



MINISTER ENERGII
MINISTER OF ENERGY

Warsaw,

DNP.II.4621.69.2019
IK: 403221

Mr Henryk Baranowski
President of the Management Board
PGE Polska Grupa Energetyczna S.A.

Dear Mr Baranowski,

Acting on behalf of the the State Treasury, in the capacity of a shareholder in the company PGE Polska Grupa Energetyczna S.A., and in the capacity of the person authorised under Article 400 § 1 of the Commercial Companies Code, I request that an Extraordinary General Meeting of the company PGE Polska Grupa Energetyczna S.A. be convened and that the following items be included in the agenda of this Extraordinary General Meeting:

1. The adoption of a resolution concerning *the principles of determining remuneration for Members of the Management Board* and the revocation of resolution no. 4 adopted by the Extraordinary General Meeting of the company PGE Polska Grupa Energetyczna S.A. on 14 December 2016 and concerning *the principles of determining remuneration for Members of the Management Board* as well as the revocation of resolution no. 37 adopted by the Ordinary General Meeting of the company PGE Polska Grupa Energetyczna S.A. on 27 June 2017 and concerning an amendment to resolution no. 4 of the Extraordinary General Meeting of the company PGE Polska Grupa Energetyczna S.A. of 14 December 2016.
2. The adoption of a resolution concerning an amendment to resolution no. 5 adopted by the Extraordinary General Meeting of the company PGE Polska Grupa Energetyczna S.A. on 14 December 2016 and concerning *the principles of determining remuneration for Members of the Supervisory Board*.

Simultaneously, I would like to inform you that draft resolutions concerning the matters mentioned above will be submitted without undue delay after their content has been specified in more detail.

Justification

Including the aforementioned items in the agenda of the General Meeting results from recommendations provided by the Chancellery of the Prime Minister and is aimed at ensuring greater precision of the present principles of establishing remuneration for members of the Management Board and the Supervisory Board governed by the provisions of the Remuneration Determination Act, taking into consideration the definition of the notion of “assessment basis” indicated in Article 1 Clause 3 Item 11 of the Remuneration Determination Act and the temporary regulations modifying the definition as specified in the Act on special solutions supporting the implementation of the 2019 Budget Act.

Furthermore, the Shareholder - Minister of Energy recognizes the necessity of updating the general catalogue of Managerial Objectives established in 2016.

Managerial Objectives to be established by the General Assembly will become applicable after their elaboration by the Supervisory Board for the subsequent years as of 2020.

Yours respectfully