



Supervisory Board  
ORLEN S.A.

## **REPORT OF THE SUPERVISORY BOARD OF ORLEN S.A. ON REMUNERATION OF MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR 2024**

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# Introduction

## This Report on Remuneration of Members of the Management Board and the Supervisory Board

- has been prepared in accordance with the requirements set out in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, of 29 July 2005 (consolidated text: Dz.U. of 2024, item 620) (the “Act on Public Offering”);
- contains a comprehensive description of the components of remuneration payable to Members of the Management Board and Members of the Supervisory Board for 2024 and addresses their compliance with the Act on Rules of Remunerating Persons Who Direct Certain Companies of 9 June 2016 (the “Remuneration Act”) (Dz.U. of 2020, item 1907, as amended) and the updated Remuneration Policy for Members of the ORLEN S.A. Management Board and Supervisory Board (the “Remuneration Policy”), as adopted by Resolution No. 36 of the Annual General Meeting of 25 June 2024;
- details the remuneration paid to Members of the Company’s governing bodies in 2024 in accordance with applicable internal regulations, including the updated Remuneration Policy.

## Composition of the Management Board and the Supervisory Board in 2024

Full name	Position	Term of service on the Management Board	Full name	Position	Term of service on the Supervisory Board
Daniel Obajtek	President of the Management Board, Chief Executive Officer	1 Jan–5 Feb 2024	Wojciech Jasiński	Chair of the Supervisory Board	1 Jan–6 Feb 2024
Patrycja Klarecka	Member of the Management Board, Digital Transformation	1 Jan–5 Feb 2024	Andrzej Szumański	Deputy Chair of the Supervisory Board, Independent Member of the Supervisory Board	1 Jan–6 Feb 2024
Józef Węgrecki	Member of the Management Board, Operations	1 Jan–30 Apr 2024	Anna Wójcik	Secretary of the Supervisory Board	1 Jan–6 Feb 2024
Armen Artwich	Member of the Management Board, Corporate Affairs	1 Jan–5 Feb 2024	Barbara Jarzembowska	Member of the Supervisory Board, Independent Member of the Supervisory Board	1 Jan–6 Feb 2024
Michał Róg	Member of the Management Board, Trading and Logistics	1 Jan–5 Feb 2024	Andrzej Kapala	Member of the Supervisory Board, Independent Member of the Supervisory Board	1 Jan–6 Feb 2024
Adam Burak	Member of the Management Board, Communication and Marketing	1 Jan–6 Feb 2024	Roman Kusz	Member of the Supervisory Board, Independent Member of the Supervisory Board	1 Jan–6 Feb 2024
Jan Szewczak	Member of the Management Board, Finance	1 Jan–5 Feb 2024	Jadwiga Lesisz	Member of the Supervisory Board	1 Jan–6 Feb 2024
Piotr Sabat	Member of the Management Board, Development	1 Jan–6 Feb 2024	Anna Sakowicz-Kacz	Member of the Supervisory Board, Independent Member of the Supervisory Board	1 Jan–6 Feb 2024
Krzysztof Nowicki	Member of the Management Board, Production and Optimisation	1 Jan–6 Feb 2024	Wojciech Popiolek	Independent Member of the Supervisory Board Chair of the Supervisory Board	25 Jan–6 Feb 2024 since 7 Feb 2024
Iwona Waksmundzka–Olejniczak	Member of the Management Board, Strategy and Sustainability	1 Jan–6 Feb 2024	Michał Gajdus	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 6 Feb 2024
Robert Perkowski	Member of the Management Board, Upstream	1 Jan–6 Feb 2024	Katarzyna Łobos	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 6 Feb 2024
Witold Literacki	Acting President of the Management Board Vice President of the Management Board, Corporate Affairs, and First Deputy President of the Management Board	6 Feb–10 Apr 2024 since 11 Apr 2024	Ewa Gąsiorek	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 6 Feb 2024
Ireneusz Fąfara	President of the Management Board, Chief Executive Officer	since 11 Apr 2024	Kazimierz Mordaszewski	Member of the Supervisory Board Member of the Supervisory Board delegated to temporarily act as Management Board Member	since 6 Feb 2024 7 Feb–7 May 2024
Ireneusz Sitarski	Vice President of the Management Board, Retail Sales Vice President of the Management Board, Wholesale and Logistics	16 May–31 Jul 2024 since 31 Jul 2024	Mikołaj Pietrzak	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 6 Feb 2024
Magdalena Bartoś	Vice President of the Management Board, Chief Financial Officer	since 1 May 2024	Tomasz Sójka	Member of the Supervisory Board, Independent Member of the Supervisory Board Member of the Supervisory Board delegated to temporarily act as Management Board Member	6–16 Feb 2024 7–16 Feb 2024
Robert Soszyński	Vice President of the Management Board, Strategy and Sustainability Vice President of the Management Board, Chief Operating Officer	1 May–31 Jul 2024 since 31 Jul 2024	Ireneusz Sitarski	Member of the Supervisory Board, Independent Member of the Supervisory Board Member of the Supervisory Board delegated to temporarily act as Management Board Member	6 Feb–15 May 2024 17 Feb–10 Apr 2024
Wiesław Prugar	Member of the Management Board, Upstream	since 1 May 2024	Piotr Wielowieyski	Member of the Supervisory Board, Independent Member of the Supervisory Board	25 Apr–24 Jun 2024 since 24 Jul 2024
Artur Osuchowski	Member of the Management Board, Energy and Energy Transformation	since 13 Jun 2024	Marian Sewerski	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 24 Jul 2024
Marek Balawejder	Member of the Management Board, Retail Sales	since 1 Aug 2024	Tomasz Zieliński	Member of the Supervisory Board Member of the Supervisory Board delegated to temporarily act as Management Board Member	since 6 Feb 2024 7 Feb–7 May 2024
Marcin Wasilewski	Member of the Management Board, Technology	since 6 Nov 2024	Ewa Sowińska	Member of the Supervisory Board, Independent Member of the Supervisory Board	since 2 Dec 2024

# Remuneration of Management Board Members

The remuneration of Members of the Management Board was determined by the Supervisory Board pursuant to Resolution No. 44 of The Annual General Meeting of PKN ORLEN S.A. of 14 June 2019 to amend Resolution No. 4 of the Extraordinary General Meeting of 24 January 2017 on the rules of remuneration for Members of the Management Board, as amended by Resolution No. 29 of the Annual General Meeting of 30 June 2017, Resolution No. 4 of the Extraordinary General Meeting of 2 February 2018, and Resolution No. 1 of the Annual General Meeting of 17 July 2018, and in conjunction with the Remuneration Act as well as recommendations of the Supervisory Board's Nomination and Remuneration Committee.

All components of remuneration for Members of the Management Board are set out in the individual management services contracts concluded between the Company and each Management Board Member ("Contract(s)"). Under the Contract, in consideration for serving on the Management Board, each Member is entitled to a total remuneration comprising:

- **fixed monthly base pay ("Fixed Remuneration")**
- **additional variable remuneration for a given financial year ("Variable Remuneration")**
- **additional benefits, available subject to the conditions specified in the Contract and the Remuneration Act**

## FIXED REMUNERATION

- The monthly amount of Fixed Remuneration payable to Management Board Members was determined by way of a Supervisory Board resolution, taking into account the provisions of the Remuneration Act and the resolution of the General Meeting on the rules of remuneration for Members of the Management Board;
- When determining the Fixed Remuneration of Management Board Members, the Supervisory Board considered the levels of remuneration paid to executives at companies of a comparable business profile and scale (taking into account the scale of operations of the entire ORLEN Group, including in international markets).
- The Company's General Meeting set a fixed portion of the remuneration of Management Board Members in accordance with Art. 4 of the Remuneration Act, taking into account the scale of the Company's operations, in particular its total assets, net annual turnover and headcount, within the range of 7x–15x the reference amount, namely the average salary in the non-financial corporate sector (net of bonuses paid from profit) in the fourth quarter of the previous year, as announced by the President of Statistics Poland.
- The monthly Fixed Remuneration of each Management Board Member was set at 15 or 14 times the reference amount, namely the average salary in the non-financial corporate sector (net of bonuses paid from profit) in the fourth quarter of 2024, as announced by the President of Statistics Poland (PLN 7,767.61).

## VARIABLE REMUNERATION

- Based on the general set of Management Objectives established by the General Meeting, the Supervisory Board sets individual bonus objectives, which are then included in each Management Board Member's MBO Sheet.
- The Supervisory Board also specifies separate objectives that needed to be met as a precondition to payment of Variable Remuneration for the year.
- Detailed definitions of these Management Objectives, including with their respective weights and evaluation criteria for individual Management Board members, are specified in a Supervisory Board resolution.
- The Supervisory Board assesses the performance of each Management Board Member against their individual bonus objectives (both quantitative and qualitative) and the separate objectives that have to be met as a precondition to payment of Variable Remuneration. This assessment is based on a recommendation from President of the Management Board, which contains an evaluation of how each Management Board Member has performed against their individual bonus objectives. Upon expiry of a Management Board Member's mandate, he or she must submit to President of the Management Board a Report on Achievement of Qualitative Objectives and a Report on Achievement of any separate objectives set as preconditions for payment of Variable Remuneration for that year. In such cases, the Supervisory Board evaluates the achievement of the relevant qualitative bonus objectives and separate objectives based on the progress of related work schedules, specifically completion of tasks towards the achievement of particular objectives, in accordance with the applicable rules.
- In assessing the fulfilment of the Management Objectives, the Supervisory Board may rely on financial statements and other documents of the ORLEN Group.
- The Management Board Members' performance against individual quantitative bonus objectives is assessed based on the percentage points assigned thereto, while their performance against individual qualitative bonus objectives is assessed based on the achievement level specified the MBO Rules. The performance against individual bonus objectives is measured as the weighted sum of percentage points assigned by the Supervisory Board to each bonus objective.
- Members of the Management Board are entitled to Variable Remuneration under the terms specified in their respective Contracts, which incorporate the Rules of the Incentive Scheme for the Management Board (the "MBO" Rules) as an appendix.
- The Variable Remuneration for a financial year may not exceed 100% of the Fixed Remuneration due in the previous financial year, for which the Variable Remuneration is calculated.

# Remuneration of Management Board Members

- The amount of Variable Remuneration depends on the performance against individual bonus objectives (both qualitative and quantitative), set by the Supervisory Board for individual Management Board Members.
- A Management Board Member appointed during the course of a financial year may receive Variable Remuneration, subject to achieving the objectives assigned to their specific role as detailed in the relevant MBO sheet, with the remuneration amount determined pro rata to the period of their service on the Management Board.
- To be entitled to Variable Remuneration following the expiry of their mandate, a Management Board Member must have served for more than three months during the financial year being evaluated.
- The Variable Remuneration of each Management Board Member is payable upon approval by the General Meeting of the Group's consolidated financial statements, the Directors' Report on the operations of the Company and the Group, as well as the Company's financial statements, and upon discharging the Management Board Member of liability for their activities in the previous year.

**Pursuant to Resolution No. 44 of the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of 14 June 2019 to amend Resolution No. 4 of the Extraordinary General Meeting of 24 January 2017 on the rules of remuneration for Members of the Management Board, as amended by Resolution No. 29 of the Annual General Meeting of 30 June 2017, Resolution No. 4 of the Extraordinary General Meeting of 2 February 2018, and Resolution No. 1 of the Annual General Meeting of 17 July 2018, a set of Management Objectives for 2019 and subsequent years was established, including in particular:**

- Improvement of operational efficiency indicators
- Improvement of cost efficiency at the ORLEN Group
- Implementation of strategic investment projects in line with the approved budget and schedule at the ORLEN Group,
- Implementation of a long-term strategy with respect to security of supplies, and with respect to procurement and storage of energy (fuels, electricity and heat), including in particular upstream access and diversification of the procurement portfolio
- Increase of the TSR (Total Shareholder Return) of PKN ORLEN S.A. relative to the market
- Reduction of the Total Recordable Rate at the ORLEN Group
- Development of the project portfolio and increasing the amount of expenditure allocated to research, development and innovation

## ADDITIONAL BENEFITS

In addition to Fixed Remuneration and Variable Remuneration, in 2024 Management Board Members were entitled to receive additional benefits, which were not included in Fixed Remuneration but which were considered taxable income for the Management Board Members. These were:

- Severance payment on Contract termination;
- Non-compete compensation on termination of service on the Management Board;
- Additional compensation for remaining available for the Company following termination of the Contract
- Coverage of the costs of medical treatment, preventive healthcare and medical care, including with respect to a Management Board Member's closest family members or persons who share the same household with the Management Board Member
- Coverage of the costs of accommodation or rental of dwellings if the Company's registered office is more than 100 km away from the Management Board Member's place of residence
- Coverage of the costs of training related to the responsibilities performed at the Company
- Coverage of additional insurance costs
- Option to use a Company-owned car for private purposes, subject to payment of a flat-rate fee to the Company
- Eligibility to participate in the Employee Capital Plan in place at the Company

# Remuneration of Management Board Members

The Supervisory Board set the same quantitative and qualitative objectives for 2023 for all the Members of the Management Board listed below and assigned relevant bonus thresholds to these objectives:

No.	Set of Management Objectives (GM 14 Jun 2019)	Type of Objective	Individual Bonus Objectives for 2023 for Members of the Management Board: Daniel Obajtek, Armen Artwich, Adam Burak, Patrycja Klarecka, Michał Róg, Janusz Szewczak, Józef Węgrecki, Piotr Sabat, Krzysztof Nowicki, Iwona Waksmundzka-Olejniczak, Robert Perkowski	Weight of Individual Bonus Objective	Measure	Degree of achievement of Individual Bonus Objective		
						maximum	optimum	minimum
1	Improvement of operational efficiency indicators	Quantitative objective	LIFO-based EBITDA of the ORLEN Group (% of objective achievement in the actual macro)	20%	%	100%	80%	60%
2		Quantitative objective	Net debt/EBITDA of the ORLEN Group	10%	ratio	1.5	2.5	3.5
3	Implementation of strategic investment projects in line with the approved budget and schedule at the ORLEN Group	Quantitative objective	Growth CAPEX of the ORLEN Group (% of objective achievement in the actual macro)	15%	%	95%	70%	60%
4	Improvement of cost efficiency at the ORLEN Group	Quantitative objective	Maintenance CAPEX + general and personnel costs of the ORLEN Group (% of objective achievement in the actual macro)	10%	%	98%	100%	102%
5	Implementation of a long-term strategy with respect to security of supplies, and with respect to procurement and storage of energy	Quantitative objective	Maintaining the proportion of long-term oil supply contracts (as % of total purchases)	10%	%	35%	30%	25%
6	Increase of the TSR (Total Shareholder Return) of ORLEN S.A. relative to the market	Quantitative objective	stock performance: TSR of ORLEN relative to the market	5%	%	optimum (+20pp)	at par with the market	optimum (-20pp)
7	Reduction of the Total Recordable Rate at the ORLEN Group	Quantitative objective	accident rate: TRR of the ORLEN Group and its external contractors;	5%	number of accidents/m an-hours	1.54	1.70	1.86
8	Delivery of the long-term strategy, including implementation of strategic projects	Qualitative objective	Delivery of the strategy and achievement of synergies associated with the post-merger integration of the combined ORLEN, LOTOS and PGNiG Groups, including: ▪ Updating the ORLEN Group's strategy by the release date of the Q1 2023 financial statements ▪ Maintaining the ORLEN Group's long-term credit rating at a minimum of BBB- (as rated by Fitch Ratings or Moody's). ▪ Implementation of decarbonisation and sustainability (ESG) initiatives ▪ Continuation of partnerships with leading cultural institutions and sustaining ORLEN's role as a key patron of sports in Poland ▪ Diversification of crude oil supplies, specifically reducing reliance on Russian crude in accordance with applicable sanction regimes	15%	points	Supervisory Board's assessment of the achievement of the quantitative objective 0 pts – unsatisfactory 60 pts – moderate 80 pts – satisfactory 100 pts – very good 120 pts – above expectations		
9	Development of the project portfolio and increasing the amount of expenditure allocated to research, development and innovation	Qualitative objective	Fostering innovation within the Group by: ▪ Maintaining and delivering projects as part of venture capital initiatives; launching and implementing innovative projects, including R&D projects, in accordance with the Strategic Research Agenda and R&D Methodology ▪ Supporting the development and operation of innovation ecosystem tools, including the Group's R&D Centres and the ORLEN Skylight Accelerator Programme, as well as integration projects and innovation partnerships	10%	points	Supervisory Board's assessment of the achievement of the qualitative objective 0 pts – unsatisfactory 60 pts – moderate 80 pts – satisfactory 100 pts – very good 120 pts – above expectations		
Sum of weights				100%				

Additionally, in accordance with the relevant resolutions of the General Meeting, the Supervisory Board set the following separate objectives as a precondition to payment of Variable Remuneration for 2023:

- Ensuring the application of remuneration policies for members of management and supervisory bodies that are compliant with the provisions of the Remuneration Act across all Group companies; and
- Ensuring the fulfilment of the obligations set forth in Art. 17-20, Art. 22 and Art. 23 of the Act on State Property Management of 16 December 2016 at the Company's subsidiaries within the meaning of Art. 4.3 of the Act on Competition and Consumer Protection of 16 February 2007.

# Remuneration of Management Board Members

Pursuant to the Contract, a Supervisory Board resolution may be the basis for payment of Variable Remuneration for the achievement of the prior year's Management Objectives, subject to prior approval by the General Meeting of the Directors' Report on the Company's operations, ORLEN S.A.'s financial statements and the ORLEN Group's consolidated financial statements, as well as subject to discharging a Management Board Member of liability for their activities. If these conditions are met, Variable Remuneration is paid by the end of the calendar year in which the General Meeting of ORLEN S.A. approves the above mentioned documents.

On 1 February 2024, the Supervisory Board assessed the achievement by Management Board Members of their individual qualitative Bonus Objectives for 2023, as well as the separate objectives determining eligibility for Variable Remuneration payable in 2024 for 2023 performance, awarding each Management Board Member 120 percentage points. The Supervisory Board further concluded that the separate objectives determining the eligibility for receipt in 2024 of the Variable Remuneration relating to 2023 performance were fully satisfied.

Variable Remuneration potentially due to the following Management Board Members serving in 2023 for achieving Management Objectives in 2023, payable in 2024 (PLN thousand).

Full name	Variable Remuneration potentially due	Term of service in 2023
Daniel Obajtek	1,254	entire 2023
Patrycja Klarecka	1,254	
Józef Węgrecki	1,254	
Armen Artwich	1,254	
Michał Róg	1,254	
Adam Burak	1,254	
Jan Szewczak	1,254	
Piotr Sabat	1,254	
Krzysztof Nowicki	1,254	
Iwona Waksmundzka-Olejniczak	1,254	
Robert Perkowski	1,254	

Bonus award paid on 15 December 2023 to the following Management Board Members based on the Extraordinary General Meeting resolution of the entity specified below, dated 13 December 2023 (PLN)

Name of entity	Full name Position	Term of service	Bonus award paid in 2023
System Gazociągów Tranzytowych EUROPOL GAZ S.A. (wholly owned since 2 November 2023)  The entity was jointly controlled by ORLEN S.A. but was not a member of the ORLEN Group until 1 November 2023	Iwona Waksmundzka-Olejniczak Member of the Supervisory Board	13 Jul 2022 – 26 Mar 2024	193,949.89
	Robert Perkowski Member of the Supervisory Board	17 Feb 2020 – 26 Mar 2024	225,748.19

Following reconsideration, on 14 May 2024, the Supervisory Board revised its prior assessment of the achievement by Management Board Members of their individual qualitative Bonus Objectives for 2023, as well as the separate objectives determining eligibility for Variable Remuneration payable in 2024 for 2023 performance. The Management Board Members who served in 2023 were deemed ineligible to receive Variable Remuneration in 2024 for their 2023 performance, as the condition set out in the 2023 MBO Sheet concerning compliance with the Remuneration Act was found to have been met.

The breach concerned bonus payments received by two former Management Board Members, Iwona Waksmundzka-Olejniczak and Robert Perkowski, who concurrently served as Members of the Supervisory Board of Europol Gaz. This was in violation of the prohibition, imposed by Europol Gaz EGM Resolution No. 4 on remuneration, against receiving remuneration by a Management Board Member for serving on a corporate body of Europol Gaz (as a subsidiary of ORLEN S.A.). Moreover, the payments violated the prohibition set out in the Management Services Contracts concluded with these Management Board Members as well as in Section 1.3 (Part V) of the Remuneration Policy. Additionally, provided that Art. 4.7 of the Remuneration Act is assumed to be modifiable by mutual agreement of the parties, the receipt of the bonus payments by these individuals also represented a violation by ORLEN's Management Board of the relevant Remuneration Resolution.

- Consequently, on 27 May 2024, the Supervisory Board resolved not to award Variable Remuneration for 2023 to the Management Board Members who served in that year.
- Moreover, on 25 June 2024, the Annual General Meeting of ORLEN S.A., acting pursuant to Art. 395.2.3 of the Commercial Companies Code in conjunction with Art. 7.7.2 of the Company's Articles of Association, resolved not to discharge former President of the Management Board and other former Members of the Management Board of liability for their activities as such in the financial year 2023.

Furthermore, since no Management Objectives were set for 2024 for Daniel Obajtek, Armen Artwich, Adam Burak, Patrycja Klarecka, Michał Róg, Janusz Szewczak, Józef Węgrecki, Piotr Sabat, Krzysztof Nowicki, Iwona Waksmundzka-Olejniczak, and Robert Perkowski as Members of the Management Boards, these individuals are not be entitled to Variable Remuneration payable in 2025.



# Remuneration of Management Board Members

For 2024, the Supervisory Board set identical quantitative objectives and individualised (reflecting different scopes of responsibility) qualitative objectives for each of the Management Board Members listed below and assigned relevant bonus thresholds to these objectives.

## Quantitative objectives set for 2024 for Members of the Management Board listed below

No.	Set of Management Objectives (GM 14 Jun 2019)	Individual Bonus Objectives for 2024 for Members of the Management Board: Ireneusz Fąfara, Witold Literacki, Ireneusz Sitarski, Magdalena Bartoś, Robert Soszyński, Wiesław Prugar, Artur Osuchowski, Marek Balawejder, Marcin Wasilewski	Weight of Individual Bonus Objective	Measure	Degree of achievement of Individual Bonus Objective		
					maximum	optimum	minimum
1	Improvement of operational efficiency indicators	LIFO-based EBITDA of the ORLEN Group (% of objective achievement in the actual macro)	20%	%	100%	80%	60%
2		Net debt/EBITDA of the ORLEN Group	10%	ratio	1.0	1.5	2.0
3	Implementation of strategic investment projects in line with the approved budget and schedule at the ORLEN Group,	Growth CAPEX of the ORLEN Group (% of objective achievement in the actual macro)	15%	%	95%	70%	60%
4	Improvement of cost efficiency at the ORLEN Group	Maintenance CAPEX + general and personnel costs of the ORLEN Group (% of objective achievement in the actual macro)	10%	%	98%	100%	102%
5	Implementation of a long-term strategy with respect to security of supplies, and with respect to procurement and storage of energy	Share of crude oil purchased under long-term contracts for the ORLEN Group (as % of total annual purchases)	10%	%	35%	30%	25%
6	Increase of the TSR (Total Shareholder Return) of ORLEN S.A. relative to the market	stock performance: ORLEN's TSR relative to the market	5%	%	optimum (+20pp)	at par with the market	optimum (-20pp)
7	Reduction of the Total Recordable Rate at the ORLEN Group	accident rate: TRR of the ORLEN Group and its external contractors;	5%	number of accidents/ma n-hours	1.54	1.70	1.86

Additionally, in accordance with the relevant resolutions of the General Meeting, the Supervisory Board set the following separate objectives as a precondition to payment of Variable Remuneration for 2024:

- Ensuring the application of remuneration policies for members of management and supervisory bodies that are compliant with the provisions of the Remuneration Act across all Group companies; and
- Ensuring the fulfilment of the obligations set forth in Art. 17-20, Art. 22 and Art. 23 of the Act on State Property Management of 16 December 2016 at the Company's subsidiaries within the meaning of Art. 4.3 of the Act on Competition and Consumer Protection of 16 February 2007.

## Qualitative objectives set for 2024 for Members of the Management Board listed below

No.	Set of Management Objectives (GM 14 Jun 2019)	Qualitative objective for 2024	Weight of Individual Bonus Objective	Measure	Degree of achievement of Individual Bonus Objective
8	Development of the project portfolio and increasing the amount of expenditure allocated to research, development and innovation	<b>Ireneusz Fąfara</b> <ul style="list-style-type: none"> <li>▪ Revision of the ORLEN Group's strategy, including a revision of the portfolio of strategic projects and essential corporate initiatives</li> <li>▪ Oversight of the implementation of strategic projects</li> <li>▪ Review and development of the ORLEN Group's Sponsorship Strategy</li> <li>▪ Successfully enhancing the Group's credit ratings and public image and maintaining strong public and international relations</li> <li>▪ Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target</li> <li>▪ Execution of projects to implement the Sustainable Development Strategy for 2024-2030</li> </ul>	25%	points	Supervisory Board's assessment of the achievement of the qualitative objective 0 pts – unsatisfactory 60 pts – moderate 80 pts – satisfactory 100 pts – very good 120 pts – above expectations



# Remuneration of Management Board Members

## Witold Literacki

- Revision of the ORLEN Group's strategy
- Supporting the implementation of strategic projects
- Mitigation of regulatory risks
- Developing a segment-specific OHS management system within the ORLEN Group
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Magdalena Bartoś

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Ensuring maintenance of the financial security ratios set out in the ORLEN strategy
- Continued diversification of financing sources for selected ORLEN Group investment projects
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Ireneusz Sitarski

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Maximising the Group's gross wholesale margin, while optimising the utilisation of ORLEN's own production and logistics assets, coupled with active trading strategies
- Maintaining market leadership in home markets and achieving optimal expansion in associated markets
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Robert Soszyński

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Securing and optimising gas supplies
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Artur Osuchowski

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Development of a transition plan for heat generation assets of the Energa Group and PGNiG Termika
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Marek Balawejder

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Enhancing and optimising the service station network in Poland and abroad, developing an electric mobility expansion plan, and reviewing the efficiency levels of operations within the Member's area of responsibility
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Marcin Wasilewski

- Revision of the ORLEN Group's strategy
- Ensuring efficient operation of production assets
- Implementing strategic projects within the Member's area of responsibility
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

## Wiesław Prugar

- Revision of the ORLEN Group's strategy
- Implementing strategic projects within the Member's area of responsibility
- Consolidation of domestic upstream operations
- Implementation of decarbonisation measures contributing to the reduction of greenhouse gas emissions within the 2030 time horizon and achievement of the 2050 Net Zero target
- Execution of projects to implement the Sustainable Development Strategy for 2024-2030

Variable Remuneration potentially due to the following Management Board Members serving in 2024 for achieving Management Objectives in 2024, payable in 2025 (PLN thousand).

Full name	Term of service in 2024	Variable Remuneration
Ireneusz Fąfara	11 Apr–31 Dec 2024	998
Witold Literacki	6 Feb–31 Dec 2024	1,253
Ireneusz Sitarski	16 May–31 Dec 2024	878
Magdalena Bartoś	1 May–31 Dec 2024	932
Robert Soszyński	1 May–31 Dec 2024	932
Wiesław Prugar	1 May–31 Dec 2024	932
Artur Osuchowski	13 Jun–31 Dec 2024	769
Marek Balawejder	1 Aug–31 Dec 2024	583
Marcin Wasilewski	6 Nov–31 Dec 2024	213

Pursuant to the Contract, a Supervisory Board resolution may be the basis for payment of Variable Remuneration for the achievement of the prior year's Management Objectives, subject to prior approval by the General Meeting of the Directors' Report on the Company's operations, ORLEN S.A.'s financial statements and the ORLEN Group's consolidated financial statements, as well as subject to discharging a Management Board Member of liability for their activities.

If these conditions are met, Variable Remuneration is paid by the end of the calendar year in which the General Meeting of ORLEN S.A. approves the above mentioned documents.

# Remuneration of Management Board Members

## Total remuneration of Management Board Members paid by ORLEN S.A. in 2024 (PLN gross)

Full name	Term of service in the reporting period	Fixed Remuneration paid in 2024	Variable Remuneration paid in 2024 for 2023 performance	Additional benefits paid 2024				Total additional benefits paid in 2024	Total remuneration paid in 2024	Ratio of Variable Remuneration (paid for 2023 performance) to Fixed Remuneration paid in 2024 (%)	Ratio of other additional benefits to Fixed Remuneration paid in 2024 (%)
				Severance payment on Contract termination	Non-complete compensation on termination of service on the Management Board	Compensation for remaining available for the Company following termination of the Contract	Other additional benefits <sup>1</sup>				
Daniel Obajtek	1 Jan–5 Feb 2024	135,933.18	n/a	349,542.45	699,084.90	349,542.45	165,539.24	1,563,709.04	1,699,642.22	n/a	1150.35%
Patrycja Klarecka	1 Jan–5 Feb 2024	135,933.18	n/a	n/a	699,084.90	n/a	13,421.90	712,506.80	848,439.98	n/a	524.16%
Józef Węgrecki	1 Jan–30 Apr 2024	466,056.60	n/a	349,542.45	699,084.90	n/a	18,562.59	1,067,189.94	1,533,246.54	n/a	228.98%
Armen Artwich	1 Jan–5 Feb 2024	135,933.18	n/a	n/a	699,084.90	n/a	808.98	699,893.88	835,827.06	n/a	514.88%
Michał Róg	1 Jan–5 Feb 2024	135,933.18	n/a	n/a	699,084.90	n/a	5,981.90	705,066.80	840,999.98	n/a	518.69%
Adam Burak	1 Jan–6 Feb 2024	139,816.98	n/a	349,542.45	699,084.90	n/a	23,808.98	1,072,436.33	1,212,253.31	n/a	767.03%
Jan Szewczak	1 Jan–5 Feb 2024	135,933.18	n/a	n/a	699,084.90	n/a	1,881.90	700,966.80	836,899.98	n/a	515.67%
Piotr Sabat	1 Jan–6 Feb 2024	139,816.98	n/a	349,542.45	699,084.90	n/a	37,860.82	1,086,488.17	1,226,305.15	n/a	777.08%
Krzysztof Nowicki	1 Jan–6 Feb 2024	139,816.98	n/a	349,542.45	699,084.90	n/a	5,659.01	1,054,286.36	1,194,103.34	n/a	754.05%
Iwona Waksmundzka-Olejniczak	1 Jan–6 Feb 2024	139,816.98	n/a	349,542.45	699,084.90	n/a	103,306.90	1,151,934.25	1,291,751.23	n/a	823.89%
Robert Perkowski	1 Jan–6 Feb 2024	139,816.98	n/a	349,542.45	699,084.90	n/a	1,881.90	1,050,509.25	1,190,326.23	n/a	751.35%
<b>Total 2024</b>		<b>1,844,807.40</b>		<b>2,446,797.15</b>	<b>7,689,933.90</b>	<b>349,542.45</b>	<b>378,714.12</b>	<b>10,864,987.62</b>	<b>12,709,795.02</b>		
Ireneusz Fąfara	11 Apr–31 Dec 2024	998,137.89	n/a	n/a	n/a	n/a	9,017.10	9,017.10	1,007,154.99	n/a	0.90%
Witold Literacki	6 Feb–31 Dec 2024	1,253,174.40	n/a	n/a	n/a	n/a	14,505.43	14,505.43	1,267,679.83	n/a	1.16%
Ireneusz Sitarski	16 May–31 Dec 2024	1,083,581.59 <sup>2</sup>	n/a	n/a	n/a	n/a	0.00	0.00	1,083,581.59	n/a	0.00%
Magdalena Bartoś	1 May–31 Dec 2024	932,113.20	n/a	n/a	n/a	n/a	0.00	0.00	932,113.20	n/a	0.00%
Robert Soszyński	1 May–31 Dec 2024	932,113.20	n/a	n/a	n/a	n/a	0.00	0.00	932,113.20	n/a	0.00%
Wiesław Prugar	1 May–31 Dec 2024	932,113.20	n/a	n/a	n/a	n/a	7,013.30	7,013.30	939,126.50	n/a	0.75%
Artur Osuchowski	13 Jun–31 Dec 2024	768,993.39	n/a	n/a	n/a	n/a	1,001.90	1,001.90	769,995.29	n/a	0.13%
Marek Balawejder	1 Aug–31 Dec 2024	582,570.75	n/a	n/a	n/a	n/a	15,009.50	15,009.50	597,580.25	n/a	2.58%
Marcin Wasilewski	6 Nov–31 Dec 2024	213,609.27	n/a	n/a	n/a	n/a	2,003.80	2,003.80	215,613.07	n/a	0.94%
Kazimierz Mordaszewski <sup>3</sup>	7 Feb–7 May 2024	349,542.45	n/a	n/a	n/a	n/a	0.00	0.00	349,542.45	n/a	0.00%
Tomasz Zieliński <sup>3</sup>	7 Feb–7 May 2024	349,542.45	n/a	n/a	n/a	n/a	0.00	0.00	349,542.45	n/a	0.00%
Tomasz Sójka <sup>3</sup>	7–16 Feb 2024	38,838.05	n/a	n/a	n/a	n/a	0.00	0.00	38,838.05	n/a	0.00%
<b>Total 2024</b>		<b>8,434,329.84</b>					<b>48,551.03</b>	<b>48,551.03</b>	<b>8,482,880.87</b>		

<sup>1</sup> Other additional benefits may include: non-cash benefits added to income before tax (medical benefits, rental of premises, training, ECP) and cash benefits added to income before tax (reimbursement of medical expenses).

<sup>2</sup> During his service as Member of the Supervisory Board, Ireneusz Sitarski was delegated to temporarily act as Member of the Management Board in the period from 17 February to 10 April 2024, and his remuneration for serving in the delegated capacity in this period is presented in the column "Fixed Remuneration paid in 2024"

<sup>3</sup>Members of the Supervisory Board delegated to temporarily act as Management Board Members: Tomasz Sójka, Tomasz Zieliński, Kazimierz Mordaszewski

# Remuneration of Management Board Members

Remuneration received by Members of the Management Board in 2024 for serving on the management and supervisory bodies of ORLEN Group entities other than ORLEN S.A. and entities jointly controlled by ORLEN S.A. (PLN gross):

Name of ORLEN Group company	Full name	Position held at ORLEN Group company	Term of service at ORLEN Group company in 2024	Remuneration paid in 2024
Orlen Synthos Green Energy Sp. z o.o.	Daniel Obajtek	Deputy Chair of the Supervisory Board	1 Jan–9 Feb 2024	142,017.26 <sup>4</sup>
Orlen Synthos Green Energy Sp. z o.o.	Michał Róg	Member of the Supervisory Board	1 Jan–9 Feb 2024	142,017.26 <sup>5</sup>
Orlen Synthos Green Energy Sp. z o.o.	Iwona Waksmundzka-Olejniczak	First Vice President of the Management Board	31 Jan–25 Mar 2024	524,238.10 <sup>6</sup>
ORLEN Upstream Norway AS	Iwona Waksmundzka-Olejniczak	Director	1 Jan–23 Feb 2024	not remunerated
System Gazociągów Tranzytowych EUROPOL GAZ S.A. <sup>2</sup>	Iwona Waksmundzka-Olejniczak	Member of the Supervisory Board	1 Jan–26 Mar 2024	32,212.77 <sup>7</sup>
System Gazociągów Tranzytowych EUROPOL GAZ S.A. <sup>2</sup>	Robert Perkowski	Member of the Supervisory Board	1 Jan–26 Mar 2024	30,746.11
ENERGA S.A.	Ireneusz Fąfara	Member of the Supervisory Board, Chair of the Supervisory Board	18 Jun–31 Dec 2024, 26 Jun–31 Dec 2024	not remunerated
Baltic Power Sp. z o.o.	Artur Osuchowski	Member of the Supervisory Board	19 Aug–31 Dec 2024	not remunerated
ENERGA OBRÓT S.A. <sup>3</sup>	Marek Balawejder	Chair of the Supervisory Board	18 Dec–31 Dec 2024	not remunerated
ORLEN Deutschland GmbH	Marek Balawejder	Chair of the Supervisory Board	8 Aug–31 Dec 2024	not remunerated
ORLEN Unipetrol a.s.	Marek Balawejder	Member of the Supervisory Board	20 Aug–31 Dec 2024	not remunerated
PGNiG Obrót Detaliczny Sp. z o.o.	Marek Balawejder	Chair of the Supervisory Board	12 Nov–31 Dec 2024	not remunerated
Sigma BIS S.A.	Marek Balawejder	Chair of the Supervisory Board	14 Dec–31 Dec 2024	not remunerated
ORLEN Petrobaltic S.A.	Wiesław Prugar	President of the Management Board	29 May–31 Dec 2024	not remunerated
ORLEN Upstream Polska Sp. z o.o.	Wiesław Prugar	President of the Management Board	30 May–31 Dec 2024	not remunerated
LOTOS SPV 1 Sp. z o.o.S	Wiesław Prugar	President of the Management Board	30 May–31 Dec 2024	not remunerated
LOTOS Upstream Sp. z o.o.	Wiesław Prugar	President of the Management Board	30 May–31 Dec 2024	not remunerated
Orlen Synthos Green Energy Sp. z o.o.	Marcin Wasilewski	Member of the Supervisory Board	4 Dec–31 Dec 2024	not remunerated
System Gazociągów Tranzytowych EUROPOL GAZ S.A. <sup>2</sup>	Robert Soszyński	Member of the Supervisory Board	2 Aug–31 Dec 2024	not remunerated

<sup>1</sup> The entity is jointly controlled by ORLEN S.A. (50% interest) but is not a member of the ORLEN Group.

<sup>2</sup> The entity was jointly controlled by ORLEN S.A. but was not a member of the ORLEN Group until 1 November 2023 Wholly owned since 2 November 2023

<sup>3</sup> Wholly owned by ENERGA S.A.

<sup>4</sup> Of which remuneration for December 2023 paid in 2024: PLN 57,500

<sup>5</sup> Of which remuneration for December 2023 paid in 2024: PLN 57,500

<sup>6</sup> Including PLN 77,000 compensation for termination of the Contract and PLN 30,000 fee for advisory services rendered in December 2023 under a separate agreement, paid in 2024

<sup>7</sup> Including remuneration of PLN 13,199.96 for Q4 2023 paid in 2024 and remuneration of PLN 19,012.81 for serving on the Supervisory Board in the period from 7 February to 26 March 2024 following removal from the position of Vice President of the ORLEN Management Board

<sup>8</sup> Including remuneration of PLN 11,733.30 for Q4 2023 paid in 2024 and remuneration of PLN 19,012.81 for serving on the Supervisory Board in the period from 7 February to 26 March 2024 following removal from the position of Member of the ORLEN Management Board

# Remuneration of Supervisory Board Members

The rules of remuneration for Supervisory Board Members were determined in a resolution passed by the Company's General Meeting, taking into account the rules stipulated in the Commercial Companies Code and the Company's Articles of Association, as well as pursuant to and within the limits specified in the Remuneration Act. **Members of the Supervisory Board were entitled to:**

- **monthly remuneration payable based on the corporate relationship resulting from their appointment as Supervisory Board Members, for the duration of their service at the Company, and**
- **to reimbursement of expenses related to the performance of their duties.**

## FIXED REMUNERATION

Pursuant to Resolution No. 45 of the Extraordinary General Meeting of PKN ORLEN S.A. of 14 June 2019, the monthly remuneration of Members of the Supervisory Board was calculated as the product of the reference salary referred to in Art. 1.3.11 of the Remuneration Act, and the following multipliers:

- **for Chair of the Supervisory Board – 2.2**
- **for other Members of the Supervisory Board – 2**

The amount of remuneration payable to Supervisory Board Members varied depending on their roles. If a Supervisory Board Member held office for a period shorter than the month for which such remuneration was due, the remuneration amount was calculated pro rata to the actual number of days in office. A Supervisory Board Member did not receive remuneration for a month during which that Member was absent from a meeting and such absence was not authorised (absences of Supervisory Board Members being authorised by way of Supervisory Board resolutions). The amount of remuneration for the Supervisory Board Members who met the independence criteria was conducive to maintaining their independence from the majority shareholder and the Company's decision-makers.

### Total remuneration paid by ORLEN S.A. to Supervisory Board Members in 2024 (PLN gross)

Full name	Term of service in the reporting period	Fixed Remuneration paid in 2024	Other <sup>1</sup>	Total remuneration paid in 2024
Wojciech Jasiński	1 Jan–6 Feb 2024	20,624.34		20,624.34
Andrzej Szumański	1 Jan–6 Feb 2024	18,749.40		18,749.40
Anna Wójcik	1 Jan–6 Feb 2024	18,749.40	442.01	19,191.41
Barbara Jarzembowska	1 Jan–6 Feb 2024	18,749.40		18,749.40
Andrzej Kapala	1 Jan–6 Feb 2024	18,749.40	490.22	19,239.62
Roman Kusz	1 Jan–6 Feb 2024	18,749.40	490.22	19,239.62
Jadwiga Lesisz	1 Jan–6 Feb 2024	18,749.40	490.22	19,239.62
Anna Sakowicz-Kacz	1 Jan–6 Feb 2024	18,749.40		18,749.40
<b>Total 2024</b>		<b>151,870.14</b>	<b>1,912.67</b>	<b>153,782.81</b>
Wojciech Popiolek	25 Jan–31 Dec 2024	191,834.89	6,372.01	198,206.90
Michał Gajdus	6 Feb–31 Dec 2024	169,692.40		169,692.40
Katarzyna Łobos	6 Feb–31 Dec 2024	169,692.40		169,692.40
Ewa Gąsiorek	6 Feb–31 Dec 2024	169,692.40	1,398.18	171,090.58
Kazimierz Mordaszewski <sup>2</sup>	6 Feb–31 Dec 2024	121,371.32		121,371.32
Mikołaj Pietrzak	6 Feb–31 Dec 2024	169,692.40		169,692.40
Tomasz Sójka <sup>2</sup>	6–16 Feb 2024	597.51		597.51
Ireneusz Sitarski <sup>2</sup>	6 Feb–15 May 2024	23,766.52		23,766.52
Piotr Wielowieyski	25 Apr–24 Jun 2024, 24 Jul–31 Dec 2024	112,755.63		112,755.63
Marian Sewerski	24 Jul–31 Dec 2024	81,685.19		81,685.19
Tomasz Zieliński <sup>2</sup>	6 Feb–31 Dec 2024	121,371.32	1,074.71	122,446.03
Ewa Sowińska	2 Dec–31 Dec 2024	15,034.08		15,034.08
<b>Total 2024</b>		<b>1,347,186.06</b>	<b>8,844.90</b>	<b>1,356,030.96</b>

<sup>1</sup> Other may include reimbursement of expenses related to the performance of duties (including travel and accommodation expenses) and the Employee Capital Plan (ECP).

<sup>2</sup> During their service on the Supervisory Board, the Member was temporarily delegated to act as Member of the Management Board in the period indicated on page 3. The remuneration received for serving in the delegated capacity in this period is presented in the "Remuneration of Management Board Members" table on page 10.

# Criteria applied to assess the achievement of management objectives

## Assessment criteria for quantitative objectives

- When setting quantitative objectives for Management Board Members, the expected levels of their achievement (thresholds) were clearly defined. The primary sources of data for assessing the achievement of quantitative financial objectives include materials concerning the Budget for the year which the objectives relate to, as presented to the Supervisory Board, audited financial statements of Group companies, reporting systems such as SAP, HFM Planning and HFM Statutory Reporting, as well as accounting records, source documents, and publicly available stock exchange filings. In accordance with the methodology adopted under the "Rules for Setting and Assessing the Delivery of Individual Bonus Objectives for Members of the Management Board of ORLEN S.A. for 2023", the said assessment involves adjusting the budgeted targets (for LIFO-based EBITDA, CAPEX, and costs) to reflect the actual macroeconomic conditions, as well as eliminating the effect of one-offs on LIFO-based EBITDA, CAPEX, and general and personnel costs.
- In addition, at the Supervisory Board's request, the quantitative objectives were independently reviewed by KPMG Audyt sp. z o.o. sp.k. to confirm alignment with the underlying assumptions, consistency with ORLEN's MBO principles, and accuracy against financial data reported for the year.

## Assessment criteria for qualitative objectives

The qualitative objectives for Members of the ORLEN Management Board are assessed on the basis of:

- Rules of the Incentive Scheme for the Management Board:
  - Reports by Management Board Members on the delivery of qualitative objectives, submitted by the prescribed deadline
- Achievement of the objectives related to the delivery of strategic Programmes and Projects, as well as innovations, including:
  - Efficiency of the activities pursued as part of the projects;
  - Effects of actions taken as part of the projects defined in the MBO Sheet on the delivery of the Strategy;
  - Level of a Management Board Member's involvement in the achievement of a given objective;
  - Implementation of external and internal innovations through R&D&I projects, in keeping with the Strategic Research Agenda;
  - Building a culture of innovation by developing innovation acquisition tools at ORLEN.
- Additional factors and reports:
  - Macroeconomic environment as well as legal and administrative conditions facilitating or determining the achievement of qualitative objectives;
  - Market trends;
  - Reports on the delivery of Strategic Projects and Initiatives;
  - Reports on the delivery of the ORLEN Group's Strategy submitted on a regular basis to the Supervisory Board;
- Scale applied to assess the achievement of qualitative objectives set out in the Rules of the Incentive Scheme for the Management Board.

## Assessment criteria for separate objectives that needed to be met as a precondition to payment of Variable Remuneration

The assessment of fulfilment by Management Board Members of the separate objective is based on:

- Report of the Management Board of ORLEN S.A. on the application of the principles of remunerating members of management and supervisory boards of ORLEN Group companies in accordance with the Remuneration Act;
- Report of the Management Board of ORLEN S.A. on the performance of obligations under the Act on State Property Management at ORLEN Group subsidiaries;
- Statement by Members of the Management Board of ORLEN S.A. on compliance with the requirements of the said Act.
- Reports on achievement of separate objectives set as preconditions for payment of Variable Remuneration for a given year, submitted by Management Board Members whose mandate expired.

# Consistency of total remuneration with the Remuneration Policy and explanation of how it affects the Company's long-term performance

The rules of remuneration for Members of the Management Board and the Supervisory Board were determined in accordance with the Remuneration Act and in consideration of the Remuneration Policy for Members of the Management Board and the Supervisory Board of ORLEN S.A. as updated by Resolution No. 36 of the Annual General Meeting of ORLEN S.A. of 25 June 2024. The Remuneration Policy at ORLEN is designed to support the achievement of the Company's objectives, especially the long-term growth in shareholder value and operational stability. One of the key objectives of the Remuneration Policy for members of the Company's governing bodies is to support the delivery of the long-term strategic goals, while ensuring the Company's solid financial performance and stability.

- In 2024, the ORLEN Group Business Strategy 2035 was developed, which was published on 9 January 2025. The revised strategy represents the most ambitious investment plan in the history of the Polish energy sector, involving capital expenditure of PLN 380 billion and cumulative EBITDA estimated at PLN 500–550 billion by 2035. Its key objectives include expanding natural gas production, constructing four offshore wind farms, developing large-scale energy storage facilities, and delivering at least two small modular nuclear reactors. The strategy has been developed in response to the rapidly changing external environment, taking into account macroeconomic conditions, the regulatory landscape, and competitive pressures. Consequently, ORLEN aims to position itself as a leader in Central Europe's energy transition, ensuring energy security and supporting economic growth across the region.
- In view of prevailing market trends, the ORLEN Group has defined strategic energy transition trajectories and objectives for its four key business segments:
  - Upstream & Supply: increasing natural gas production, with planned cumulative deliveries of 27 bcm to the Polish market
  - Downstream: achieving over 25% share of renewable energy in the Group's fuel mix
  - Energy: expanding renewable generation capacity to 12.8 GW, including 0.6 GW from offshore wind farms, and developing small modular nuclear reactors
  - Consumers & Products: building a customer base of 10 million loyal subscribers to the VITAY programme
- Delivery of these goals will be supported by concrete measures across core areas, including decarbonisation, digitalisation, transformation and integration, capital investment excellence, and cultural change. Implementation will occur through 12 Strategic Programmes and 34 Strategic Initiatives.
- To underpin these efforts, the Group is advancing its Sustainable Development Strategy and the ORLEN Group Climate Policy, structured around key pillars: minimising climate impact, protecting natural resources and biodiversity, ensuring occupational health and safety and high standards of employee wellbeing, building strong relations with communities and other stakeholders, and responsible corporate governance.
- Throughout 2024, ORLEN pursued strategic capital projects across its core businesses. Traditional activities, such as gas exploration and trading, focused on securing reliable energy supplies, while refining and petrochemical projects aimed at production optimisation and value creation. Furthermore, the Group took measures to accelerate the energy transition and effect its decarbonisation agenda, particularly by increasing its wind power capacities, innovating in alternative fuels, and developing Carbon Capture, Utilisation and Storage (CCUS) technologies.
- In 2024, following a series of internal audits and assessments, the Management Board decided to suspend or restructure certain projects. Notably, following disciplined capital allocation principles, it resolved to discontinue the Olefins III project, as its expected execution costs would significantly exceed the original estimates. To mitigate adverse economic impacts of the project, ORLEN will repurpose the existing infrastructure as the foundation for implementing the strategic "New Chemicals" project.
- In addition, to capitalise on merger-driven synergies, the ORLEN Group completed the integration of domestic oil and gas producing subsidiaries acquired through its mergers with the LOTOS and PGNiG Group, with ORLEN Upstream Polska acting as the integrating entity.
- Meanwhile, the ORLEN Group continued its innovation efforts, addressing challenges posed by the global energy transition. Through collaboration with the academia and leveraging government grants, the Group executed projects related to sustainable development, decarbonisation, and digital transformation.
- Implementation of these initiatives was integrated into the Management Objectives set for Members of the Management Board, affecting the amount of their Variable Remuneration.

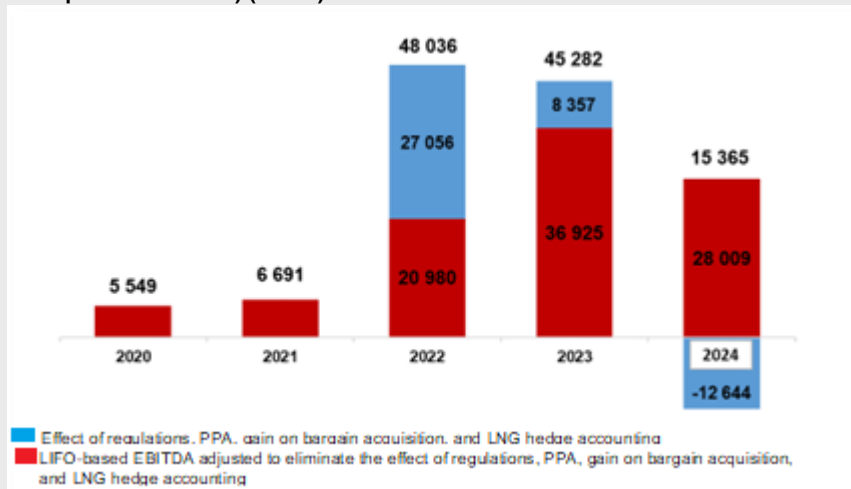


# Changes in the remuneration of Members of the Management Board and the Supervisory Board relative to the Company's performance and the remuneration of employees

## FINANCIAL PERFORMANCE OF ORLEN S.A.

The business analysis and assessment of ORLEN S.A.'s performance rely mainly on LIFO-based EBITDA, which fully reflects the effect of the macroeconomic variables on the Company's performance by measuring feedstock consumption at the currently prevailing market prices.

### LIFO-based EBITDA at ORLEN S.A. in 2020–2024 (excluding the effect of impairment losses<sup>1</sup>) (PLNm)



<sup>1</sup> Net effect of impairment losses on property, plant and equipment, intangible assets, and other assets (excluded from LIFO-based EBITDA):

- 2020: PLN (-)23 million,
- 2021: PLN (-)78 million,
- 2022: PLN (-)3,470 million,
- 2023: PLN (-)14,525 million,
- 2024: PLN (-)5,196 million.

LIFO-based EBITDA of ORLEN S.A. for 2024, net of impairment losses on non-current assets, was **PLN 15,365 million**, including the effect of accounting for the final fair values of the PGNiG Branch Complex's assets and liabilities as at the acquisition date, of PLN 2,465 million, and the regulatory effects related to contributions to the Price Difference Compensation Fund, of PLN (-)15,109. LIFO-based EBITDA of PLN 45,282 million for 2023 included the effect of accounting for the final fair values of assets and liabilities of the PGNiG Branch Complex as at the acquisition date, of PLN 15,040 million, regulatory effects of PLN (-)13,848, , and the effect of cash flow hedging transactions, reflecting the discontinuation of hedge accounting for a designated portfolio of hedging instruments related to LNG purchases from Venture Global, resulting in a net positive impact of PLN 7,165 million. Net of the one-off effects in both years, LIFO-based EBITDA for 2024 was **PLN 28,009 million, down by PLN (-)8,916 million year on year**.

Changes in macroeconomic factors depressed ORLEN S.A.'s results by **PLN (-) 18,612 million year on year**, primarily reflecting the negative impact of lower year-on-year margins (crack spreads) on light and medium distillates and PTA, partly offset by higher year-on-year margins on olefins, polyolefins, and heavy fuel oil, as well as the positive impact of the appreciation of PLN against foreign currencies, mainly seen in the Gas segment, resulting in lower costs of natural gas and LNG purchases.

ORLEN S.A.'s total sales volumes in the Refining, Petrochemicals, and Retail segments decreased slightly by (0.7)% year on year, to 26,142 thousand tonnes. Sales in the Energy segment decreased by (2.9)% year on year, to 6.7 TWh. Conversely, in the Upstream segment sales expanded by 0.2% year on year, to 14.9 million boe, while Gas segment volumes rose by 9.5% year on year, to 207 TWh. Reflecting these sales trends, the combined volume effect amounted to **PLN (87) million year on year**.

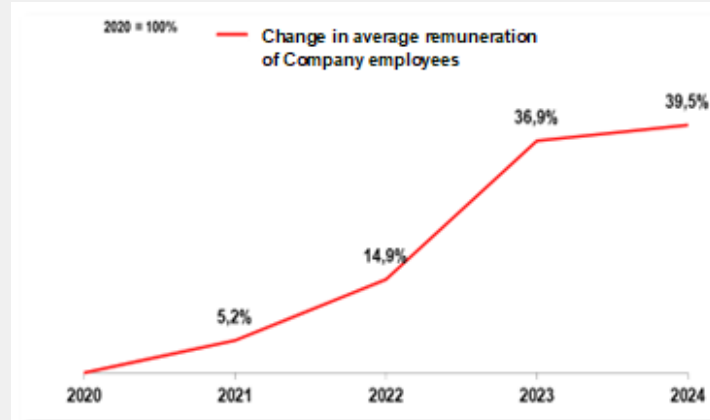
The effect of other factors was positive at **PLN 9,783 million year on year** and included:

- the effect from compensation received for outages at the Gudron Hydrodesulfurisation unit (PLN 854 million) and the Hydrocracking unit (PLN 84 million);
- the effect of accounting policy changes applied by ORLEN, amounting to PLN (1,218) million year on year, mainly due to changes in exchange rate differences on trade receivables and payables following the appreciation of PLN against foreign currencies;
- other factors amounting to PLN 10,065 million year on year, mainly reflecting positive effects from gas withdrawals from storage accompanied by lower trading margins on high-nitrogen and high-methane gas sales in the Gas segment, improved trading margins in the Refining and Retail segments, partially offset by lower margins in the Petrochemicals segment and higher year-on-year general and administrative expenses and labour costs.

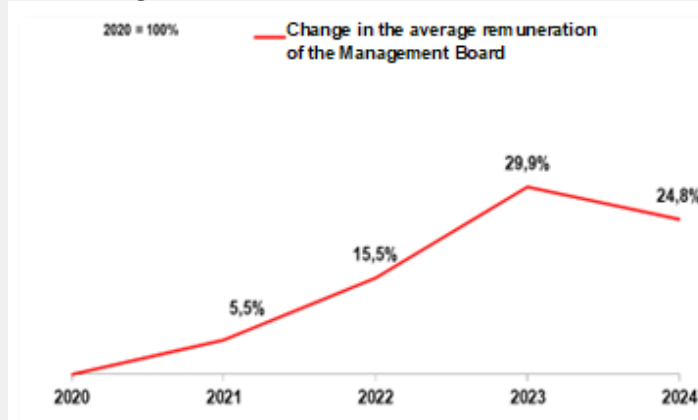


# Changes in the remuneration of Members of the Management Board and the Supervisory Board relative to the Company's performance and the remuneration of employees

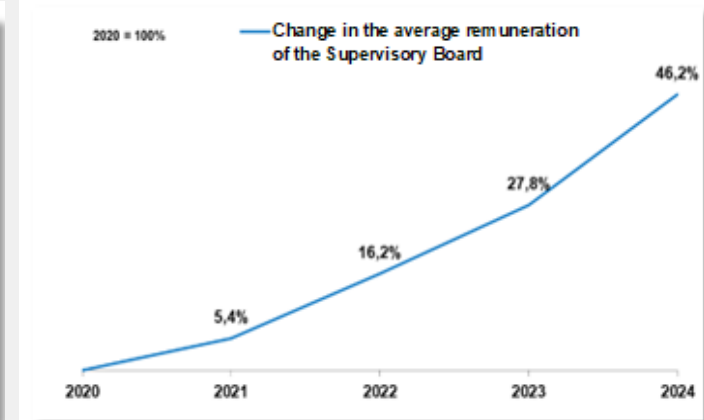
Changes in the average remuneration of ORLEN S.A. employees relative to 2020<sup>1</sup>



Changes in the average remuneration (fixed and variable portions) of the Management Board<sup>2</sup> relative to 2020



Changes in the average fixed remuneration of the Supervisory Board<sup>3</sup> relative to 2020



<sup>1</sup> Excluding remuneration of the Management Board and Supervisory Board, remuneration under temporary contracts (for specific services or works) and severance payments for employees leaving the Company.

<sup>2</sup> The average remuneration was calculated based on the remuneration paid and payable or potentially payable in the following year.

<sup>3</sup> The average remuneration was calculated based on the remuneration paid and payable for a given financial year.

- In 2020-2024, the Company delivered strong operating performance (LIFO-based EBITDA). In 2024, ORLEN S.A.'s LIFO-based EBITDA came in at PLN 15.4 billion.
- The increase in the average remuneration of ORLEN S.A.'s Management Board and Supervisory Board in 2020-2024 is the consequence of the increase in the average monthly salary paid in the non-financial corporate sector (net of bonuses paid from profit).
- The increase in the remuneration of employees (other than Members of the Management Board and the Supervisory Board) reflected the adopted remuneration policy set out in the Collective Bargaining Agreement.
- Each year additional pay agreements are concluded with trade unions, which provide for mandatory pay increases, one-off awards, holiday bonuses and other components of remuneration.

## Other information

- The number of financial instruments granted or offered, and the main conditions for the exercise of the rights attached thereto, including the exercise price and date and any change thereof;  
**Not applicable to Members of the Management Board and the Supervisory Board of ORLEN S.A. in 2024**
- Information on any deviations from the procedure for the implementation of the Remuneration Policy and on any derogations applied in accordance with Art. 90f of the Public Offering Act, including the explanation of the reasons for and the manner of such derogations and the indication of the specific elements derogated from.  
**Not applicable to ORLEN S.A. in 2024**
- Acting pursuant to Art. 395.2.1 of the Commercial Companies Code in conjunction with Art. 90g.6 of the Public Offering Act, the Annual General Meeting of ORLEN S.A., having considered the auditor's assessment of the Report of the Supervisory Board of ORLEN S.A. on remuneration of members of the Management Board and the Supervisory Board for 2023, resolved to endorse (without qualification) the Report as authorised by the Supervisory Board (Resolution No. 35 of the Annual General Meeting of ORLEN Spółka Akcyjna, dated 25 June 2024, to endorse the Report of the Supervisory Board of ORLEN S.A. on remuneration of members of the Management Board and the Supervisory Board for 2023). This report includes a continuation of the description the rules of remuneration applicable to members of the Company's governing bodies, based on the data presented in the remuneration report of the prior period.
- Under the provisions of the Contract, the Company was entitled to claim a refund of Variable Remuneration paid to a Management Board Member if it was demonstrated that the Variable Remuneration had been paid to the Management Board Member based on information later found to be false, where Members of the Management Board were responsible for the falsehood (even if this did not apply to the Management Board Member concerned). If Members of the Management Board were not responsible for the falsehood of such information, the Management Board Member concerned was obliged to return the difference between the amount of Variable Remuneration received and the amount that would have been due based on correct information.  
**In 2024, no situation arose where the option to reclaim Variable Remuneration components would be exercised.**

### The rules of remuneration for Members of the Management Board of ORLEN S.A. are governed by:

- Act on Rules of Remunerating Persons Who Direct Certain Companies (the Remuneration Act)
- Resolutions of the General Meeting on the rules of remuneration for Management Board Members
- Remuneration Policy adopted by the General Meeting on 5 June 2020 and updated on 25 June 2024
- Resolutions of the Supervisory Board setting individual terms and conditions for the provision of services based on the documents referred to in items 1 and 2, and also based on the Remuneration Policy as of 2020
- Contract for the provision of management services
- Rules of the Incentive Scheme for the Management Board
- Commercial Companies Code

### The rules of remuneration for Members of the Supervisory Board of ORLEN S.A. are governed by:

- Act on Rules of Remunerating Persons Who Direct Certain Companies (the Remuneration Act)
- Resolutions of the General Meeting on the rules of remuneration for Supervisory Board Members
- Commercial Companies Code



The Company shall publish the remuneration report on its website at [orlen.pl](https://orlen.pl) and shall make it available free of charge for at least 10 years after closing the General Meeting.

## Pictograms

\_\_\_\_\_  
**Wojciech Popiołek**  
Chair of the Supervisory Board  
ORLEN S.A.

\_\_\_\_\_  
**Michał Gajdus**  
Deputy Chair of the Supervisory Board  
ORLEN S.A.

Independent Statutory Auditor's Report on the Assurance  
Engagement Providing Reasonable Assurance as to the  
Assessment of the Report on Remuneration of ORLEN S.A.  
for year 2024

Forvis Mazars Sp. z o.o.  
ul. Piękna 18  
00-549 Warsaw

# INDEPENDENT STATUTORY AUDITOR'S REPORT ON THE ASSURANCE ENGAGEMENT PROVIDING REASONABLE ASSURANCE

*Translation of the document originally issued in Polish*

*To the General Meeting and the Supervisory Board of ORLEN S.A. [a joint stock company]*

We have been engaged to assess the accompanying report on remuneration of ORLEN S.A. (hereinafter "the Company") for year 2024 in terms of the completeness of information contained therein as required by Article 90g sections 1-5 and section 8 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to an Organized Trading System and Public Companies of 29 July 2005 (consolidated text: Journal of Laws of 2024, item 620, as amended) (hereinafter "Act on Public Offering").

## Identification of Criteria and Description of the Subject of the Engagement

The report on remuneration was prepared by the Supervisory Board in order to meet the requirements of Article 90g section 1 of the Act on Public Offering. The applicable requirements concerning the report on remuneration are laid out in the Act on Public Offering.

The requirements described in the preceding sentence provide the basis of the report on remuneration and form, in our opinion, appropriate criteria to formulate a conclusion providing reasonable assurance.

In accordance with the requirements of Article 90g section 10 of the Act on Public Offering, the report on remuneration is subject to the statutory auditor's assessment with respect to the inclusion of information required under Article 90g sections 1-5 and 8 of the Act on Public Offering. This report has been prepared to meet this requirement.

We define the statutory auditor's assessment mentioned in the preceding sentence and providing the basis for formulating our conclusion giving reasonable assurance as the assessment whether, in all material respects, the scope of information presented in the report on remuneration is complete and the information was disclosed with level of detail required by the Act on Public Offering.

## Responsibility of the Supervisory Board Members

In accordance with the Act on Public Offering the Supervisory Board Members of the Company are responsible for preparing the report on remuneration in accordance with the applicable legal regulations, and in particular for the completeness of this report and the information contained therein.

The responsibility of the Supervisory Board also includes the design, implementation, and maintenance of such internal control as determined to be necessary to enable the preparation of the complete report on remuneration that is free from material misstatement due to fraud or error.

## Statutory Auditor's Responsibility

Our objective was to assess the completeness of information included in the accompanying report on remuneration with respect to the criterion defined in the *Identification of criteria and description of the subject of the engagement* section and formulate based on the evidence obtained an independent conclusion of the assurance engagement performed providing reasonable assurance.

We performed our assurance engagement in accordance with the National Standard on Assurance Engagements Other than Audit and Review 3000 (Revised) in the form of the International Standard on Assurance Engagements 3000 (revised) – *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* adopted by resolution no. 3436/52e/2019 of the National Council of Statutory Auditors of 8 April 2019, as amended (hereinafter "NSAE 3000 (R)").

This standard imposes an obligation on the auditor to plan and execute procedures in order to obtain reasonable assurance, that the report on remuneration was prepared in a complete manner in accordance with specified criteria.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with the NSAE 3000 (R) will always detect a material misstatement when it exists.

The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements due to fraud or error. When performing risk assessment and in order to design appropriate procedures to be performed the auditor takes into consideration the internal controls related to the preparation of the complete report, which can provide the auditor with sufficient and appropriate evidence. The assessment of the internal controls was not performed for the purpose of expressing a conclusion on the effectiveness of the internal control.

## Summary of the Work Performed and Limitations of our Procedures

Procedures performed by us included in particular:

- getting acquainted with the report on remuneration and comparison of information contained therein to the applicable requirements;
- getting acquainted with the resolutions of the General Meeting of the Company concerning the remuneration policy of the Management Board and Supervisory Board Members and resolutions of the Supervisory Board detailing them;
- determining, by comparison to corporate documents, the list of persons with respect to which it is required to disclose information in the report on remuneration;
- determining whether all information provided for by the criteria concerning the preparation of the report on remuneration has been disclosed by inquiries to persons responsible for preparing the report, and where applicable, directly to persons concerned by the disclosure requirement.

Our procedures were aimed exclusively at obtaining evidence that the information included by the Supervisory Board in the report on remuneration in terms of their completeness complies with the applicable requirements. The objective of our works was not to assess the sufficiency of information included in the report on remuneration in terms of the preparation of the report on remuneration nor to assess the correctness and reliability of information included therein, in particular with respect to the

disclosed amounts, in which the estimates made for previous years, numbers, dates, breakdown, methods of allocation and compliance with the remuneration policy adopted by the Management Board.

The report on remuneration was not subject to audit in the sense of National Standards on Auditing. During the assurance procedures carried out we have not performed an audit or review of information used to prepare the report on remuneration and therefore we do not assume the responsibility for issuing or updating any reports or opinions on historical financial information of the Company.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### **Quality Control Requirements**

The audit firm applies national standards on quality control introduced by the resolution of the Council of the Polish Agency for Audit Oversight No. 38/I/2022 of 15 November 2022. National Standard on Quality Control 1 as per International Standard on Quality Management (PL) 1 requires the audit firm to design, implement and operate a system of quality management, including policies or procedures relating to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Ethical Requirements, including Independence**

While performing the assurance engagement, the statutory auditor and the audit firm have complied with the independence requirements and other ethical requirements as specified by the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, adopted by resolution of the National Council of Statutory Auditors No. 3431/52a/2019 of 25 March 2019 on the principles of professional ethics for statutory auditors, as amended ("the IESBA Code"). The IESBA Code is based on the fundamental principles related to integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. We have also complied with other independence and ethical requirements which are applicable to such assurance engagement in Poland.

### **Conclusion**

The statutory auditor's conclusion is based on the issues described above, therefore the conclusion should be read while taking these issues into consideration.

In our opinion the accompanying report on remuneration, in all material respects, contains all the elements specified in Article 90g sections 1-5 and section 8 of the Act on Public Offering.



## Limitation of Use

This report has been prepared by Forvis Mazars Sp. z o.o. for the General Meeting of Shareholders and the Supervisory Board and is intended solely for the purpose described in the *Identification of criteria and description of the subject of the engagement* section and should not be used for any other purposes.

Therefore Forvis Mazars Sp. z o.o. accepts no responsibility for this report resulting from contractual and non-contractual relationship (including by negligence) to third parties in the context of this report. The above does not release us from responsibility in the situations when the release is excluded by law.

Acting on behalf of Forvis Mazars Sp. z o.o. with its registered office in Warsaw, ul. Piękna 18, entered on the list of audit firms under no. 186, on behalf of which the key statutory auditor performed the assurance engagement.

**Piotr Mortas**

**Olivier Degand**

Key Statutory Auditor

Partner

No 13 909

**forv/s**  
**mazars**

Warsaw, 8 May 2025