



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

Ladies and Gentlemen,

We hereby give notice that an item concerning the 'Best Practice for WSE Listed Companies 2021' ("**Best Practice 2021**") was placed on the agenda of the General Meeting of Polski Koncern Naftowy ORLEN S.A.

The Best Practice 2021, which came into effect on July 1st 2021, supersedes and expands on the Best Practice for WSE Listed Companies 2016, while retaining its core message and original division into chapters. The Best Practice 2021 also introduces new requirements for companies, including with respect to ESG aspects (e.g. the requirement to include ESG aspects and specific ESG metrics in the company's strategy and the requirement to implement a diversity policy for the management and supervisory boards, authorised by the supervisory board or the general meeting) or the conduct of general meetings (e.g. the requirement that shareholders submit draft resolutions no later than 3 days prior to the general meeting and the requirement to present to the general meeting significant events that occurred last year, including information on delivery of plans by the management board). As a company listed on the Warsaw Stock Exchange, PKN ORLEN is required to comply with the corporate governance principles set forth in the Best Practice 2021.

In July 2021, PKN ORLEN S.A. released a Statement of Compliance by the Company with the Principles of the Best Practice for WSE Listed Companies 2021, whereby it stated that it did not comply with four of the more than sixty principles and, following the comply-or-explain formula, explained its reasons for such non-compliance. Three principles that the Company does not comply with concern diversity policy. At PKN ORLEN S.A., the diversity policy relating to the Company's employees is covered by a range of internal documents. However, there is no formal document governing diversity at the level of the PKN ORLEN Management Board and Supervisory Board. The fourth principle which PKN ORLEN S.A. does not comply with concerns holding general meetings using electronic means of communication (virtual general meeting). The failure to comply with this principle does not affect the reliability of the Company's disclosure policy, nor does it hinder Shareholders' participation in general meetings.

The WSE's recommendations on how to ensure compliance with the Best Practice 2016 include a recommendation that the general meeting should formally review the document. In order to carry out that recommendation, we hereby present to you the Best Practice 2021 together with the Statement of Compliance by the Company with the Principles of the Best Practice for WSE Listed Companies 2021, as released by PKN ORLEN S.A. in July 2021.

Some of the principles defined in the Best Practice 2021 are addressed directly to the Company's shareholders. With a view to ensuring that the Best Practice 2021 is applied to the fullest extent possible, we draw particular attention to the following principles addressed to the Company's shareholders:

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

2.3. At least two members of the supervisory board meet the criteria of being independent referred to in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision, and have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

4.8. Draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting.

4.9. If the general meeting is to appoint members of the supervisory board or members of the supervisory board for a new term of office:

4.9.1. candidates for members of the supervisory board should be nominated with a notice necessary for shareholders present at the general meeting to make an informed decision and in any case no later than three days before the general meeting; the names of candidates and all related documents should be immediately published on the company's website;

4.9.2. candidates for members of the supervisory board make a declaration concerning fulfilment of the requirements for members of the audit committee referred to in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision and having actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

In the event of any deviation from or incidental breach of any of these principles, the Company is required, under the comply-or-explain formula, to issue a current report explaining the circumstances of and reasons for such deviation or breach.