

## **Annual General Meeting of Polski Koncern Naftowy ORLEN S.A.**

Ladies and Gentlemen,

We hereby give notice that an item concerning amendments to the Articles of Association was placed on the agenda of the General Meeting of Polski Koncern Naftowy ORLEN S.A. (the “**Company**” or “**PKN ORLEN**”). The proposed amendments concern expanding the Company’s principal business activity to include halite production and the wording of Article 9.1.3.

With regard to the first proposed amendment, it should be noted that the ORLEN Group’s business comprises production from halite deposits, i.e. extraction and production of industrial brine, which is used as feedstock by chemical plants as well as a number of industries, including in the manufacturing of sodium carbonate (feedstock for glass works), fertilizers, petrochemical products (PVC, polycarbonates, etc.), and packaged salt. Brine and salt products are manufactured by Inowrocławskie Kopalnie Soli Solino S.A. (“**IKS SOLINO**”), a wholly-owned subsidiary of PKN ORLEN, which currently operates two well salt mines, namely the Mogilno Salt Mine and the Góra Salt Mine.

In addition, in depleted salt caverns of the Salt Mine in Góra, PKN ORLEN stores reserves of crude oil and liquid fuels which are strategic from the point of view of the Company and the country’s energy security (the “**Góra Storage Facility**”). The facility is subject to the statutory requirements on the physical availability of the emergency stocks (mandatory stocks and agency stocks) it holds, as set out in Art. 3.12 of the Polish Act on stocks of crude oil, petroleum products and natural gas, and on the rules to be followed in the event of threat to national fuel security or disruptions on the petroleum market of February 16th 2007. In order to meet the statutory requirements, it is necessary to secure adequate production capacities for brine as a process medium in the long-term.

For several years now, PKN ORLEN has been taking steps to prepare and implement a project to construct a third well mine in the Lubień Kujawski halite deposit area (the municipality of Lubień Kujawski), with the necessary technical and transmission (pipeline) infrastructure, and to connect the facility to the existing Salt Mines. The project will allow the ORLEN Group to build up its long-term aggregate brine production capacity for the purposes of brine supplies to the chemical industry. Production from the new mine will gradually supplement the brine output of the existing mines (KS Mogilno and KS Góra) which is declining as the deposits are gradually depleted. Ultimately, in the long term, the capacity of the new mine and the deposit itself can even be sufficient to fully replace production from the existing mines.

The purpose of the project is to maintain the continuity of long-term supplies of industrial brine for the chemical and related industries, and to secure the operation of the Góra Storage Facility, which is of strategic importance for the Company’s operations and for the country’s energy security.

Given the scale of the project and the required financing, PKN ORLEN will be the investor in the new mine.

IKS SOLINO will continue to produce from the existing Mines and will act as an operator of the new facility. As part of its operations, IKS SOLINO will integrate and manage the total balance of brine produced from the three mines to ensure the continuity of long-term supply of commercial brine to the chemical industry and to operate the PKN ORLEN underground storage facilities (including emergency release of crude oil and fuels in the event of a fuel crisis). The brine produced from the third mine will help maintain the continuity of the brine supplies to chemical plants, enabling their uninterrupted operation also in the event of a crisis on the fuels market (i.e. to release fuels or crude oil from the cavern storage facility).

Following the launch of the application process by PKN ORLEN to obtain a licence to extract minerals from the Lubień halite deposit, in order to ensure compliance of the Articles of Association of the Company with PKN ORLEN's actual business activity, it is necessary to extend the scope of the business activity specified in Article 2.2 of the Articles of Association to include "Extraction of salt", assigned PKD code 08.93.Z at the subclass level.

Additionally, it is proposed that Art. 9.1.3 of the Articles of Association be amended to read as follows: *"One member of the Management Board shall be appointed and removed 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"*, to read as follows: "One member of the Management Board shall be 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 shall be removed by the Supervisory Board."

The purpose of the amendment is to harmonise the rules governing removal from office of members of the Management Board, so that the authority to do so rests solely with the Supervisory Board of the Company. The proposed amendment also seeks to improve the procedure for making changes to the composition of the Management Board. The proposed solution harmonises the rules related to the Supervisory Board's authority to remove or appoint members of the Management Board members.

We also propose that the consolidated text of the Articles of Association incorporating the amendments referred to above be adopted.