

RESOLUTION NO. 207/X/2018
OF THE SUPERVISORY BOARD OF GRUPA AZOTY S.A.
dated May 23rd 2018

**concerning Report of the Supervisory Board on assessment of the Grupa Azoty Group's
consolidated report on payments to governments for 2017**

Acting pursuant to Art. 32.1.8, in conjunction with Art. 32.1.6, in conjunction with Art. 63g of the Accounting Act of September 29th 1994, and in conjunction with Art. 50.21 of the Company's Articles of Association, the Supervisory Board resolves as follows:

Section 1

The Supervisory Board authorises the Report of the Supervisory Board for the Annual General Meeting on the assessment of the Grupa Azoty Group's consolidated report on payments to governments for 2017, as set out in the appendix hereto.

Section 2

The Supervisory Board requests the Annual General Meeting to consider the report referred to in Section 1.

Section 3

This Resolution shall become effective as of its date.

The Resolution was passed using means of remote communication, as permitted under Art. 39.4 of the Company's Articles of Association.

Number of Supervisory Board Members participating in the vote: 9

Votes in favour: 9

Abstentions: 0

Votes against: 9

In confirmation that the Resolution was passed

Tomasz Karusewicz
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Chairman of the Supervisory Board

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Appendix to Resolution No. 207/X/2018 of the Supervisory Board of Grupa Azoty S.A. of the
10th term of office
dated May 22th 2018

REPORT

of the Supervisory Board of Grupa Azoty S.A. for the Annual General Meeting on the assessment of the Grupa Azoty Group's consolidated report on payments to governments for 2017

Our assessment covered the consolidated report on payments to governments, which was prepared in accordance with Section 6a of the Accounting Act of September 29th 1994 (Dz.U. of 2016, item 1047, as amended), and which presents payments to governments made by the Grupa Azoty Group with regard to its minerals extraction segment (exploration for, as well as appraisal and production of sulfur in Poland and phosphate rock in Senegal).

The report includes:

- 1) Information on the Grupa Azoty Group's subsidiaries engaged in minerals extraction: Grupa Azoty Kopalnie i Zakłady Chemiczne Siarki Siarkopol S.A. and African Investment Group S.A. of Senegal;
- 2) Total amount of payments made to governments in a given country, broken down into payments made at appropriate government levels (the total amount of payments is PLN 13,586 thousand, of which PLN 2,808 thousand was paid to government authorities in Senegal);
- 3) Total amount of payments, broken down into the payment categories specified in Art. 63e.6 of the Accounting Act, made at appropriate government levels in a given country (taxes levied on income, production or profits, excluding taxes levied on consumption, such as value added taxes, personal income taxes or sales taxes; royalties, dividends, licence fees, rental fees, entry fees, and other considerations for licences or concessions),
- 4) Total amount of payments made in respect of each project, broken down into payment categories set out in Art. 63e.6 of the Accounting Act (where payments have been assigned to specific projects);
- 5) Description of significant rules followed in preparing the report and in presenting the data contained therein.
- 6) Following an analysis of the report submitted by the Management Board, the Supervisory Board satisfied itself that the report, in so far as we have examined it, was prepared reliably and showed the data required in accordance with the provisions of the Accounting Act.

The Supervisory Board proposes that the General Meeting approve the Grupa Azoty Group's consolidated report on payments to governments for 2017.

Signatures of the members of the Supervisory Board of Grupa Azoty S.A.

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Tomasz Karusewicz

/Chairman of the Supervisory Board/

[illegible signature]

Michał Gabryel

/Deputy Chairman of the Supervisory Board/

[illegible signature]

Zbigniew Paprocki

/Secretary of the Supervisory Board/

[illegible signature]

Piotr Czajkowski

[illegible signature]

Monika Fill

[illegible signature]

Robert Kapka

[illegible signature]

Bartłomiej Litwińczuk

[illegible signature]

Ireneusz Purgacz

[illegible signature]

Roman Romaniszyn