

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, May 29th 2018

Draft resolutions for Annual General Meeting of PGNiG SA convened for June 29th 2018

Current Report No. 32/2018

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 29th 2018.

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

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 the Chairperson 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 SA for 2017.
7. Review and approval of the consolidated financial statements of the PGNiG Group for 2017 and the Directors' Report on the Operations of PGNiG SA and the PGNiG Group in 2017.
8. Resolutions to grant discharge to members of the Management Board of PGNiG SA in respect of performance of their duties in 2017.
9. Resolutions to grant discharge to members of the Supervisory Board of PGNiG SA in respect of performance of their duties in 2017.
10. Resolution on allocation of the Company's net profit for 2017 and setting the dividend record date and the dividend payment date.
11. Resolution to amend the Company's Articles of Association.
12. Closing of the Meeting.

Section 2

This Resolution shall come into force as of its date.

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: review and approval of the financial statements of PGNiG SA for 2017.

Section 1

Acting pursuant to Art. 56.1.1 of the Company's Articles of Association, the General Meeting of Polskie Górnictwo Naftowe i Gazownictwo SA resolves to approve:

1. Financial statements of PGNiG SA prepared in accordance with the International Financial Reporting Standards for the financial year from January 1st to December 31st 2017, including:
 - a) statement of profit or loss for the period from January 1st to December 31st 2017, showing net profit of PLN 2,034m,
 - b) statement of comprehensive income for the period from January 1st to December 31st 2017, showing net comprehensive income of PLN 1,961m,
 - c) statement of financial position as at December 31st 2017, showing total assets of PLN 33,447m,
 - d) statement of cash flows for the period from January 1st to December 31st 2017, showing a net decrease in cash of PLN 3,243m,
 - e) statement of changes in equity for the period from January 1st to December 31st 2017, showing an increase in equity of PLN 805m,
 - f) supplementary information, comprising an introduction and notes to the financial statements.

Section 2

This Resolution shall come into force as of its date.

Grounds

Pursuant to Article 52.2. of the Accountancy Act of September 29th 1994 (Dz. U. of 2018, item 395), financial statements are signed by the manager of an entity, and where an entity is managed by a body composed of a number of members – by all members thereof (PGNiG SA's Management Board). Pursuant to Article 49.1. of the said Act, attached to an entity's financial statements is the directors' report on its operations. The Directors' Report on the Operations of PGNiG SA and of the PGNiG Group in 2017 has been prepared as a single document (under Article 55.2a of the Act) and is submitted for approval together with the consolidated financial

statements of the PGNiG Group. After the adoption of separate financial statements, the Management Board submits them to the Supervisory Board for evaluation, and then requests the General Meeting to approve them.

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: review and approval of the consolidated financial statements of the PGNiG Group for 2017 and the Directors' Report on the Operations of PGNiG SA and the PGNiG Group in 2017.

Section 1

Acting pursuant to Art. 56.2.2 of the Company's Articles of Association, the General Meeting of Polskie Górnictwo Naftowe i Gazownictwo SA resolves to approve:

1. Consolidated financial statements of the PGNiG Group prepared in accordance with the International Financial Reporting Standards for the financial year from January 1st to December 31st 2017, including:
 - a) consolidated statement of profit or loss for the period from January 1st to December 31st 2017, showing net profit of PLN 2,921m,
 - b) consolidated statement of comprehensive income for the period from January 1st to December 31st 2017, showing net comprehensive income of PLN 2,767m,
 - c) consolidated statement of financial position as at December 31st 2017, showing total assets of PLN 48,203m,
 - d) consolidated statement of cash flows for the period from January 1st to December 31st 2017, showing a net decrease in cash of PLN 3,251m,
 - e) consolidated statement of changes in equity for the period from January 1st to December 31st 2017, showing an increase in equity of PLN 1,611m,
 - f) supplementary information, comprising an introduction and notes to the consolidated financial statements.
2. Directors' Report on the Operations of PGNiG SA and the PGNiG Group in 2017.

Section 2

This Resolution shall come into force as of its date.

Grounds

Pursuant to Article 63c.3 of the Accountancy Act of September 29th 1994 (Dz. U. of 2018, item 395), consolidated financial statements of a group are signed by the manager of its parent (PGNiG SA's Management Board), and where the parent is managed by a body composed of a

number of members – by all members thereof, as well as by other persons responsible for preparation of the consolidated financial statements.

Pursuant to Article 55.2a of the said Act, attached to a group's consolidated financial statements is the directors' report on its operations. After the adoption of consolidated financial statements of the Group together with the Directors' Report on the Operations of PGNiG SA and of the PGNiG Group, the Management Board submits them to the Supervisory Board for evaluation, and then requests the General Meeting to approve them.

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Piotr Woźniak, President of the PGNiG Management Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Piotr Woźniak, President of the PGNiG Management Board from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Radosław Bartosik, Vice President of the PGNiG Management Board, Chief Operating Officer, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Radosław Bartosik, Vice President of the PGNiG Management Board, Chief Operating Officer, from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Łukasz Kroplewski, Vice President of the PGNiG Management Board, Development, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Łukasz Kroplewski, Vice President of the PGNiG Management Board, Development, from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Michał Pietrzyk, Vice President of the PGNiG Management Board, Finance, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Michał Pietrzyk, Vice President of the PGNiG Management Board, Finance, from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Maciej Woźniak, Vice President of the PGNiG Management Board, Trade, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Maciej Woźniak, Vice President of the PGNiG Management Board, Trade, from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Waldemar Wójcik, Vice President of the PGNiG Management Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Waldemar Wójcik, Vice President of the PGNiG Management Board from January 1st to March 6th 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Magdalena Zegarska, Vice President of the PGNiG Management Board, in respect of performance of her duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Waldemar Wójcik, Vice President of the PGNiG Management Board from March 6th to December 31st 2017, in respect of performance of her duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Bartłomiej Nowak, Chairman of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Bartłomiej Nowak, Chairman of the PGNiG Supervisory Board from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Wojciech Bieńkowski, Deputy Chairman of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Wojciech Bieńkowski, Member of the PGNiG Supervisory Board from January 1st to June 28th 2017, and Deputy Chairman of the PGNiG Supervisory Board from January 1st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Sławomir Borowiec, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Sławomir Borowiec, Member of the PGNiG Supervisory Board from January 1st to December 31st 2017, and Secretary of the PGNiG Supervisory Board from March 6th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Mateusz Boznański, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Mateusz Boznański, Member of the PGNiG Supervisory Board from January 1st to June 28th 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Piotr Sprzączak, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Piotr Sprzączak, Member of the PGNiG Supervisory Board from January 1st to December 31st 2017, and Deputy Chairman of the PGNiG Supervisory Board from June 29th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Andrzej Gonet, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Andrzej Gonet, Member of the PGNiG Supervisory Board from January 1st to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Piotr Broda, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Piotr Broda, Member of the PGNiG Supervisory Board from June 28th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Mieczysław Kawecki, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Mieczysław Kawecki, Member of the PGNiG Supervisory Board from June 28th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Stanisław Sieradzki, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Stanisław Sieradzki, Member of the PGNiG Supervisory Board from June 28th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Grzegorz Tchorek, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Grzegorz Tchorek, Member of the PGNiG Supervisory Board from June 28th to December 31st 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Ms Anna Wellisz, Member of the PGNiG Supervisory Board, in respect of performance of her duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Ms Anna Wellisz, Member of the PGNiG Supervisory Board from January 1st to June 28th 2017, in respect of performance of her duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Mr Ryszard Wąsowicz, Member of the PGNiG Supervisory Board, in respect of performance of his duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Mr Ryszard Wąsowicz, Member of the PGNiG Supervisory Board from January 1st to May 30th 2017, in respect of performance of his duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: granting discharge to Magdalena Zegarska, Secretary of the PGNiG Supervisory Board, in respect of performance of her duties in the financial year 2017.

Section 1

Acting pursuant to Art. 393.1 of the Commercial Companies Code, 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 SA grants discharge to Ms Magdalena Zegarska, Secretary of the PGNiG Supervisory Board from January 1st to March 5th 2017, in respect of performance of her duties in the financial year 2017.

Section 2

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

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: allocation of the Company's net profit for 2017 and setting the dividend record date and the dividend payment date.

Acting pursuant to Art. 395.2.2 and Art. 348.3 of the Commercial Companies Code, and pursuant to Art. 56.1.3 and 56.1.4 of the Company's Articles of Association, the Annual General Meeting of PGNiG SA hereby resolves:

Section 1

- 1) To allocate the net profit of PGNiG SA for 2017 of PLN 2,034,103,359.30 as follows:
 - a) PLN 866,747,228.55 shall be distributed to the Company's shareholders as dividend (PLN 0.15 per share),
 - b) PLN 1,167,356,130.75 shall be transferred to the Company's statutory reserve funds.
- 2) The dividend record date shall be set for July 19th 2018.
- 3) The dividend payment date shall be set for August 3rd 2018.

Section 2

This Resolution shall come into force as of its date.

Grounds

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 as dividend up to 50% of the consolidated net profit for 2017, i.e. approximately PLN 866m, which represents approximately 30% of the consolidated net profit for 2017.

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 and dividend payment, the PGNiG Management Board took into account the PGNiG Group's financial capabilities, 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.

Resolution No. / 2018
of the General Meeting of
the Company under the business name of
Polskie Górnictwo Naftowe i Gazownictwo SA
of Warsaw
dated June 29th 2018

concerning: to amend the Company's Articles of Association.

Acting pursuant to Art. 430.1 of the Commercial Companies Code and Art. 56.4.6) of the Company's Articles of Association, the General Meeting of PGNiG SA resolves as follows:

Section 1

The Annual General Meeting of PGNiG SA amends the Company's Articles of Association as follows:

1. Art. 26.7 shall be amended to read as follows:

"When calling an Election, the Supervisory Board shall pass a resolution defining detailed rules of election and removal of the Management Board member elected by the Company's employees, and the rules of by-elections, in accordance with the above provisions."

2. Art. 37.1 shall be amended to read as follows:

"If the Supervisory Board consists of up to six members, two members shall be appointed from among persons elected by the Company's employees and employees of all of its subsidiaries. If the Supervisory Board consists of seven to nine members, three members shall be appointed from among persons elected by the Company's employees and employees of all of its subsidiaries.

3. Art. 37.2 shall be amended to read as follows:

"The candidates for the position of the Supervisory Board members elected by the Company's employees and employees of all of its subsidiaries shall be persons who have received no less than 50% plus 1 vote validly cast in the election. The result of the voting shall be binding on the General Meeting, provided that at least 50% of all the Company's employees and employees of all of its subsidiaries take part in the voting."

4. Art. 37.3 shall be amended to read as follows:

"The voting shall be held by secret ballot and shall have the form of a general and direct election managed by Election Committees appointed by the Supervisory Board from among the Company's employees and employees of all of its subsidiaries. A candidate for the election may not be a member of an Election Committee.

5. Art. 37.4 shall be amended to read as follows:

“1) Where the Supervisory Board is composed of no more than six members, candidates to the Supervisory Board who are elected by the Company’s employees and employees of all of its subsidiaries shall be elected in the following single-member electoral districts:

- a) The electoral district comprising the Company and its subsidiaries from the Exploration, Production, Generation segments and other than those specified in Art. 37.4.2.b) below,
- b) The electoral district comprising the subsidiaries from the Distribution, Trade and Storage segments.

2) Where the Supervisory Board is comprised of seven to nine members, candidates to the Supervisory Board to be elected by the employees of the Company and all of its subsidiaries shall be elected in the following single-member districts:

- a) The district comprising the Company and its subsidiaries from segments other than those specified in Art. 37.4.2.b and Art. 37.4.2.c,
- b) The district comprising the subsidiaries from the Distribution segment,
- c) The district comprising the subsidiaries from the Exploration, Production, Trade, Storage, and Power Generation segments.”

6. Art. 37.5 shall be amended to read as follows:

“Election of candidates to the Supervisory Board shall be called by the Supervisory Board. The provisions of Article 26 and Article 27 shall apply accordingly in this respect.

7. Art. 37.6 shall be added, reading as follows:

When calling an election, the Supervisory Board shall adopt the Election Rules, setting forth the detailed procedure for the election and removal of the Supervisory Board members appointed from among persons elected by the employees of the Company and all of its subsidiaries. The Election Rules shall specify the subsidiaries comprising individual electoral districts.”

8. Art. 38 shall be amended to read as follows:

Upon a written request by at least 15% of the employees of the Company and all of its subsidiaries, the Supervisory Board shall call a vote on removal of an employees’ representative from the Supervisory Board. The result of the vote shall be binding on the General Meeting, provided that at least 50% of all the Company’s employees and employees of all of its subsidiaries take part in the voting and that the same majority of votes is obtained as is required for election.”

9. Art. 39 shall be amended to read as follows:

“In the event of removal, resignation or death of a Supervisory Board member appointed from among the persons elected by employees of the Company and all of its subsidiaries, the person who has obtained the next largest number of votes in the most recent election shall be appointed to the Supervisory Board in a given electoral district. If this is impracticable, a by-election shall be held, in which case the provisions of Article 27.3 and 27.4 and Article 37.4 shall apply accordingly.”

10. After Art. 65.12, the following Art. 65.13 shall be added:

“Whenever these Articles of Association refer to employees of a subsidiary, it shall mean employees of a subsidiary within the meaning of Art. 3.1.39 of the Accounting Act of September 29th 1994.”

Section 2

This Resolution shall come into force as of its date.

GROUNDS

April 24th 2018 was the date of entry into force of the Act of March 1st 2018 Amending the Act on State Property Management and the Act on Commercialisation and Certain Employee Rights (Dz. U. of 2018, item 702). The above amendments to the Articles of Association of PGNiG S.A. are necessary to bring the Articles of Association into conformity with the applicable statutory provisions.

Legal basis:

Par. 19.1.2 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. 2018, item 757).