

Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna

**Motion
to the Shareholder Meeting of PZU SA**

Regarding:

amendments to the PZU SA Articles of Association

Body of the motion:

The Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (**PZU**) hereby moves for the adoption of resolutions in the following matters:

- 1) amendment to the PZU SA Articles of Association with respect to the powers of the Supervisory Board and the Shareholder Meeting,
- 2) amendment to the PZU SA Articles of Association with respect to Management Board reports,
- 3) amendment to the PZU SA Articles of Association with respect to setting the compensation of Management Board members,
- 4) amendment to the PZU SA Articles of Association with respect to non-current assets,
- 5) amendment to the PZU SA Articles of Association with respect to the maximum number of Management Board members

with the wording specified in the attachment to the motion.

Justification:

Since the Ordinary Shareholder Meeting of PZU SA held on 24 May of this year did not adopt a resolution to amend the Articles of Association of PZU SA as proposed by the Management Board and the State Treasury shareholder, and since the Company's Management Board strives to achieve the management goal of fulfilling the obligations arising under the Act of 16 December 2016 on Rules for Managing State Property, we have decided to submit again a motion to the PZU SA Shareholder Meeting to adopt separate resolutions to amend the Articles of Association of PZU SA with respect to:

1) powers of the Supervisory Board and the Shareholder Meeting:

The amendments result from the coming into force of the Act of 21 February 2019 on amending the Act on Rules for Managing State Property and certain other acts (Journal of Laws 2019, Item 292). Article 17 sec. 1a of the Act introduced the possibility of changing the body responsible for approving the activities listed in Article 17 sec. 1 of the Act on Rules for Managing State Property (hereinafter "the Act").

This amendment is justified primarily by the fact that publication of any information related to transactions listed in Article 17 sec. 1 of the Act may raise concern with respect to the disclosure of the Company's inside information. Starting from the date of announcing the convention of the shareholder meeting, every person authorized to participate in the meeting may become familiar with the wording of the documents, including the resolutions to be presented at the shareholder meeting (Article 402(2) item 5 of the Commercial Company Code). If a third party obtains this information, this may adversely affect the correct performance of a transaction in the context of the interests of the parties.

Additionally, the threshold amount prescribed by Article 17 section 1 of the Act, which is the basis for requesting approval for a legal act from the shareholder meeting, is not adequate for the PZU Group, which is the largest financial institution in the Central and Eastern Europe with assets of nearly PLN 329 billion.

Because of the need to ensure efficient daily operation of PZU and to avoid convening an extraordinary shareholder meeting just to carry out a single transaction, the consents that were granted previously by the shareholder meeting were blank consents. They were Resolutions adopted by the Ordinary Shareholder Meeting of PZU SA No. 33/2018 of 28 June 2018 and No. 35/2019 of 24 May 2019 in the matter of the consent to the acquisition of securities issued, guaranteed or secured by the State Treasury of the Republic of Poland; they applied to transactions concluded over the periods specified in the resolutions and transferred the right to issue opinions on any specific transaction to the Supervisory Board.

Another argument justifying the amendment is the fact that the Supervisory Board exercises ongoing supervision over the Company's activity and according to the Articles of Association its meetings are held when necessary but at least once a quarter; accordingly, the Supervisory Board has the knowledge of the Company's ongoing needs and its meeting does not generate additional costs. According to the practice that developed in recent

years, Supervisory Board meetings are held regularly at least once a month or even more frequently. This enables fast and efficient processing of matters that are important from the Company's point of view, including ones that require consent pursuant to Article 17 sec. 1 of the Act.

Considering the above, the powers of the Supervisory Board will include giving consent to:

- a) subscription for or acquisition of shares or ownership interests in another company, with the value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- b) disposal of shares or ownership interests in another company, with the market value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- c) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets,
- d) purchase of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:
 - PLN 100,000,000, or
 - 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.

Additionally it has been specified that agreements to provide legal, marketing, public relations and public communication services or management consulting services will require the consent of the supervisory body if the total net fee to be paid for such services under this agreement or other agreements executed with the same entity is greater than PLN 500,000 annually, which is intended to prevent the execution of agreements where the above threshold is exceeded by breaking down the fee into several agreements entered into with the same entity;

2) Management Board reports:

The amendments result from the coming into force of the Act of 21 February 2019 amending the Act on Rules for Managing State Property and certain other acts (Journal of Laws 2019, Item 292). In Article 17 sec. 6a the Act introduced the possibility of submitting the report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services to the supervisory body rather than to the shareholder meeting. Upon request of a shareholder, i.e. the State Treasury, a modification was introduced in this respect in which the above report will be submitted to the shareholder meeting along with the Management Board report on the Company's activity as additional material (but not as a part of the activity report) but it will not require adoption or approval by the shareholder meeting in the form of a resolution.

Additionally, in accordance with the amendment to the Act of 21 February 2019, the report on the application of best practices, in particular in the area of corporate governance, corporate social responsibility and sponsoring activities, addressed to companies in which the State Treasury holds an equity stake ("best practices"), as defined by the Prime Minister, was added to the list of reports to be submitted by the management body. The report on the application of best practices will be processed similarly as the report on representation expenditures;

3) rules for setting compensation of Management Board members:

Extension of the powers of the Shareholder Meeting to set compensation of Management Board Members. This power of the shareholder meeting arises under Article 2 section 2 item 1 of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 and therefore its performance is ensured by the provisions of the generally applicable law and the change of the Articles of Association in this respect does not create a new legal status. At the same time, the previously existing powers of the Supervisory Board – to set

the rules and amounts of compensation of Management Board Members, taking into account the rules set forth in this respect by the shareholder meeting – will be retained. The shareholder meeting will adopt a resolution on the rules of compensating Management Board members, while the supervisory board will refine the rules introduced by the shareholder meeting resolution without going beyond its framework and without modifying the resolution;

At present, the Company has in place Resolution No. 4/2017 of the Extraordinary Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna adopted on 8 February 2017 on the rules for setting the compensation of Management Board Members of Powszechny Zakład Ubezpieczeń Spółka Akcyjna, amended by the shareholder meeting resolutions No. 38/2017 of 29 June 2017 and No. 36/2019 of 24 May 2019;

4) disposal of non-current assets:

The amendment refines the rules governing the disposal of non-current assets by the Company by adding an auction procedure (in addition to a tender procedure) and specifies that the market value of the asset being disposed of should be taken into account.

These amendments were introduced by the Act of 21 February 2019 amending the act on Rules for Managing State Property and certain other acts (Journal of Laws of 2019, Item 292). Taking auctions into account will enable greater flexibility in selecting the procedure for selling non-current assets by the company, since an auction may be held both verbally or electronically;

5) the maximum number of Management Board members:

This amendment introduces the possibility of expanding the composition of the PZU SA management board to eight people, which is justified by the fact that PZU SA is the largest insurance company in Poland. The PZU Group was recognized by the Polish Financial Supervision Authority as a financial conglomerate headed by PZU SA as a regulated parent entity. PZU SA as the leading entity in the financial conglomerate is obligated to perform a number of duties to exercise supplementary supervision. As the scale of PZU SA's business continues to expand and new entities are added to the PZU Group, the number of tasks and responsibilities of the company's management board increases. The PZU Group includes, in addition to insurance companies, two banks, mutual fund companies, health sector companies and foreign companies.

In accordance with the Corporate Governance Rules, for institutions supervised by the Polish Financial Supervision Authority, supervised entities are obligated to ensure transparent organizational structure that is adequate to the scale and nature of business and risks undertaken, which also applies to the allocation of tasks and responsibilities between the members of the management body.

It should be noted that the number of management board members in insurance companies with a smaller scale of business than that of PZU SA is higher than the current maximum number of management board members in PZU SA. This applies in particular to Towarzystwo Ubezpieczeń i Reasekuracji „Warta” Spółka Akcyjna, where the management board consists of 8 people, and AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji Spółka Akcyjna, where the management board consists of 8 people. In banks operating on the Polish market, the size of the management board is even greater: 9 people in the management board of Bank Pekao SA; 9 people in the management board of Santander Bank Polska S.A.;

These amendments will be voted separately, which will allow the shareholders to take a flexible approach to the amendment of the Articles of Association and will not prevent adoption of the amendments that should be adopted in connection with the amendment of the Act on Rules for Managing State Property. Also, such a separation of amendments is more transparent and may facilitate a discussion on each scope of changes and its justification.

According to § 25 section 2 item 19 of the Articles of Association of PZU SA, before submission to the Shareholder Meeting, the Supervisory Board issued an opinion on the draft amendments of the Articles of Association.

Submitted on behalf of the PZU Management Board by:

/-/ Elżbieta Häuser-Schöneich

/-/ Marcin Eckert

Attachments:

- 1) Resolution no. UZ/197/2019 in the matter of a motion to the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Shareholder Meeting on amendments to the Articles of Association of PZU SA;
- 2) Resolution URN/78/2019 in the matter of evaluation of the motion submitted by the Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna on amendments to the Articles of Association of PZU SA;
- 3) draft resolutions of the PZU Shareholder Meeting on amendments to the Articles of Association of PZU SA.



RESOLUTION NO. UZ/197/2019
ADOPTED BY THE MANAGEMENT BOARD OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 23 July 2019

in the matter of a motion to the PZU SA Shareholder Meeting on amendments to the Articles of Association of PZU SA

Pursuant to § 4 items 20 and 21 of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Management Board Bylaws, the following is hereby resolved:

§ 1

A motion shall be submitted to the PZU SA Shareholder Meeting to adopt separate resolutions to amend the Articles of Association of PZU SA with respect to:

1) powers of the Supervisory Board and the Shareholder Meeting:

a) in § 18, item 11, which currently reads as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros), subject to § 18a.”

shall read as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros).”;

b) § 18a currently reading as follows:

§18a

“The following require consent from the Shareholder Meeting:

- 1) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:

- a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:

- one year if the asset is handed over on the basis of contracts entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts entered into for an unspecified term,
- b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the value of benefits that would be due if a lease or rental agreement was executed instead, for:
 - one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
 - the full duration of the term of validity in the case of contracts executed for an unspecified term,
- 2) purchase of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- 3) subscription or acquisition of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- 4) disposal of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”

shall be repealed;

c) in § 25, section 2 item 7, which currently reads as follows:

“7) accepting motions submitted by the Management Board to acquire, subscribe for or sell ownership interest and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain approval from the Supervisory Board, except in cases where the decision in this respect is made by the Shareholder Meeting pursuant to § 18a;”

shall read as follows:

“7) giving consent to the acquisition, subscription for or disposal of ownership interests and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain an approval from the Supervisory Board, except that the following require approval of the Supervisory Board:

- a) subscription for or acquisition of shares or ownership interests in another company, with the value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- b) disposal of shares or ownership interests in another company, with the market value exceeding:
 - PLN 100,000,000, or

- 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;”

d) in § 25a:

- item 1 currently reading as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services is greater than PLN 500,000 annually;”

shall read as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services under this agreement or other agreements executed with the same entity is greater than PLN 500,000 annually;”

- after item 4, the full stop shall be replaced with a semicolon and the following items 5 and 6 shall be appended:

“5) subject to § 18 item 11, the disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:

a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:

- one year if the asset is handed over on the basis of contracts entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts entered into for an unspecified term,

b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the value of benefits that would be due if a lease or rental agreement was executed instead, for:

- one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts executed for an unspecified term,

6) subject to § 18 item 11, the acquisition of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:

- a) PLN 100,000,000, or
- b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”;

2) Management Board reports:

a) in § 18:

- item 1a, currently reading as follows:

“1a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”;

shall be repealed;

b) in § 25 section 2, item 3a with the following wording shall be added after item 3:

“3a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services as well as the report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake;”

c) in § 27, section 1a, which currently reads as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting a report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”

shall read as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting and to the Supervisory Board, along with the Management Board’s report on the Company’s activity:

- 1) report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services;
- 2) report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake.”;

3) rules for setting compensation of Management Board members:

a) in § 18, after item 11, the period shall be replaced by a semicolon, and the following item 12 shall be added:

“12) setting the rules for shaping the compensation of Management Board members.”;

b) in § 25, section 2 item 4, which currently reads as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation;”

shall read as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation, giving consideration to the rules defined by the Shareholder Meeting, in accordance with § 18 item 12;”;

4) disposal of non-current assets:

in § 36a:

- section 1 currently reading as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender procedure in the case of assets whose value is greater

than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the value of the asset sold is less than or equal to PLN 20,000.”

shall read as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender or auction procedure in the case of assets whose market value is greater than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the market value of the asset sold is less than or equal to PLN 20,000.”,

- in section 2, the introduction to the enumeration which currently reads as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender:”.

shall read as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender or auction:”;

5) the maximum number of Management Board members:

in § 26, section 1 which currently reads as follows:

“1. The Management Board consists of three to seven members, including the President of the Management Board.”

shall read as follows:

“1. The Management Board consists of three to eight members, including the President of the Management Board.”.

§ 2

A motion shall be submitted to the PZU SA Supervisory Board to issue an opinion on the motion referred to in § 1.

§ 3

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

The vote was taken in an open ballot. Number of attendees:: 6

Number of votes in favor: 6 Number of votes against: 0 Number of abstentions: 0

President of the Management Board

/-/ Paweł Surówka



RESOLUTION NO. URN/78/2019

ADOPTED BY THE SUPERVISORY BOARD OF THE POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 29 July 2019

in the matter of evaluation of the PZU SA Management Board's motion on amendments to the Articles of Association of PZU SA

Pursuant to § 13 and § 25 section 2 item 19 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and § 13 section 1 item 19 of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Supervisory Board Bylaws, the following is hereby resolved:

§ 1

The PZU SA Supervisory Board hereby issues a positive opinion on the PZU SA Management Board's motion to the PZU SA Shareholder Meeting on the following amendments to the Articles of Association of PZU SA:

1) powers of the Supervisory Board and the Shareholder Meeting:

a) in § 18, item 11, which currently reads as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros), subject to § 18a.”

shall read as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros).”;

b) § 18a currently reading as follows:

§18a

“The following require consent from the Shareholder Meeting:

- 1) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:
 - a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:
 - one year if the asset is handed over on the basis of contracts entered into for an unspecified term,

- the full duration of the term of validity in the case of contracts entered into for an unspecified term,
- b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the value of benefits that would be due if a lease or rental agreement was executed instead, for:
 - one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
 - the full duration of the term of validity in the case of contracts executed for an unspecified term,
- 2) purchase of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- 3) subscription or acquisition of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- 4) disposal of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”

shall be repealed;

- c) in § 25, section 2 item 7, which currently reads as follows:

“7) accepting motions submitted by the Management Board to acquire, subscribe for or sell ownership interest and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain approval from the Supervisory Board, except in cases where the decision in this respect is made by the Shareholder Meeting pursuant to § 18a;”

shall read as follows:

- “7) giving consent to the acquisition, subscription for or disposal of ownership interests and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain an approval from the Supervisory Board, except that the following require approval of the Supervisory Board:
 - a) subscription for or acquisition of shares or ownership interests in another company, with the value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
 - b) disposal of shares or ownership interests in another company, with the market value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;”,

- d) in § 25a:

resolution in the matter of evaluation of the PZU SA Management Board’s motion on amendments to the Articles of Association of PZU SA

- item 1 currently reading as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services is greater than PLN 500,000 annually;”

shall read as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services under this agreement or other agreements executed with the same entity is greater than PLN 500,000 annually;”

- after item 4, the full stop shall be replaced with a semicolon and the following items 5 and 6 shall be appended:

“5) subject to § 18 item 11, the disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:

a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:

- one year if the asset is handed over on the basis of contracts entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts entered into for an unspecified term,

b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the value of benefits that would be due if a lease or rental agreement was executed instead, for:

- one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts executed for an unspecified term,

6) subject to § 18 item 11, the acquisition of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:

- a) PLN 100,000,000, or
- b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”;

2) Management Board reports:

a) in § 18:

- item 1a, currently reading as follows:

“1a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”;

shall be repealed;

b) in § 25 section 2, item 3a with the following wording shall be added after item 3:

“3a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services as well as the report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake;”

c) in § 27, section 1a, which currently reads as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting a report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”

shall read as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting and to the Supervisory Board, along with the Management Board’s report on the Company’s activity:

- 1) report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services;
- 2) report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake.”;

3) rules for setting compensation of Management Board members:

a) in § 18, after item 11, the period shall be replaced by a semicolon, and the following item 12 shall be added:

“12) setting the rules for shaping the compensation of Management Board members.”;

b) in § 25, section 2 item 4, which currently reads as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation;”

shall read as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation, giving consideration to the rules defined by the Shareholder Meeting, in accordance with § 18 item 12;”;

4) disposal of non-current assets:

in § 36a:

- section 1 currently reading as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender procedure in the case of assets whose value is greater than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the value of the asset sold is less than or equal to PLN 20,000.”

shall read as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender or auction procedure in the case of assets whose market value is greater than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the market value of the asset sold is less than or equal to PLN 20,000.”,

- in section 2, the introduction to the enumeration which currently reads as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender:”.

shall read as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender or auction:”;

5) the maximum number of Management Board members:

in § 26, section 1 which currently reads as follows:

“1. The Management Board consists of three to seven members, including the President of the Management Board.”

shall read as follows:

“1. The Management Board consists of three to eight members, including the President of the Management Board.”.

§ 2

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

The vote was taken in an open ballot.

Number of attendees: 11 Number of votes in favor: 11 Number of votes against: 0 Number of abstentions: 0

Supervisory Board Chairman

/-/ Maciej Łopiński

RESOLUTION NO./2019

ADOPTED BY THE EXTRAORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 6 September 2019

in the matter of an amendment to the PZU SA Articles of Association with respect to the powers of the Supervisory Board and the Shareholder Meeting

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Company Code, the Extraordinary Shareholder Meeting resolves as follows:

§ 1

The following amendments are hereby made to the Articles of Association of PZU SA:

1) in § 18, item 11, which currently reads as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros), subject to § 18a.”

shall read as follows:

“11) acquisition or disposal by the Company of real property, perpetual usufruct or share in real property or in perpetual usufruct with a value exceeding the equivalent of the gross amount of EUR 30,000,000 (thirty million euros).”;

2) § 18a currently reading as follows:

§18a

“The following require consent from the Shareholder Meeting:

- 1) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:
 - a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:
 - one year if the asset is handed over on the basis of contracts entered into for an unspecified term,
 - the full duration of the term of validity in the case of contracts entered into for an unspecified term,
 - b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the

value of benefits that would be due if a lease or rental agreement was executed instead, for:

- one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
 - the full duration of the term of validity in the case of contracts executed for an unspecified term,
- 2) purchase of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
 - 3) subscription or acquisition of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
 - 4) disposal of shares in another company, with the value exceeding:
 - a) PLN 100,000,000, or
 - b) 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”

shall be repealed;

- 3) in § 25, section 2 item 7, which currently reads as follows:

“7) accepting motions submitted by the Management Board to acquire, subscribe for or sell ownership interest and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain approval from the Supervisory Board, except in cases where the decision in this respect is made by the Shareholder Meeting pursuant to § 18a;”

shall read as follows:

“7) giving consent to the acquisition, subscription for or disposal of ownership interests and shares in companies and on the Company’s participation in other entities – the Supervisory Board may define the maximum amount, the terms and conditions and the procedure that the Management Board may use to conduct the foregoing activities without the obligation to obtain an approval from the Supervisory Board, except that the following require approval of the Supervisory Board:

- a) subscription for or acquisition of shares or ownership interests in another company, with the value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements,
- b) disposal of shares or ownership interests in another company, with the market value exceeding:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;”;

- 4) in § 25a:

a) item 1 currently reading as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services is greater than PLN 500,000 annually;”

shall read as follows:

“1) executing an agreement to provide legal, marketing, public relations and public communication services or management consulting services if the total net fee to be paid for such services under this agreement or other agreements executed with the same entity is greater than PLN 500,000 annually;”

b) after item 4, the full stop shall be replaced with a semicolon and the following items 5 and 6 shall be appended:

“5) subject to § 18 item 11, the disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment or long-term investments, including contribution to a company or a cooperative – if the market value of those assets exceeds 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements; and also handing those assets over for use to another entity for a period longer than 180 days in a calendar year based on a legal act, if the market value of the subject matter of the legal act exceeds 5% of total assets, whereas the handing over of assets for use in the case of:

a) lease, rental and other agreements to hand over an asset for use to other entities against payment, the market value of the subject matter of a legal act is defined as the value of benefits for:

- one year if the asset is handed over on the basis of contracts entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts entered into for an unspecified term,

b) lending for use agreements and other agreements to hand over an asset to other entities for gratuitous use, the market value of the subject matter of a legal act is defined as the value of benefits that would be due if a lease or rental agreement was executed instead, for:

- one year if the asset is to be handed over on the basis of a contract entered into for an unspecified term,
- the full duration of the term of validity in the case of contracts executed for an unspecified term,

6) subject to § 18 item 11, the acquisition of non-current assets within the meaning of the Accounting Act of 29 September 1994, with the value exceeding:

- a) PLN 100,000,000, or
- b) 5% of total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”;

§ 2

The Supervisory Board is hereby authorized to prepare the consolidated text of the Articles of Association including the amendments introduced by this resolution.

§ 3

This Resolution shall come into force on the date of its adoption, subject to entry of the amendments to the PZU SA Articles of Association in the register of commercial undertakings of the National Court Register.

Chairperson
of the Extraordinary Shareholder Meeting of PZU SA

RESOLUTION NO./2019

ADOPTED BY THE EXTRAORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 6 September 2019

in the matter of an amendment to the PZU SA Articles of Association with respect to Management Board reports

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Company Code, the Extraordinary Shareholder Meeting resolves as follows:

§ 1

The following amendments are hereby made to the Articles of Association of PZU SA:

1) in § 18, item 1a, currently reading as follows:

“1a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”;

shall be repealed;

2) in § 25 section 2, item 3a with the following wording shall be added after item 3:

“3a) reviewing the Management Board report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services as well as the report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake;”

3) in § 27, section 1a, which currently reads as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting a report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services.”

shall read as follows:

„1a. The Management Board shall prepare and present to the Shareholder Meeting and to the Supervisory Board, along with the Management Board’s report on the Company’s activity:

- 1) report on representation expenditures and expenditures for legal, marketing, public relations and public communication services and management consulting services;
- 2) report on the application of best practices, as defined by the Prime Minister pursuant to the Act on Rules for Managing State Property, addressed to companies in which the State Treasury holds an equity stake.”.

§ 2

The Supervisory Board is hereby authorized to prepare the consolidated text of the Articles of Association including the amendments introduced by this resolution.

§ 3

This Resolution shall come into force on the date of its adoption, subject to entry of the amendments to the PZU SA Articles of Association in the register of commercial undertakings of the National Court Register.

Chairperson
of the Extraordinary Shareholder Meeting of PZU SA

RESOLUTION NO./2019

ADOPTED BY THE EXTRAORDINARY SHAREHOLDER MEETING

OF Powszechny Zakład Ubezpieczeń Spółka Akcyjna

on 6 September 2019

in the matter of an amendment to the PZU SA Articles of Association with respect to setting the compensation of Management Board members

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Company Code, the Extraordinary Shareholder Meeting resolves as follows:

§ 1

The following amendments are hereby made to the Articles of Association of PZU SA:

- 1) in § 18, after item 11, the period shall be replaced by a semicolon, and the following item 12 shall be added:

“12) setting the rules for shaping the compensation of Management Board members.”;

- 2) in § 25, section 2 item 4, which currently reads as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation;”

shall read as follows:

“4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation, giving consideration to the rules defined by the Shareholder Meeting, in accordance with § 18 item 12;”.

§ 2

The Supervisory Board is hereby authorized to prepare the consolidated text of the Articles of Association including the amendments introduced by this resolution.

§ 3

This Resolution shall come into force on the date of its adoption, subject to entry of the amendments to the PZU SA Articles of Association in the register of commercial undertakings of the National Court Register.

Chairperson
of the Extraordinary Shareholder Meeting of PZU SA

RESOLUTION NO./2019

ADOPTED BY THE EXTRAORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 6 September 2019

in the matter of an amendment to the PZU SA Articles of Association with respect to disposal of non-current assets

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Company Code, the Extraordinary Shareholder Meeting resolves as follows:

§ 1

The following amendments are hereby made to the Articles of Association of PZU SA:

in § 36a:

1) section 1 currently reading as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender procedure in the case of assets whose value is greater than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the value of the asset sold is less than or equal to PLN 20,000.”

shall read as follows:

„1. Disposal by the Company of non-current assets within the meaning of the Accounting Act of 29 September 1994 is effected in a tender or auction procedure in the case of assets whose market value is greater than 0.1% of total assets determined on the basis of the most recent approved financial statements, unless the market value of the asset sold is less than or equal to PLN 20,000.”,

2) in section 2, the introduction to the enumeration which currently reads as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender:”.

shall read as follows:

„2. The Company may dispose of the non-current assets referred to in section 1 without a tender or auction:”.

§ 2

The Supervisory Board is hereby authorized to prepare the consolidated text of the Articles of Association including the amendments introduced by this resolution.

§ 3

This Resolution shall come into force on the date of its adoption, subject to entry of the amendments to the PZU SA Articles of Association in the register of commercial undertakings of the National Court Register.

Chairperson
of the Extraordinary Shareholder Meeting of PZU SA

RESOLUTION NO./2019

ADOPTED BY THE EXTRAORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 6 September 2019

in the matter of an amendment to the PZU SA Articles of Association with respect to the maximum number of Management Board members

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Company Code, the Extraordinary Shareholder Meeting resolves as follows:

§ 1

The following amendments are hereby made to the Articles of Association of PZU SA:

in § 26, section 1 which currently reads as follows:

“1. The Management Board consists of three to seven members, including the President of the Management Board.”

shall read as follows:

“1. The Management Board consists of three to eight members, including the President of the Management Board.”.

§ 2

The Supervisory Board is hereby authorized to prepare the consolidated text of the Articles of Association including the amendments introduced by this resolution.

§ 3

This Resolution shall come into force on the date of its adoption, subject to entry of the amendments to the PZU SA Articles of Association in the register of commercial undertakings of the National Court Register.

Chairperson
of the Extraordinary Shareholder Meeting of PZU SA