

DRAFT

Resolution No. /2021
of the Ordinary Shareholder Meeting of PKP CARGO S.A.
of 2021

to adopt the agenda of the meeting

§ 1

The following agenda of the Ordinary Shareholder Meeting of PKP CARGO S.A. convened for 28 June 2021 (“Ordinary Shareholder Meeting”) is hereby adopted:

1. Open the Ordinary Shareholder Meeting.
2. Prepare the attendance record.
3. Adopt a resolution to appoint the Chairperson of the Ordinary Shareholder Meeting.
4. Assert that the Ordinary Shareholder Meeting has been convened correctly and is capable of adopting resolutions.
5. Adopt the agenda of the meeting.
6. Review the Activity Report of the PKP CARGO S.A. Supervisory Board as the Company’s corporate body and assess the Company’s standing, taking into account the assessment of the internal control, risk management and compliance systems and the internal audit function.
7. Review and approve the Standalone Financial Statements of PKP CARGO S.A. for the financial year ended 31 December 2020 prepared according to EU IFRS.
8. Review and approve the Consolidated Financial Statements of the PKP CARGO Group for the financial year ended 31 December 2020 prepared in accordance with EU IFRS.
9. Review and approve the Management Board Report on the activity of the PKP CARGO Group for 2020.
10. Adopt a resolution to cover the net loss shown in the Standalone Financial Statements of PKP CARGO S.A. for the financial year ended 31 December 2020 prepared according to EU IFRS.
11. Adopt a resolution to refrain from distributing a dividend for the financial year ended 31 December 2020.
12. Adopt resolutions to grant a discharge to the PKP CARGO S.A. Management Board Members on the performance of their duties in the financial year 2020.
13. Adopt resolutions to grant a discharge to the PKP CARGO S.A. Supervisory Board Members on the performance of their duties in the financial year 2020.
14. Adopt a resolution to issue an opinion on the “Report on compensations disbursed to Members of the PKP CARGO S.A. Management Board and Supervisory Board in 2019–2020”.
15. Adopt a resolution to adopt amendments to the “Compensation policy for Members of the PKP CARGO S.A. Management Board and Supervisory Board”.
16. Adopt a resolution to amend § 14 section 6 item 1 of the Articles of Association of PKP CARGO S.A.
17. Adopt a resolution to amend the resolution on the selection of an audit firm.

18. Other business.
19. Adjourn the meeting.

§ 2

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

By Resolution No. 59/VII/2021 of 15 June 2021, the PKP CARGO S.A. Supervisory Board expressed its positive opinion on this draft resolution.

Resolution No. /2021
of the Ordinary Shareholder Meeting of PKP CARGO S.A.
of 2021

to amend § 14 sec. 6 item 1 of the Articles of Association of PKP CARGO S.A.

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 Ordinary Shareholder Meeting of PKP CARGO S.A. hereby resolves as follows:

§ 1

§ 14 section 6 item 1 of the PKP CARGO S.A. Articles of Association with the current wording:

“1) Management Board members (including the President of the Management Board and the Management Board member mentioned in section 5 above) will be appointed following a recruitment procedure, whose rules and course is set forth in these Articles of Association and the bylaws adopted by the Supervisory Board (“Bylaws for Appointing Management Board Members”) subject to provisions of the Regulation issued by the Council of Ministers on 18 March 2003 on the Conduct of the Recruitment Procedure for the Position of Management Board Member in Certain Commercial Companies (Journal of Laws of 2003 No. 55 item 476, as amended); 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; amendments to the Bylaws for Appointing Management Board Members require consent of all Supervisory Board members who meet the independence criteria and are appointed following the rules set forth in § 20 and 21 below;”

shall read as follows:

“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

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

By Resolution No. 32/VII/2021 of 24 May 2021, the PKP CARGO S.A. Supervisory Board expressed its positive opinion on this draft resolution. One dissenting opinion was submitted to this Resolution and is presented by the Company below.

Dissenting opinion of Ms. Zofia Dzik, Member of the PKP CARGO S.A. Supervisory Board, submitted to Resolution No. 32/VII/2021 of the PKP CARGO S.A. Supervisory Board of 24 May 2021 to issue an opinion on the PKP CARGO S.A. Management Board's motion to the Ordinary Shareholder Meeting of PKP CARGO S.A. to amend the Articles of Association of PKP CARGO S.A.:

"I, the undersigned, Zofia Dzik, an independent Member of the PKP CARGO S.A. Supervisory Board, hereby submit my dissenting opinion to Resolution No. 32/VII/2021 of the PKP CARGO S.A. Supervisory Board of 24 May 2021 to issue an opinion on the amendment, as proposed by the Management Board, to §14 sec. 6 of the Articles of Association of PKP CARGO S.A. by departing from the required consent of all Supervisory Board Members fulfilling the independence criteria in favor of the consent of only one Supervisory Board Member fulfilling the independence criteria when amending the Bylaws for Appointing Management Board Members.

One of the key tasks of the PKP CARGO S.A. Supervisory Board as an entity of public trust is to ensure an appropriately qualified and competent composition of the Company's Management Board, in consideration of the fact that the Company is a public entity with a complex shareholding structure. Pursuant to the Company's Articles of Association, the Supervisory Board must consist of between 11 and 13 members. Currently, the Supervisory Board consists of 11 members, including only two (2) members fulfilling the independence criteria provided for in §20 and §21 of the Articles of Association.

Accordingly, I disagree with the arguments presented by the Management Board according to which the proposed amendment will bring more flexibility to the recruitment procedure for the position of President of the Management Board or Management Board Member. In my opinion, this amendment will not affect the efficiency of such procedures, in particular after the amendments to the Articles of Association made in 2019, and may only additionally enhance the degree of influence of the leading shareholder on appointments to the Management Board, generating a potential risk of insufficient consideration of the criteria of appropriate knowledge and experience of the respective candidate.

I also wish to emphasize that independent Members of the PKP CARGO S.A. Supervisory Board actively participate in all meetings of the Supervisory Board and Supervisory Board Committees, including by chairing the Nomination Committee and the Audit Committee, and are open to all efforts aimed at working out solutions that seek to enhance the interests of the Company and all its stakeholders, as has been proven by a number of mutual, good, constructive discussions and decisions made or reviewed by the Supervisory Board.

The other proposed amendments to the Company's Articles of Association do not raise my objections."