

Notification of occurrence of a collective labour dispute with the trade unions

Current report No. 63/2014 dated 3 November 2014

Legal basis (selected in ESPI):

Art. 56(1)(1) of the Public Offering Act – confidential information

The Management Board of PKP CARGO S.A. (“Company”, “PKP CARGO”) hereby informs that on 3 November 2014, in accordance with Art. 8 of the Act of 23 May 1991 on resolving collective disputes (Journal of Laws of 1991, No. 55, item 236), the Company filed a notification of occurrence of a collective labour dispute with the trade unions at the State Labour Inspectorate in Warsaw.

By virtue of the letter of 30 October 2014 nine trade unions operating at the Company demanded that a number of postulates be fulfilled within a three-day deadline expiring on 2 November 2014.

The postulates formulated by the trade unions in the letter of 30 October 2014 concern, above all, payroll issues, i.e. among other things, the value of gratification paid on the occasion of a Railwayman’s Day, introduction of gratification for changing the work schedule, increasing the daily rates for the purchase of preventive as well as regenerating and strengthening meals, and implementation of an allocation allowance, as well as organizational issues.

The Management Board of PKP CARGO, by virtue of the letter of 3 November 2014, refused to fulfil the postulates formulated in the letter of the trade unions of 30 October 2014, indicating in the reply addressed to the trade unions that the collective dispute has been successfully lodged only as regards some of them due to the nature of those postulates and the way they have been formulated.

The collective dispute took effect on 30 October 2014. The Management Board of PKP CARGO will make every effort to resolve the dispute in a manner guaranteeing further steady growth of the Company.

Legal basis:

Art. 56 (1)(1) of the Act of 29 July 2005 on the public offering and the conditions of introducing financial instruments to the organized trading system and public companies (Journal of Laws of 2013, item 1382).