



Prepared on: **2017-06-28**

Issuer's abbreviated name: PZU SA

**Current Report No. 54/2017**

Subject: **Change of a draft resolution in a matter included in the agenda of the Ordinary Shareholder Meeting of PZU SA convened for 29 June 2017**

Legal basis: Article 56 Section 1 Item 2 of the Act on Offerings – current and periodic information

Body of the Report:

The Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna ("Company", "PZU SA") hereby reports that on 28 June 2017, the Company received from the State Treasury of the Republic of Poland ("State Treasury"), acting as a shareholder representing more than 5% of the Company's share capital, pursuant to Article 401 § 4 of the Commercial Company Code Act of 15 September 2000, a draft resolution regarding the matters introduced to item 18 of the agenda of the Ordinary Shareholder Meeting of Powszechny Zakład Ubezpieczeń SA convened for 29 June 2017 ("Ordinary Shareholder Meeting"), in the matter of "amending Resolution 4/2017 adopted by the Extraordinary Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna on 8 February 2017 to define the rules for setting the compensation of Management Board Members of Powszechny Zakład Ubezpieczeń Spółka Akcyjna" ("Resolution 4/2017").

According to the draft Resolution 4/2017 submitted by the State Treasury, it will be amended as follows:

1. § 2 sec. 2 shall read as follows:  
„2. The Fixed Compensation for individual Management Board Members is within the range from seven to fifteen times the average monthly compensation in the corporate sector without profit-sharing in the fourth quarter of the previous year, as announced by the President of the Central Statistical Office.”
2. § 3 sec. 1 shall read as follows:  
“The Variable Compensation depends on the level of attainment of the management objectives (“Management Objectives”) and may not exceed 100% (one hundred percent) of the Fixed Compensation in the previous financial year, for which the amount of the Variable Compensation is calculated.”
3. § 3 sec. 7 shall read as follows:  
„7. Payment of 40% of Variable Compensation will be deferred for a period of up to 36 months, of which 1/3 will be paid gradually upon elapse of 12, 24 and 36 months, respectively, from the date of awarding the Variable Compensation for a given financial year, provided that no facts arise in that period that would indicate that the conditions for disbursing the current portion of Variable Compensation have not been satisfied.”
4. The following new § 3a shall be added:  
“In addition to the compensation referred to in § 2 and § 3, the Supervisory Board may additionally, in justified cases, award Management Board members with the right to receive the same benefits as other Company employees receive, in particular:
  - 1) training to improve professional qualification that is needed to serve as a member of the Company's Management Board;
  - 2) medical care;
  - 3) insurance:
    - a. liability insurance for management staff (D&O),
    - b. liability insurance for issuance of securities,
    - c. insurance of life and health and compensation lost due to inability to work caused by an illness or an accident.”

The PZU SA Management Board has attached the State Treasury's request, together with the draft resolution, to this report.

The agenda of the Ordinary Shareholder Meeting published in current report No. 49/2017 of 9 June 2017 will not change.

Legal basis: § 38 Section 1 Item 5 of the Finance Minister's Regulation of 19 February 2009 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent.

**Attachments:**

**File**

**Description**

Wniosek Skarbu Państwa wraz z projektami uchwał.pdf

State Treasury's request together with draft resolutions.

SIGNATURES OF THE COMPANY'S REPRESENTATIVES:

*Date*

*Name*

*Position and function*