

**OPINIONS OF THE PKP CARGO S.A. SUPERVISORY BOARD ON DRAFT
RESOLUTIONS TO BE ADOPTED BY THE EXTRAORDINARY SHAREHOLDER
MEETING OF PKP CARGO S.A. CONVENED FOR 17 MAY 2023**

Item 5 of the agenda of the Extraordinary Shareholder Meeting of PKP CARGO S.A.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

**to accept the agenda for the PKP CARGO S.A. Extraordinary Shareholder
Meeting**

§ 1

The following agenda is hereby adopted for the Extraordinary Shareholder Meeting of PKP CARGO S.A. convened for 17 May 2023 (“Extraordinary Shareholder Meeting”):

1. Open the Extraordinary Shareholder Meeting.
2. Prepare an attendance record.
3. Adopt a resolution to appoint Chairperson of the Extraordinary Shareholder Meeting.
4. Assert that the Extraordinary Shareholder Meeting has been convened correctly and is capable of adopting resolutions.
5. Adopt the agenda of the meeting.
6. Adopt resolutions to amend the Articles of Association of PKP CARGO S.A.
7. Other business.
8. Adjourn the meeting.

§ 2

This Resolution shall come into force on the date of its adoption.

By Resolution No. 62/VIII/2023 of 13 April 2023, the PKP CARGO S.A. Supervisory Board expressed its positive opinion on this draft resolution.

DRAFT

**Resolution No. /2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 2 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 2 of the PKP CARGO S.A. Articles of Association with the following wording:

“The Company operates on the basis of the Commercial Company Code, the Act on Commercialization and Restructuring of PKP, these Articles of Association and other relevant regulations.”

shall read as follows:

- “1. The Company operates on the basis of the Commercial Company Code, the Act on Commercialization and Restructuring of PKP, these Articles of Association and other relevant regulations.*
- 2. The Company conducts its activity in accordance with the line of business specified in § 5, aimed at pursuing the PKP Group's interests. The PKP Group's interests and primary areas and directions of the PKP Group's activity are defined in a separate agreement under which PKP S.A. carries out assignments related to the management of the corporate group, referred to as the PKP Group (hereinafter referred to as the “PKP Group Charter”).*
- 3. The PKP Group is construed as PKP S.A. and entities that are parties to the PKP Group Charter.”*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 5 section 4 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 5 section 4 of the PKP CARGO S.A. Articles of Association with the current wording:

“4. The Company performs tasks related to the universal duty to defend and to participate in civil defense (Act of 21 November 1967 on Universal Duty to Defend the Republic of Poland (Ustawa o powszechnym obowiązku obrony Rzeczypospolitej Polskiej) – Journal of Laws 2012, item 461, as amended). The coordination of tasks performed by the Company in respect to the universal duty to defend is subordinated to the President of the Management Board of PKP S.A. The tasks performed by the Company under the universal duty to defend are executed and financed on the terms and conditions described in separate regulations.”

shall read as follows:

“4. The Company performs tasks related to the universal duty to defend and to participate in civil defense arising out of the provisions of general law. The coordination of tasks performed by the Company in respect to the universal duty to defend is subordinated to the President of the Management Board of PKP S.A. The tasks performed by the Company under the universal duty to defend are executed and financed on the terms and conditions described in separate regulations.”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 12 section 2 and § 25 section 3 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

In § 12 section 2 of the PKP CARGO S.A. Articles of Association, the semicolon ending the sentence in item 4 is replaced by a period, and item 5 is deleted in its current wording reading as follows:

“5) selecting or changing an audit firm to audit the Company's financial statements and to provide additional services.”

§ 2

In § 25 section 3 of the PKP CARGO S.A. Articles of Association, the period ending the sentence in item 22 is replaced by a semicolon and, immediately after item 22, item 23 is inserted reading as follows:

“23) selecting or changing an audit firm to audit the Company's financial statements and to provide additional services.”

§ 3

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 14 section 6 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 14 section 6 of the PKP CARGO S.A. Articles of Association with the current wording:

“6. Appointment of Management Board members (including the President of the Management Board and the Management Board member mentioned in section 5 above) will be governed by the following rules:

- 1) Management Board members (including the President of the Management Board and the Management Board member mentioned in sec. 5 above) will be appointed following a recruitment procedure the rules and course of which are set forth in these Articles of Association and the bylaws adopted by the Supervisory Board (“**Bylaws for Appointing Management Board Members**”) subject to the provisions of the Act on the Rules for Managing State Property; the Bylaws for Appointing Management Board Members define in particular the qualifications that will be evaluated when selecting candidates for respective positions in the Management Board; an amendment to the Bylaws for Appointing Management Board Members requires the consent of at least one Supervisory Board member who meets the independence criteria and has been appointed following the rules set forth in § 20 and 21 below;*
- 2) the Management Board members appointment procedure shall be carried out with participation of the nomination committee;*
- 3) unless the Supervisory Board decides otherwise, the recruitment procedure for the position of a Management Board member is prepared and organized and carried out by a professional personnel consultancy company (“**Recruitment Consultant**”) selected by a resolution adopted by the Supervisory Board on the terms and conditions set forth in the Bylaws for Appointing Management Board Members;*
- 4) The Recruitment Consultant taking part in the recruitment procedure shall prepare a written opinion containing at least an indication that the required criteria have been met and a recommendation for the individual candidates; in the event that none of the candidates meets the criteria required for a position of a Management Board member, the recruitment procedure will be closed without resolution and the Supervisory Board will launch a new recruitment procedure;*
- 5) appointment of a Management Board member is made only from among the candidates taking part in the recruitment procedure. The nomination committee will provide the Supervisory Board with a recommendation*

- concerning the candidates taking into account information obtained in the course of the recruitment procedure.*
- 6) the nomination committee accepts a report on the conducted recruitment procedure; the Company will make the report from the recruitment procedure available to the public, within 7 days of its acceptance, in the form and in accordance with the rules set forth in the Bylaws for Appointing Management Board Members, including in the form of a current report and by publication on the Company's website;*
 - 7) after each amendment of the Bylaws for Appointing Management Board Members, the nomination committee will prepare a written report with detailed information on the amendments;*
 - 8) The Company covers the costs of the recruitment procedure, including remuneration of the Recruitment Consultant;"*

shall read as follows:

- "6. The appointment of Management Board members, including the President of the Management Board and the Management Board member referred to in section 5, is governed by the following principles and the provisions of the Act on the Rules for Managing State Property:*
- 1) The Supervisory Board, subject to the provisions of section 5, appoints Management Board members after conducting a recruitment procedure the purpose of which is to verify and evaluate the qualifications of candidates;*
 - 2) the recruitment procedure is conducted in accordance with the bylaws for appointing Management Board members adopted by the Supervisory Board, although prior to the initiation of the recruitment procedure for the position of a Management Board member the Supervisory Board may specify different rules to govern the recruitment procedure;*
 - 3) the Management Board members appointment procedure shall be carried out with participation of the nomination committee;*
 - 4) a notice of the recruitment procedure is published on the Company's website and in a national daily paper;*
 - 5) a candidate for a member of the Company's Management Board may be a person who fulfills the requirements laid down in the applicable mandatory provisions of law."*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 15 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 15 of the PKP CARGO S.A. Articles of Association with the current wording:

“If the Management Board consists of one person, then the Company is represented by the President of the Management Board. If the Management Board consists of more than one person then the Company is represented by two Management Board members acting jointly or by a Management Board member acting jointly with a commercial proxy.”

shall read as follows:

- “1. If the Management Board consists of one person then the Company is represented by the President of the Management Board. If the Management Board consists of more than one person then the Company is represented by two Management Board members acting jointly or by a Management Board member acting jointly with a commercial proxy.*
- 2. When conducting the Company's business, members of the Company's Management Board are required to be guided, within their powers, by the PKP Group's interests.*
- 3. The Company's Management Board is required to comply with the provisions of the PKP Group Charter when conducting the Company's business.”*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 16 section 4 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 16 section 4 of the PKP CARGO S.A. Articles of Association with the current wording:

“4. Management Board resolutions are adopted by an absolute majority of votes. If an equal number of votes is cast “for” and “against” together with abstentions, the President of the Management Board shall have the casting vote.”

shall read as follows:

“4. Management Board resolutions are adopted by a simple majority of votes. If an equal number of votes is cast “for” and “against”, the President of the Management Board has the casting vote.”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 16 section 10 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 16 section 10 of the PKP CARGO S.A. Articles of Association with the current wording:

“10. Special powers of the President of the Management Board include performance defense tasks in the Company resulting from the regulations on general defense obligation.”

shall read as follows:

“10. Special powers of the President of the Management Board include the performance of defense tasks in the Company resulting from the regulations on the general defense obligation.”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 17 section 1 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 17 section 1 of the PKP CARGO S.A. Articles of Association with the current wording:

“1. The Management Board is obligated to submit to the Supervisory Board, at least on a quarterly basis, reports on material events in the Company's activity. Each such report will also include a statement on the Company's revenues, costs and financial result.”

shall read as follows:

“1. The Management Board is required to submit to the Supervisory Board, at least on a quarterly basis, the information and reports referred to in Article 380¹ § 1 and 2 of the Commercial Company Code, within the dates specified by the Supervisory Board in the pertinent resolution.”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 23 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

In § 23 of the PKP CARGO S.A. Articles of Association, sections 4, 5 and 6 are added with the following wording:

- “4. Meetings of the Supervisory Board are convened by the Chairperson, except that the first meeting of the Supervisory Board of a new term of office is convened by the Company's Management Board not later than within 14 days from the date of appointment of the Supervisory Board of such new term of office; until the election of the Supervisory Board Chairperson for a new term of office, the first meeting of the Supervisory Board is chaired by the President of the Management Board.*
- 5. If the Supervisory Board Chairperson is unable to convene a meeting, the meeting of the Supervisory Board shall be convened in accordance with the Supervisory Board Bylaws.*
- 6. The procedure of the Supervisory Board's operation is described in detail in the Supervisory Board Bylaws.”*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 24 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

In § 24 of the PKP CARGO S.A. Articles of Association, sections 4 and 5 are added with the following wording:

- “4. When performing their duties, Supervisory Board members are required to take into account the PKP Group's interests.*
- 5. The Supervisory Board is required to comply with the provisions of the PKP Group Charter when performing its duties.”*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No. /2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 25 section 3 item 18 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 25 section 3 item 18 of the PKP CARGO S.A. Articles of Association with the current wording:

“18) giving consent for the Company to enter into: (i) a material agreement with a shareholder holding at least 5% of all the votes at the Shareholder Meeting, or (ii) an agreement whose value exceeds PLN 10,000,000 (ten million Polish zloty) with a related party within the meaning of the Finance Minister's regulation issued pursuant to Article 60 Section 2 of the Act on Public Offering, while validity of such a resolution requires that it is accepted by at least one of the Supervisory Board members satisfying the criteria of independence from the Company and from the entities with significant ties to the Company selected following the procedure of § 20 above and in consideration of § 21 above. This obligation does not apply to typical agreements concluded on an arm's length basis as part of the Company's operating activity, with a subsidiary, in which the Company holds the majority equity stake;”

shall read as follows:

“18) giving consent for the Company to enter into: (i) a material agreement with a shareholder holding at least 5% of all the votes at the Shareholder Meeting, or (ii) an agreement whose value exceeds PLN 10,000,000 (ten million Polish zloty) with a related party within the meaning of the Finance Minister's regulation issued pursuant to Article 60 sec. 2 of the Act on Public Offering. This obligation does not apply to typical agreements concluded on an arm's length basis as part of the Company's operating activity, with a subsidiary, in which the Company holds the majority equity stake;”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 26 section 3 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 26 section 3 of the PKP CARGO S.A. Articles of Association with the current wording:

“3. The Supervisory Board appoints the nominations committee, which consists of three Supervisory Board members, of which at least one Supervisory Board Member meeting the independence criteria and appointed in the manner specified in § 20 and 21 above, who serves as the chairperson.”

shall read as follows:

“3. The Supervisory Board appoints the nominations committee, which consists of at least three Supervisory Board members, of which at least one Supervisory Board Member meeting the independence criteria and appointed in the manner specified in § 20 and 21 above, who serves as the chairperson.”

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No. /2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 29 section 2 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 29 section 2 of the PKP CARGO S.A. Articles of Association with the current wording:

*“2. **“Best Practice of GPW Listed Companies”** means a collection of practices introduced by the Warsaw Stock Exchange by the power of resolution No. 26/1413/2015 of the Board of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) of 13 October 2015.”*

shall read as follows:

*“2. **“Best Practice of GPW Listed Companies”** means the set of corporate governance rules for companies listed on the Warsaw Stock Exchange, applicable pursuant to a resolution adopted by the Council of the Warsaw Stock Exchange.”*

§ 2

This Resolution shall come into force on the date of its adoption.

DRAFT

**Resolution No./2023
of the Extraordinary Shareholder Meeting of PKP CARGO S.A.
of 2023**

to amend § 29 section 14 of the Company's Articles of Association

Pursuant to Article 430 § 1 of the Commercial Company Code in conjunction with § 12 sec. 1 of the PKP CARGO S.A. Articles of Association, the Extraordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 29 section 14 of the PKP CARGO S.A. Articles of Association with the current wording:

*“14. **“Act on the Rules for Managing State Property”** shall mean the Act on the Rules for Managing State Property of 16 December 2016 (Journal of Laws of 2016, item 2259).”*

shall read as follows:

*“14. **“Act on the Rules for Managing State Property”** shall mean the Act on the Rules for Managing State Property of 16 December 2016 (Journal of Laws of 2016, item 2259, as amended).”*

§ 2

This Resolution shall come into force on the date of its adoption.

By Resolution No. 37/VIII/2023 of 30 January 2023, the PKP CARGO S.A. Supervisory Board expressed its positive opinion on the motion of the PKP CARGO S.A. Management Board to the PKP CARGO S.A. Shareholder Meeting on amending the PKP CARGO S.A. Articles of Association. Dissenting opinions were submitted to this Resolution and are presented by the Company below.

Dissenting opinion by Mr. Michał Wnorowski, Member of the PKP CARGO S.A. Supervisory Board, submitted to Resolution No. 37/VIII/2023 of the PKP CARGO S.A. Supervisory Board of 30 January 2023 to issue an opinion on the PKP CARGO S.A. Management Board's motion to the PKP CARGO S.A. Shareholder Meeting to amend the Articles of Association of PKP CARGO S.A.:

“I hereby declare that at the meeting of the PKP CARGO S.A. Supervisory Board held on 30 January 2023, I voted against the resolution of the Supervisory Board “to issue an opinion on the PKP CARGO S.A. Management Board's motion to the PKP CARGO S.A. Extraordinary Shareholder Meeting to amend the Articles of Association of PKP CARGO S.A.” and I hereby submit a dissenting opinion to the positive opinion adopted

by the Supervisory Board to the amendments to the Articles of Association proposed by the Management Board.

I point to the fact that my objections to some of the proposed amendments to the Articles of Association, expressed during the discussion held at the 5 December 2022 Supervisory Board meeting and in the subsequent correspondence to the Company's Management Board, have remained unanswered and are not included in the final draft amendments to the Articles of Association.

Although I object to only three proposed amendments to the Articles of Association, I had no choice but to vote against the resolution on all amendments as a result of grouping them in one motion to the Supervisory Board, despite my request to issue an opinion on each amendment separately.

My objection results from the following proposed amendments to the Company's Articles of Association: § 2 section 2: *"The Company conducts its activity in accordance with the line of business specified in § 5, aimed at pursuing the PKP Group's interests. The PKP Group's interests and primary areas and directions of the PKP Group's activity are defined in a separate agreement under which PKP S.A. carries out assignments related to the management of the corporate group, referred to as the PKP Group (hereinafter referred to as the "PKP Group Charter")"*; § 15 section 2: *"when conducting the Company's business, members of the Company's Management Board are required to be guided, within their powers, by the PKP Group's interests"*; § 24 section 4: *"when performing their duties, Supervisory Board members are required to take into account the PKP Group's interests"*; and section 5: *"The Supervisory Board is required to comply with the provisions of the PKP Group Charter when performing its duties."*

The foregoing proposed amendments to the Articles of Association mean that the interests of another entity, namely the PKP Group, a corporate group headed by PKP SA, of which PKP Cargo is only one of many members, is put before the Company's interests which should be pursued by its bodies.

Considering that PKP S.A. is the parent company for all other members of the PKP Group, the provisions in question mean in fact that the work of PKP Cargo authorities is directed towards the pursuit of the interests of PKP S.A., a shareholder holding a 33% stake in PKP Cargo.

In my opinion, it is obvious to all stakeholders of our Company how important the role is played in it by the leading shareholder, that is PKP S.A.

At the same time, the interest of all shareholders, both the leading shareholder and financial or retail shareholders, should be treated by the Company, and thus by its bodies (the Management Board and the Supervisory Board) with the same degree of attention.

The proposed distinction in the Articles of Association of only one shareholder's interest may be perceived as ignoring the interests of all other co-owners of the Company.

This may lead to an improper management of the Company from the perspective of minority shareholders, and certainly to an unfavorable perception of the Company by investors, thereby reducing the chances of investment in our Company by certain investors due to our non-compliance with generally accepted principles of corporate governance, **which may result in failure to obtain an optimal valuation of shareholders' capital in the long term and hindering the Company's ability to raise capital.**

In particular, the proposed provisions of the Articles of Association may be inconsistent with Article 20 of the Commercial Company Code: *"Shareholders of a company should be treated equally under the same circumstances,"* **and Article 20 of the Act on Public Offerings:** *"Issuers of securities admitted to trading on a regulated market are required to treat equally all holders of securities of the same type, under the same circumstances."*

Furthermore, the provisions in question seem to be inconsistent with one of the basic general principles of the Best Practice of GPW Listed Companies ("Code of Best Practice") laid down in item 4: *"The shareholder meeting should respect the rights of all shareholders and strive to ensure that the adopted resolutions do not breach the legitimate interests of any group of shareholders."*

Moreover, the Company declares that it applies rule 5.3 of the Code of Best Practice: *"No shareholder should be privileged over other shareholders in transactions with related parties. This also applies to the transactions of the company's shareholders entered into with members of its corporate group."*

Potential complications in managing the Company, as a consequence of focusing on the interests of an entity other than the Company, may result from to the actual incapacitation of the Company's bodies, preventing the pursuit of the company's strategy, hindering the assurance of proper incentives for and accountability of the management board by the supervisory board. The amendments in question may also be at odds with the principle of loyalty towards the company of management board members (Article 377 of the Commercial Company Code) and supervisory board members (Article 387 of the Commercial Company Code).

At the same time, I wish to point out that during the Company's Ordinary Shareholder Meeting held on 29 June 2022, during the vote on the adoption of the resolution "to execute a contract for the management of a subsidiary forming the PKP Group Charter," virtually all shareholders of the Company, apart from PKP S.A., voted against the adoption of the resolution or abstained from voting, and one of the largest shareholders of the Company, namely Nationale-Nederlanden Otwarty Fundusz Emerytalny, requested that its objection be recorded in the minutes against the adoption of the said resolution. The resolution in question was adopted by a majority of only less than 57% of votes, which demonstrates how controversial it is and which is a clear proof of the adverse perception of the contract by minority shareholders, who have a legitimate fear that their rights may be harmed as a result of its implementation.

I also wish to remind you that the PKP Group Charter contains provisions stating that “PKP SA shall have no liability referred to in Article 7 of the Commercial Company Code for any damage caused to a PKP Group Member for the failure to exercise the rights or fulfill the obligations or the improper exercise of the rights or fulfillment of the obligations provided for in the PKP Group Charter or for any liabilities of any PKP Group Member to its creditors,” which may result in harming the interests of PKP Cargo and its minority shareholders.

In view of the foregoing, I believe that the proposed amendments to the Company’s Articles of Association may be perceived as detrimental to the rights of minority shareholders, may expose the Company to significant operational risks due to the difficulties in proper management of the Company, image risks resulting from the inconsistency of the said provisions with best corporate governance practices and may conflict with the Company’s primary objective, which should be to build the Company’s value in the interests of all its shareholders.”