



DEPUTY PRIME MINISTER  
STATE ASSETS MINISTER  
JACEK SASIN

**DN I.I.4620.3.2020**  
**IK: 482055**

Warsaw, 22 May 2020

**Management Board  
of Powszechny Zakład Ubezpieczeń S.A.**

**Dear Sirs/Madams,**

With reference to the Ordinary Shareholder Meeting of Powszechny Zakład Ubezpieczeń Company Akcyjna (PZU S.A., Company), convened for 26 May 2020, whose agenda comprises adoption of a resolution on the Compensation Policy for Management Board and Supervisory Board Members, acting on behalf of the State Treasury, a PZU S.A. shareholder, I hereby submit a proposal of changes to the published draft resolution together with an attachment:

**I. Changes regarding the content of the draft resolution presented by the Company**

1. The draft Ordinary Shareholder Meeting resolution presented by the Company in the legal basis, reading as follows:

Pursuant to Article 2 Section 2 Item 1, Article 4, Article 5, Article 6, Article 7 and Article 8 of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016, Article 90d Section 1 of the Act on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies of 29 July 2005 and § 18 Items 10 and 12 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna, the Shareholder Meeting hereby resolves as follows:"

shall read as follows:

"Pursuant to Article 90d sec. 1 of the Act on Public Offerings and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies of 29 July 2005, the Shareholder Meeting hereby resolves as follows:"

2. §2 of the draft Ordinary Shareholder Meeting resolution presented by the Company reading as follows:

“The resolutions adopted by the Extraordinary Shareholder Meeting of PZU SA on 8 February 2017 are hereby repealed:

- 1) no. 4/2017 on the rules for setting the compensation of Management Board Members of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (as amended);
- 2) no. 5/2017 on the rules for setting the compensation of Supervisory Board Members of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (as amended).”

– shall be deleted.

3. §3 of the draft Ordinary Shareholder Meeting resolution presented by the Company reading as follows:

“This resolution comes into force as of 1 January 2021.” shall become §2 and shall read as follows:

“This resolution shall come into force on the date of its adoption, however §4 sec. 2 item 2) of the “Compensation Policy for the PZU SA Management Board and Supervisory Board Members” constituting an attachment to this resolution, shall come into force as of 1 January 2021.

## **II. Changes regarding the content of the attachment to the draft resolution presented by the Company**

1. § 3 sec. 3 of the draft attachment to the resolution in the wording presented by the Company:

“3. 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.”

shall read as follows:

“3. The Fixed Compensation for individual Management Board Members is within the range from seven to fifteen times the calculation base referred to in Article 1 section 3 item 11 of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016.

2. § 3 sec. 7 of the draft attachment to the resolution in the wording presented by the Company:

“7. The Supervisory Board is hereby authorized to determine a list of circumstances referred to in section 6, and to monitor regularly if they are confirmed, to make comparisons of the set Fixed Compensation of the Management Board Members to the amount of compensation for members of managing bodies of public companies of a similar scale or subject matter of activity, and to modify its amount appropriately if it is

found that the change of the amount of Fixed Compensation of the Management Board Members is justified.”

– shall be deleted.

3. The title and content of §11 of the draft attachment to the resolution in the wording presented by the Company:

“Appointment

§11

Supervisory Board Members discharge their functions on the basis of being appointed by the Shareholder Meeting.”  
shall read as follows:

“Appointment and dismissal

§ 11

Supervisory Board Members are appointed and dismissed by the Shareholder Meeting, with the proviso that, pursuant to § 20 sec. 7, the State Treasury shall have the right to appoint and dismiss one Supervisory Board Member by way of a written statement submitted to the Company's Management Board.”

§ 12 sec. 1 of the draft attachment to the resolution in the wording presented by the Company:

“1. The monthly compensation for Supervisory Board Members is hereby set as the product of 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 and the multiplier of 2.75.”

shall read as follows:

“1. The monthly compensation of Supervisory Board Members is set as the product of the base amount referred to in Article 1 Section 3 Item 11 of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 and the following multiplier of 2.75.”

4. The content of §13 sec. 2 of the draft attachment to the resolution in the wording presented by the Company:

“2. The deviation referred to in section 1 may concern all provisions of the Policy.”

shall read as follows:

“2. The deviation referred to in section 1 may concern selected provisions of the Policy, excluding the provisions following from the Compensation Act.”

Introduction of the aforementioned proposal of changes is the consequence of the resolutions adopted in previous years by the Shareholder Meeting on the rules for setting the compensation of Management Board Member and Supervisory Board adopted on the basis of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 and is aimed to, in principle, ensure consistency of the Company's corporate documents.

**Yours faithfully,**  
**Jacek Sasin**  
Deputy Prime Minister

*document signed electronically*  
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