

In reference to item 15 of the agenda: The Chairman presented draft Resolution No. 23/2020 to adopt the “Compensation Policy for Members of the PKP CARGO S.A. Management Board and Supervisory Board” (with the wording presented below) and put it to a vote by open ballot:

Resolution No. 23/2020
adopted by the Ordinary Shareholder Meeting of PKP CARGO S.A.
on 29 June 2020
to adopt the “Compensation Policy for Members of the PKP CARGO S.A. Management Board and Supervisory Board”

Pursuant to § 12 sec. 1 of the PKP CARGO S.A. Articles of Association in conjunction with Article 90d(1) and (7) of the Act of 29 July 2005 on Public Offering and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies (Journal of Laws of 2005 No. 184, Item 1539, consolidated text in Journal of Laws of 2019, Item 623, as amended), the PKP CARGO S.A. Ordinary Shareholder Meeting hereby resolves as follows:

§ 1

1. The “Compensation Policy for Members of the PKP CARGO S.A. Management Board and Supervisory Board” forming an attachment to this Resolution is hereby adopted.
2. The authorization to specify the details of the Compensation Policy referred to in sec. 1 is hereby conferred on the PKP CARGO S.A. Supervisory Board in the following scope:
 - a. defining fixed and variable components of compensation as well as other cash and in-kind benefits that may be granted to Management Board Members;
 - b. specifying clear, comprehensive and diversified criteria for financial and non-financial objectives related to the granting of variable components of compensation outside the scope governed by the Policy referred to in sec. 1;
 - c. defining detailed rules for compensating Management Board Members and other rights and obligations of the parties to the management contract, including the form of management contract with a Management Board Member.

§ 2

1. § 1 sec. 3-5 of Resolution No. 37/2017 of the PKP CARGO S.A. Ordinary Shareholder Meeting of 30 May 2017 is hereby repealed.
2. This Resolution shall come into force on the date of its adoption.

As a result of the open ballot, taking into account the limitations following from § 13 of the Company’s Articles of Association:

Number of shares from which valid votes were cast: 27,771,523,
Percentage of the share capital: 62.01%,
Total number of valid votes: 25,750,214,
20,922,245 votes were cast in favor of the Resolution,
349,278 votes were cast against the Resolution,
4,478,691 votes abstained.

The Chairman stated that the resolution was adopted with the required majority of votes.