



EMPLOYMENT

12 Report racing
 128+ 3.47
 107 615 Rv
 12 34 50 2 Report racing
 200 624 126 845 21
 21 1+2 Report racing
 03 1504
 1283 Rv 264
 12 619

People are the most valuable asset of the PGNiG Group. Without them, the Company's international successes and large-scale investment projects would not be possible. It is thanks to the thousands of its employees that the Group is able to provide top quality services to millions of its customers.

In the period from January 1st 2000 to December 31st 2008, the PGNiG Group implemented the "Programme of Employment Restructuring and Employee Protection Measures for PGNiG SA Branches and Subsidiaries". 21,551 employees were covered by various forms of employment restructuring under the programme. The headcount at PGNiG SA and its subsidiary undertakings covered by the programme was reduced by 14,689 staff (including the transfer of 2,181 employees as part of the spin-off of OGP GAZ-SYSTEM sp. z o.o.).

On December 11th 2008, the Extraordinary General Shareholders Meeting of PGNiG SA adopted the "Programme for Streamlining of Employment and Redundancy Payments to the Employees of the PGNiG Group for 2009–2011 (phase III)". The programme came into force in January 2009. Contrary to the previous employment restructuring programmes, it may be implemented in special circumstances and requires the application by the individual Group members of procedures uniform across the PGNiG Group. The programme may be implemented only when it is justified by the scale of the planned restructuring measures resulting in workforce downsizing and/or liquidation of jobs.

Development

Investing in human resources creates favourable conditions for the implementation of a business's plans. This approach also allows employees to pursue their individual goals. Due to a wide spectrum of the subsidiaries' business activity, PGNiG SA allows the Group entities a lot of leeway in establishing the scope and type of staff training.

The key role in establishing bonds between the Company and its employees is played by a training management system. Persons employed at the PGNiG Group are offered opportunities for improving their professional qualifications, for example through postgraduate studies, participation in national trade conferences, seminars and symposia, occupational training, and self-education (e-learning).

Moreover, the employees participate in language courses, and have a chance to get a placement at our branches in Moscow and Brussels, where they can become acquainted with the ins and outs of everyday work in these units, as well as improve their language skills.

Our employees may participate in various training courses on modern business organisation, tailored to the needs of the positions held by particular employees. The covered topics included project management, analysis of legal environment, business risk management, customer service, internal communication and team work. Trainings were co-financed with EU funds, including the European Social Fund. Such extensive training offering enables our employees to develop and enhance their professional qualifications, while the Company benefits from higher productivity.

Personnel development translates into the growth of the Group's value, which is viewed positively primarily by investors and customers, and also by prospective employees. Currently, the Management Board of PGNiG SA is working on the implementation of an MBO Programme.

PGNiG Group as the Largest Employer

The PGNiG Group fulfils its obligations towards the employees and their families with utmost diligence. These obligations are chiefly connected with social services. The entitled persons enjoy the following benefits:

- organisation and additional financing of holiday rest for children and young people;
- financial assistance and material support for poorest families,
- repayable financial housing assistance;
- organization and additional financing of various forms of recreation;
- rehabilitation in the form of prophylactic holidays at occupational health and recreation centres.

Internships

PGNiG SA organises a students training programme for participants of the annual "Grasz o staż" initiative, the most popular and prestigious training programme addressed to Polish students and graduates. The programme has been organised since 1996 by PricewaterhouseCoopers and Gazeta Wyborcza. We organize paid summer internships.

We also offer unpaid internship to students of the Faculty of Gas Engineering at the Warsaw University of Technology, as well as periodic trainings for students from universities across Poland. The programme involves all our Polish subsidiaries.

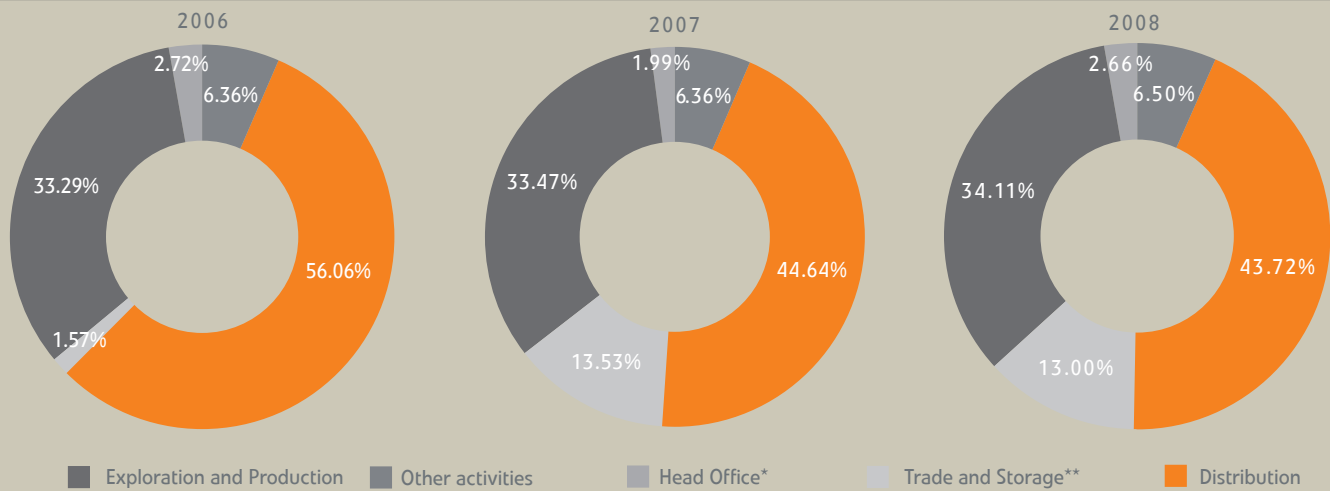
Recruiting the Best

In line with the adopted rules and in accordance with the arrangements included in the Group's employment restructuring programme, we prefer internal recruitment for posts at the Head Office. Not only does it allow us to make full use of our employees' potential, but it also motivates them to more effective work and development of their individual skills. External recruitment is carried out only when highly specialist competences not available in-house are sought. During the recruitment process, the candidates' level of competence is determined on the basis of post-specific competence profiles. It is a combination of knowledge, skills, attitudes and motivation required for a given post.

We Are a Team

An important element affecting the productivity and quality of work is integration and cooperation of the Group employees. Due to the nature of our business and the broad range of operations, both traditional as well as electronic means of communication are used. As part of our initiatives conducted to-date, the employees receive daily electronic newsletter highlighting the most important events in the PGNiG Group, and – on a monthly basis – "MaGAZyn", an internal gazette devoted to key events connected with the Group's operations. We have also implemen-

EMPLOYMENT AT THE PGNIG GROUP BY SEGMENTS IN 2006-2008



* Head Office provides services for all segments and thus has not been allocated to any particular segment.

** Including companies consolidated with the equity method.

ted a system based on “communicators” – persons responsible for disseminating information among our employees across the Group. We have also launched an IT platform enabling direct information exchange among the employees. The work on launching of an SMS-based information system for the employees has been completed. The system will support several thousand of the Company cellular phone numbers.

Any initiatives concerning internal communication are consistent with our HR policy, which fosters employees’ commitment and satisfaction.

Employment by segments (no. of staff)

	2008	2007
Head Office	837	604
Exploration and Production	10,725	10,151
Trade and Storage	4,088	4,104
Distribution	13,746	13,538
Other activities	2,044	1,928
Total	31,440	30,325