group.

Furthermore, the members of the Audit Committee analysed the issues related to the Company's standalone financial statements for the first half of 2012 and also the consolidated financial statements of the PGE Capital Group for the same period.

Simultaneously, the Audit Committee approved the Management Board's information on the new internal audit regulations and investigated the most important risks threatening the companies of the PGE Capital Group in their business activities.

### **The Corporate Governance Committee**

The Corporate Governance Committee is responsible for the following:

- evaluating the implementation of the principles of corporate governance in the Company and notifying the Supervisory Board of initiatives for changes in this area,
- providing opinions on the Company's normative acts and other documents influencing corporate governance and submitted to the Supervisory Board,
- initiating and developing proposals for changes in the Supervisory Board's normative acts.

In 2012 the Corporate Governance Committee operated in the following composition:

Name and surname	Function
to 30 May 2012	
Katarzyna Prus	Chairperson
Maciej Bałtowski	Committee Member
Jacek Barylski	Committee Member
Czesław Grzesiak	Committee Member
from 6 June 2012	
Katarzyna Prus	Chairperson
Maciej Bałtowski	Committee Member
Jacek Barylski	Committee Member
Czesław Grzesiak	Committee Member

During that period the Corporate Governance Committee monitored the information on corporate governance and "The Good Practices Followed at PGE Polska Grupa Energetyczna S.A.", and presented its comments on the topic to the Supervisory Board. The Committee's members conducted thorough analyses of normative acts related to the Company's activities and submitted to the Supervisory Board; they shared their opinions on the subject with the Supervisory Board.

### **The Strategy and Development Committee**

The Strategy and Development Committee is responsible for providing opinions and presenting recommendations to the Supervisory Board with respect to planned investments

having significant influence on the Company's assets. The Strategy and Development Committee is responsible in particular for providing opinions on strategy and strategic plans submitted to the Supervisory Board by the Management Board.

In 2012 the Strategy and Development Committee operated in the following composition:

Name and surname	Function
to 30 May 2012	
Grzegorz Krystek	Chairperson
Małgorzata Dec	Committee Member
Zbigniew Szmuniewski	Committee Member
Marcin Zieliński	Committee Member
Krzysztof Żuk	Committee Member
from 6 June 2012	
Grzegorz Krystek	Chairperson
Małgorzata Dec	Committee Member
Czesław Grzesiak	Committee Member
Marcin Zieliński	Committee Member

At its meetings during that period, the Strategy and Development Committee, among other things, became acquainted with the current work of the Company's Strategy Department, analysed information on nuclear power generation and approved the Management Board's information on the shared services centre programme in the areas of IT and accounting, CO2 emissions and the efficiency improvement programme. The Committee provided a positive opinion on the reviewed strategy and strategic plans submitted to the Supervisory Board by the Management Board. It recommended a continuous monitoring of the guidelines and execution of the strategy as well as active participation in the development of the EU's and Poland's energy policy.

### **The Appointment and Remuneration Committee**

The Appointment and Remuneration Committee is responsible for supporting the process of achieving the Company's strategic objectives by presenting to the Supervisory Board opinions and proposals concerning the shaping of the management structure, including organizational solutions, the remuneration system and the recruitment of the personnel possessing required qualifications.

The Appointment and Remuneration Committee is responsible in particular for the following:

- initiating and providing opinions on solutions concerning the system of appointing members of the Management Board,
- providing opinions on the Management Board's proposed solutions concerning the Company's management system aimed at ensuring the effectiveness, coherence and security of the Company's system of management;
- reviewing periodically and recommending the principles of determining motivational remuneration for members of the Management Board and the senior management personnel, in accordance with the Company's interest,

- reviewing periodically the system of remuneration for members of the Management Board and the senior management personnel reporting directly to members of the Management Board, including managerial contracts and motivational systems as well as submitting to the Supervisory Board proposals concerning their development within the context of achieving the Company's strategic objectives,
- presenting to the Supervisory Board opinions concerning justifications for granting remunerations dependent on results within the context of evaluating progress in the performance of particular tasks and achievement of particular objectives,
- evaluating the Company's human resources management system.

In 2012 the Appointment and Remuneration Committee operated in the following composition:

Name and surname	Function
to 30 May 2012	
Maciej Bałtowski	Chairperson
Jacek Barylski	Committee Member
Czesław Grzesiak	Committee Member
Katarzyna Prus	Committee Member
Marcin Zieliński	Committee Member
from 6 June 2012	
Maciej Bałtowski	Chairperson
Jacek Barylski	Committee Member
Czesław Grzesiak	Committee Member
Katarzyna Prus	Committee Member
Marcin Zieliński	Committee Member

In 2012 the Appointment and Remuneration Committee worked on the basis of its plan of duties prepared by the Supervisory Board. Vacancies in the composition of the Management Board required the organization of two recruitment procedures to fill the vacancies. In February 2012 the recruitment procedures for the positions of President and Vice President of the Management Board were conducted, and in August 2012 - for the Position of Vice President of the Management Board. In both cases the Committee selected firms to assist the Company in the recruitment procedures and submitted relevant recommendations to the Supervisory Board for approval. The Committee's members cooperated closely with the selected consulting firms at all stages of the recruitment procedures. As part of its duties, the Committee evaluated the execution of tasks allocated to the Management Board in 2011 and submitted its opinion to the Supervisory Board. In 2012 the Appointment and Remuneration Committee held three meetings. The Committee's members maintained permanent working relationships with each other, thus developing the Committee's positions on various matters.

#### **11. The Supervisory Board's comments concerning its cooperation with the Management Board.**

The Supervisory Board requests that the General Meeting discharge the members of the Supervisory Board in respect of their duties for the year 2012:

Krzysztof Kilian from 5 March 2012 to 31 December 2012  
 Bogusława Matuszewska from 5 March 2012 to 31 December 2012  
 Wojciech Ostrowski from 1 January 2012 to 31 December 2012

Paweł Skowroński from 1 January 2012 to 3 July 2012  
Paweł Smoleń from 1 October 2012 to 31 December 2012  
Piotr Szymanek from 1 January 2012 to 31 December 2012

## 12. An evaluation of the Supervisory Board's work.

This report presents the main directions of the Supervisory Board's activities in the financial year 2012. The members of the Supervisory Board performed their duties with due diligence, using their knowledge and experience in the area of managing and supervision commercial law companies.

In view of the above, submitting this report, the Supervisory Board requests that its members be discharged in respect of their duties in the financial year 2012:

Marcin Zieliński from 1 January 2012 to 31 December 2012  
Maciej Bałtowski from 1 January 2012 to 31 December 2012  
Jacek Barylski from 1 January 2012 to 31 December 2012  
Małgorzata Dec from 1 January 2012 to 31 December 2012  
Czesław Grzesiak from 1 January 2012 to 31 December 2012  
Grzegorz Krystek from 1 January 2012 to 31 December 2012  
Katarzyna Prus from 1 January 2012 to 31 December 2012  
Zbigniew Szmuniewski from 1 January 2012 to 30 May 2012  
Krzysztof Żuk from 1 January 2012 to 30 May 2012

Chairperson of the Supervisory Board  
PGE Polska Grupa Energetyczna S.A.

Marcin Zieliński

Vice Chairperson of the Supervisory Board:

Małgorzata Dec .....

Members of the Supervisory Board:

Maciej Bałtowski .....

Jacek Barylski .....

Czesław Grzesiak .....

Grzegorz Krystek .....

Katarzyna Prus .....