



**Annual General Meeting  
of ORLEN S.A.**

Ladies and Gentlemen,

Attached hereto is the statement of reasons for selected resolutions of the Annual General Meeting of ORLEN S.A. (the "Company") convened for 25 June 2024.

**Draft resolution on item 14 of the agenda for the Annual General Meeting (allocation of profit)**

Pursuant to Art. 395.2.2 of the Commercial Companies Code and Art. 7.7.3 of the Company's Articles of Association, the Management Board of ORLEN S.A. ("ORLEN" or the "Company") proposes that the Company Shareholders pass a resolution to: distribute the net profit for the financial year 2023, of PLN 21,215,917,147.93 (twenty-one billion, two hundred fifteen million nine hundred seventeen thousand one hundred forty-seven zlotys 93/100), in the following manner:

- PLN 4,817,909,503.35 (four billion, eight hundred seventeen million nine hundred nine thousand five hundred three zlotys 35/100) is recommended to be distributed as dividend (of PLN 4.15 per share);
- the balance, i.e. PLN 16,398,007,644.58 (sixteen billion, three hundred ninety-eight million seven thousand six hundred forty-four zlotys 58/100), is recommended to be allocated to the Company's statutory reserve funds.

The Management Board recommends that September 20th 2024 be set as the dividend record date and December 20th 2024 - as the dividend payment date.

The Management Board recommends that undistributed profit from previous years in the amount of PLN 12,466,697,131.73 (twelve billion, four hundred sixty-six million six hundred ninety-seven thousand one hundred thirty-one zlotys 73/100) to be allocated to the Company's statutory reserve funds.

The update of the ORLEN Strategy until 2030 announced on February 28, 2023 introduced a dividend policy.

- Total dividend depending on the Company's performance:

- to be determined annually
- at 40% of adjusted free cash flow (operating cash flows minus investing cash flows)
- no less than the base dividend (guaranteed):

- Base dividend (guaranteed):

- at PLN 4.00 per share in 2022
- to be increased by PLN 0.15 per share annually, starting from 2023

Taking into account the Company's results for 2023 and the Company's stable liquidity and financial situation additionally secured by available financing lines, the Company's Management Board recommends paying dividends from the profit earned in 2023 in the amount of PLN 4.15 per share.

**Draft resolution on item 15 of the agenda for the Annual General Meeting (Report of the Supervisory Board of ORLEN S.A. on its activities for the financial year 2023)**

This is to inform you that the agenda of the upcoming Annual General Meeting of ORLEN S.A. includes consideration of and voting on a resolution to approve the report of the Supervisory Board of PKN ORLEN S.A. on its activities for the financial year 2023 (the "Report"). The Report presents information required under applicable regulations, including the Commercial Companies Code, and the Best Practice for GPW Listed Companies 2021.

Pursuant to amended Art. 382.3 and Art. 382.3.1 of the Commercial Companies Code, the Supervisory Board assessed the financial statements and reports referred to in Art. 395.2.1 of the Commercial Companies Code in terms of their completeness, accuracy, and consistency with relevant accounting records and documents as well as the Management Board's recommendation for the allocation of the Company's net profit. In addition, the Supervisory Board has included in the Report an evaluation of the Company's situation, taking into account the performance of its internal control and risk management systems, and an evaluation of the Company's compliance with corporate governance principles. The Report further discloses the composition of the Supervisory Board and its committees, summarises their activities in 2023, and provides information on the independent members of the Supervisory Board.

In compliance with Principle 2.11 of the Best Practice for GPW Listed Companies 2021, apart from fulfilling its legal and regulatory obligations, once a year the Supervisory Board prepares and presents to the Annual General Meeting for approval an annual report including information required under the Best Practice. To ensure satisfaction of this requirement, the Report of the Supervisory Board of ORLEN S.A. for the financial year 2023 is hereby submitted to the Annual General Meeting, accompanied by a draft General Meeting resolution to approve it.

**Draft resolutions on items 16 and 17 of the agenda for the Annual General Meeting Draft (discharge from liability)**

The agenda of the upcoming Annual General Meeting of ORLEN S.A. (the "Company") includes the grant of discharge from liability to members of the governing bodies of ORLEN S.A. and members of the Management Board of LOTOS SPV5 Sp. z o.o., acquired by ORLEN S.A. in 2023, for their activities in 2023.

Pursuant to Art. 395.2.3 of the Commercial Companies Code, the business of the annual general meeting of a company should include discharging members of its governing bodies from liability for their activities in their official capacity. It is generally accepted that a vote on such discharge should be held for each person who served on any of the company's governing bodies in the last completed financial year.

As regards ORLEN S.A, the analysis of records of the Company's activities in 2023 leads to the conclusion that the conditions for discharging Members of the Management Board and the Supervisory Board of ORLEN S.A of liability for their activities are not satisfied. This is due to the negative impact of decisions made by members of bodies performing their functions in 2023 on the Company's financial results and operations. As Art. 393.1 of the Commercial Companies Code reserves the discharge powers for the General Meeting, relevant draft AGM resolutions have been attached hereto.

As regards LOTOS SPV 5 Sp. z o.o., i.e. the company acquired by ORLEN S.A. in 2023, the Management Board of ORLEN proposes granting discharge to the members of the Management Board of this company for the performance of their duties in the financial year 2023.

**Draft resolution on item 18 of the agenda for the Annual General Meeting (endorsement of the Supervisory Board's report on remuneration of members of the Management Board and the Supervisory Board for 2023)**

Pursuant to Art. 90g of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (the "Act"), the supervisory board of a company is required to prepare an annual remuneration report, presenting a comprehensive overview of remuneration, including all benefits, in any form, paid or payable to individual members of the management and supervisory board as per the company's remuneration policy in the last financial year.

To comply with the requirements of the Act, we present the remuneration report for 2023. The report prepared by the Supervisory Board describes, for each person who served on the Management Board and the Supervisory Board of ORLEN S.A. in 2023, the remuneration, including additional benefits, paid or payable to members of the ORLEN S.A. governing bodies under applicable internal regulations, including the Remuneration Policy for Members of the Management Board and the Supervisory Board of Polski Koncern Naftowy ORLEN S.A. adopted by Resolution No. 29 of the Annual General Meeting of 5 June 2020.

The Remuneration Report has been assessed by the auditor to determine whether it contains the information required under Art. 90g.1-90g.5 and Art. 90g.8 of the Act.

**Draft resolution on item 19 of the agenda for the Annual General Meeting (Remuneration Policy for members of the ORLEN S.A. Management Board and Supervisory Board)**

We hereby inform you that on the agenda of the General Assembly of ORLEN S.A. (hereinafter: "the Company") there is a point which concerns the update of The Policy on remuneration of Management Board Members and Supervisory Board Members of ORLEN S.A. (hereinafter: "the Policy") adopted by the Ordinary General Assembly of the Company on June 5<sup>th</sup>, 2020.

Pursuant to Article 90e (4) of the Act on public offer and conditions of implementation of financial instruments into the organised trading system and on public companies (hereinafter: "the Act on offer") a resolution regarding the policy on remuneration is to be adopted no less frequently than every four years.

According to the stipulations of the Act on offer, a review of the Policy has been conducted and the following changes have been implemented:

- change of the Company name and other editorial changes,
- stipulations that allow the possibility to conclude a contract for provision of services with a Supervisory Board Member who has been temporarily designated to act as a Management Board Member during the period of designation, have been introduced- Article 4(2) of the Policy,
- the criteria of the assignment of variable pay to the Management Board Members have been made more precise – Article 6 (2) of the Policy. The proposed changes specify the regulations on financial and non-financial results that determine the assignment of variable pay, including the criteria that relate to the social side, protection of the natural environment as well as actions that prevent the negative impact of the Company's activity on the society and eradicate the damage caused (non-financial reporting in variable pay assignment systems). The Policy specifies the correlation between the criteria of the assignment of variable pay and the key business targets for the Company and the Capital Group, resulting from the strategy of the Company.

The hereby presented Policy is in line with Article 90d of the Act on offer.

**Draft resolutions on items 20 and 21 of the agenda for the Annual General Meeting (changes in the composition of the Supervisory Board)**

As stipulated in Art. 8.1 of the Company's Articles of Association, the Supervisory Board may consist of six to fifteen members, including the Chair. Currently, the Supervisory Board of ORLEN S.A. consists of eight members. It is therefore possible to appoint additional members to the Supervisory Board. As stipulated in Section 14.2, first sentence, of the Rules of Procedure for the General Meeting, prior to voting on appointments to the Supervisory Board, the General Meeting – acting on a motion from the Chair or another authorised person unless such item is included on its agenda – determines the number of Supervisory Board members. In view of the foregoing, the Management Board proposes that additional items be added to the agenda for the Annual General Meeting to enable the General Meeting to appoint Supervisory Board members. The proposed number of members of the Supervisory Board was determined in the resolution of the Extraordinary General Meeting of ORLEN S.A held on 6 February 2024.

**Draft resolution on item 22 of the agenda for the Annual General Meeting (determination of the amounts of remuneration for members of the Company's Supervisory Board)**

Section 8.1 of the Remuneration Policy for members of the ORLEN S.A. Management Board and Supervisory Board stipulates that the amount of remuneration due to Supervisory Board members is set by way of a General Meeting resolution, based on and within the limits defined in the Act on the Rules of Remunerating Persons Who Direct Certain Companies. In connection with the planned revision of the Remuneration Policy and the proposal for clarification of its provisions, the General Meeting may decide on the determination of the amount of remuneration for Supervisory Board members. In view of the foregoing, a relevant draft resolution of the Annual General Meeting is submitted.