

# REPORT FROM THE RECRUITMENT PROCESS FOR THE POSITION OF PRESIDENT OF THE PKP CARGO S.A. MANAGEMENT BOARD

Warsaw, 26 January 2016

Report from the recruitment procedure for the position of President of the PKP CARGO S.A. Management Board. The purpose of this recruitment process was to select the President of the PKP CARGO Management Board for the remainder of the current term of office and for the next term of office.

This report has been prepared in accordance with the provisions of § 15 Sec. 1 in conjunction with § 15 Sec. 3 of the Bylaws for Appointing Management Board Members in PKP CARGO S.A.

Pursuant to Resolution no. 1509/V/2016 adopted by the PKP CARGO S.A. Supervisory Board on 11 January 2016 on initiating the recruitment procedure for the position of President of the PKP CARGO S.A. Management Board, the recruitment procedure was started for the position of President of the PKP CARGO S.A. Management Board. The draft of this resolution has been prepared by HAYS Poland Sp. z o.o.

Pursuant to the provisions of § 14 Sec. 4 of PKP CARGO S.A.'s Articles of Association, PKP S.A. has taken advantage of its personal right and put forward a candidate for the position of President of the PKP CARGO S.A. Management Board – Mr. Maciej Libiszewski.

By 13 January 2016, 12:00 noon, the Candidate's submission was filed in the seat of the Recruitment Consultant, HAYS Poland. Then the documents submitted by the Candidate, pursuant to the PKP CARGO S.A. Supervisory Board Resolution, were handed over, in one counterpart, to the Chairman of the PKP CARGO S.A. Supervisory Board and Chairman of the Nomination Committee each.

On 13 January 2016, at 12:30 pm, in the seat of HAYS Poland, the submission for the position of President of the PKP CARGO Management Board was opened. HAYS Poland declared that the Candidate submitted all the required documents according to § 8 Sec. 4 of the Bylaws for Appointing Management Board Members in PKP CARGO S.A. and immediately submitted this information to the Chairman of the Nomination Committee and Chairman of the PKP CARGO S.A. Supervisory Board.

Consequently, the representatives of HAYS Poland analyzed the submission from the standpoint of satisfaction of the formal requirements by the Candidate, i.e. Mr. Maciej Libiszewski, pertaining to:

- university education;
- documented minimum 10 years in service, including all forms of employment or provision of services;

- enjoyment of full public rights;
- full capacity to enter into legal transactions;
- not being subject to any legally prescribed restrictions or bans from holding the position of management board member in commercial law companies.

Immediately after carrying the formal analysis the Recruitment Consultant informed the Chairman of the Nomination Committee by email that the Candidate satisfied the formal requirements. The Recruitment Consultant also informed the Candidate by email about qualifying him to the next stages of the recruitment process and about its stages.

On 14 January 2016, at 7:20 am, the Chairman of the Nomination Committee, Mr. Stanisław Knaflewski, at the meeting of the Nomination Committee, together with the remaining Committee Members, held a discussion following which the Nomination Committee adopted Resolution no. 4/2016 to admit the Candidate, Mr. Maciej Libiszewski, to the next stage of the recruitment procedure for the position of President of the PKP CARGO S.A. Management Board.

Then, on 14 January 2016, at 7:30-9.30 am, the Recruitment Consultant – HAYS Poland, the Nomination Committee and the PKP CARGO S.A. Supervisory Board members present at the meeting, i.e. Mr. Raimondo Eggink and Mr. Kazimierz Jamrozik, carried out an interview with the Candidate.

After the interview the Recruitment Consultant prepared the minutes.

Following the interview and on the basis of the documents delivered by the Candidate and the Supervisory Board, the Recruitment Consultant prepared a written opinion about the Candidate. The opinion contained a positive assessment of the Candidate for the position of President of the PKP CARGO S.A. Management Board.

Pursuant to § 13 Sec. 4 of the Bylaws for Appointing Management Board Members in PKP CARGO S.A., the opinion of the Recruitment Consultant was handed over to the Chairman of the Nomination Committee and the other PKP CARGO S.A. Supervisory Board Members. The above opinion was handed over on 15 January 2016.

As at 19 January 2016, 2:30 pm, a meeting of the PKP CARGO S.A. Supervisory Board was convened. It started at the scheduled time, with the following composition:

- Mr. Mirosław Pawłowski – Chairman of the PKP Cargo S.A. Supervisory Board
- Mr. Andrzej Wach – Member of the PKP Cargo S.A. Supervisory Board
- Ms. Małgorzata Kryszkiewicz – Member of the PKP Cargo S.A. Supervisory Board
- Mr. Czesław Warsewicz – Member of the PKP Cargo S.A. Supervisory Board
- Mr. Jerzy Kleniewski – Member of the PKP Cargo S.A. Supervisory Board
- Mr. Raimondo Eggink – Member of the PKP Cargo S.A. Supervisory Board
- Mr. Stanisław Knaflewski – Member of the PKP Cargo S.A. Supervisory Board

Then the PKP CARGO S.A. Supervisory Board held a discussion and the Supervisory Board Chairman ordered a vote on the resolution to select the candidate for the position of President of the PKP CARGO S.A. Management Board and Resolution no. 1510/V/2016 of 19 January 2016 was adopted in this respect.

The PKP CARGO S.A. Supervisory Board put forward Mr. Maciej Libiszewski as a candidate for the position of President of the PKP CARGO S.A. Management Board. In the vote, 7 valid votes were cast, including 7 votes in favor of the resolution, 0 votes against and 0 abstentions.

On 19 January 2016, pursuant to § 14 Sec. 2 of the Bylaws for Appointing Management Board Members in PKP CARGO S.A., HAYS Poland communicated to Mr. Maciej Libiszewski that pursuant to Resolution no. 1510/V/2016 adopted by the PKP CARGO S.A. Supervisory Board, he has been selected as the candidate for the position of President of the PKP CARGO S.A. Management Board.

Then, during the break, the Recruitment Consultant informed the Candidate in writing about selecting him for the above position. The Candidate agreed to proceed.

After the break the Supervisory Board Chairman asked the Candidate for his acceptance of the appointment to the above position. The Candidate made a declaration for the minutes and agreed to be appointed to the position of President of the PKP CARGO S.A. Management Board.

Next the Supervisory Board, in a secret ballot, adopted Resolution No. 1511/V/2016 appointing Mr. Maciej Libiszewski to the position of President of the PKP CARGO Management Board for the term of office of the Company's Management Board members referred to in § 27 Sec. 5 of the Company's Articles of Association.

In the vote, 7 valid votes were cast, including 7 votes in favor of the resolution, 0 votes against and 0 abstentions.

The Supervisory Board, in a secret ballot, adopted Resolution No. 1512/V/2016 on the basis of which it appointed Mr. Maciej Libiszewski to the position of President of the PKP CARGO Management Board for the term of office of the Company's Management Board members referred to in § 14 Sec. 1 in connection with § 14 Sec. 1 of the Company's Articles of Association.

In the vote, 7 valid votes were cast, including 7 votes in favor of the resolution, 0 votes against and 0 abstentions.

Then Mr. Maciej Libiszewski filed with the Supervisory Board Chairman a written resignation from the position of Supervisory Board Member.

On behalf of the Recruitment Consultant

HAYS Poland:

Agnieszka Czarnecka – Manager HR Consultancy

Piotr Chojnacki – HR Consultant, Employee Testing and Training Leader

On behalf of the Nomination Committee:

Mr. Stanisław Knaflewski – Chairman of the Nomination Committee .....

Mr. Mirosław Pawłowski – Member of the Nomination Committee .....

Mr. Andrzej Wach – Member of the Nomination Committee .....

Agnieszka Czarnecka

Manager HR Consultancy  
Hays Poland Sp. Z o.o.

Piotr Chojnacki

HR Consultant  
Employee Testing and Training Leader  
Hays Poland Sp. Z o. o.

It is hereby declared that the recruitment procedure for the position of President of the PKP CARGO S.A. Management Board was carried out in accordance with the Management Board Member appointment procedure, i.e. in accordance with the Bylaws for Appointing Management Board Members in PKP CARGO S.A.

On behalf of the Nomination Committee:

Mr. Stanisław Knaflewski – Chairman of the Nomination Committee .....

Mr. Mirosław Pawłowski – Member of the Nomination Committee .....

Mr. Andrzej Wach – Member of the Nomination Committee .....