



Justifications for the draft resolutions of the Extraordinary General Meeting of "PGE Polska Grupa Energetyczna Spółka Akcyjna" ("Company") convened for 23 June 2010

A justification for the draft resolution of the General Meeting concerning the granting of an annual award for the year 2009 to President of the Management Board

In view of a considerable increase in the Company's net profit, which in the financial year ended 31 December 2009 reached the level of PLN 1,440.5 million, which is a rise of 160% over the results of the financial year ended 31 December 2008, improvement in the Company's economic situation and the performance of a range of activities provided for in the Company's strategy, there are compelling reasons to grant an annual award to President of the Management Board. Moreover, the Supervisory Board's positive opinion in this respect expressed in a motion to be submitted to the General Meeting constitutes another justification for the granting of an annual award to Mr Tomasz Zadroga - President of the Management Board of Polska Grupa Energetyczna S.A.

A justification for the draft resolution of the General Meeting concerning changes in the Company Statutes

The adoption of this resolution is related to the need to update the provisions of the Company Statutes. The changes consist in providing the Supervisory Board with the authority to determine the amount of remuneration for members of the Management Board. Currently, the Supervisory Board determines only the essential conditions of employment of Management Board members, while the amount of remuneration is decided by the General Meeting. For practical reasons, it is justifiable to entrust these two rights to one governing body - the Supervisory Board. The Company Statutes will include a provision that this solution does not infringe upon the rights of the General Meeting resulting from the mandatory legal regulations, in particular the so-called "chimney" act, which provides for some limitations with regard to employment of management board members.