

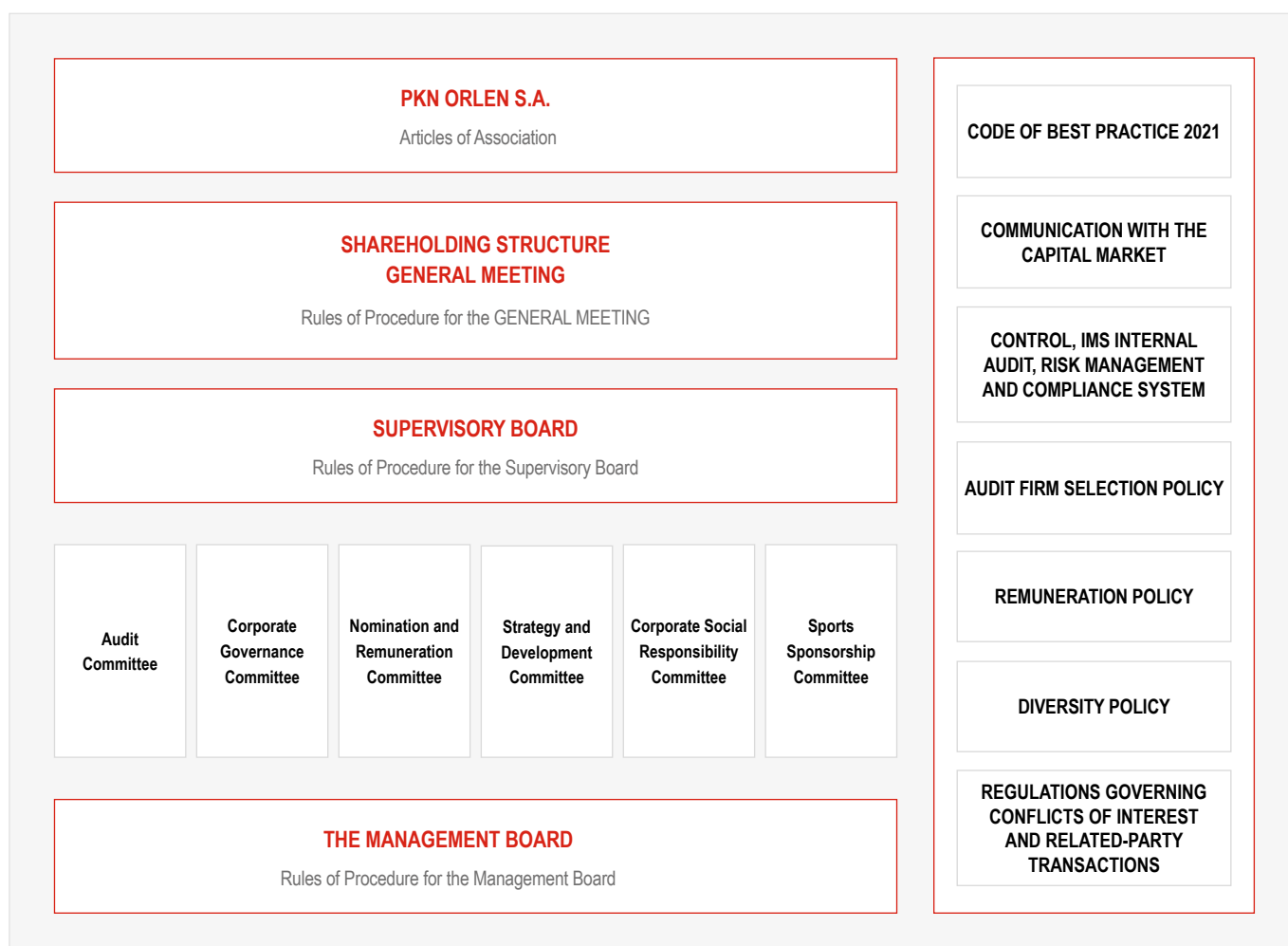


# CORPORATE GOVERNANCE STATEMENT

## 8.1 | CORPORATE GOVERNANCE RULES

In PKN ORLEN the corporate governance is created by the Company's owners, ie. shareholders through the general meeting, the Supervisory Board, and the Management Board. An essential part of this system is a set of documents governing the activities of the company's management and supervisory bodies..

**FIGURE 29 | Corporate governance at PKN ORLEN**





PKN ORLEN is a company listed on the Warsaw Stock Exchange (the "WSE"), and therefore the Company applies the corporate governance principles adopted by the WSE in the form of the "Code of Best Practice for WSE Listed Companies 2021" ("2021 Code of Best Practice"). The 2021 Code of Best Practice is available on the WSE website <https://www.gpw.pl/best-practice2021> and on the PKN ORLEN corporate website [www.orlen.pl/en](http://www.orlen.pl/en) in the section dedicated to the Company's shareholders [www.orlen.pl/en/investor-relations/about-the-company/corporate-governance](http://www.orlen.pl/en/investor-relations/about-the-company/corporate-governance).

PKN ORLEN does not permanently apply the following four principles from the 2021 Code of Best Practice: 2.1., 2.2., 2.11.6., 4.1. (concerning the diversity policy and virtual or hybrid general meetings). In accordance with the "comply or explain" approach, PKN ORLEN provided an explanation on July 29th 2021 as to why it does not adhere to the following principles:

#### 2.1., 2.2., 2.11.6. on the diversity policy:

At PKN ORLEN, the diversity policy relating to the Company's employees is covered by a range of internal documents. However, there is currently no formal diversity policy for the PKN ORLEN Management Board and Supervisory Board. The Company annually discloses diversity metrics for its supervisory and management bodies within the Group. The gender diversity ratio is not applied in the Company's diversity management practices. The gender diversity requirement of the Code of Good Practice is met by the Company's Supervisory Board, which has a minority share of no less than 30%, but not by the PKN ORLEN's Management Board.

#### 4.1. concerning virtual general meetings (e-meetings):

The Company has not received any requests from shareholders to hold a virtual General Meeting so far. On two occasions, the Company's Management Board proposed that the shareholders introduce provisions to the Articles of Association and Rules of Procedure for the General Meeting to enable holding virtual General Meetings. The proposal was not approved by the Shareholders at the Annual General Meetings held on June 29th 2011 and May 30th 2012. The non-compliance with this principle will not affect the reliability of the Company's disclosure policy, nor will it hinder Shareholders' participation in General Meetings.

On May 25th 2022, PKN ORLEN issued a current report disclosing an incidental breach of two principles of 2021 Code of Best Practice, numbered 4.8 and 4.9.1. The breach occurred when a shareholder of the Company submitted a draft resolution and proposed nominations for members of the Supervisory Board during the Annual General Meeting.





## 8.2 | COMMUNICATION WITH THE CAPITAL MARKET

To uphold the highest standards of corporate governance, the Company maintains transparent communication with participants of the capital market, ensuring equitable and straightforward access to all published information via various communication channels.

**FIGURE 30 | PKN ORLEN's channels of communication with the capital market**

	<p>The Investor Relations section of its corporate website, which provides financial and operating data relating to the Company's business as well as information about the Company's macro environment.</p>
	<p>The "ORLEN in Your Portfolio" programme website provides information about the loyalty scheme for shareholders, as well as a comprehensive knowledge base on the capital market and investing. The programme has attracted the participation of six brokerage houses and has garnered more than 17.5 thousand registered participants as of the end of 2022. The PKN ORLEN Investment Academy and the programme are intertwined, with their activities complementing each other.</p>
	<p>The ORLEN Investment Academy is a comprehensive educational programme dedicated to the functioning of the capital market. Under the patronage of CFA Society Poland, the programme offers participants access to attractive textbooks and self-study lectures prepared by experts from CFA Society. The Academy caters to both novice and experienced investors, with tailored courses culminating in an exam and the issuance of a certificate.</p> <p>As part of its commitment to educating the public on the functioning of the capital market, PKN ORLEN has been conducting educational activities for over four years, with the fourth ORLEN Investment Academy exam being held in 2022. Additionally, 14 new episodes of the "Investing in Practice" series were aired, completing a total of 50 episodes. The Company also published a book titled "In the manner of Warren Buffett" under its patronage. Moreover, the company participated in numerous conferences organized for individual investors, including "Wallstreet 26", "Financial Education Day" at the WSE, and the roadshow series in Lublin and Kraków "Investing in times of uncertainty". PKN ORLEN also organised an Individual Investor Day in Toruń.</p>
	<p>The Company leverages social media channels (Twitter, Facebook, LinkedIn, YouTube, and Instagram) to provide real-time updates on its activities. The Company also holds media conferences that are accessible to everyone and broadcast live with English translations. The conferences follow all major corporate events such as the release of quarterly results or strategy announcement.</p>
<p><b>Closed one-on-one or group meetings, held both in Poland and abroad, also as teleconferences.</b></p>	<p>Special presentation materials are prepared for the meetings to explain the complex operation of the refining, petrochemical and energy sectors where the Company is present.</p>
<p><b>Investor and Analyst Days at PKN ORLEN</b></p>	<p>The Company hosts workshops that focus on various aspects of its operations. These workshops are led by members of the Management Board, executive directors, and other selected managers at the Company's facilities and are open to capital market participants.</p>



## 8.3 | CONTROL, IMS INTERNAL AUDIT, RISK MANAGEMENT AND COMPLIANCE SYSTEM

The Company's system of internal control and risk management in the preparation of financial statements is implemented through:

- verification whether uniform accounting policies are applied by the ORLEN Group companies as regards recognition, measurement and disclosures in accordance with the International Financial Reporting Standards (IFRSs) as endorsed by the European Union,
- following the procedures for registering economic events in the financial and accounting system and monitoring compliance with the procedures,
- internal controls, including separation of duties, multi-stage data verification, accuracy reviews of data received and independent checks,
- providing ORLEN Group companies with uniform templates of separate and consolidated financial statements, and periodic reviews of the correctness of accounting policies and disclosures included in the financial statements prepared by the ORLEN Group companies,
- verification of the consistency of the ORLEN Group companies' financial statements with data entered into the integrated IT system used to prepare the ORLEN Group's consolidated financial statements,
- auditor's review of Q1, H1 and Q3 financial statements and audit of full-year financial statements of PKN ORLEN and the ORLEN Group,
- procedures to authorise, approve and issue opinions on financial statements before they are issued,
- independent and objective assessment of risk management and internal control systems by the Control and Security Office, the Financial Control and Risk and Compliance Management Office, and the Audit Office pursuant to applicable internal rules, procedures, and policies,
- an internal audit system operating within the Integrated Management System.

Economic events at PKN ORLEN are recorded in an integrated financial and accounting system. Security and availability of information contained in the financial and accounting system are controlled at all levels of the database, applications and presentations, as well as at the operating system level. System integration is ensured by data entry control systems (validation, authorisation, a list of values) and logs of changes. PKN ORLEN keeps its IT system up to date with the changing accounting policies and other legal requirements. PKN ORLEN's solutions are implemented into systems of the ORLEN Group companies.

The ORLEN Group companies apply uniform accounting policies adopted at the ORLEN Group and approved by the PKN ORLEN Management Board for the purposes of preparing consolidated financial statements.

The accounting policies are periodically updated to ensure compliance with any new legislation. Consolidated financial statements are prepared based on the integrated IT system where the process of consolidating data sourced from reporting packages provided by each ORLEN Group company is performed. Designed for financial management and reporting purposes, the system enables the unification of financial information. Performance and budget-related data, forecasts and statistics are gathered in one place, which ensures direct control and data compatibility.

The data is reviewed for cohesion, completeness and consistency, which is achieved thanks to embedded controls checking the compatibility of data entered by ORLEN Group companies.

In order to keep mitigating risks associated with the preparation of financial statements, they are reviewed by an independent auditor quarterly, i.e. more often than required by applicable laws.

As per the relevant procedure in place at PKN ORLEN (meeting all requirements arising from the applicable laws and regulations), the auditor of the Company's financial statements is appointed by the Supervisory Board based on a recommendation from the Audit Committee and a report on the tender process held by the Audit Committee.

Deloitte Audyt Spółka z ograniczoną odpowiedzialnością, Spółka komandytowa has been appointed as a qualified auditor of PKN ORLEN's financial statements for 2022–2024. During audit work, the auditor makes an independent assessment of the reliability and accuracy of separate and consolidated financial statements and confirms that the internal control and risk management system is effective. The auditor presents the audit and review findings to the Management Board and the Audit Committee of the Supervisory Board





The Audit Committee, appointed by the Supervisory Board in the exercise of its powers, is a supervisory body with some of its powers and responsibilities defined in the Act on Statutory Auditors, Audit Firms, and Public Oversight of May 11th 2017, including the following:

- monitoring the preparation of the ORLEN Group's consolidated financial statements to ensure compliance with the Group's Accounting Policy and applicable laws,
- monitoring the independence of the qualified auditor and audit firm selected to audit financial statements,
- monitoring the effectiveness of the internal control (including financial control), internal audit and risk management systems.

The Company has in place certain procedures to authorise financial statements, under which periodic reports are submitted to the Management Board and then to the Supervisory Board's Audit Committee for its opinion. Once the Audit Committee's opinion is received and the auditor completes its review or audit of the financial statements, they are authorised for issue by the PKN ORLEN Management Board by means of a qualified electronic signature and then released to the public by the Investor Relations Office.

Full-year financial statements are also presented to the Supervisory Board for final assessment and control of the financial reporting process. The Supervisory Board is an independent body ensuring the reliability and accuracy of information disclosed in the financial statements of PKN ORLEN and the ORLEN Group.

The Company has developed and continues to enhance a certified Integrated Management System, which is based on several standards such as ISO 9001, AQAP 2110 for quality management, ISO 14001 for environmental management, ISO 45001 for occupational health and safety management, ISO 50001 for energy management, ISO/IEC 27001 for information security management, as well as ISCC EU and KZRINiG Biomass and Biofuels Certification System, Factory Production Control System (FPC), and Food Safety Management System (HACCP).

In 2022, PKN ORLEN underwent periodic external verification/recertification, with nine audits being conducted by accredited external bodies such as BV Poland, UDT-CERT, PCBC, CCJ WAT, and ITWL.





## 8.4 | SHAREHOLDING STRUCTURE

In 2022, PKN ORLEN merged with Grupa LOTOS and PGNiG. Both mergers were executed in compliance with Article 492.1.1 of the Commercial Companies Code. This process involved transferring all assets, including rights and obligations (assets and liabilities) of Grupa LOTOS and PGNiG (the acquired companies) to PKN ORLEN, the acquirer. Simultaneously, the Company's share capital was increased through the issuance of merger shares, which were delivered to the shareholders of Grupa LOTOS and PGNiG, respectively.

The Company's Extraordinary General Meeting held on July 21st 2022 gave its approval for the merger with LOTOS Group S.A. in Gdańsk, along with the issuance of 198,738,864 Series E bearer shares (numbered from E000000001 to E-198738864). This led to an increase in the Company's share capital to PLN 783,059,906.25.

Respective amendments to the Company's Articles of Association were registered in the Business Register of the National Court Register on August 1st 2022 by the District Court for Łódź-Śródmieście in Łódź, 20th Commercial Division of the National Court Register, and on August 10th 2022 the Management Board of the Warsaw Stock Exchange decided to admit and introduce the Series E shares issued by PKN ORLEN to trading on the WSE main market. On August 12th 2022, the Central Securities Depository of Poland registered these shares under ISIN code PLPKN0000018.

Following the issuance of the Series E, the State Treasury, represented by the Minister of State Assets, announced an increase in its ownership of PKN ORLEN shares, following the merger of PKN ORLEN with Grupa LOTOS, the increase in share capital, and the amendments to the PKN ORLEN's Articles of Association adopted by the Extraordinary General Meeting on July 21st 2022.

Prior to the change, the State Treasury held 117,710,196 PKN ORLEN shares, which represented 27.52% of the Company's share capital and carried entitled to 117,710,196 votes at the General Meeting, or 27.52% of the total voting rights.

Following the merger, the State Treasury came to hold 223,414,424 PKN ORLEN shares, representing 35.66% of the Company's share capital and conferring the right to 223,414,424 votes, or 35.66% of total voting rights in the Company.

On October 6th 2022, the State Treasury submitted a notification of a decrease in its share of the total voting rights in the Company from 35.66% to 31.14%.

Prior to the change, the State Treasury held 223,414,424 PKN ORLEN shares, which represented 35.66% of the Company's share capital and carried 223,414,424 votes at the General Meeting, representing 35.66% of the total voting rights in the Company. Following the changes, the State Treasury held 195,092,264 PKN ORLEN shares, or 31.14% of the Company's share capital and carrying 195,092,264 votes at the Company's General Meeting, representing 31.14% of the total voting rights in the Company.

Subsequently, on September 28th 2022, the Extraordinary General Meeting of the Company passed a resolution to merge the Company with Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna of Warsaw, KRS 0000059492, and to increase the share capital to PLN 1,451,177,561.25, through the issuance of 534,494,124 Series F bearer shares (numbered from F-000000001 to F-534494124). On November 2nd 2022, the District Court for Łódź-Śródmieście in Łódź, 20th Commercial Division of the National Court Register, registered the merger of PKN ORLEN and Polskie Górnictwo Naftowe i Gazownictwo S.A. as well as the share capital increase and the relevant amendments to the PKN ORLEN's Articles of Association. In connection with the merger, PKN ORLEN's share capital was increased from PLN 783,059,906.25 to PLN 1,451,177,561.25.

On November 15th 2022, the Management Board of the Warsaw Stock Exchange resolved to admit and introduce PKN ORLEN's Series F shares to trading on the main market of the WSE, effective as of November 18th 2022. The Central Securities Depository of Poland registered Series F shares on November 18th 2022, under ISIN code PLPKN0000018.

With the registration of the Company's share capital increase, the total number of shares outstanding is now 1,160,942,049, each with a par value of PLN 1.25. The total number of voting rights attached to all Company shares is 1,160,942,049.



Following the changes described above, shareholders notified the following changes in their holdings of Company shares:

1. On November 7th 2022, the State Treasury, a shareholder of PKN ORLEN, announced an increase in its percentage of total voting rights in the Company. This information was subsequently corrected by the shareholder on November 29th 2022. The shareholder notified a change in its holding of the PKN ORLEN shares from 31.14% to 49.90%.

Prior to the change, the State Treasury held 195,092,264 PKN ORLEN shares, representing 31.14% of the Company's share capital and conferring 195,092,264 votes at the General Meeting, i.e. 31.14% of the total voting rights.

Currently, the State Treasury holds 579,310,079 PKN ORLEN shares, representing 49.90% of the Company's share capital and conferring the right to 579,310,079 votes, or 49.90% of total voting rights in the Company.

2. On November 7th 2022, Aviva Otwarty Fundusz Emerytalny Aviva Santander notified of a decrease in its percentage of total voting rights in PKN ORLEN, from 5.43% to 3.99%.

Prior to the change, Aviva OFE held 34,023,504 PKN ORLEN shares, representing 5.43% of the Company's share capital and conferring the right to 34,023,504 votes, or 5.43% of total voting rights in the Company. As of the disclosure date, Aviva OFE reported holding 46,274,140 shares in PKN ORLEN, which represented 3.99% of the Company's share capital and carried 46,274,140 votes at the General Meeting, i.e. 3.99% of the total voting rights in the Company.

**TABLE 81 | PKN ORLEN's shareholding structure as at January 1st 2022 and December 31st 2022.**

Shareholder	Number of shares and voting rights at General Meeting (as at Jan 1 2022 <sup>1</sup> )	% of share capital and total voting rights at General Meeting (as at Jan 1 2022 <sup>1</sup> )	Number of shares and voting rights at GM (Dec 31 2022)	% of share capital and total voting rights at the General Meeting (as at Dec 31 2022)
State Treasury	117 710 196	27,52%	579 310 079 <sup>2</sup>	49,90%
Nationale-Nederlanden OFE	31 391 297	7,34%	60 709 120 <sup>3</sup>	5,23%
Aviva OFE Aviva Santander	26 898 000	6,29%	no data <sup>4</sup>	no data
Others	251 709 568	58,85%	520 922 850	44,87%
<b>Total</b>	<b>427 709 061</b>	<b>100,00%</b>	<b>1 160 942 049</b>	<b>100,00%</b>

1. Based on information obtained at the PKN ORLEN Annual General Meeting on May 27th 2021.

2. According to the notification from the State Treasury to PKN ORLEN dated November 29th 2022.

3. According to information published by Nationale-Nederlanden OFE on January 2nd 2023.

4. According to the notification from Aviva OFE Aviva Santander to PKN ORLEN dated November 7th 2022 on decrease in the total number of voting rights in PKN ORLEN below the threshold of 5%.

**TABLE 82 | PKN ORLEN shareholding structure as at the date of authorisation of this Report.**

Shareholder	Number of shares and voting rights at General Meeting (as at the date of authorisation of this Report <sup>5</sup> )	% of share capital and total voting rights at General Meeting (as at the date of authorisation of this Report <sup>5</sup> )
State Treasury	579,310,079	49,90%
Nationale-Nederlanden OFE	58,748,000	5,06%
Others	522,883,970	45,04%
<b>Total</b>	<b>1,160,942,049</b>	<b>100,00%</b>

5. Based on information obtained at the PKN ORLEN Extraordinary General Meeting held on March 22nd 2023.

### Restrictions on transferability of shares

The Company's Articles of Association do not impose any restrictions on the transferability of PKN ORLEN shares. However, such restrictions may be stipulated by generally applicable laws including, without limitation, the Act on State Property Management and the Act on Control of Certain Investments.



## 8.5 | EXERCISING VOTING RIGHTS AND SHAREHOLDERS' SPECIAL CONTROL POWERS

Detailed rules for the exercise of special control powers and voting rights are laid down in PKN ORLEN's Articles of Association. According to the provisions of the Articles of Association, one PKN ORLEN share confers one voting right at the Company's General Meeting. The voting rights of shareholders have been capped in the Articles of Association so that none of them may exercise more than 10% of total voting rights existing at the Company as at the date when the General Meeting is held. The cap on voting rights does not apply to the State Treasury and the depositary bank which has issued, on the basis of an agreement with the Company, depositary receipts in respect of Company shares (if this entity exercises voting rights conferred by Company shares). For the purposes of the Articles of Association, the exercise of voting rights by a subsidiary is deemed the exercise of such voting rights by its parent as defined in the laws referred to the Articles of Association, whereas the total number of voting rights held by a shareholder is the sum of the voting rights attached to the shares held by the shareholder and the voting rights which the shareholder would receive as a result of conversion of the depositary receipts held by the shareholder into shares.

Shareholders whose voting rights are aggregated or reduced are jointly referred to as a "Shareholder Grouping". The aggregation of voting rights consists in adding up all voting rights held by individual shareholders comprising a Grouping. The reduction of voting rights consists in decreasing the total number of voting rights held at the General Meeting by shareholders comprising a Grouping. Detailed rules of such aggregation and reduction are specified in the Articles of Association. Shareholders forming a Shareholder Grouping may not exercise more than 10% of total voting rights existing at the Company as at the date when the General Meeting is held.

If the aggregated number of shares registered at the General Meeting by shareholders forming a Shareholder Grouping exceeds 10% of total voting rights at the Company, the voting rights resulting from the number of shares held are subject to reduction, the rules of which have been specified in detail in the Articles of Association.

The cap on voting rights described above does not apply to subsidiaries of the State Treasury.

The State Treasury, represented by the entity authorised to exercise the rights attached to the shares held by the State Treasury, has the right to appoint and remove one member of the Supervisory Board. In addition, one member of the PKN ORLEN Management Board is appointed by the entity authorised to exercise the rights attached to the shares held by the State Treasury as long as the State Treasury holds at least one share in the Company; such member of the PKN ORLEN Management Board is removed by the Supervisory Board.

Additionally, in accordance with the Articles of Association, as long as the State Treasury is entitled to appoint a member of the Supervisory Board, a resolution granting consent for transactions involving any sale or encumbrance of shares in the following companies: Naftoport Sp. z o.o., Inowrocławskie Kopalnie Soli S.A. as well as the company to be established to operate the pipeline transport of liquid fuels, will require a vote in favour of its adoption by the Supervisory Board member appointed by the State Treasury.

With the merger processes that occurred in the Company in 2022 and the corresponding amendments to its Articles of Association effected following the merger with Polskie Górnictwo Naftowe i Gazownictwo S.A., PKN ORLEN is now mandated to undertake tasks that contribute to the energy security of Poland as part of its core business activities. The amendments made to the Articles of Association as a result of the merger processes in 2022 have granted new powers to the State Treasury as the Company's shareholder. These powers are now clearly defined in the Articles of Association. It is important to note that, in line with amended Articles of Association, the State Treasury, can specifically:

- 1) Has the right to demand that the Company's Management Board provide detailed information concerning the tasks executed to guarantee national energy security.
- 2) Has the right to obtain information from the Company's Management Board, no later than two months following the conclusion of the Annual General Meeting, pertaining to:
  - a) implementation by the Company of any strategic investment projects or its involvement in any investment projects which are necessary to ensure Poland's energy security,
  - b) entry by the operator or owner of a distribution system or interconnector into an obligational relationship with a foreign entity for, or in connection with, the planning, review, construction, expansion or disposal of a transmission network, distribution network, interconnector or direct line as defined in the Energy Law where the present value of such infrastructure or, for new projects, including projects being planned, its estimated value exceeds the PLN equivalent of EUR 500,000,
  - c) entry by the operator or owner of a storage facility into an obligational relationship with a foreign entity for, or in connection with, the development, review, construction, expansion or disposal of storage facilities as defined in the Energy Law where the present value of such infrastructure or, for new projects, including projects being planned, its estimated value exceeds the PLN equivalent of EUR 500,000,
  - d) entry by the owner of a generation or cogeneration unit into an obligational relationship with a foreign entity for, or in connection with, the development, review, construction, expansion or disposal of a generation or cogeneration unit as defined in the Energy Law where the present value of such infrastructure or, for new projects, including projects being planned, its estimated value exceeds the PLN equivalent of EUR 500,000, or





- e) entry into an obligational relationship with a foreign entity in relation to, or in connection with, hydrocarbon exploration, appraisal or production, within the meaning of the Polish Geological and Mining Law, if the value of the obligational relationship exceeds the PLN equivalent of EUR 5,000,000 - with the proviso that items a) - e) above shall not apply to information on credit agreements, maintenance services, including overhauls, geophysical, drilling, and well services, as well as services or deliveries related to the performance of such agreements or activities, and item 5) shall not apply to information on activities of a foreign subsidiary in connection with the execution of contracts and agreements related to the administration of the subsidiary's organisation in the ordinary course of its business, including employment contracts, use of assets where the related liabilities do not exceed EUR 5,000,000, or general and administrative expenses
- 3) In its capacity as a shareholder of PKN ORLEN, the State Treasury is also entitled to receive detailed information on decisions made by General Meetings of PKN ORLEN's Subsidiaries or Associates, within 21 days after conclusion of such meetings, if the matters discussed pertain to those listed in the PKN ORLEN Articles of Association and have implications for Poland's energy security. However, this does not include information on credit facility agreements, maintenance services, including overhauls, geophysical, drilling or well services or projects, or any related services or deliveries. Additionally, this does not include information on any foreign Subsidiary's activities in connection with the execution of contracts and agreements related to the administration of the subsidiary's organisation in the ordinary course of its business, including employment contracts, use of assets where the related liabilities do not exceed EUR 5,000,000, or general and administrative expenses.
- 4) In addition, the entity authorised to exercise rights attached to the shares held by the State Treasury and the minister competent for energy matters are entitled to receive from the Company economic and financial analyses of the Company and its related companies acting as a distribution system operator or a storage system operator.
- 5) Notwithstanding the above, the energy minister, if requested by the Management Board of the Company and having received the opinion of the entity authorised to exercise rights attached to the shares held by the State Treasury shares, has the power to grant approval for:
- a) amendment of material provisions of existing contracts for natural gas imports to Poland and execution of new such contracts,
  - b) implementation by the Company of a strategic investment project or the Company's participation in an investment project which may permanently or temporarily impair its economic efficiency but which is necessary to carry out a national energy security task in connection with:
    - ensuring continuity of natural gas supplies to customers and maintaining the required emergency natural gas stocks,
    - ensuring safe operation of gas networks,
    - balancing the gas market and managing the operations and capacity of energy facilities and equipment connected to the national gas grid,
    - natural gas production.
- 6) As a shareholder, the State Treasury, in compliance with the Company's Articles of Association, acknowledges the guidance of the Management Board of the Company in regard to appointing or dismissing the Company's representatives on the Management Board and Supervisory Board of System Gazociągów Tranzytowych EuRoPol Gaz S.A.
- Special rights vested in the State Treasury as the Company's shareholder may also result from generally applicable provisions of law, i.e.:
- the Act on Special Rights Vested in the Minister Competent for Energy and their Exercise in Certain Capital Companies or Groups Conducting Business Activities in the Electricity, Crude Oil and Gas Fuel Sectors, dated March 18th 2010,
  - the Act on Control of Certain Investments, dated of July 24th 2015,
  - the Act on State Property Management, dated December 16th 2016.





## 8.6 | AMENDMENTS TO ARTICLES OF ASSOCIATION

Any amendment to PKN ORLEN's Articles of Association requires a resolution of the General Meeting and has to be entered in the business register.

A resolution of the General Meeting to amend the Company's Articles of Association is passed by three-quarters of votes. The General Meeting may authorise the Supervisory Board to formulate the consolidated text of the Articles of Association or make other editorial changes as set out in a resolution passed by the General Meeting.

In 2022, the Company's Articles of Association were amended twice, which was related to the merger processes involving PKN ORLEN:

- 1) On July 21st 2022, the Extraordinary General Meeting adopted the first amendment to the Company's Articles of Association, which pertained to the merger of the Company with Grupa LOTOS Spółka Akcyjna of Gdańsk. The amendments were entered in the National Court Register and information about the entry was published by the Company in a current report.
- 2) Then, on September 28th 2022, the Extraordinary General Meeting passed amendments to the Company's Articles of Association in connection with the merger of PKN ORLEN and Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna of Warsaw. Similar to the first set of amendments, these amendments were registered also in the National Court Register, and the Company published information about the amended Articles of Association in a current report.

An Extraordinary General Meeting of PKN ORLEN was held on March 22nd, 2023, during which resolutions were passed to amend the Company's Articles of Association. Some of the amendments result from the amendments made to the Commercial Companies Code under the amendment law of February 9th 2022 (Dz U. of 2022, item 807), which came into effect in October 2022. In addition to the amendments stemming from the implemented modifications in the Commercial Companies Code, the General Meeting passed a resolution to modify the Articles of Association further, to incorporate amendments resulting from the mergers that took place within the Company in 2022. The Articles of Association were also amended to improve the Company's decision-making processes. As of the date of authorisation of this report, the amendments to the Company's Articles of Association approved by the General Meeting are pending registration in the Business Register of the National Court Register.





## 8.7 | GENERAL MEETING

### Operation of the General Meeting

Proceedings and powers of PKN ORLEN's General Meeting are set out in the Articles of Association and the Rules of Procedure for the General Meeting, available on PKN ORLEN's website: [www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents](http://www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents). The Company sets the venue and date of a General Meeting so as to enable participation by the largest possible number of shareholders. General Meetings of PKN ORLEN are held at the Company's registered office in Plock, but may also be held in Warsaw.

PKN ORLEN uses its best endeavours to include reasoning in draft resolutions of the General Meeting, other than those of a procedural nature, unless such reasons stem from documentation submitted to the General Meeting. If a matter is placed on the agenda of the General Meeting at the request of a shareholder or shareholders, the reasoning for the proposed resolution is provided by that shareholder. The Company's Management Board uses its best efforts to obtain appropriate reasoning for matters placed on the agenda from the shareholder.

All materials presented at a General Meeting are available to shareholders on the corporate website at [www.orklen.pl](http://www.orklen.pl) starting from the date of a notice convening the General Meeting. Upon request, materials to be presented at the General Meeting are made available to shareholders at the Company's registered office in Plock and at its Warsaw offices.

The General Meeting is convened by way of a notice published on the Company's website and a current report.

The Annual General Meeting should be held no later than within six months from the end of every financial year. An Extraordinary General Meeting is convened by the Management Board on its own initiative, upon the Supervisory Board's motion or upon the motion of a shareholder or shareholders representing no less than one-twentieth of the Company's share capital, within two weeks of submitting the motion. The Supervisory Board may convene an Extraordinary General Meeting if it sees fit to do so. In addition, the Supervisory Board may convene an Extraordinary General Meeting if the Management Board fails to do so within two weeks of the Supervisory Board's submitting the relevant request. An Extraordinary General Meeting may also be convened by shareholders representing at least one half of the share capital or at least one half of total voting rights at the Company.

If the Company's Management Board is notified that a General Meeting has been convened pursuant to Art. 399.2-4 of the Commercial Companies Code, it immediately performs any actions required from it in connection with the organisation and conduct of the General Meeting.

The Company arranges for an internet broadcast of the General Meeting and offers simultaneous interpretation into English. The Company has not provided for shareholders' participation in a General Meeting using means of electronic communication through real-time bilateral communication where shareholders could take the floor during the General Meeting from a location other than the venue of the General Meeting.

The Company has not received any requests from Shareholders to hold a virtual General Meeting so far. Therefore, PKN ORLEN stated that it did not apply this principle of the Code of Best Practice.

The non-compliance with this principle does not affect the reliability of the Company's disclosure policy, nor does it hinder Shareholders' participation in general meetings.

Shareholders may exercise their voting rights at the General Meeting in person or by proxy.

In accordance with the Rules of Procedure for the General Meeting, a General Meeting may be cancelled if there are extraordinary impediments to its holding or its holding would be obviously groundless.

The cancellation or rescheduling of a General Meeting is effected by way of a notice posted on the Company's website together with reasons and in compliance with other legal requirements, including the provisions of the Rules of Procedure for the General Meeting of PKN ORLEN.

### Powers and responsibilities of the General Meeting

The General Meeting is authorised in particular to:

- review and approve the Company's full-year financial statements; annual Directors' report on the Company's operations; consolidated financial statements of the ORLEN Group and Directors' report on the ORLEN Group's operations for the previous financial year,
- grant discharge from responsibility to the Supervisory Board and Management Board members,
- decide on the allocation of profit and coverage of loss, and on the application of funds set aside from earnings,
- appoint members of the Supervisory Board, subject to Art. 8.2 of the Articles of Association, and define rules for their remuneration,
- increase and reduce the share capital unless the Commercial Companies Code or the Company's Articles of Association stipulate otherwise,
- make decisions concerning claims for redress of any damage caused upon formation of the Company or when managing or supervising the Company,
- adopt a policy defining the rules of remuneration for members of the Company's Management Board and Supervisory Board,
- grant consent to disposal or lease of, or creation of limited property rights in, the Company's business or its organised part,
- grant consent to any sale of real property, perpetual usufruct or interest in real property with a net carrying value exceeding one-twentieth of the Company's share capital,
- amend the Company's Articles of Association,
- create and release the Company's capital reserves, funds and special accounts,
- resolve to cancel shares and buy shares to be cancelled, and establish the terms of such cancellation,





- issue convertible bonds, senior bonds and subscription warrants,
- dissolve, liquidate and restructure the Company or merge it with another company,
- conclude a parent/subsidiary agreement within the meaning of Art. 7 of the Commercial Companies Code.
- pass a resolution to approve the subscription, acquisition, or disposal of shares in companies belonging to the Company's Group that operate as natural gas distribution system operators or natural gas storage system operators in accordance with applicable laws. The resolution should specify the terms and procedures for the sale.

### Participation in the General Meeting

The right to participate in the Company's General Meeting is vested only in persons that are the Company's shareholders sixteen days before the date of the General Meeting (record date).

Shareholders may communicate with the Company via the corporate website, using the contact form available at: <http://www.orken.pl/EN/InvestorRelations/GeneralMeetings/Contact/Pages/default.aspx>, or through email (at: [walne.zgromadzenie@orken.pl](mailto:walne.zgromadzenie@orken.pl)). They may send a notification of granting power of proxy in electronic form and the power of proxy document (or a power of proxy cancellation document), and they may send requests and documents to the Company, for instance requests to place a matter on the agenda of the General Meeting or draft resolutions with reasoning. A section dedicated to the Company's General Meetings contains some useful materials for shareholders, including information about upcoming General Meetings along with relevant materials, materials pertaining to General Meetings held in the past, including texts of resolutions passed and video files with internet broadcasts of General Meetings.





The General Meeting is attended by members of the Company's Management Board and Supervisory Board selected with a view to addressing the matters discussed in the General Meeting and providing meaningful answers to questions asked by shareholders during the General Meeting. The Annual General Meeting may also be attended by members of the Management Board and the Supervisory Board whose mandates expired before the date of the General Meeting but who still performed their functions during the financial year for which the Directors' report and the financial statements are to be approved by the Annual General Meeting. The Management Board provides the participants of the General Meeting with information about the Company's financial results and other relevant information, including non-financial information, included in the financial statements to be approved by the General Meeting. General Meetings may also be attended by other persons invited by the body convening the General Meeting or allowed to enter the meeting room by the Chair, especially qualified auditors, legal and financial advisers and the Company's employees. PKN ORLEN additionally allows media representatives to attend General Meetings. The Management Board ensures that each General Meeting is attended by an independent expert in commercial law.

Unless stated otherwise in the Commercial Companies Code or the Articles of Association, resolutions of the General Meeting are passed by an absolute majority of the votes cast. Detailed rules governing the General Meeting are laid down in the Rules of Procedure for the General Meeting.

### General Meeting in 2022

In 2022, three general meetings of PKN ORLEN were held.

The Annual General Meeting, held on May 25th 2022,

- approved the Directors' Reports on the operations of the Company and the ORLEN Group as well as the financial statements for 2021;
- granted a discharge from responsibility to all Supervisory and Management Board members;
- distributed the profit for the financial year 2021, of PLN 8,397,702,761.43, in the following manner:
  - PLN 1,496,981,713.50 was allocated to dividend payment (PLN 3.50 per share),
  - the balance, i.e. PLN 6,900,721,047.93, was allocated to the Company's statutory reserve funds;
- received the Report of the Supervisory Board of PKN ORLEN S.A. for the financial year 2021, including, without limitation, information on the operations of the ORLEN Group, the Supervisory Board and its committees, as well as such other information and assessments as are required under applicable laws and regulations and the Best Practice for WSE Listed Companies 2021;
- established the composition of the 10-member Supervisory Board of Polski Koncern Naftowy ORLEN S.A. for the new term has been determined. Consequently, the Annual General Meeting passed resolutions to appoint the Chairperson and members of the Supervisory Board for the new term of office;
- endorsed the Report of the Supervisory Board of PKN ORLEN S.A. on remuneration of members of the Management Board and the Supervisory Board for 2021.

The Extraordinary General Meeting, held on July 21st 2022:

- resolved to merge the Company with Grupa LOTOS Spółka Akcyjna of Gdańsk, increase the Company's share capital, and amend the Company's Articles of Association;
- Consented to the disposal of the fuel depots in Gdańsk, Gutkowo, Szczecin and Bolesławiec (which then constituted an organised part of the Company's business) through its contribution in kind to cover shares in the increased share capital of LOTOS Terminale Spółka Akcyjna of Czechowice-Dziedzice (KRS 0000102608, which became a subsidiary of the Company as a result of the merger of the Company and Grupa LOTOS Spółka Akcyjna, KRS 0000106150), pursuant to Art. 492.1.1 of the Commercial Companies Code,
- established the consolidated text of the Company's Articles of Association, incorporating the amendments resulting from the merger resolution.

The Extraordinary General Meeting, held on September 28th 2022,

- passed a resolution to merge the Company with Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna of Warsaw (KRS 0000059492), increase the Company's share capital, and amend the Company's Articles of Association;
- established the consolidated text of the Company's Articles of Association.

On March 22nd 2023, the Extraordinary General Meeting of PKN ORLEN passed resolutions to amend the Company's Articles of Association and approved the merger between PKN ORLEN and LOTOS SPV5 Sp. z o.o. Some of the amendments result from the amendments made to the Commercial Companies Code under the amendment law of February 9th 2022 (Dz U. of 2022, item 807), which came into effect in October 2022. In addition to the amendments stemming from the implemented modifications in the Commercial Companies Code, the General Meeting passed a resolution to modify the Articles of Association further, to incorporate amendments resulting from the mergers that took place within the Company in 2022. The Articles of Association were also amended to improve the Company's decision-making processes. As of the date of authorisation of this report, the amendments to the Company's Articles of Association approved by the General Meeting are pending registration in the Business Register of the National Court Register.





## 8.8 | MANAGEMENT AND SUPERVISORY BODIES

Apart from generally applicable laws, the operating procedures of PKN ORLEN's Supervisory Board, its Committees and Management Board are set out in PKN ORLEN's Articles of Association and the Rules of Procedure for the Supervisory Board or the Management Board, as appropriate. In their operations PKN ORLEN's management and supervisory bodies also comply with the corporate governance principles set out by the Warsaw Stock Exchange.

In order to achieve the highest standards in the performance of the Management Board's and Supervisory Board's duties defined in the generally applicable laws and internal regulations, as well as to ensure that these duties are discharged effectively, the Management Board and Supervisory Board members must possess extensive qualifications and experience. The current composition of the Management and Supervisory Boards

ensures a good balance and diversity in terms of gender, educational background, age and professional experience.

The gender diversity ratio is not applied in the Company's diversity management practices. The gender diversity requirement of the Code of Good Practice is met by the Company's Supervisory Board, which has a minority share of no less than 30%, but not by the PKN ORLEN's Management Board.

Any outside employment of the Management Board members is assessed by the Supervisory Board, which – pursuant to the Company's Articles of Association – grants permission to Management Board members to serve on the supervisory or management bodies of any other entities and to receive remuneration for such service.

### 8.8.1 | The Management Board

**TABLE 83 | Composition of PKN ORLEN Management Board as at January 1st and December 31st 2022.**

Full name	Position held on PKN ORLEN Management Board	Remit
<b>Daniel Obajtek</b>	President of the Management Board, Chief Executive Officer	strategy and innovation, investor relations (until December 1st 2022), mergers and acquisitions, HR, oil and gas trading, corporate governance and organizational management, control and security, audit, financial control, legal, public and international relations, merger analysis and support, PGNiG Polski Koncern Naftowy ORLEN S.A. branches (until December 1st 2022)
<b>Armen Konrad Artwich</b>	Member of the Management Board, Corporate Affairs	administration, environmental protection, corporate group, risk management and compliance management procurement (until February 28th 2022), capital investments (until February 28th 2022), development and technology (until February 28th 2022), technical matters (until February 28th 2022)
<b>Adam Burak</b>	Member of the Management Board, Communication and Marketing	corporate communication, marketing, sports marketing, sponsorship and events;
<b>Patrycja Klarecka</b>	Member of the Management Board, Retail	IT, retail, infrastructure and information security supervision, relations with external stakeholders;
<b>Zbigniew Leszczyński</b>	Member of the Management Board, Development	procurement, capital investments, development and technology, technical matters (until January 31st 2022)
<b>Michał Róg</b>	Member of the Management Board, Wholesale and International Trade	wholesale of refining products, trade in petrochemical products, logistics, supply chain management, procurement (until April 27th 2022)
<b>Janusz Szewczak</b>	Member of the Management Board, Chief Financial Officer	business controlling, finance management, credit risk and insurance management, taxes, procurement;
<b>Józef Węgrecki</b>	Member of the Management Board, Operations	refining (until August 31st 2022), petrochemical production (until August 31st 2022), power generation, water and wastewater management, occupational safety and hygiene, hydrogen technology and synthetic fuels
<b>Piotr Sabat</b>	Member of the Management Board, Development	capital investments, development and technology, technical matters
<b>Krzysztof Nowicki</b>	Member of the Management Board, Production and Optimisation	refining, petrochemical production, digitisation of production
<b>Iwona Waksmundzka-Olejniczak</b>	Member of the Management Board, Strategy and Sustainability	innovation, investor relations, upstream operations outside Poland, and – as Head of the PGNiG Central Branch in Warsaw – oversight of the branches of PGNiG Polski Koncern Naftowy ORLEN S.A.
<b>Robert Perkowski</b>	Member of the Management Board, Upstream	upstream operations in Poland

On January 27th 2022, Zbigniew Leszczyński resigned as member of the Company's Management Board, with effect from January 31st 2022.



The Supervisory Board of PKN ORLEN appointed the following persons to the Management Board:

- on February 15th 2022 – Piotr Sabat, with appointment effective as of March 1st 2022;
- on August 25th 2022 – Krzysztof Nowicki, with appointment effective as of September 1st 2022;
- on October 27th 2022 – Iwona Waksmundzka-Olejniczak, with appointment effective as of November 3rd 2022;
- on October 27th 2022 – Robert Perkowski, with appointment effective as of November 3rd 2022.

On March 30th 2023, the Minister of State Assets, acting as the entity authorised to exercise rights carried by Company shares held by the State Treasury, reappointed Daniel Obajtek as Member of the Management Board of a new three-year joint term of office commencing on the date of the Annual General Meeting receiving the Company's financial statements for the financial year 2022. Subsequently, the Supervisory Board designated Daniel Obajtek as President of the PKN ORLEN S.A. Management Board for the new joint term of office.

On 27 April 2023 the Company's Supervisory Board appointed following persons to the Company's Management Board:

- Mr Armen Konrad Artwich to the position of Member of the Management Board,
- Mr Adam Burak to the position of Member of the Management Board,
- Ms Patrycja Klarecka to the position of Member of the Management Board,
- Mr Krzysztof Nowicki to the position of Member of the Management Board,
- Mr Robert Perkowski to the position of Member of the Management Board,
- Mr Michał Róg to the position of Member of the Management Board,
- Mr Piotr Sabat to the position of Member of the Management Board,
- Mr Jan Szewczak to the position of Member of the Management Board,
- Mrs Iwona Waksmundzka-Olejniczak to the position of Member of the Management Board,
- Mr Józef Węgrecki to the position of Member of the Management Board, for the common term of office, starting from the day coming after the day of termination of the current common term of office of the Company's Management Board, i.e. after the day of the Ordinary Shareholders Meeting that will approve financial statement for 2022.

**TABLE 84 | Composition of PKN ORLEN Management Board as at the date of authorisation of this report**

Full name	Position held on PKN ORLEN Management Board	Remit
<b>Daniel Obajtek</b>	President of the Management Board, Chief Executive Officer	mergers and acquisitions, human resources, oil and gas trade, office of corporate governance and organisational management, control and security, audit, financial control, legal, public and international relations, merger analysis and support
<b>Armen Konrad Artwich</b>	Member of the Management Board, Corporate Affairs	administration, environmental protection, corporate group, risk management and compliance management;
<b>Adam Burak</b>	Member of the Management Board, Communication and Marketing	corporate communication, marketing, sponsorships
<b>Patrycja Klarecka</b>	Member of the Management Board, Retail Sales	IT, retail, infrastructure and information security supervision, relations with external stakeholders;
<b>Michał Róg</b>	Member of the Management Board, Wholesale and International Trade	wholesale of refining products, trade in petrochemical products, logistics; supply chain management
<b>Janusz Szewczak</b>	Member of the Management Board, Finance	business controlling, finance management, credit risk and insurance management, taxes, procurement;
<b>Józef Węgrecki</b>	Member of the Management Board, Operations	power generation, water and wastewater management, occupational health and safety, hydrogen technology and synthetic fuels;
<b>Piotr Sabat</b>	Member of the Management Board, Development	capital investments, development
<b>Krzysztof Nowicki</b>	Member of the Management Board, Production and Optimisation	refining, petrochemical production, digitisation of production, process safety, technical matters, technology and efficiency
<b>Iwona Waksmundzka-Olejniczak</b>	Member of the Management Board, Strategy and Sustainability	strategy and innovation, investor relations, upstream operations outside Poland, and – as Head of the PGNiG Central Branch in Warsaw – oversight of the branches of PGNiG Polski Koncern Naftowy ORLEN S.A.;
<b>Robert Perkowski</b>	Member of the Management Board, Upstream	upstream operations in Poland

The current division of remits between members of the PKN ORLEN Management Board is also available on the Company's website:

<https://www.orklen.pl/en/about-the-company/company/bodies-and-structure/division-of-competences>.



## Composition and the Management Board and brief biographical profiles of its members as at the date of authorisation of this Report:



### DANIEL OBAJTEK

#### CEO, President of the Management Board

Daniel Obajtek has served as President of the Management Board and Chief Executive Officer of PKN ORLEN since February 6th 2018. From 2017 to February 2018, he was President of the Management Board of Energa S.A. In 2016–2017, Daniel Obajtek headed the Agency for Restructuring and Modernisation of Agriculture. From July 2016 to February 2018, he was a member of the Supervisory Board of LOTOS Biopaliwa. Between June 2016 and February 2018, he chaired the Supervisory Board of DALMOR S.A.

As President of the PKN ORLEN Management Board, he created a strong multienergy company, a strong leader in Central and Eastern Europe. With the acquisitions of Grupa LOTOS and PGNiG in 2022, and Energa, Ruch, and Polska Press, today the ORLEN Group has the potential to undertake multi-billion projects aimed at enhancing Poland's and even Central Europe's energy security and independence. It is thus well-positioned to follow through with the energy transition in the markets where it operates. Daniel Obajtek's leadership has resulted in the formation of an integrated, modern Group that is projected to generate approximately PLN 400 billion in annual revenue and serve approximately 150 million customers.

ORLEN2030, the Company's updated strategy, includes plans to invest in renewable energy, as well as the production and development of green energy projects, specifically in the areas of biogas and biofuels. The Company is also actively pursuing the development of hydrogen technology, modern petrochemicals, and safe nuclear power generation. PKN ORLEN intends to spend approximately PLN 320 billion on its strategic projects by 2030. PKN ORLEN is the first fuel refiner in Central Europe to have declared an intention to achieve emission neutrality by 2050.

Strengthening energy security, not only in Poland, but also in the wider region, is an important aspect of the ORLEN Group's operations. Effective diversification of feedstock supplies to Poland, pursued vigorously since 2015, has made this possible.

Daniel Obajtek has completed the Executive MBA programme run by the Gdańsk Foundation for Management Development and validated by IAE Aix-Marseille Graduate School of Management. He is a member of the Programme Council of the Economic Forum in Karpacz, Chairman of the Board of the Polish Olympic Committee and winner of multiple awards, notably: the Polish Compass 2018 and President of the Year 2018 in the Bulls and Bears award of the Gazeta Giełdy i Inwestorów Parkiet daily. In 2019, he was awarded the Lech Kaczyński Prometheus Award. From the Judging Panel of the Employers of Poland, he received the Vector 2019 award. He was named Person of the Year during the Karpacz Economic Forum held in September 2020. In 2020, readers of Gazeta Giełdy PARKIET daily voted him Star of the Year 2020. In 'The Most Reliable in Polish Economy' ranking organised by the ISB News agency, he received a statuette twice – in 2020 and 2022. In 2021, he was named Person of the Year by Wprost weekly and Person of Freedom by Tygodnik Sieci weekly. In 2022, he won the 'Gold Ribbon' Economic Award in the Investment category from the Development Vision Forum. In the same year, the ORLEN Group was recognized for its efforts in building a robust Central European Multienergy Group and awarded the prestigious 'Custos Virtutum' award by the Wacław Felczak Institute for the Cooperation of Poland and Hungary. Similarly, in recognition of the ORLEN Group's contributions, academics from Greater Poland who are members of the Academic Civic Club awarded the President of PKN ORLEN with a statue of the late President Lech Kaczyński.



### JÓZEF WĘGRECKI

#### Member of the Management Board, Operations

Józef Węgrecki has been a member of the PKN ORLEN Management Board since March 23rd 2018. From February 5th to March 23rd 2018, he was a Member of the Supervisory Board delegated to temporarily perform the duties of a Member of the PKN ORLEN Management Board responsible for Investment and Procurement. He is a graduate of the AGH University of Science and Technology in Kraków, Faculty of Mining and Metallurgical Machines. He holds qualifications to serve on the supervisory boards of companies in which the Polish State Treasury has interests.

In 1978–1990, Mr Węgrecki worked at Zakład Remontowy Energetyki Kraków, where he held the position of Member of the Management Board, Chief Technical Officer. In 1990–1993, he served at employee-owned company Remak Opole as its Vice President. From April 1993 to June 2017, he was President and Member of the Management Board of Remak-Krak Sp. z o.o.

In 2017, Mr Węgrecki was appointed Vice President of the Management Board of Energa Wytwarzanie S.A., where his management responsibilities covered water and wind turbine operation, photovoltaic farms, cogeneration and coal-fired power plants, innovation, heating asset acquisitions and setting development directions. On February 5th 2018, Mr Węgrecki was delegated to temporarily serve as Member of the PKN ORLEN Management Board for Investment and Procurement, and then in April he was appointed Member of the Management Board, Chief Operating Officer.

He is interested in monitoring and analysing the latest technical solutions in the field of power generation: alternative energy sources and their potential industrial applications. Mr Węgrecki has received a number of awards, including the Galicia Construction Grand Award for his contribution to the advancement of the construction industry, a Badge of Merit for exceptional services to the construction industry, a Gold Medal for long service, an Honoris Gratia badge for charity and community service, and a Medal of the 100th Anniversary of Poland Regaining Independence.



## PIOTR SABAT

### Member of the Management Board, Development

Piotr Sabat has been a Member of the PKN ORLEN Management Board since March 1st 2022. He is responsible for the investment, process development, and technology functions.

A lawyer and economist with a breadth of experience in various corporate management and supervisory areas, he has served in a number of senior corporate roles, including as Deputy Chair of the Supervisory Board and Audit Committee of Link 4 Towarzystwo Ubezpieczeń S.A., Member of the Supervisory Board and Audit Committee of Mostostal Plock S.A., General Counsel at FM Logistic responsible for the legal, insurance, and risk and safety management functions, and Head of the Legal Department at GEFCO Group for Poland.

He is a graduate of the Faculty of Law and Administration of the University of Łódź and has completed various other university programmes and courses, including the PhD in law programme at the Institute of Political Studies of the Polish Academy of Sciences, the PhD in economics programme at the Institute of Economics of the Polish Academy of Sciences, the Executive MBA programme run jointly by the Institute of Economics of the Polish Academy of Sciences and the Vienna Institute for International Economic Studies of Vienna, a postgraduate course in management and audit at the Jagiellonian University, a postgraduate course in debt collection at the Warsaw School of Economics, and a postgraduate course in negotiation and mediation at the SWPS University.

Mr Sabat also has teaching experience, having lectured to participants in the MBA programme at Collegium Humanum – Warsaw Management University, students at the War Studies Academy, and postgraduate students at the Helena Chodkowska University of Technology and Economics of Warsaw.



## PATRYCJA KLARECKA

### Member of the Management Board, Retail Sales

Patrycja Klarecka has been a member of the PKN ORLEN Management Board since June 24th 2018. She graduated from the Poznań University of Economics and Business in Economic Policy and Corporate Strategy. As member of the PKN ORLEN Management Board, she has been responsible, among others, for retail sales and retail chain development. Her remit covers CSR, IT, as well as infrastructure and information security.

In 2016–2018, Patrycja Klarecka served as President of the Polish Agency for Enterprise Development (PARP), Poland's largest government agency supporting the development of SMEs. Patrycja Klarecka has professional experience in the financial, media and education sectors, including in managerial roles at The Warsaw Stock Exchange (2014–2016), Bank Zachodni WBK (2010–2014), Telewizja Polska (2004–2010), and PZU (2002–2004). Earlier in her career, she was a lecturer at the Melchior Wańkowicz School of Journalism in Warsaw and a consultant at the Poznań School of Banking.

She chaired the Supervisory Board of ORLEN Deutschland GmbH (2018–2019), served on the Supervisory Boards of the WSE Foundation and IAB Polska and on the Board of the PZU Charitable Foundation. She represented the Polish Television in the Crossmedia Group at the European Broadcasting Union.



## MICHAŁ RÓG

### Member of the Management Board, Wholesale and International Trade

Michał Róg has been a member of the PKN ORLEN Management Board since September 1st 2018. He oversees the areas of wholesale trade in refinery products, trade in petrochemical products, logistics, supply chain management, and procurement. Michał Róg is a graduate of the Cracow University of Economics, where he majored in management and marketing, and of the Canadian International Management Institute and Harvard Business School. He has completed the Executive MBA programme run jointly by the Cracow University of Technology and Central Connecticut State University.

Mr Róg has over 20 years of professional experience gained working for TELE-FONIKA KABLE S.A., where he served as: Vice President for Sales – Distribution and Power Generation Sector, Director for Sales and Development of High and Medium Voltage Products, Director for Sales on the Balkan Market, Director for Sales in the Home Market, and Head of the Home Market Office.

From March to August 2018, he was a Management Board Member for Trade at ORLEN OIL Sp. z o.o. of Kraków. From April to August 2018, he was additionally a Management Board Member at Paramo a.s. based in Pardubice, the Czech Republic.

He was a member of the Supervisory Board of Energa S.A. from December 1st 2020 until his resignation on February 22nd 2023.





## ARMEN KONRAD ARTWICH

### Member of the Management Board, Corporate Affairs

Armen Konrad Artwich has been a member of the PKN ORLEN Management Board since September 1st 2018.

Armen Konrad Artwich is a legal counsel. Mr Artwich graduated with honours from the Faculty of Law and Administration at the University of Warsaw, as well as from the Warsaw School of Economics (finance and accounting). He also studied corporate law and commercial law at the University of Sheffield, School of Law. He completed his legal counsel apprenticeship at the Warsaw Bar Association.

From January to August 2018, Mr Artwich served as Head of the Legal Department of the Chancellery of the Prime Minister. Earlier, between 2016 and 2018, as Deputy Director of the Department for Improvement of Economic Regulations of the Ministry of Development, Mr Artwich was responsible, among others, for legislative projects in the area of economic law and for supervision of the Central Office of Measures and the Polish Centre for Accreditation. At the same time, in 2016-2018, Mr Artwich served as member of the Polish Financial Supervision Authority (a representative of the minister in charge of economy).

Between 2011 and 2016, he worked at the Legal Area of Bank Zachodni WBK S.A., where he was in charge of legal services for investment banking in the Global Banking & Markets Division. A graduate of the 18th School of Civil Society Leaders. For his pro publico bono activity, he received, among other distinctions, the Gold Cross of Merit and the Polcul Foundation award. Armen Artwich also serves as Chairman of the ORLEN Group Board.



## JAN SZEWCZAK

### Member of the Management Board, Finance

Jan Szewczak is a lawyer, business analyst and an expert in finance, financial law, banking and macroeconomics.

He graduated from the Faculty of Law and Administration of the University of Warsaw and completed doctoral studies at the Department of Finance and Financial Law. He also completed academic internships in Amsterdam and Prague. For many years Mr Szewczak had been a faculty member and a lecturer at the Faculty of Law and Administration of the University of Warsaw and the Vistula University.

He has gained extensive experience in the financial sector. He has sat on the Management Board of PZU Tower, served as Chief Economist of Kasa Krajowa SKOK (credit union), Member of the Sejm (lower chamber of the Polish Parliament) of the 8th term, Chairman of the Standing Subcommittee on Financial Institutions, and Deputy Chairman of the Public Finance Committee and member of the Digitisation Committee of the Sejm. He is an economic journalist and the author of numerous opinions and expert reports on business processes and ownership transformations. Its interests include economic history and privatisation processes in Poland and abroad.



## ADAM BURAK

### Member of the Management Board, Communication and Marketing

Adam Burak has been a member of the PKN ORLEN Management Board since February 2020. At the ORLEN Group, he is responsible for the implementation of a consolidated corporate and marketing communication strategy, including the advancement of digital communication channels in Poland and abroad. In February 2018, he was appointed Executive Director for Corporate Communication, supervising the implementation of the ORLEN Group's external and internal communication strategy, as well as the development of the organisational structure and business model for a media agency established in partnership with PZU S.A.

He holds a degree in International Relations from the University of Wrocław and an MBA degree. He completed a postgraduate course in Journalism and Public Relations at the Tischner European University in Kraków.

Prior to that, he had worked in the fuel and energy industry as well as the financial sector. His roles included that of Communication and Marketing Director at the largest Polish companies, such as Grupa Energa, Grupa LOTOS and PZU S.A., creating and implementing corporate, marketing and sponsorship communication strategies.

He also has extensive experience in sports marketing and journalism. In 2012–2016, he was Marketing and PR Director as well as press officer for the Wrocław Stadium, and from 2008 to 2012 he worked as a journalist for Telewizja Polsat. He served as a Member of the Supervisory Board of UNIPETROL A.S. and ORLEN Południe S.A. He serves on the Supervisory Board of PZU Zdrowie S.A.

He is a jury member for the Gold Paperclips industry competition, a member of the judging panel for the 50 Most Creative People in Business programme organised by the BRIEF magazine, and a speaker at the Public Relations Professionals Congress.





## KRZYSZTOF NOWICKI

### Member of the Management Board, Production and Optimisation

Krzysztof Nowicki was appointed to the PKN ORLEN Management Board on September 1st 2022. Graduate of the Faculty of Law and Administration of the Adam Mickiewicz University of Poznań. He has also completed postgraduate studies in company law at the University of Łódź. He holds the professional title of legal counsel. Winner of MANAGER AWARD 2018.

He was the founder of and partner in a law firm specialising in labour, civil and administrative law.

In 2010, he became Head of the Legal Department of PGE Górnictwo i Energetyka Konwencjonalna S.A. of Bełchatów, and then Management Board Vice President for Corporate Affairs and Asset Management.

In 2016, he took over as CEO of LOTOS Oil. In 2018-2020, he additionally served as Head of Corporate Affairs at Grupa LOTOS S.A. and since 2020 – Head of Strategy and Investors Relations at Grupa LOTOS S.A. He was also Chairman of the Supervisory Board of LOTOS Asphalt, LOTOS Infrastruktura and RCEkoenergia. From January 2021 to the end of July 2022, he was Management Board Vice President for Mergers and Acquisitions at Grupa LOTOS S.A.



## IWONA WAKSMUNDZKA-OLEJNICZAK

### Member of the Management Board, Strategy and Sustainability

Iwona Waksmundzka-Olejniczak was appointed to the PKN ORLEN Management Board on November 3rd 2022. She has many years' experience in managing large teams and corporate structures, particularly in the energy sector, including oil and gas, and the banking sectors. She has an in-depth knowledge of capital markets, corporate governance, large project management, and corporate strategy development and implementation.

Since April 9th 2022, President of the PGNiG Management Board. Thanks to her efforts, PGNiG signed several contracts with gas suppliers from the Norwegian Continental Shelf, including a long-term contract with Equinor for the purchase of 2.4 billion cubic meters of gas annually.

Under her supervision, the merger between PGNiG and PKN ORLEN was successfully finalized in accordance with the adopted timetable. Throughout the process, all stakeholders' interests were taken into account, and the social partners, including trade unions and employee representatives, were fully engaged in dialogue. As a result, PGNiG, PKN ORLEN, and the trade unions at PGNiG signed an agreement confirming the rights of the company's employees after the merger.

From July 16th 2021 to April 8th 2022 she served as President of the Management Board of ENERGIA S.A., an ORLEN Group company. She supervised the entire Energa Group and its key projects. She coordinated the implementation of the Energa Group's new strategy, with a special focus on energy transition goals and integration with the ORLEN Group.

She joined PKN ORLEN in February 2018, first serving as Head of the Investor Relations Office and from February 2019 as Executive Director of Strategy, Innovation and Investor Relations responsible for the development and implementation of PKN ORLEN's strategy, decarbonisation strategy, hydrogen strategy and supervision of strategic projects across the Group. She was responsible for creating the "ORLEN in Portfolio" loyalty programme, which was the first of its kind for retail investors on the Polish capital market.



## ROBERT PERKOWSKI

### Member of the Management Board, Upstream

Robert Perkowski was appointed to the PKN ORLEN Management Board on November 3rd 2022. Manager, member of the local government and holder of PhD in Economics. His PhD programme was conducted at the Institute of Economics of the Polish Academy of Sciences. He graduated from the Marketing and Management Department and the Finance and Banking Department at the Independent University of Business and Public Administration in Warsaw. He also completed post-graduate studies in Management Analytics at the ORGMASZ Institute of Organisation and Management in Industry. He authored more than a dozen research articles devoted to enterprise virtualisation.

As of March 18th 2019, Vice President in charge of Operations at PGNiG. An economist with long-standing management experience gained in various institutions. In 2019 and 2020, he served as Member of the Management Board of PGNiG Upstream Norway AS. In 2019, he served as Member of the Supervisory Board of INOVA Centrum Innowacji Technicznych. In 2006–2018, he served as the Mayor of Ząbki and since 2017 has been the President of the Management Board of the Polish Local Government Union. Prior to 2002, he worked at the Ministry of Justice, where he was responsible for financial payroll plans for the prison service. He also provided training services and served in other public capacities.

Robert Perkowski is also holding the following positions: Chairman of the Supervisory Board of Krajowa Grupa Spożywcza, Member of the Supervisory Board of EuRoPol GAZ, President of the Management Board of the Chamber of Gas Industry, Chairman of the Supervisory Board of PGNiG Gaz TUW.



Pursuant to the Company's Articles of Association, the Management Board consists of five to eleven members, including the President, Vice Presidents, and other members of the Management Board.

Members of the Management Board are appointed and removed by the Supervisory Board. One member of the PKN ORLEN Management Board is appointed by the entity authorised to exercise the rights attached to the shares held by the State Treasury as long as the State Treasury holds at least one share in the Company. The Supervisory Board has the right to remove such member. In accordance with the Articles of Association, a member of the Management Board is appointed following a recruitment process performed to verify and evaluate qualifications of candidates and to select the best candidate for the position. When initiating a recruitment process for the position of a Management Board member, the Supervisory Board determines the detailed terms and procedure of recruitment, the place and deadline for accepting applications, the place and time of the interview, the matters to be covered during the interview, as well as the criteria to be met by and method of evaluating a candidate.

Pursuant to the Act on State Property Management, the Company's Articles of Association define the requirements for candidates for members of the Management Board.

In accordance with the effective Articles of Association, a Management Board candidate is required to meet all of the following criteria:

- he/she has a university degree obtained in Poland or a university degree obtained abroad and recognised in Poland under separate legislation;
- he/she has at least five years of employment under a contract of employment, election or appointment, an employment contract for cooperative members, other agreement for the provision of services, or as a business owner;
- he/she has at least three years of experience serving in managerial or independent positions or as a business owner;
- he/she meets requirements stipulated in separate legal regulations – other than those listed above; in particular, he/she is not in breach of any limitations or prohibitions on serving on the management bodies of commercial-law companies.

The Articles of Association provide that a Management Board candidate may not be a person who meets at least one of the following criteria:

- he/she works at the office of a member of the lower or upper house of the Polish Parliament (Sejm or Senate) or of a member of the European Parliament as an assistant or under an employment, temporary employment or similar contract;
- he/she is a member of a political party's body representing the party before third parties and authorised to assume obligations;
- he/she works for a political party under an employment, temporary employment or similar contract;
- he/she holds an elected position in a trade union operating at the Company or any Group company;
- his/her social activities or profession give rise to a conflict with the interests of the Company.

The Supervisory Board may suspend from duties the President, Vice Presidents, individual members of the Management Board and the Management Board as a whole for a good reason. Should the Management Board President be removed or suspended from duties or should his/her mandate expire before the end of the term of office, all his/her powers, except for the casting vote referred to in Art. 9.5.2 of the Articles of Association, are to be exercised by the person appointed by a resolution of the Supervisory Board as acting President of the Management Board until a new Management Board President is appointed or the current one is restored to his/her position.

The term of office of the Management Board members is a joint term, ending on the date of the Annual General Meeting approving the financial statements for the full second financial year of such term of office.

The current term of office of the Management Board began on June 6th 2020 and ends on the date of the General Meeting of PKN ORLEN approving the Company's financial statements for the financial year 2022.

Detailed rules for the convening of Management Board meetings are set out in the Rules of Procedure for the Management Board, available on the Company's website ([www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents](http://www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents)).

According to the Rules of Procedure for the Management Board, the Management Board members are required to notify the Supervisory Board of any actual or potential conflict of interest which has arisen or may arise in connection with the positions held by them. Should the Company's interest be in conflict with the personal interests of a Management Board member, the Management Board member should abstain from deciding on such matter and request that a relevant note be made in the minutes of the meeting. In the case of doubt as to whether a conflict of interest exists, the matter is resolved by the Management Board by way of a resolution. According to the Rules of Procedure for the Management Board, a conflict of interest is understood as a circumstance in which a decision made by a member of the Management Board may be influenced by a personal interest of the Management Board member or his/her close person, i.e. their spouse, children, persons related to them through blood or marriage in the first or second degree, or any persons to whom the member is personally related.

### **Powers and responsibilities of the Management Board**

All members of the Management Board are obliged and authorised to manage PKN ORLEN's affairs.

All matters going beyond the ordinary course of business are subject to resolutions of the Management Board. Matters falling within the scope of ordinary business are those related to trading in fuels within the meaning of the Company's Articles of Association (i.e. crude oil, petroleum products, biocomponents, biofuels and other fuels including natural gas, industrial gas and fuel gas) or energy, and any other matters not expressly specified in the Rules of Procedure for the Management Board. The Extraordinary General Meeting held on March 22nd 2023, made significant amendments to the Company's Articles of Incorporation with respect to matters beyond the scope of ordinary management; as of the date of authorisation of this report, these amendments are pending entry in the Business Register.



In addition, the Management Board's consent is not required to perform an action which is an integral part of any other action for which the Management Board already gave its consent, unless the Management Board's resolution states otherwise.

A resolution of the Management Board is required, among other things, to:

- adopt and amend the Rules of Procedure for the Management Board,
- adopt and amend the Organisational Rules and Regulations of PKN ORLEN,
- adopt motions to be submitted to the Supervisory Board and/or to the General Meeting,
- convene the General Meetings and adopt their proposed agendas,
- adopt annual and long-term financial plans as well as the Company's development strategy,
- approve investment projects and corresponding liabilities if the resulting expenditures or charges exceed PLN 10,000,000,
- incur liabilities, dispose of property rights and encumber in any way the Company's assets with a value exceeding PLN 20,000,000 (subject to certain exceptions),
- sell and purchase real property, perpetual usufruct or an interest in real property, and create limited property rights, dispose of, purchase and encumber shares or other equity instruments of other entities, including shares admitted to public trading,
- issue the Company's securities,
- authorise the Company's and the ORLEN Group's financial statements,
- adopt and change the employee remuneration scheme, and make decisions regarding the introduction and design of incentive schemes,
- conclude, amend and terminate a collective bargaining agreement applicable at the Company, and other agreements with trade unions,
- establish the principles of granting and revoking powers of attorney,
- formulate the so-called donation policy of the Company,
- grant a commercial power of proxy,
- establish the internal division of remits between the members of the Management Board,
- set up establishments/offices abroad,
- resolve other matters which at least one member of the Management Board requests to be resolved by way of a resolution,
- take decisions on payment of interim dividends.

A resolution of the Management Board is also required for incurring liabilities in legal transactions involving:

- trade in crude oil or hydrocarbon raw materials used to produce fuels in a refinery, excluding biocomponents and fuel additives if the transaction volume exceeds 165 thousand tonnes of crude oil or 165 thousand tonnes of hydrocarbon raw materials used to produce fuels in a refinery, excluding biocomponents and fuel additives;
- natural gas trading, trading capacity in natural gas transmission, distribution and storage grids/networks in Poland or abroad, and trading in natural gas storage capacities in Poland and abroad if the transaction volume exceeds 100 million Nm<sup>3</sup>;
- the acquisition of biocomponents and biofuels, including raw materials for the production of biocomponents and biofuels, if the transaction value exceeds PLN 200,000,000;
- trade in fuels, within the meaning of the Company's Articles of Association, other than those referred to in Section 5.6.1–3 if the transaction value exceeds PLN 200,000,000;
- sale or purchase of refining products in international trade if the transaction volume exceeds 90 thousand tonnes, excluding heavy fuel oil;
- participation in a public procurement/tender procedure for contract award (including participation in negotiations concerning the subject matter of the contract) in the area of wholesale trade in refining products and fleet cards if the transaction value exceeds PLN 200,000,000;
- trade in energy, property rights under energy origin certificates and energy efficiency certificates, guarantees of origin and documents confirming their issue, the related system services and energy ranges, as well as all activities related to switching electricity suppliers if the transaction volume exceeds 300 GWh;
- participation in tender procedures (including those subject to the Public Procurement Law) relating to trading in (separately or jointly) energy, energy-related services or products (including participation in negotiations and other factual and legal acts related to the subject matter of the contract) and any activities related to switching electricity suppliers if the transaction volume exceeds 300 GWh.

The Management Board is obliged to provide regular and exhaustive information to the Supervisory Board on all matters of importance and risks connected with the business of PKN ORLEN and the manner of managing such risks as well as being required to report to the Supervisory Board on all matters enumerated in Art. 380.1 of the Commercial Companies Code.



## 8.8.2 | Supervisory Board

**TABLE 85 | Composition of the Supervisory Board of PKN ORLEN as at January 1st 2022 and December 31st 2022**

Full name	Position held on PKN ORLEN Supervisory Board
Wojciech Jasiński	Chairman of the Supervisory Board
Andrzej Szumański	Deputy Chairman of the Supervisory Board, Independent Member of the Supervisory Board
Anna Wójcik	Secretary of the Supervisory Board
Barbara Jarzembowska	Member of the Supervisory Board, Independent Member of the Supervisory Board
Andrzej Kapała	Member of the Supervisory Board, Independent Member of the Supervisory Board
Michał Klimaszewski	Member of the Supervisory Board, Independent Member of the Supervisory Board
Roman Kusz	Member of the Supervisory Board, Independent Member of the Supervisory Board
Jadwiga Lesisz	Member of the Supervisory Board
Anna Sakowicz-Kacz	Member of the Supervisory Board, Independent Member of the Supervisory Board

On January 11th 2023, Janina Goss was appointed to the Supervisory Board of PKN ORLEN S.A.

**TABLE 86 | Composition of the Supervisory Board of PKN ORLEN as of the date of authorization of the Report**

Full name	Position held on PKN ORLEN Supervisory Board
Wojciech Jasiński	Chairman of the Supervisory Board
Andrzej Szumański	Deputy Chairman of the Supervisory Board, Independent Member of the Supervisory Board
Anna Wójcik	Secretary of the Supervisory Board
Barbara Jarzembowska	Member of the Supervisory Board, Independent Member of the Supervisory Board
Andrzej Kapała	Member of the Supervisory Board, Independent Member of the Supervisory Board
Michał Klimaszewski	Member of the Supervisory Board, Independent Member of the Supervisory Board
Roman Kusz	Member of the Supervisory Board, Independent Member of the Supervisory Board
Jadwiga Lesisz	Member of the Supervisory Board
Anna Sakowicz-Kacz	Member of the Supervisory Board, Independent Member of the Supervisory Board
Janina Goss	Member of the Supervisory Board (Independent Member of the Supervisory Board) – appointment effective as of January 11th 2023

In 2022, the PKN ORLEN Supervisory Board held 15 minuted meetings and passed 268 resolutions. The attendance of PKN ORLEN Supervisory Board members at meetings was 97%. In the case of absence of a Supervisory Board member from a meeting, the Supervisory Board passed a resolution to authorise the absence.

In 2022, the Supervisory Board had six independent members, while as of the date of authorization of this report, there are seven independent members on the Supervisory Board. Each Member submitted a declaration concerning their independence and potential involvement in competing activities.

The Supervisory Board of the current term is composed of Members with educational background in law, economics and finance (including a law professor) and diverse professional experience, who completed specialist courses and training programmes.



**As at the date of authorisation of this Report, the composition of the Supervisory Board is as follows:**



## **WOJCIECH JASIŃSKI**

### **Chair of the Supervisory Board**

Graduate of the Faculty of Law and Administration at the University of Warsaw. In 1972–1986, he worked in Płock, including at the National Bank of Poland Płock Branch and at the Municipal Office, including as legal counsel at the Tax Chamber. In 1990–1991, he organised local government structures in the Province of Płock as Delegate of the Government Representative for Local Government Reform. From 1992 to 1997, he worked at the Supreme Audit Office, first as Head of the Regional Branch in Warsaw, then as Head of the Finance and Budget Team, and finally as Head of the State Budget Department. In 1997–2000, he served as member and then as President of the Management Board of Srebrna. He was member of the Supervisory Board of Bank Ochrony Środowiska S.A. in 1998–2000. From September 2000 to July 2001, he served as Undersecretary of State at the Ministry of Justice.

He served as the Minister of the Treasury from 2006 to 2007, and has been a member of the Polish Parliament since 2001, holding the following positions: Chairman of the Standing Committee on the Banking System and Monetary Policy, Chairman of the Economic Committee, and Chairman of the Public Finance Committee. He was also member of the Parliamentary State Treasury Committee.

President of the Management Board of PKN ORLEN S.A. from December 16th 2015 to February 5th 2018. From June 2018 to July 2019, he was attorney-in-fact of the Management Board of Energa S.A. for Energy Markets and Investment Development. He has served as member of the Supervisory Board of PKO Bank Polski S.A. since February 25th 2016, and as Deputy Chairman of the Supervisory Board of PKO Bank Polski S.A. since June 7th 2021.



## **ANDRZEJ SZUMAŃSKI**

### **Deputy Chairman of the Supervisory Board (Independent Member of the Supervisory Board)**

Attorney at law. Full professor at the Department of Private Commercial Law of the Jagiellonian University. One of the three authors of the Polish Commercial Companies Code of September 15th 2000. He was involved in the work to draft the OECD Principles of Corporate Governance, 1999. As an expert of the Association of Stock Exchange Issuers, he prepared a draft of the Rules of the Corporate Governance Committee, enabling implementation of the principles of Corporate Governance for Public Companies adopted by the Warsaw Stock Exchange.

Currently, he chairs the Expert Group on Corporate Law of the Corporate Governance Reform Commission at the Polish Ministry of State Assets. Since 1995 he has been an arbitrator of the Arbitration Court at the Polish Chamber of Commerce in Warsaw, and since 2015 – a member of the Court's Arbitration Council. He has been President of the Exchange Court at the Warsaw Stock Exchange since 2007. From 2005 to 2011, he served two terms as President of the Arbitration Court at the Lewiatan Polish Confederation of Private Employers. He participated in numerous restructuring and privatisation projects. He sat on the Supervisory Boards of Południowy Koncern Energetyczny S.A. of Katowice, Małopolska Agencja Rozwoju Regionalnego S.A. of Kraków, and Polimex-Mostostal S.A. of Warsaw, among others.

He prepares legal expert reports in the fields of private business law, contract law and arbitration law. He has authored textbooks and commentaries on the companies and securities law, as well as numerous articles, glosses and reviews in the field of commercial law. He was involved in legislative work on an amendment to the Code of Commercial Companies of March 2020 regarding the online form of meetings held by corporate bodies and an amendment to the Code of Civil Procedure of 2019 regarding corporate arbitration.



## **ANNA WÓJCIK**

### **Secretary of the Supervisory Board**

Anna Wójcik is a graduate of the Poznań School of Banking and Management and the University of Warsaw (Faculty of Law and Administration). She also completed post-graduate studies at the WUT Business School (Faculty of Management), and was awarded the title of Master of Business Administration. She is a manager with more than a decade's experience in the private sector (real estate, retail, business consulting) and government administration. Her recent positions included COO at Exeq Sp. z o.o., whose field of expertise is in fund raising for corporate research, development and innovation. As part of her remit, she coordinated the work of the management board office and accounted for projects implemented within programmes financed with OP IE and NCRD funds.

Since 2016, her career has been in the government administration. She worked as Head of the Minister's Office at the Ministry of Development and the Ministry of Finance, while currently she is employed at the Chancellery of the Prime Minister as Head of the Prime Minister's Office.





## ANDRZEJ KAPALA

### Independent Member of the Supervisory Board

A graduate of the School of Banking and Management in Poznań with an MA in business management, Andrzej Kapala has additionally completed post-graduate courses in financial management, human resources management and business accounting at the Wrocław University of Economics. He has also completed the Executive Master of Business Administration programme at the Warsaw Management University.

He spent ten years working for the Local Democracy Development Foundation, as Head of its Wrocław Branch, where he focused on advising local government units and municipal utilities on management strategies and financial planning. For many years, he carried out consulting projects for private and municipal companies in investment and financial analyses and in project management, as well as restructuring and standardisation of business processes. He has authored several dozen feasibility studies and business plans for infrastructure investments and consulting projects in the area of enterprise restructuring (projects to develop technology and industrial parks, water and sewage management, and information society).

In 2012–2020, as Head of the Administration Office at PKO Bank Polski, he managed the Bank's resources of about 300 real properties as well as several dozen banking infrastructure redevelopment projects annually, whilst overseeing the standardisation of business processes in the areas of property and project management and technical security of the Bank's branches.

Since 2020, he has served as President of the Management Board of Dolnośląskie Zakłady Usługowo – Produkcyjne DOZAMEL Sp. z o.o. of Wrocław.



## ROMAN KUSZ

### Independent Member of the Supervisory Board

In 1987–1992, Roman Kusz studied at the Faculty of Law and Administration of the University of Silesia in Katowice.

Between 1993 and 1997, he completed his legal training as an attorney-at-law at the Regional Bar Association in Katowice. He has run his own law practice since 1997. First in 2007–2013 and then since 2016, he has served as Dean of the Regional Bar Association in Katowice.

He has been a member (since March 2014) and Chairman (since January 9th 2017) of the Supervisory Board of Górnik Zabrze S.A. of Zabrze. During the 2018/2019 term of office, he also served as Secretary of the Supervisory Board of Ekstraklasa S.A. of Warsaw, the company organising the top Polish professional league for men's football teams. Since 2017, he has sat on the Supervisory Board

of the Provincial Fund for Environmental Protection and Water Management in Katowice.

In 2019–2020, he was a Board Member at the University of Economics in Katowice. Chairman of the 2nd term of the Silesian Forum of Self-Governments of Public Trust Professions in 2018. Since 2014, he has organised and moderated legal panels at the European Economic Congress in Katowice.

On behalf of the Polish Bar Council, in his capacity as Chairman of the External Image and Legal Protection Committee, he co-organised the 'Advancing Law & Governance Contributions to Climate Action under the Paris Agreement' panel, which was part of the UN Climate Change Summit COP24 – the 24th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) held in Katowice, in 2018.



## ANNA SAKOWICZ-KACZ

### Independent Member of the Supervisory Board

Graduate of the Faculty of Law and Administration of Maria Curie-Skłodowska University in Lublin. Post-graduate studies in real estate appraisal.

She holds the licence of a restructuring advisor from the Minister of Justice. She has experience in the roles of bankruptcy administrator, court supervisor and curator under the bankruptcy and restructuring law, as well as supervisory board experience.



## BARBARA JARZEMBOWSKA

### Independent Member of the Supervisory Board

Graduate of the University of Warsaw. Holds an MBA certificate. She has experience in financial consulting, foreign aid coordination, and foreign investment promotion, among other fields. From 2000 to 2021, she held various executive and managerial roles in corporate banking at Bank Pekao, overseeing multiple areas such as operational risk, transaction banking, FMCG key account management, sales monitoring, and budget planning and execution.



## MICHAŁ KLIMASZEWSKI

### Independent Member of the Supervisory Board

Attorney-at-law, Doctor of Law, assistant professor at the Department of Administrative Science and Environmental Protection at the Faculty of Law and Administration of Cardinal Stefan Wyszyński University. Member of the Warsaw Seminar on Administration Axiology. Graduate of the Faculty of Law and Administration at the University of Warsaw. Author and co-author of publications on law and administrative proceedings. Author of expert opinions and studies for public and private sector entities. Member of supervisory boards of private-capital corporations.



## JADWIGA LESISZ

### Member of the Supervisory Board

Jadwiga Lesisz graduated in Foreign Trade from the Faculty of International Relations of the Wrocław University of Economics. She also completed a post-graduate course in Real Estate Management at the Wrocław University of Technology, and, in 2015, a two-year Master of Business Administration (MBA) programme run by the WSB School of Business in partnership with Franklin University USA. She has over 20 years of professional experience, including extensive practical experience in the SME sector. In 2022, she completed post-graduate studies in arts management at the University of Warsaw. As a business owner and manager, she has many years' experience in designing and organising business processes. In 2012–2016, at PKO Bank Polski S.A. she was in charge of property lease operations related to the bank's branches, supervising and participating in negotiation processes.

She was involved in business controlling activities related to the optimisation of the bank's branch network. In 2016–2017, she was Director of the Project Management Department and member of the Audit Committee at the Polish Ministry of Development. She was responsible for the preparation and implementation of a uniform methodology and culture of project management and for the coordination of key projects. She served as Vice President of the Polish Agency for Enterprise Development (PARP), responsible for public tasks supporting the implementation of innovations in enterprises. Her work at the Agency included initiating cooperation for the building of the start-up ecosystem in Poland. She also supervised public procurement, and management of assets and IT resources. She has experience in the public administration sector in the director general role. Serves as member of the Supervisory Board at PKO Bank Hipoteczny S.A. In 2016, she passed the examination for candidates for supervisory board members at state-owned companies.



## JANINA GOSS

### Independent Member of the Supervisory Board

Janina Goss graduated from the Faculty of Law of the University of Łódź. She is a qualified legal counsel. Since 2016, she has served as Member of the Supervisory Board of PGE S.A. Since 2012, she has been a member of the Management Board of Srebrna Sp. z o.o. From 2016 to 2022, she served on the Supervisory Board of BOŚ S.A. In 2009–2010, he was a member of the Supervisory Board of Polskie Radio S.A. In 2006–2009, she served on the Supervisory Board of TVP S.A., including as Chairwoman of the Supervisory Board for approximately two years. From 1990 to 2003 she was a member of the Local Government Appeal Board in Łódź, from 1991 to 2003 she was a legal counsel at the Provincial Inspectorate for Environmental Protection in Łódź.



### Operating procedures of the Supervisory Board

The number of members on the Supervisory Board, including the Chairperson, is stipulated in the current version of the Company's Articles of Association as between six and fifteen.

The Supervisory Board is appointed and removed in the following manner:

- The State Treasury, represented by the entity authorised to exercise the rights attached to the shares held by the State Treasury, has the right to appoint and remove one member of the Supervisory Board;
- Other members of the Supervisory Board, including all members referred to in Art. 8.5 below (independent Supervisory Board members), is appointed and removed by the General Meeting.

The State Treasury's right to appoint a Supervisory Board member expires upon disposal by the State Treasury of all of its shares in the Company.

Members of PKN ORLEN's Supervisory Board are appointed for a joint term of office, ending on the date of the Annual General Meeting approving the financial statements for the full second financial year of such term of office. The Supervisory Board's current term of office commenced on May 25th 2022, and will end on the date of the General Meeting of PKN ORLEN, which approves the Company's financial statements for the financial year 2024.

Individual members of the Supervisory Board and the entire Supervisory Board may be removed at any time before the end of their term of office.

The Chair of the Supervisory Board is appointed by the General Meeting. The Deputy Chair and the Secretary is elected by the Supervisory Board from among other Supervisory Board members.

At least two Supervisory Board members must meet the independence criteria specified in PKN ORLEN's Articles of Association.

In accordance with the requirements of the Code of Best Practice, at least two Supervisory Board members meet the independence criteria set out in the Act on Statutory Auditors, Audit Firms and Public Oversight of May 11th 2017, and have no actual and material links to any shareholders holding 5% or more of total voting rights at the Company.

Before being appointed to the Supervisory Board, independent members of the Supervisory Board should submit to the Company a written statement to the effect that they meet the criteria set out in the Articles of Association, the Act on Statutory Auditors, Audit Firms and Public Oversight and in the Code of Best Practice. Statements on meeting the independence criteria are submitted to the other Supervisory Board members and to the Management Board. A Supervisory Board member must immediately notify the other members of the Supervisory Board and the Management Board of any changes in circumstances relevant to the aforementioned statement. Pursuant to the Supervisory Board's Code of Conduct, the Board reviews any relationships or circumstance that could influence a member's fulfilment of the independence standards.

If the independence criteria are not met, a member of the Supervisory Board is obliged to immediately notify the Company of the same. The Company then informs the shareholders of the current number of independent members of the Supervisory Board.

If the number of independent members of the Supervisory Board is less than two, the Company's Management Board is obliged to immediately convene

a General Meeting and put an item concerning changes in the composition of the Supervisory Board on the agenda of the General Meeting.

The Supervisory Board will continue to operate as then composed until changes in the composition of the Supervisory Board are made, i.e. the number of independent members is adjusted to the requirements set forth in the Articles of Association, and the provisions of Art. 8.9a of the Articles of Association (containing a list of resolutions which must be passed with the consent of at least half of independent Supervisory Board members) will not apply.

In accordance with the Rules of Procedure for the Supervisory Board, a Supervisory Board Member should not resign mid-term if this could prevent the Supervisory Board from performing its duties, and in particular from timely passing a resolution on any matter material to the Company.

Organisation of the Supervisory Board's activities, in accordance with the principles outlined in PKN ORLEN's Articles of Association and the Rules of Procedure for the Supervisory Board, is described on the corporate website: [www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents](http://www.orklen.pl/en/about-the-company/company/bodies-and-structure/corporate-documents).

Passing resolutions on the following matters:

- any performance to be rendered or benefits to be granted by the Company or any of its related entities to members of the Management Board;
- approval of material transactions (as defined in the Articles of Association) executed by the Company with its related parties, taking into account the exemptions and detailed arrangements provided for in Section 4b of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, and of agreements concluded by the Company or its subsidiary with a Management Board member or Supervisory Board member, save for agreements commonly concluded in petty current matters of everyday life,
- appointment of an auditor to audit the Company's financial statements;

requires the consent of at least half of the independent members of the Supervisory Board. The foregoing provisions do not exclude the application of Art. 15.1 and Art. 15.2 of the Commercial Companies Code.

The Supervisory Board selects an auditor after having received a recommendation from the Audit Committee.

### Powers and responsibilities of the Supervisory Board

The Supervisory Board of PKN ORLEN exercises ongoing supervision over the Company's operations, in all fields of its activity, specifically, the Supervisory Board is authorised to act as set out in generally applicable laws, including, without limitation, the Commercial Companies Code and the Company's Articles of Association, in conformity with the Rules of Procedure for the Supervisory Board and – where generally applicable laws so stipulate – resolutions of the General Meeting and the Supervisory Board as well as other internal policy documents in place at the Company.

To ensure the highest standards of corporate governance and in order to enable shareholders to form a true and fair view of the Company, the Supervisory Board draws up and submits for approval to the Annual General Meeting an annual report which must include, as a minimum:



- information on the composition of the Supervisory Board and its committees, specifying which members of the Supervisory Board meet the independence criteria, and which of them do not have any actual and material links to any Shareholder holding 5% or more of total voting rights in the Company, a summary of the activities of the Supervisory Board and its committees,
- a summary of the activities of the Supervisory Board and its committees,
- an assessment of the Company's standing on a consolidated basis, including an assessment of its internal control, risk management and compliance systems and internal audit function, along with information on the steps taken by the Supervisory Board to perform the assessment;
- assessment of the Company's compliance with corporate governance standards and the manner in which the Company complies with its disclosure requirements set out in the WSE Rules and legal provisions governing current and periodic information published by issuers of securities, along with information on the steps taken by the Supervisory Board to perform the assessment;
- assessment of the appropriateness of the Company's and the Group's sponsorship and donation spending, including the amount spent on these purposes;
- remuneration report compliant with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (starting from the year following the year in which the General Meeting adopted the remuneration policy).

In 2022, the Commercial Companies Code was amended. The amendments extended the scope of matters to be included in the Supervisory Board's reports. At a meeting held on January 27th 2023, the Supervisory Board decided to amend the Rules of Procedure to include the requirements of Articles 382.3 and 382.3.1 of the Commercial Companies Code in the annual report to the General Meeting. The amended report will now include an assessment of the Management Board's fulfilment of its duty to provide information to the Supervisory Board as defined by the Commercial Companies Code, as well as an assessment of the manner in which the Management Board prepares or submits information, documents, reports, or explanations requested by the Supervisory Board. Additionally, the report will include information on the total remuneration paid by the Company for all expert studies and analyses commissioned by the Supervisory Board during the fiscal year.

In addition, the Supervisory Board:

- approves material transactions with related entities within the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies,
- performs periodic reviews of material arm's-length transactions entered into in the ordinary course of business of PKN ORLEN in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies,
- where a transaction to be entered into by the Company with a related party within the meaning of the Company's Articles of Association requires the Supervisory Board's approval, the Supervisory Board assesses the need for prior consultation with a third party which

will perform a valuation of the transaction and an analysis of its economic impact,

- where entering into a transaction with a related party within the meaning of the Company's Articles of Association by the Company requires approval from the General Meeting, the Supervisory Board draws up an opinion on the appropriateness of the transaction and assesses the need for prior consultation with a third party which will perform a valuation of the transaction and an analysis of its economic impact,
- approves the detailed rules and procedure for disposal of non-current assets,
- gives opinions on the Management Board's recommendations for appointment or removal of the Company's representatives on the Management and Supervisory Boards of System Gazociągów Tranzycyjnych EuRoPol GAZ S.A. and submits such recommendations for approval to the shareholder State Treasury;
- gives opinions on the exercise by the Company of its voting rights at the General Meeting of System Gazociągów Tranzycyjnych EuRoPol Gaz S.A.

Pursuant to Section 8 of the Rules of Procedure for the Supervisory Board, it was assumed that in order to discharge its duties, the Supervisory Board has the right to examine all documents of the Company, request reports, documents and explanations concerning the Company, in particular its business or assets, and review the Company's assets. The Supervisory Board may request information from not only the Management Board, but also from proxies, regular employees, and individuals contracted by the Company under different types of work agreements. The scope of the Supervisory Board's request can also extend to information, reports, or explanations related to subsidiaries and affiliated companies that are in the possession of the Management Board or other individuals mentioned above.

In order to guarantee the proper discharge of its duties, the Supervisory Board may request that the Management Board prepare, at the expense of the Company, expert and other opinions for the Supervisory Board, or employ an adviser.

As per the revised Commercial Companies Code, the Supervisory Board is authorized to engage an advisor to investigate specific issues related to the Company's business and assets, or to prepare an analysis or expert opinion. The Extraordinary General Meeting of PKN ORLEN, held on March 22nd 2023, passed a resolution to empower the General Meeting to determine the maximum total cost of remuneration for all advisors of the Supervisory Board that the Company may incur in a financial year.

Pursuant to Sections 27.1 and 27.2 of the Rules of Procedure for the PKN ORLEN Supervisory Board, a Supervisory Board member should inform the other members of the Supervisory Board of any conflicts of interest which have arisen or may arise, as well as abstain from taking the floor when the matter which has given rise to the conflict is being discussed, abstain from voting on the relevant resolution and request that the fact be recorded in the minutes. No breach of the provisions of the preceding sentence may render the Supervisory Board's resolution invalid. In the case of doubt as to whether a conflict of interest exists, the matter is resolved by the Supervisory Board by way of a resolution.





### 8.8.3 | Committees of the Supervisory Board

The Supervisory Board of PKN ORLEN may appoint standing or ad hoc committees, which act as its collective advisory and opinion making bodies.

The following standing committees operate within the Supervisory Board of PKN ORLEN:

- Audit Committee
- Strategy and Development Committee
- Nomination and Remuneration Committee
- Corporate Governance Committee
- Corporate Social Responsibility Committee (CSR Committee)

As of January 27th 2023, a Sports Sponsorship Committee was established within the Supervisory Board.

Each Committee is appointed by the Supervisory Board from among its members. A committee shall elect its chairperson from among its members, by way of a resolution. The Strategy Committee is composed of at least three members.

The first meeting of a Committee is convened by the Chairperson of the Supervisory Board or a Supervisory Board member designated by the Chairperson. The work of the Committee is headed by the Chairperson of the Committee. The Chairperson is responsible for supervising the preparation of the committee's agenda, ensuring the distribution of necessary documents, and overseeing the taking of minutes during meetings. In addition to these duties, the chairperson also supervises other aspects of the committee's work with the assistance of the Supervisory Board Support Team.

#### Composition of PKN ORLEN Supervisory Board Committees in 2022

**TABLE 87 | Composition of PKN ORLEN Supervisory Board Committees as at January 1st 2022, December 31st 2022, and as at the date of authorisation of the Report.**

Full name	Position held on PKN ORLEN Supervisory Board Committee
<b>Audit Committee</b>	
Andrzej Kapala	Committee Chairman, Independent Member of the Supervisory Board
Barbara Jarzembowska	Committee Member, Independent Member of the Supervisory Board
Jadwiga Lesisz	Committee Member
Michał Klimaszewski	Committee Member, Independent Member of the Supervisory Board
Janina Goss	Committee Member, Independent Member of the Supervisory Board (on the Committee as of January 27th 2023)
<b>Strategy and Development Committee</b>	
Michał Klimaszewski	Committee Chairman, Independent Member of the Supervisory Board
Wojciech Jasiński	Committee Member
Andrzej Kapala	Committee Member, Independent Member of the Supervisory Board
Anna Sakowicz-Kacz	Committee Member, Independent Member of the Supervisory Board
<b>Nomination and Remuneration Committee</b>	
Wojciech Jasiński	Committee Chairman
Andrzej Szumański	Committee Member, Independent Member of the Supervisory Board
Anna Sakowicz-Kacz	Committee Member, Independent Member of the Supervisory Board
Michał Klimaszewski	Committee Member, Independent Member of the Supervisory Board
Anna Wójcik	Committee Member
<b>Corporate Governance Committee</b>	
Andrzej Szumański	Committee Chairman, Independent Member of the Supervisory Board
Andrzej Kapala	Committee Member, Independent Member of the Supervisory Board
Barbara Jarzembowska	Committee Member, Independent Member of the Supervisory Board
Roman Kusz	Committee Member, Independent Member of the Supervisory Board





Full name	Position held on PKN ORLEN Supervisory Board Committee
<b>Corporate Social Responsibility Committee</b>	
Jadwiga Lesisz	Committee Chairwoman
Anna Wójcik	Committee Member
Michał Klimaszewski	Committee Member, Independent Member of the Supervisory Board
Roman Kusz	Committee Member, Independent Member of the Supervisory Board
<b>Sports Sponsorship Committee (as of January 27th 2023)</b>	
Roman Kusz	Committee Chairman, Independent Member of the Supervisory Board
Janina Goss	Committee Member, Independent Member of the Supervisory Board
Anna Wójcik	Committee Member
Anna Sakowicz-Kacz	Committee Member, Independent Member of the Supervisory Board
Michał Klimaszewski	Committee Member, Independent Member of the Supervisory Board

### 8.8.4 | Audit Committee

The Audit Committee has been established to advise the Supervisory Board on proper implementation of the budget and financial reporting as well as internal control standards at the Company and the Group (within the meaning of the Accounting Act), and to collaborate with the Company's auditors.

The Audit Committee meetings are held at least once per quarter, prior to each publication of the Company's financial statements.

Pursuant to the Rules of Procedure for the PKN ORLEN Supervisory Board, the majority of the Audit Committee members, including its Chair, should satisfy the independence criteria defined in the Company's Articles of Association, the Code of Best Practice and the Act on Statutory Auditors, Audit Firms, and Public Oversight.

According to the Rules of Procedure for the Supervisory Board of PKN ORLEN and the Act on Statutory Auditors, Audit Firms, and Public Oversight of May 11th 2017 ("Statutory Auditors Act"), the Audit Committee must have at least one member who possesses knowledge and skills in the industry in which the Company operates, or members who have knowledge and skills specific to particular areas of the industry. At least one member of the Audit Committee should have the expertise and competence in accounting or financial auditing. The Audit Committee performs all duties required under the Statutory Auditors Act.

**TABLE 88 | Composition of the Audit Committee as at the date of authorisation of the Report.**

Imię i nazwisko	Date of appointment to		Member of the Audit Committee		
	The Supervisory Board	The Audit Committee	Meets the independence criteria laid down in the Statutory Auditors Act	Has expertise and competence in accounting or auditing of financial statements:	Has the expertise and competence specific to the industry in which the Company operates
<b>Andrzej Kapala</b> – Chairman of the Committee	June 26th 2018	July 19th 2018	yes	yes	yes
<b>Barbara Jarzembowska</b>	June 14th 2019	June 27th 2019	yes	–	yes
<b>Jadwiga Lesisz</b>	February 2nd 2018	February 26th 2018	–	yes	yes
<b>Michał Klimaszewski</b>	June 14th 2019	July 18th 2019	yes	–	yes
<b>Janina Goss</b>	January 11th 2023	January 27th 2023	yes	yes	–



As at the date of authorisation of this Report, the Audit Committee was composed of five members. Four members of the Audit Committee meet the independence criteria set forth in the Statutory Auditors Act. Additionally, three Committee members possess knowledge and skills in accounting or auditing, as evidenced by their education and work experience. For further details on the education and work experience of each member of the Supervisory Board please refer to Section 8.8.2 of the Report. Four members of the Audit Committee possess specific knowledge and expertise related to the industry in which the Company operates, acquired through their extensive professional experience, which includes many years of service on the Supervisory Board of PKN ORLEN. Therefore, all requirements concerning the qualifications of the members of the Audit Committee, both as stipulated by applicable laws and the Company's internal regulations, are satisfied.

In 2022, the Audit Committee held 15 minuted meetings. Pursuant to Section 13.5 of the Rules of Procedure for the Supervisory Board, the Audit Committee made decisions by way of resolutions (two resolutions).

Apart from the Committee members, the meetings of the Audit Committee were also attended by other members of the Supervisory Board, members of the Management Board, executive directors, office directors and the auditor.

According to Section 15 of the Rules of Procedure for the Supervisory Board, the Audit Committee is responsible for providing advice to the Supervisory Board on various matters, including the proper implementation of the budget and financial reporting, internal control at the Company and the ORLEN Group (within the meaning of the Accounting Act), and collaboration with the Company's auditors.

In 2022, the Audit Committee performed its tasks by:

- inspecting and monitoring the audit firm, work of the Company's auditors and the auditors' independence;
- assessing the qualified auditor's independence and giving consent to the provision by the auditor of permitted non-audit services;
- reviewing interim financial statements as well as full-year separate and consolidated financial statements of PKN ORLEN S.A.;
- discussing any issues or reservations that may be identified in the course of or arise from the audit of financial statements;
- analysing, on a quarterly basis, the ORLEN Group's actual results and performance relative to the original targets and budgets;
- giving opinion on the Management Board's proposal regarding distribution of net profit for the financial year 2021;
- assessing the Company's standing on a consolidated basis, including an evaluation of the systems of internal control, risk management, compliance and the internal audit function in 2021;
- assessing the use of non-current assets by the Company;
- analysing and evaluating the activities of the Group companies, based on assessment of the Group's consolidated financial statements;
- reviewing the report on the activities of PKN ORLEN S.A.'s and the ORLEN Group companies' audit functions;

- discussing reports on financial audits carried out by the Financial Control Department of the Financial Control, Risk and Compliance Management Office and on internal audits carried out by the Control and Security Office;
- monitoring the implementation of recommendations issued by the Audit Office, the Control and Security Office and the Financial Control Department of the Financial Control, Risk and Compliance Management Office.

The Audit Committee also formulated recommendations for the Supervisory Board on matters which were the subject of Supervisory Board meetings and which fall within the remit of the Audit Committee.

The Rules of Procedure for the Supervisory Board of PKN ORLEN require that the Audit Committee assess the independence of the audit firm responsible for auditing the Company's financial statements before approving the provision of non-audit services. If the independence of the auditor is confirmed, the Audit Committee may agree to the provision of such services. In 2022, Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa provided PKN ORLEN and selected ORLEN Group companies with permitted assurance and related non-audit services granted in accordance with the applicable procedure, including:

- assessment of the annual report on remuneration of the PKN ORLEN Management Board and Supervisory Board for 2021;
- review of documents necessary for ORLEN Lietuva to recover funds from Public Service Obligation;
- audit of oil product packaging of ORLEN Deutschland GmbH.
- provision of Comfort Letters ('CLs') related to the update of the Eurobond Medium Term Note programme (the 'EMTN Programme') approved by the Committee in 2022;
- provision of Comfort Letters ('CLs') related to the issue of shares by Polski Koncern Naftowy ORLEN S.A. in connection with the planned merger with Grupa LOTOS S.A.;
- verification of the calculation of the electricity usage intensity index for Anwil and IKS Solino;
- review of a report on solvency and financial condition of ORLEN Insurance Limited;
- assurance service concerning the compilation of pro forma financial information for the ORLEN Group and Grupa LOTOS, as well as for the compilation of pro forma financial information for the ORLEN Group and the PGNiG Group for 2021.



### 8.8.5 | Audit firm selection policy

The 'Policy for selecting an audit firm at PKN ORLEN S.A.' was updated in 2022 and the updated policy was approved by the Supervisory Board on January 27th 2023.

The Supervisory Board of PKN ORLEN S.A. follows applicable laws, including Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, as well as the Statutory Auditors Act of May 11th 2017, as the basis for selecting an audit firm for audits and reviews of financial statements.

Audits and reviews of separate and consolidated financial statements of PKN ORLEN S.A. include:

- review of reports for the first and third quarters of the financial year,
- review of reports for the first half of the financial year,
- audit of full-year financial statements,
- and, as part of the audit of full-year accounts, audit of correctness of use of public assistance funds (if applicable).

The Supervisory Board selects an audit firm based on the recommendation of the Audit Committee. The Audit Committee's recommendation includes a justification and at least two options for selecting an audit firm, with a clearly stated preference for one. It also takes into account any findings or conclusions contained in the annual report of the Polish Audit Oversight Agency that could impact the selection process. The Audit Committee's recommendation for the audit firm to audit and review the financial statements of PKN ORLEN S.A. follows the completion of the selection procedure.

The Audit Committee also prepares a report documenting the proceedings and confirming that they were conducted in accordance with the Company's policy and procedure for selecting an audit firm to audit and review PKN ORLEN S.A.'s financial statements.

The selection process for an audit firm to audit and review financial statements should allow sufficient time for the auditor to participate in the annual inventory of significant assets, unless in exceptional circumstances that require the immediate selection of a new audit firm due to the loss of authority of the current auditing firm.

The initial contract with an audit firm for the audit and review of financial statements cannot be for a period of less than two years. The contract may be renewed for subsequent periods of at least two years, subject to approval by the Supervisory Board. The maximum continuous duration of audit and review engagements conducted by the same audit firm may not exceed 10 years.

The lead auditor may not audit or review financial statements at PKN ORLEN S.A. for more than five years. The lead auditor may again perform the audit at PKN ORLEN S.A. after at least three years from the end of the last audit and review they performed.

The contract with the audit firm is concluded by the Management Board of PKN ORLEN S.A. on the terms approved by the Supervisory Board. If it becomes necessary to modify the scope of the audit work due to factors such as increased labour intensity or a change in the Auditor's

fee, the decision to make such modifications is made by the Supervisory Board upon receiving a recommendation from the Audit Committee. The Management Board of the Company is authorised to execute an amendment to the contract the auditing firm on the terms established by the Supervisory Board.

Should the decision be made to continue the relationship and extend the contract for future periods, the Audit Committee presents a recommendation to the Supervisory Board. The decision to extend the contract is made by the Supervisory Board upon recommendation of the Audit Committee.

For efficiency and cost savings in auditing financial statements, it is advisable to engage the same audit firm to conduct audits of PKN ORLEN and its major subsidiaries within the ORLEN Group.

PKN ORLEN also has a detailed process for selecting an audit firm to review and audit the company's financial statements. The procedure outlines specific responsibilities and guidelines for the Audit Committee regarding the selection of an audit firm. The procedure is also intended to be followed in the event that the audit firm, which audited PKN ORLEN's financial statements, is no longer authorized to conduct such audits.

Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, which has been auditing PKN ORLEN's financial statements since the first quarter of 2017, has been selected as the auditor of the Company's financial statements for 2022–2024.

The selection of Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa as the Company's auditor for 2022–2024 was made by the Audit Committee after careful consideration and met all necessary criteria at PKN ORLEN. During audit work, the auditor makes an independent assessment of the reliability and accuracy of separate and consolidated financial statements and confirms that the internal control and risk management system is effective. The auditor presents the audit and review findings to the Management Board and the Audit Committee of the Supervisory Board.

### 8.8.6 | Corporate Governance Committee

The Corporate Governance Committee is responsible for assessing the implementation of corporate governance standards, providing the Supervisory Board with recommendations on the adoption of corporate governance standards, giving opinions on corporate governance documents, assessing reports on compliance with corporate governance standards drafted by the Warsaw Stock Exchange and statements of compliance with the best practices referred to in Art. 7.3.2 of the Act on State Property Management, giving opinions on proposed amendments to the Company's corporate documents and drafting such amendments for the Supervisory Board's own documents, monitoring Company management procedures in terms of their compliance with legal and regulatory requirements, including disclosure requirements of the capital market and corporate governance principles.

**In 2022, the Corporate Governance Committee held seven minuted meetings.**



### 8.8.7 | Strategy and Development Committee

Tasks of the Strategy and Development Committee are to provide opinions and submit recommendations to the Supervisory Board on proposed investments and divestments which may have a material impact on the Company's assets.

**In 2022, the Strategy and Development Committee held six minuted meetings.**

### 8.8.8 | Nomination and Remuneration Committee

Tasks of the Nomination and Remuneration Committee are to help attain the Company's strategic goals by providing the Supervisory Board with opinions and proposals on how to shape the management structure, with regard to organisational solutions, remuneration schemes and selection of staff with the skills required to ensure the Company's success. Following amendment of the Public Offering Act, the Nomination and Remuneration Committee is also tasked with issuing opinions on remuneration reports prepared in accordance with statutory requirements and the remuneration policy in place at the Company.

The majority of the Nomination and Remuneration Committee members should be independent. Where the Nomination and Remuneration Committee is not composed of the majority of independent members of the Supervisory Board, the Committee is chaired by the Chair of the Supervisory Board. At least one member of the Nomination and Remuneration Committee should have knowledge of and experience in remuneration policy

**In 2022, the Nomination and Remuneration Committee held 11 minuted meetings.**

### 8.8.9 | Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is responsible for overseeing the implementation of the Company's Sustainable Development Strategy by regularly assessing the Company's operations in this area, monitoring the Company's management for compliance with the ORLEN Group's Code of Ethics, making recommendations to the Supervisory Board regarding the appropriateness of the Company's and the Group's social sponsorship expenses and donations, and preparing an annual report that summarizes the CSR activities of the Company and its Group.

**In 2022, the Corporate Social Responsibility Committee held ten minuted meetings.**

### 8.8.10 | Sports Sponsorship Committee

**The Sports Sponsorship Committee was established on January 27th 2023.** The Committee's primary responsibility is to support the achievement of the Company's strategic objectives by promoting professional and amateur sports or supporting significant sports initiatives that contribute to building the ORLEN brand.







## 8.9 | REMUNERATION POLICY

The remuneration for members of the PKN ORLEN Management Board is established by the Supervisory Board, drawing from a resolution of the General Meeting in adherence to the Act on Rules of Remunerating Persons Managing Certain Companies. This process also takes into account recommendations from the Nomination and Remuneration Committee, as well as PKN ORLEN's Executive Compensation Policy, which was adopted by Resolution no. 29 of the General Meeting held on June 5th 2020. The implementation of this policy is mandated by the Act of July 29th 2005, concerning Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

The main components of the Management Board members' remuneration system include:

- monthly base salary (fixed remuneration),
- variable remuneration based on performance against management objectives,
- severance pay for contract termination by the Company,
- non-compete compensation.

The remuneration policy in place at PKN ORLEN supports the achievement of the Company's goals, including in particular a long-term increase of its shareholder value and stability of operations.

The Supervisory Board set the following quantitative targets for all members of the Management Board for 2022:

- LIFO-based EBITDA of the ORLEN Group,
- Net debt/EBITDA of the ORLEN Group,
- Development CAPEX of the ORLEN Group, excluding Olefins III,
- CAPEX of Projects: Development of olefins production at the Plock Plant (Olefin III Complex) and Essential Infrastructure at the Plock Plant – Olefins III,
- Maintenance CAPEX of the ORLEN Group,
- General and personnel costs of the ORLEN Group,
- Stock performance ratio: TSR of PKN ORLEN relative to the market,
- Accident rate: TRR of the ORLEN Group with external contractors,
- and assigned them corresponding bonus thresholds.

The Supervisory Board also set two qualitative targets for each member of the Management Board, associated with the Group's key challenges in a given year.

Additionally, in accordance with the resolutions of the PKN ORLEN General Meeting, the Supervisory Board set the following separate objectives, which must be met as a precondition to qualify for variable remuneration for 2022:

- compliance with the principles of remuneration for members of management and supervisory bodies of all Group companies, in line with the Act on Rules of Remunerating Persons Managing Certain Companies of June 16th 2016;
- discharge of the obligations referred to in Art. 17-20, Art. 22 and Art. 23 of the Act on State Property Management of December 16th 2016 within the Company's subsidiaries within the meaning of Art. 4.3 of the Act on Competition and Consumer Protection of February 16th 2007.

Once a year, the Supervisory Board performs a comprehensive remuneration review and prepares an annual remuneration report which is submitted to the General Meeting for opinion and then published.

The compensation policy is devised by the Management Board, which then submits it to the Supervisory Board for review and potential amendments. The Supervisory Board then submits its version of the draft policy to the General Meeting. The final version of the policy is adopted by the General Meeting. The current wording of the Executive Compensation Policy was determined by the General Meeting on June 5th 2020 in accordance with the Act of July 29th 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies. A resolution on the Policy is adopted at least every four years. Any significant changes to this Compensation Policy must be adopted by the General Meeting through a resolution.

### Rules for awarding bonuses to key management personnel (including members of the Management Board)

The regulations on bonuses applicable to the PKN ORLEN Management Board, directors reporting directly to the Management Board, and other key positions within the Group have certain common features. Persons covered by these schemes are remunerated for their performance against individual targets set at the beginning of a bonus period by the Supervisory Board for the Management Board members and by the Management Board for key executive personnel. The bonus systems are consistent with the Company's Values, promote cooperation between particular employees, and motivate them to achieve the best possible results for the ORLEN Group. The targets are both qualitative and quantitative, and their performance is assessed after the end of the year for which they were assigned.

### Remuneration for members of the Management Board and the Supervisory Board of the Company who hold positions on governing bodies of subsidiaries

During their term of office, members of the Management Board of PKN ORLEN S.A. are required to obtain approval from the Supervisory Board in order to serve on the governing bodies of other legal entities, such as foundations or associations. The members of the PKN ORLEN Management Board did not receive any remuneration for holding positions on the governing bodies of the Company's subsidiaries within the Group, as defined in Article 4.14 of the Act on Competition and Consumer Protection of February 16th 2007.



## 8.10 | DIVERSITY POLICY

PKN ORLEN adopted the Diversity Policy in 2021 through an internal policy document. The document formally outlines the Company's longstanding efforts to promote diversity. Through various initiatives, the Company reaffirms its commitment to openness and recognises the inherent value of diversity.

However, there is currently no formal diversity policy for the PKN ORLEN Management Board and Supervisory Board. The Company annually discloses diversity metrics for its supervisory and management bodies within the Group.

PKN ORLEN's diversity management is governed by the following documents applicable to the Company:

- PKN ORLEN Work Rules,
- The ORLEN Group Code of Ethics;
- Collective Bargaining Agreement of PKN ORLEN,
- ORLEN Group Human Resources Management Policy;
- CSR Strategy for PKN ORLEN (where it pertains to development and diversity management);
- PKN ORLEN Disability Employment Policy;
- Policy for Assisting Employees During Crises;
- PKN ORLEN Well-Being Policy;
- ORLEN Group's Human Rights Policy;
- Separate internal policy document on the Family Friendly Employer programme.

Objectives of the diversity management include:

- equal treatment in employment and non-discrimination,
- respect for diversity,
- management of cultural differences,
- readiness to employ people facing social exclusion or threatened with marginalisation on the labour market, facilitating their employment in ORLEN Group Companies and thus increasing the employment rate of the people with disabilities,
- supporting employee initiatives related to labour equality practices,
- remuneration and bonus policy,
- standards of employment and remuneration of seconded workers, i.e. expats and inpats,
- adapting the workplace to the needs of employees (e.g. people with disabilities, breastfeeding mothers),
- supporting people in a difficult life situation,
- work-life balance programmes.

In addition, the diversity policy of PKN ORLEN is also implemented through:

- provision of training in diversity management,
- considering diversity aspects in HR processes and tools (e.g. recruitment, training and development, remuneration) and in shaping the organisational culture,
- organisation of the Diversity Festival, which encouraged employees to participate in various activities aimed at providing a comprehensive understanding of diversity issues within the organisation,
- one-on-one meetings with expats on managing cultural differences,
- regularly surveying employees on job commitment and satisfaction,
- appointment of a team tasked with coordinating efforts to counteract workplace harassment and bullying (Anti-Harassment Committee appointed by the employer to consider grievances related to workplace harassment and bullying),
- appointment of the Ethics Officer for reporting breaches of the ORLEN Group Code of Ethics (also regarding discrimination, harassment and bullying),
- appointment of the Human Capital Committee to give opinions, approve/submit for approval by the PKN ORLEN Management Board and monitor the observance of the ORLEN Group Code of Ethics, and in particular to examine material breaches, take corrective actions, issue guidelines and consider important ethics-related issues,
- participation in the meeting of signatories of the Partnership for Accessibility organized by the Ministry of Development Funds and Regional Policy (November 18th 2022).

### Human Rights Policy

Considering that:

- The funding of the ORLEN2030 Strategy necessitates the implementation of a comprehensive sustainability strategy that ensures ESG management across all business areas, including the protection of human rights within the organization;
- This year's bonus goal plan includes sustainability goals for all Directors who report to Board Members within their assigned areas of responsibility;
- The market environment, particularly the rating agencies and multinational corporations with whom we collaborate on key projects, highlights the need for a Policy document that would clearly present the Group's position on human rights protection, in line with global standards

in 2022, the ORLEN Group Human Rights Protection Policy was developed and published. The Policy outlines the key standards for conduct, behaviour and regulations applicable at the Group, which are directly or indirectly related to the protection of human rights within the organisation and in relations with external stakeholders.



The Policy was developed on the basis of:

- internal regulations of the Group;
- national legislation;
- international standards and guidelines, in particular on the basis of:
  - Universal Declaration of Human Rights,
  - Declaration by the International Labour Organisation concerning the fundamental principles and rights at work, i.e. on the basis of the key conventions of the International Labour Organisation,
  - UN Business Guidelines, i.e. the United Nations Framework Document 'Protect, respect and repair',
  - Guidelines of the Organisation for Economic Cooperation and Development (OECD) for Multinational Enterprises,
  - International Finance Corporation (IFC) standards,
  - Ten Principles of the United Nation Global Compact.

Scope of the Policy:

- Fostering human rights at the ORLEN Group with respect to our employees:
  - Building an open and tolerant work environment
  - Occupational health and safety
  - Well-being of employees
  - Equal employment opportunities
  - Freedom of association and cooperation with trade unions
  - Child and forced labour
- Preventing discrimination, bullying and any form of misconduct at the workplace

Promoting respect for human rights / ORLEN Group Supplier Code of Conduct/ awareness-raising among suppliers, offsetting the impact of business activities on local communities, resolving conflicts in an amicable way, physical security management.

- Reporting and handling cases of misconduct
- Reporting mechanisms for cases of violation and misconduct, zero tolerance for threats, intimidation, retaliation or attacks, mitigating the consequences of violations, reporting and remedial action.
- The Group's commitments and monitoring compliance with the commitments
- Due care / monitoring / quantitative and qualitative indicators / and employee training.







## 8.11 | REGULATIONS GOVERNING CONFLICTS OF INTEREST AND RELATED-PARTY TRANSACTIONS

PKN ORLEN and the ORLEN Group have internal regulations in place for managing conflicts of interest, as well as procedures for dealing with material transactions involving related parties.

The Conflict of Interest Management Policy at the ORLEN Group defines and implements systemic solutions and actions to prevent, minimize, and eliminate the occurrence of fraud and to detect it when it occurs. This policy defines conflicts of interest and outlines the actions that must be taken to ensure transparency in business processes where a conflict of interest could arise.

The Rules of Procedure for the Management Board and the Rules of Procedure for the Supervisory Board of PKN ORLEN, as well as the Executive Compensation Policy adopted by the General Meeting on June 5th 2020 in accordance with the Act of July 29th 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies contain provisions on the management of conflicts of interest, consistent with the matters addressed in the Policy.

According to the Rules of Procedure for the Management Board, the Management Board members are required to notify the Supervisory Board of any actual or potential conflict of interest which has arisen or may arise in connection with the positions held by them. Should the Company's interest be in conflict with the personal interests of a Management Board member, the Management Board member should abstain from deciding on such matter and request that a relevant note be made in the minutes of the meeting. In the case of doubt as to whether a conflict of interest exists, the matter is resolved by the Management Board by way of a resolution. According to the Rules of Procedure for the Management Board, a conflict of interest is understood as a circumstance in which a decision made by a member of the Management Board may be influenced by a personal interest of the Management Board member or his/her close person, i.e. their spouse, children, persons related to them through blood or marriage in the first or second degree, or any persons to whom the member is personally related.

According to the Rules of Procedure for the PKN ORLEN Supervisory Board, if a conflict of interest arises or may arise, a Supervisory Board member should inform other members, abstain from participating in discussions on the matter, abstain from voting on relevant resolutions, and request that the fact be recorded in the minutes. No breach of the provisions of the preceding sentence may render the Supervisory Board's resolution invalid. In the case of doubt as to whether a conflict of interest exists, the matter is resolved by the Supervisory Board by way of a resolution.

The Executive Compensation Policy follows the division of powers outlined in Art. 378 and Art. 392 of the Commercial Companies Code to prevent conflicts of interest in determining the amount and rules of remuneration governed by the Policy. The Supervisory Board's monitoring, analysis and supervision of the remuneration system and payment of additional benefits to Management Board members in accordance with the Company's Articles of Association and the Rules of Procedure for the Supervisory Board also serve the above purpose.

If a Management or Supervisory Board member identifies a potential conflict of interest related to matters governed by the Executive Compensation Policy, they must report it to the Chair of the Supervisory Board.

In such cases, the Chair of the Supervisory Board must take appropriate corrective measures on an ad hoc basis.

PKN ORLEN has also established a procedure setting out the principles and processes governing material transactions between PKN ORLEN and related parties within the ORLEN Group. It outlines the necessary steps to determine the status of transactions, the internal circulation of information about them, and the disclosure obligations associated with such transactions.

Furthermore, in accordance with the Company's Articles of Association, a resolution of the Supervisory Board concerning:

- any performance to be rendered or benefits to be granted by the Company or any of its related entities to members of the Management Board;
- approval of material transactions (as defined in the Articles of Association) executed by the Company with its related parties, taking into account the exemptions and detailed arrangements provided for in Section 4b of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, and of agreements concluded by the Company or its subsidiary with a Management Board member or Supervisory Board member, save for agreements commonly concluded in petty current matters of everyday life, requires consent of at least half of the independent members of the Supervisory Board. The foregoing provisions do not exclude the application of Art. 15.1 and Art. 15.2 of the Commercial Companies Code.

In addition, the Supervisory Board:

- approves material transactions with related entities within the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies,
- performs periodic reviews of material arm's-length transactions entered into in the ordinary course of business of PKN ORLEN in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies,
- where a transaction to be entered into by the Company with a related party within the meaning of the Company's Articles of Association requires the Supervisory Board's approval, the Supervisory Board assesses the need for prior consultation with a third party which will perform a valuation of the transaction and an analysis of its economic impact,
- where entering into a transaction with a related party within the meaning of the Company's Articles of Association by the Company requires approval from the General Meeting, the Supervisory Board draws up an opinion on the appropriateness of the transaction and assesses the need for prior consultation with a third party which will perform a valuation of the transaction and an analysis of its economic impact.