

**RESOLUTION No 1  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding appointment of the Chairman of the Ordinary General Meeting of  
Shareholders**

**§ 1**

Acting under Article 409, § 1 sentence 1 of the Code of Commercial Companies and with respect to § 5 of the regulations of the General Meeting of Shareholders of PKN ORLEN S.A., the General Meeting of Shareholders of PKN ORLEN S.A. hereby elects Mr Jozef Palinka to the position of the Chairman of the General Meeting of Shareholders.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 2  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2003**

**regarding changes in the agenda of the Ordinary General Meeting of Shareholders of PKN ORLEN**

§ 1

The Ordinary General Meeting of Shareholders of PKN ORLEN SA decided to add one point to the agenda of the Ordinary General Meeting of Shareholders of PKN ORLEN regarding the passing of the resolution concerning calling the Extraordinary General Meeting of Shareholders of PKN ORLEN not later than 5 August 2004 concerning completion of the composition of the Supervisory Board of PKN ORLEN in respect to Mr Marian Czakanski's resignation.

**RESOLUTION No 3  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2003**

**regarding approval of the Agenda of the General Meeting of Shareholders**

**§ 1**

Under art. 404 § 2 Commercial Companies Code the Ordinary General Meeting of Shareholders hereby approves the following agenda:

1. Opening;
2. Election of the Chairman of the Meeting;
3. Affirmation of the legality of the Meeting;
4. Approval of the Agenda;
5. Election of the Vote Counting Commission;
6. Revision of the Management Board's Report on PKN ORLEN's performance and financial results of PKN ORLEN for the period ending December 31, 2003 with a motion concerning profit distribution for the year ending December 31, 2003.
7. Revision of the Supervisory Board's Report on the Management Board's Report on PKN ORLEN's performance and financial results of PKN ORLEN for the periods ending December 31, 2003 with the Management Board's motion concerning profit distribution for the year ending December 31, 2003.
8. Passing of a resolution concerning approval of the Management Board's Report on PKN ORLEN's performance and financial results for the year ending December 31, 2003.
9. Passing of a resolution concerning distribution of profits made by PKN ORLEN in 2003.
10. Passing of resolutions concerning approval of PKN ORLEN Management Board Members' performance in 2003;
11. Passing of resolutions concerning approval of PKN ORLEN Supervisory Board Members' performance in 2003;
12. Revision and passing of a resolution concerning the Management Board's Report on performance of PKN ORLEN's Capital Group and the consolidated financial results of PKN ORLEN's Capital Group for the year ending December 31, 2003.
13. Passing of resolutions concerning approval for disposal (sale or lease) of self-operating parts of the Company;
14. Passing of resolutions concerning approval for disposal (sale and purchase of perpetual usufruct purchase) of self-operating parts of the Company;
15. Passing of a resolution concerning approval of the Corporate Governance principles for the issuers of shares, convertible bonds and the pre-emptive conversion bonds admitted to public trading,
16. Passing of a resolution concerning amendments to the Articles of Association of PKN ORLEN;
17. Passing of a resolution concerning the implementation of the New Incentive Programme (NIP) for PKN ORLEN Management Board Members, managers of PKN ORLEN as well as PKN ORLEN's key subsidiaries.
18. Passing of a resolution concerning the issuance of bearer bonds with a pre-emptive conversion right into PKN ORLEN's shares, conditional increase of PKN ORLEN's

initial capital with exclusion of the acquisition rights and amendments to the Articles of Association of PKN ORLEN;

19. Passing of a resolution concerning completion of the composition of the Supervisory Board of PKN ORLEN in respect of Mr Krzysztof Kluzek's resignation;
20. Passing of a resolution concerning changes to the principles of remuneration of the Supervisory Board of PKN ORLEN;
21. Passing of a resolution concerning calling the Extraordinary General Meeting of Shareholders of Polski Koncern Naftowy ORLEN SA not later than 5 August 2004 concerning completion of the composition of the Supervisory Board of PKN ORLEN in respect of Mr Marian Czakanski's resignation;
22. Closure of the General Meeting of Shareholders.

## **§ 2**

The resolution takes immediate effect.

**RESOLUTION No 4  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding election of the Vote Counting Commission**

**§ 1**

Acting under § 8 of the Constitution of the General Meeting of Shareholders of PKN ORLEN, the General Meeting of Shareholders of PKN ORLEN hereby appoints the following members of the Vote Counting Commission:

- Aneta Berdys
- Marcin Kaminski
- Natasza Wochowska

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 5  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding combining the discussion about point 6 with the discussion about point 7 of the agenda**

§ 1

The Ordinary General Meeting of Shareholders of PKN ORLEN SA decides to discuss points no 6 and 7 of the agenda together.

§ 2

The resolution takes immediate effect.

**RESOLUTION No 6  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the Management Board's report on the Company's performance and the Company's financial report for 2003**

**§ 1**

Under art. 395 § 2 item 1 of the Code of Commercial Companies and art. 45 and 53 item 1 of the Accounting Law with respect to § 7 item 7 point 1 of the Company's Articles of Association, the General Meeting of Shareholders having been made aware of the Supervisory Board's opinion, hereby approves:

1. the Management Board report on the Company's performance in 2003,
2. the Company's financial statement for the period from January 1 to December 31, 2003 containing
  - the balance sheet verified by the auditor as of December 31, 2003 containing assets and liabilities amounting to PLN 13,697,812,928.90 with
  - profit and loss account for the period from January 1, 2003 to December 31, 2003 showing net profit of PLN 933,780,782.19
  - additional information including introductory notes to the financial statements and definitions
  - changes in the shareholders' equity showing PLN 1,110,860,923.70 increase as at 31 December 2003
  - cash flow statement showing PLN 1,199,718.50 increase.

**§ 2**

The resolution takes an immediate effect.

**RESOLUTION No 7  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding distribution of the profit made by the Company in year 2003 including an amendment proposed by a shareholder – Commercial Union OFE**

**§ 1**

Under art. 395 § 2 item 2 of the Code of Commercial Companies and § 7 item 7 point 3 of the Company's Articles of Association the General Meeting of Shareholders of PKN ORLEN, having been made aware of the Management and Supervisory Boards' opinions, divides

profit of PLN 933,780,782.19 made by the Company in the financial year 2003 in the following way:

- for the supplementary capital - PLN 651,769,892.54
- for the dividend payment - PLN 278,010,889.65
- for the Corporate Social Fund - PLN 4,000,000.00

**§ 2**

Under art. 348 § 3 of the Code of Commercial Companies, the Ordinary General Meeting of Shareholders of Polski Koncern Naftowy ORLEN S.A. sets the dividend day on August 2, 2004 and the date for payment of the dividend on September 1, 2004.

**§ 3**

The resolution takes immediate effect.



**RESOLUTION No 8  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Zbigniew Wrobel, President & CEO in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 9  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Slawomir Golonka, Vice President in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 10  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Andrzej Macenowicz, Vice President in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 11  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Jacek Strzelecki, Vice President in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes an effect.

The resolution was passed in a secret ballot.

**RESOLUTION No 12  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Janusz Wisniewski, Vice President in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 13  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Maciej Gierej in the year 2002; the Chairman of the Supervisory Board in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 14  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Jan Waga in the year 2003; the Vice Chairman of the Supervisory Board in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 15  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Grzegorz Mroczkowski in the year 2003; the Secretary of the Supervisory Board in the period from January 1, 2003 to March 25, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.



**RESOLUTION No 16  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Orest Nazaruk in the year 2003; the Supervisory Board Member in the period from April 17, 2003 to December 31, 2003 and the Secretary of the Supervisory Board in the period from May 14, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 17  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2003**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Jacek Bartkiewicz in the year 2003; Supervisory Board Member in the period from March 25, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 18  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Edward Grzywa in the year 2003; Supervisory Board Member in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 19  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Krzysztof Kluzek in the year 2003; Supervisory Board Member in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 20  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Andrzej Kratiuk in the year 2003; Supervisory Board Member in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 21  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Ryszard Lawniczak in the year 2003; Supervisory Board Member in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 22  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Krzysztof Szlubowski in the year 2003; Supervisory Board Member in the period from January 1, 2003 to December 31, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.

**RESOLUTION No 23  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the performance**

**§ 1**

Under art. 395 § 2 item 3 of the Code of Commercial Companies and § 7 item 7 point 2 of the Company's Articles of Association, the General Meeting of Shareholders of PKN ORLEN hereby approves the performance of Mr Jozef Wozniakowski in the year 2003; Supervisory Board Member in the period from January 1, 2003 to February 14, 2003.

**§ 2**

The resolution takes immediate effect.  
The resolution was passed in a secret ballot.



**RESOLUTION No 24  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the Management Board's report on the performance of the Company's Capital Group and the Capital Group's consolidated financial report for 2003**

**§ 1**

Under art. 395 § 5 of the Code of Commercial Companies and art. 55 and 63c item 4 of the Accounting Law in respect of § 7 item 7 point 1 of the Company's Articles of Association, the Ordinary General Meeting of Shareholders hereby approves:

1. the Management Board report on the performance of the Company's Capital Group for the year 2003,
2. the Capital Group's consolidated financial statement for the period from January 1 to December 31, 2003, including:
  - the balance sheet verified by the auditor as of December 31, 2003 containing assets and liabilities amounting to PLN 16,982,694,592.48
  - consolidated profit and loss account for the period from January 1, 2003 to December 31, 2003 showing net profit of PLN 1,013,649,101.04
  - additional information including introductory notes to the consolidated financial statements and definitions
  - changes in the shareholders' equity showing PLN 1,202,875,023.59 increase as at 31 December 2003
  - consolidated cash flow statement showing PLN 383,546,871.60 increase.

**§ 2**

The resolution takes an immediate effect.

**RESOLUTION No 25  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding giving by the Management Board of PKN ORLEN its asset to the sale of a self-operating part of the Company (including the real estate)**

**§ 1**

Under art. 393, point 3 of the Code of Commercial Companies and with respect to § 7, item 7, point 7 of the Company's Articles of Association, the Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale to Przedsiębiorstwo Produkcyjno-Handlowe GASIOR Sp. Z o.o. with its seat in Bydgoszcz a self-operating part of the Company. This self-operating part of the Company manufactures BOPP follies and comprises functionally connected items of property, at present rented to Flexpol Sp. z o.o. with its seat in Plock. These items of property are as follows:

- Set of devices (technological lines) which are used to produce BOPP follies, and
- Real estate composing a part of a plot no 20/34 located in Plock at Chemikow St. 7, with all its buildings (the above mentioned sale to Przedsiębiorstwo Produkcyjno-Handlowe GASIOR Sp. z o.o. refers to the whole plot no 20/34).

**§ 2**

The sale of the above mentioned self-operating part of the Company, will take place as a result of the course of negotiations conducted by the Management Board of PKN ORLEN for a total net price of PLN 32,000,000 (thirty two thousand zlotys). The price includes, apart from the self-operating part of the Company as described above in § 1, also the part of plot no 20/34 which does not comprise this self-operating part of the company.

**§ 3**

The resolution takes immediate effect.

**RESOLUTION No 26  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the change of the draft resolution regarding the sale or lease of the Oil Products Storage Facility No 1 Warszawa – Rakow in the version proposed by a shareholder – State Treasury**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby decides in the draft resolution regarding the sale of the property comprising part of self-operating properties of the Company - Oil Products Storage Facility No 1 Warszawa – Rakow following changes:

1. § 2 as below:

“The sale can be executed through a tender at a price not lower than the market value set in a valuation made by a property expert. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.”

To be replaced with the following:

“The sale of the property comprising part of self-operating properties of the Company - Oil Products Storage Facility No 1 Warszawa – Rakow, as a one part or in defined properties, can be executed through an unlimited tender at a price not lower than the market value set in a valuation made by a property / real estate expert. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.”

2. § 4 as below

In case of the voiding of a purchaser selected in accordance with the procedures as in § 2 and 3, the sale can be executed through reference to the invitation to tender after prior settlement of price and procedures or rent by the Management Board.

To be replaced with the following:

“In case of the voiding of a purchaser selected in accordance with the procedures as in § 2 and 3, the sale can be executed through reference to the invitation to tender after prior settlement of price and procedures or rent by the Management Board, accepted by the Supervisory Board.”

**§ 2**

The resolution takes immediate effect.

**RESOLUTION No 27  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale or lease of the Oil Products Storage Facility No 1 Warszawa – Rakow including an amendment proposed by a shareholder – State Treasury**

**§ 1**

Under art. 393, point 3 of the Code of Commercial Companies and with respect to § 7, item 7, point 7 of the Company's Articles of Association, the Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale of the property comprising part of self-operating properties of the Company - Oil Products Storage Facility No 1 Warszawa – Rakow.

**§ 2**

The sale of the property comprising part of self-operating properties of the Company - Oil Products Storage Facility No 1 Warszawa – Rakow, as a one part or in defined properties, can be executed through an unlimited tender at a price not lower than the market value set in a valuation made by a property expert. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.

**§ 3**

In the case of a lease, the rental rate is calculated on the level of regional market rates, but no less than 130% of property depreciation/amortization ( in the case of companies in which the shares are in possession of PKN ORLEN previous or present employees the rental rate is – 102% of property amortization). The rental rate must also cover other costs borne by PKN ORLEN, real estate taxes, fee for perpetual usufruct, etc.

**§ 4**

In case of the voiding of a purchaser selected in accordance with the procedures as in § 2 and 3, the sale can be executed through reference to the invitation to tender after prior settlement of price and procedures or rent by the Management Board, accepted by the Supervisory Board.

**§ 5**

The resolution takes immediate effect.

**RESOLUTION No 28**  
**OF**  
**GENERAL MEETING OF SHAREHOLDERS**  
**OF**  
**POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale of Oil Products Storage Facilities including an amendment proposed by the Management Board**

**§ 1**

Under art. 393, point 3 of the Code of Commercial Companies and with respect to § 7, item 7, point 7 of the Company's Articles of Association, the Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale of the following property comprising part of self-operating properties of the Company:

1. Oil Products Storage Facility No 34 Gdansk Kielpiniek, Sztutowska street,
2. Oil Products Storage Facility No 34 Gdansk Kielpiniek, Szczesliwa street,
3. Oil Products Storage Facility No 44 Nysa,
4. Oil Products Storage Facility No 45 Bielsko Biala,
5. Oil Products Storage Facility No 46 Chrzanow,
6. Oil Products Storage Facility No 84 Nowy Targ,
7. Oil Products Storage Facility No 62 Bydgoszcz,
8. Oil Products Storage Facility No 113 Walbrzych,
9. Oil Products Storage Facility No 114 Legnica.

**§ 2**

The sale can be executed through an unlimited tender at a price not lower than the market value set in a valuation made by a property expert. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.

**§ 3**

In case of the voiding of a purchaser selected in accordance with the procedures as in § 2, the sale can be executed through reference to the invitation to tender after prior settlement of price and procedures by the Management Board, accepted by the Supervisory Board.

**§ 4**

The resolution takes immediate effect.

The shareholder Zdzislaw Kedzierski raised an objection to the resolution.

**RESOLUTION No 29  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale of the perpetual usufruct right to enjoyment of the land in Gdansk – Wrzeszcz including an amendment proposed by the Management Board**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale of the perpetual usufruct right to enjoyment of the property – the plot no 407 with the area of 416 m<sup>2</sup> located in Gdansk – Wrzeszcz registered in the land and mortgage book under no 64071.

**§ 2**

The sale can be executed through an unlimited tender at a price not lower than the market value set in a valuation. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.

**§ 3**

In case of the voiding of a purchaser selected in accordance with the procedures as in § 2, the sale can be executed after prior settlement of price and procedures by the Management Board, accepted by the Supervisory Board.

**§ 4**

The resolution takes immediate effect.

**RESOLUTION No 30  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale of the perpetual usufruct right to enjoyment of the land in Pruszcz Gdanski including an amendment proposed by the Management Board**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale of the perpetual usufruct right to enjoyment of the property – the plot no 39 with the area of 413 m<sup>2</sup> located in Pruszcz Gdanski registered in the land and mortgage book under no 53568.

**§ 2**

The sale can be executed through an unlimited tender at a price not lower than the market value set in a valuation. In case of a lack of bids, the sale can be executed through the next tender at a price not lower than 75 per cent of the starting price.

**§ 3**

In case of the voiding of a purchaser selected in accordance with the procedures as in § 2, the sale can be executed after prior settlement of price and procedures by the Management Board, accepted by the Supervisory Board.

**§ 4**

The resolution takes immediate effect.

**RESOLUTION No 31  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the voluntary conveyance of the share in perpetual usufruct right of the plot no 57/10 located in Plock, Polna street**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the conveyance of the share of 143821/383079 in perpetual usufruct right of the plot no 57/10, with the area of 0.4369 ha, located in Plock, Polna 18 street, registered in the land and mortgage book under KW no 73807 by District Court in Plock to Commune Plock.

**§ 2**

The resolution takes immediate effect.



**RESOLUTION No 32  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale of the perpetual usufruct right to enjoyment of the land in Wolka Milanowska**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale to the sale to Wojewodztwo Swietokrzyskie (Swietokrzyskie Province), representing by Swietokrzyski Zarzad Drog Wojewodzkich (Roads Management of Swietokrzyski Province) in Kielce the perpetual usufruct right to enjoyment of a plot no 13/6 with the area of 0.0141 ha, owned by the State Treasury, located in Wolka Malinowska, registered in the land and mortgage book under no 47233 and run by the District Court in Ostrowiec Swietokrzyski at a total price of PLN 1,990.92. The above described plot is a part of the land of petrol station no 1407. The sale is made in order to allow for the modernisation of a provincial road, no 756.

**§ 2**

The resolution takes immediate effect.

**RESOLUTION No 33  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the sale of the perpetual usufruct right to enjoyment of the land in Gdansk**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby gives its assent to the sale to Gdansk Commune, the perpetual usufruct right to enjoyment of a plot no 192/1 with the area of 0.0050 ha, owned by the State Treasury, located in Gdansk, registered in the land and mortgage book under no 56629 and run by the District Court in Gdansk at a total price of PLN 6,850.00. The above described plot is a part of the land of petrol station no 361. The sale is made in order to allow for the modernisation of a provincial road Pomorska in Gdansk.

**§ 2**

The resolution takes immediate effect.

**RESOLUTION No 34  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding Corporate Governance**

**§ 1**

Under § 27 of the Regulations of the Warsaw Stock Exchange and with respect to the resolution of the Supervisory Board of the Warsaw Stock Exchange regarding approval of Corporate Governance rules for the issuers of shares, convertible and pre-emptive convertible bonds admitted to public trading, the Ordinary General Meeting of Shareholders of PKN ORLEN shares, introduced with the Supervisory Board Opinion, agrees with the opinion of the Management Board of PKN ORLEN as in its resolution No 1822/04 dated May 31, 2004 and approves Company's statement regarding the Corporate Governance rules for the issuers of shares, convertible and pre-emptive convertible bonds admitted to public trading.

The relevant statement of the Company on the issue in question is attached to this resolution.

**§ 2**

The resolution takes immediate effect.

**Attachment to the resolution**

**STATEMENT of PKN ORLEN  
STATEMENT**

	PRINCIPLE	YES/ NO/ PARTIALLY	PKN ORLEN's commentary
<u>GENERAL PRINCIPLES</u>			
I	<p><b>Objective of the Company</b> The basic objective of operations of a company's bodies is to further the interest of the company, i.e. to increase the value of the assets entrusted by its shareholders, with consideration to the rights and interests of entities other than shareholders, involved in the functioning of the company, including, in particular, the company's creditors and employees.</p>	YES	<p><i>In accordance with the mission and vision of PKN ORLEN, the Management Board makes every effort to ensure that the Company conducts effective business activity, with consideration to the interests of all shareholder and stakeholder groups.</i></p> <p><b>Mission: Who We Are</b> <i>PKN ORLEN is one of the largest capital groups in Poland, generating approximately 10% of the state's budget revenue and providing employment to tens of thousands of people. PKN ORLEN also operates the largest network of service stations in Poland and owns one of the most technologically advanced refineries in Europe. By providing top quality fuels and services on the CEE market, WE are SETTING THE PACE OF LIFE, but at the same time we remember to observe the best economic, environmental and social standards.</i></p> <p><b>Vision: Where We Are Going</b> <i>Our objective is to establish a concern which will gain a significant position in Europe. We would like it to be respected, trusted and known for the high quality of its operations. As a material employer and national concern</i></p>

			<p>– with tradition and history – we feel responsible for community and natural environment. To us, social responsibility is an inherent component of modern management. Through a partnership dialogue with stakeholders, in making decisions concerning our operations, we strive to take into consideration to an increasing extent the interests of all persons, organisations, and communities affected by our operations. We would like to guarantee success to all who have put their trust in us.</p> <p>Focused on growth in the value of assets invested by shareholders, the Company's Management Board is implementing the Economic Value Added (EVA) programme in the company's operations. The criteria developed in the course of the programme will be a determinant of our investment decisions and an element of the incentive remuneration scheme.</p>
II	<p><b>Majority rule and protection of minority</b></p> <p>A joint-stock company is a capital venture, and therefore, it must respect the principle of capital majority rule, and the primacy of majority over minority. A shareholder who contributes more capital also bears a higher economic risk. It is, therefore, justified that his interest be taken into consideration in proportion to the contributed capital. The minority must have a guarantee of proper protection of their rights, within limits set by law and commercial integrity. While exercising its rights, the majority shareholder should take into account the interests of the minority.</p>	<p><b>YES</b></p>	<p><i>PKN ORLEN fully abides by the principle of a majority rule, while respecting the rights of minority within the limits set by law and the Company's Articles of Association. The Company's activities are subordinated to the joint interests of all shareholders, and not the interest of one person or organisation.</i></p>

III	<p><b>Honest intentions and non-abuse of rights</b></p> <p>The exercise of rights and the reliance on legal institutions should be based on honest intentions (good faith) and cannot reach beyond the purpose and economic reasons for which these institutions have been established. No activities should be taken which exceed the limits so set, and which thus constitute an abuse of the law. The minority should be protected against abuse of ownership rights by the majority and the interests of the majority should be protected against abuse by the minority of its rights, thus ensuring the best protection of equitable interests of the shareholders and other market participants.</p>	YES	<p><i>Members of the Company's bodies exercise their rights and perform their obligations in good faith and with utmost care. All actions undertaken by members of the Company's bodies and employees, to whom the relevant scope of responsibilities and competence was entrusted, are performed within the limits set by law, their objective being to achieve the economic goals for which the company was established.</i></p>
IV	<p><b>Court control</b></p> <p>Neither the company's bodies, nor persons chairing a General Meeting, may decide on issues which should be resolved by court judgements. This does not apply to activities which are within the powers of the company's bodies and of persons chairing General Meetings, or which they are obliged to undertake by force of law.</p>	YES	<p><i>Neither the Company's bodies, nor persons chairing General Meetings decide on issues which should be submitted for resolution to courts, unless such actions rest within their powers or they are obliged to undertake them by force of law.</i></p>
V	<p><i>Independent opinions ordered by the company</i></p> <p>When choosing an entity which is to provide expert services, including in particular the services of an expert auditor, financial and tax advisory services, as well as legal services, the company should consider whether there exist circumstances limiting the independence of this entity when performing the entrusted tasks.</p>	YES	<p><i>In choosing an entity which is to provide expert services, including the appointment of a chartered auditor, the Company abides by the relevant procedures to ensure the independence of the entity and the observance of the principle of fair competition.</i></p>

<b><u>BEST PRACTICES OF GENERAL MEETINGS</u></b>			
1	A General Meeting should take place in a location and at a time to allow the participation of as many shareholders as possible.	<b>YES</b>	<i>General Meetings of PKN ORLEN are held in the Company's registered offices in Plock, but in accordance with the Company's Articles of Association they may also be held in Warsaw.</i>
2	A request for convening a General Meeting and placing certain issues on its agenda, made by parties so entitled, should be justified. Draft resolutions proposed to be adopted by the General Meeting and other key documents should be presented to the shareholders along with a justification and an opinion of the Supervisory Board prior to the General Meeting, in advance so as to allow them to review and evaluate the same.	<b>PARTIALLY</b>	<p><i>Neither the statutory regulations nor the Company's Articles of Association require any justification to be made in connection with the exercise of the right to demand that a General Meeting be convened. If the Company adopted the principle that justification must be provided, it would impose on the Company shareholders an obligation for which there are no grounds in the Polish Companies Act, and in the opinion of the Management Board that would be neither in the interest of the Company nor the shareholders. In the opinion of the Company's Management and Supervisory Boards, a detailed agenda of a General Meeting to a large extent operates as a justification, as it shows for what purpose the General Meeting is convened and what issues are to be discussed.</i></p> <p><i>The Company fully respects this part of the principle which applies to presentation to the shareholders of materials and draft resolutions in the scope and in the timeframes provided for in the law. Furthermore, the Company's Articles of Association stipulate that the Supervisory Board should issue its opinion on any matters presented by the Management Board to the General Meeting.</i></p>
3	A General Meeting convened at	<b>YES</b>	<i>Respecting the shareholders'</i>

	<p>the request of shareholders should be held on the date given in the request, and if this date cannot be kept, on the closest date which will allow the General Meeting to settle the issues placed on its agenda.</p>		<p><i>rights under the law or the Company's Articles of Association, the Management Board of PKN ORLEN takes into account the shareholders' proposals as to the date on which a General Meeting should be held, unless there are obstacles of a formal (legal) nature or objective reasons for which a General Meeting cannot be held on the date requested by a shareholder.</i></p>
4	<p>A General Meeting whose agenda includes certain issues at the request of authorised entities or which has been convened at such request may be cancelled only upon consent of the requesting parties. In all other instances, a General Meeting may be cancelled if its holding is hindered (force majeure) or is obviously groundless. The meeting is called off in the same manner as it has been convened, ensuring as little negative consequences for the company and its shareholders as possible, and in any case no later than three weeks prior to the original date of the meeting. A change in the date of the General Meeting is made in the same manner as the cancellation, even if the proposed agenda does not change.</p>	<p><b>YES</b></p>	<p><i>To date the Company has never had to cancel a General Meeting, but should such a necessity occur in the future, the Management Board will take steps to minimize the negative consequences of the cancellation for the shareholders.</i></p>
5	<p>In order for a representative of a shareholder to participate in a General Meeting, his right to act on behalf of the shareholder should be duly documented. It should be presumed that a written document confirming the right to represent a shareholder at a General Meeting is in conformity with the law and does not require any additional confirmations and acknowledgements unless its authenticity or validity prima facie raises doubts by the company's management board (upon drawing up the attendance list) or the chairman of the General Meeting.</p>	<p><b>YES</b></p>	<p><i>The right to act on behalf of a shareholder is deemed by the Company to be duly documented if the Company is presented with a written power of proxy prepared and executed in accordance with the provisions of the law and granted by persons who – in accordance with a valid excerpt from a relevant register presented to the Company – are authorised to do so.</i></p>



6	<p>The General Meeting should have regular by-laws setting forth the detailed principles of conducting the meetings and adopting resolutions. The by-laws should contain, in particular, provisions concerning elections to the supervisory board by voting in separate groups. The by-laws should not be subject to frequent changes; it is advisable that the changes enter into force as of the subsequent General Meeting.</p>	<p><b>YES</b></p>	<p><i>General Meetings of PKN ORLEN are held in compliance with the binding laws, provisions of the Company's Articles of Association and Rules of the General Meeting. The consolidated text of the Rules of the General Meeting was approved by virtue of Resolution No. 51 of the General Meeting of PKN ORLEN of June 28th 2002. The Rules of the General Meeting contain provisions concerning election of members of the Supervisory Board, but do not provide for voting in separate groups. The Management Board will present to the shareholders the proposal to incorporate provisions on voting in separate groups into the Rules.</i></p>
7	<p>A person opening the General Meeting should procure an immediate election of the chairman of the meeting, and should refrain from any substantial or formal decisions.</p>	<p><b>YES</b></p>	<p><i>In accordance with the Rules of the General Meeting a person opening the General Meeting initiates the meeting and procures the election of the chairman. Once elected, the Chairman starts presiding over the meeting. Neither the Articles of Association nor the Rules of the General Meeting provide for any other role by or grant any other powers to a person opening the General Meeting.</i></p>
8	<p>The chairman of the General Meeting ensures an efficient conduct of the meeting and observance of the rights and interest of all shareholders. The chairman should counteract, in particular, the abuse of rights by the participants of the meeting and should guarantee that the rights of minority shareholders are respected. The chairman should not, without sound reason, resign from his function, or put off the</p>	<p><b>YES</b></p>	<p><i>The Rules of the General Meeting specify the powers and duties of the Chairman of the General Meeting to the extent necessary for efficient and correct conduct of the meeting and observance of the rights of all the shareholders in line with the established practice, binding laws, the Company Articles of Association and the Rules of the General Meeting.</i></p>

	signing of the minutes of the meeting.		
9	A General Meeting should be attended by members of the Supervisory Board and the Management Board. An expert auditor should be present at an annual General Meeting and at an extraordinary General Meeting if financial matters of the company are to be discussed.	<b>PARTIALLY</b>	<i>Trying to ensure the best possible conditions for a dialogue between the Management and Supervisory Boards and the shareholders, perceiving the General Meeting as a platform for communication and at the same time bearing in mind that the Company governing bodies have a number of members, that there is a certain division of powers between the members of the Management Board and that any General Meeting has a clearly specified agenda, the Management Board declares that members of the Management and the Supervisory Boards provide the shareholders during a General Meeting, within the limits of their powers, with explanations and information with respect to the issues under consideration. The Company will ensure that General Meetings whose agendas include financial matters, in particular approval of financial statements of the Company or its Group, are attended by an auditor prepared to provide explanations or information concerning its audit and opinion.</i>
10	Members of the Supervisory Board and the Management Board and the expert auditor of the company should, within their powers and to the extent necessary for the settlement of issues discussed by the General Meeting, provide the participants of the meeting with explanations and information concerning the company.	<b>YES</b>	<i>Members of the Company's Management and Supervisory Boards present at a General Meeting will make every effort to provide the shareholders, within their powers, with information and explanations connected with the issues under consideration.</i>
11	All answers provided by the Management Board to the questions posed by the General	<b>YES</b>	<i>Members of the Company's Management and Supervisory Boards and the auditor present</i>

	Meeting should take into account the fact that the reporting obligations are performed by a public company in a manner which follows from the Law on Public Trading in Securities, and certain information cannot be provided otherwise.		<i>at the General Meeting provide explanations and give information to the extent complying with the limitations under the existing legal framework concerning reporting obligations binding on a public company.</i>
12	Short breaks in the session which do not defer the session, ordered by the chairman in justified cases, cannot be aimed at hindering the exercise of the rights by the shareholders.	<b>YES</b>	<i>In accordance with the Polish Companies Act, ordering a break in a meeting is subject to a resolution by the General Meeting. Though in accordance with the Rules of the General Meeting the Chairman may order a break, such a break may in no way violate any provisions of the effective statutes or defer the session or hinder the exercise of the rights by the shareholders, as any such break is technical in nature. To date, the Chairman has never abused his competences under the Rules of the General Meeting in that respect; he has used this power on special occasions only and always in the shareholders' interest.</i>
13	Voting on procedural matters may be carried out only on issues related to the conduct of the meeting. This voting procedure cannot apply to resolutions which may have impact on the exercise by the shareholders of their rights.	<b>YES</b>	<i>In accordance with the Rules of the General Meeting, motions relating to the conduct of the meeting are considered motions on procedural matters. This does not include resolutions which may have an adverse effect on the exercise by the shareholders of their rights.</i>
14	A resolution not to consider an issue placed on the agenda may be adopted only if it is supported by sound reasons. A motion in this respect should be accompanied by a detailed justification. The General Meeting cannot adopt resolutions to remove an item from the agenda or not to consider an	<b>PARTIALLY</b>	<i>With a view to ensuring the stability of the Company' s General Meeting and accepting the idea and the assumptions behind this principle, the Company declares that it will apply this principle, though it deems it necessary to introduce some changes thereto concerning items put on</i>

	issue placed on the agenda at the request of the shareholders.		<i>the agenda at the request of the shareholders. In the Company's opinion, the fact that it is impossible to remove or not to consider an issue on the agenda may be too excessive a limitation on the shareholders' freedom and may be against their interests. Making the removal of an issue from the agenda contingent on the approval or motion by the shareholder who requested a given issue to be placed on the agenda is a sufficient guarantee that an issue requested by a shareholder to be placed on the agenda will be considered.</i>
15	A party objecting to a resolution must have an opportunity to concisely present the reasons for its objection.	<b>YES</b>	<i>The Rules of the General Meeting as currently in force guarantee to the shareholders freedom to make statements regarding the issues under consideration which are related to the agenda. Participants of a General Meeting may both present arguments for and objections against a resolution. They also have a possibility to present the reasons for their objection with respect to an adopted resolution.</i>
16	Due to the fact that the Commercial Partnerships and Companies Code does not provide for court control in the event where a resolution is not adopted by the General Meeting, the Management Board or the Chairman of the Meeting should form the resolutions in such a way that each person who does not agree with a decision being the subject of the resolution, has the possibility of challenging the same; provided that he is entitled to do so.	<b>PARTIALLY</b>	<i>In the Company's opinion the wording of this principle raises doubts of a formal (legal) nature and its application in the proposed form could lead to problems which in practice would be difficult to solve. At the same time it must be noted, that the Chairman, the Notary Public, the legal expert, as well as the Company's legal service ensure that the wording of the adopted resolutions does not raise any doubts and in no way limits the possibility of court control in accordance with the law.</i>
17	At the request of a participant in the General Meeting, his written statement is recorded in the minutes.	<b>YES</b>	<i>During General Meetings the shareholders are absolutely free to make written statements in connection with the discussed issues, and to have</i>

those statements included in the minutes at their request.

**BEST PRACTICES OF SUPERVISORY BOARDS**

18	The Supervisory Board submits to the General Meeting an annual concise evaluation of the company's standing. The evaluation should be part of the annual report of the company, made available to all shareholders early enough to allow them to become acquainted with the same before the annual General Meeting.	YES	<i>Intending to ensure the possibility of accurate evaluation of the Company by the shareholders, and accepting the general idea and the assumptions behind this principle, the Company declares that it will apply this principle and incorporate a provision similar to the wording of this principle to the Rules of the Supervisory Board.</i>
19	A member of the Supervisory Board should have relevant education, professional and practical experience, be of high moral character and be able to devote all the time required to properly perform the function on the Supervisory Board. Candidates for members of the Supervisory Board should be presented and supported by reasons in sufficient detail to allow an educated choice.	YES	<i>Members of the Supervisory Board are evaluated by those considered by the Company to be the most competent to do so, namely the investors, who entrust the Company with their capital and place their trust in the members of the Supervisory Board, which is manifest in the very election and appointment of these persons to perform this responsible function by the General Meeting.</i>
20	<p>1. a) At least one-half of the members of the Supervisory Board should be independent members. Independent members of the Supervisory Board should not have any relations with the company and its shareholders or employees, which relations could have a significant impact on the ability of the independent member to make impartial decisions;</p> <p>b) Detailed criteria of independence should be laid down in the statutes of the company;</p> <p>c) Without the consent of at least one independent member of the Supervisory Board, no resolutions should be</p>	PARTIALLY	<p><i>§ 8 item 5 of Articles of Association gives detailed independence criteria of members of the Supervisory Board:</i></p> <p><i>At least two members of the Supervisory Board have to comply with the following provisions:</i></p> <ol style="list-style-type: none"> <li><i>1. he is not an employee of the Company or the Affiliated Entity;</i></li> <li><i>2. he is not a member of the supervisory or management authorities of the Affiliated Entity;</i></li> <li><i>3. he is not a shareholder having 5% or more votes on the Company's General Meeting of</i></li> </ol>

	<p>adopted on the following issues:</p> <ul style="list-style-type: none"> <li>- actions of any kind by the company and any entities associated with the company in favor of members of the Management Board;</li> <li>- consent to the execution by the company or a subsidiary of any key agreement with an entity associated with the company, member of the Supervisory Board or the Management Board, and with their associated entities; and</li> <li>- appointment of an expert auditor to audit the financial statements of the company.</li> </ul> <p><i>The above rule may be implemented by the company on a date different than that for the remaining rules herein, but no later than by the end of 2004.</i></p>		<p><i>Shareholders or the Affiliated Entity's general meeting;</i></p> <ol style="list-style-type: none"> <li>4. <i>he is not a member of supervisory or management authorities or employee of the entity having 5% or more votes on the Company's General Meeting of Shareholders or the Affiliated Entity's general meeting;</i></li> <li>5. <i>he is not an ascendant, descendant, spouse, sibling, spouse's parent or any other person remaining in an adoption relationship with any of the persons mentioned above.</i></li> </ol> <p><i>Above mentioned provisions must be fulfilled during whole period of the mandate. Any member who did not comply or stopped complying with the above provisions should be immediately recalled.</i></p> <p><i>In the respect to these Articles of Association „the Affiliated Entity” means that it is Dominant towards the Company, Dependent Entity towards the Company or Dependent Entity towards the Company's Dominant Entity.”</i></p>
21	<p>A supervisory board member should, above all, bear in mind the interests of the Company.</p>	<p><b>YES</b></p>	<p><i>When performing their duties, members of the Supervisory Board bear in mind the Company's interest. By acting with a view to increasing the Company's value, they secure the interests of all the shareholders in a due manner.</i></p>
22	<p>Members of the Supervisory Board should take relevant actions in order to receive from the Management Board regular</p>	<p><b>PARTIALLY</b></p>	<p><i>Acting as part the collegiate body which, in the case of a joint-stock company, is the</i></p>

	and complete information on any and all significant issues concerning the company's operations and on risks related to the business being conducted and the ways of managing such risk.		<i>Supervisory Board, and exercising all their rights under relevant statutes and the Company's Articles of Association, members of the Supervisory Board are regularly informed on how individual transactions are carried out and on any other significant issues. The Supervisory Board also has a right to present its opinion on any matter relating to the Company's operations.</i>
23	A Supervisory Board member should inform the remaining members of the board of any conflict of interest that arises, and should refrain from participating in discussions and from voting on passing a resolution on the issue in which the conflict of interest has arisen.	<b>YES</b>	<i>It follows from to-date experience that members of the Supervisory Board refrained from participating in discussions and from voting on resolutions which could potentially result in a conflict of interests. Notwithstanding that, the Company declares that it will apply this principle and incorporate it in the Rules of the Supervisory Board.</i>
24	Information on the personal, actual and organisational connections of a Supervisory Board member with a given shareholder, and in particular with the majority shareholder should be made available to the public. The company should have a procedure in place for obtaining information from members of the Supervisory Board and for making it available to the public.	<b>YES</b>	<i>Accepting the general idea and the assumptions behind this principle, the Company declares that it will put in place relevant procedures for obtaining information and for making it available to the public.</i>
25	Supervisory Board meetings, save for issues which directly concern the Management Board or its members, and in particular their removal, liability and the setting of their remuneration, should be accessible and open to members of the Management Board.	<b>PARTIALLY</b>	<i>In the Company's opinion, clear separation of the Supervisory Board from other bodies of a joint-stock company and specific rights and obligations assigned to it under regulations currently in force confirm that the Supervisory Board of PKN ORLEN enjoys optimum conditions to proceed, allowing it to conduct discussions at meetings in a free and unrestrained manner with all the required information and explanations provided by</i>

			<p><i>the Management Board. In the Company's opinion, the requirement concerning the accessibility and openness of meetings of the Supervisory Board to members of the Management Board interferes too excessively with the manner and freedom of the Supervisory Board's work. Members of the PKN ORLEN's Management Board may participate in meetings of the Supervisory Board convened at a request of the Management Board save for issues which directly concern the Management Board or its members. In any other cases, members of the Management Board may participate in meetings of the Supervisory Board at their discretion. Furthermore, the Supervisory Board may – on its own initiative or at a request of the Management Board – invite other persons to its meetings, in particular the Company's employees responsible for issues discussed at such meetings, consultants and advisers.</i></p>
26	<p>A Supervisory Board member should enable the Management Board to present publically and in an appropriate manner information on the disposal or acquisition of shares of the company or of its dominant entity or subsidiaries, and of transactions with such companies, provided that such information is relevant for his financial standing.</p>	<p><b>YES</b></p>	<p><i>In accordance with the regulations currently in force and the Company's internal procedures, members of the Supervisory Board provide the Management Board with any relevant information to be announced to the public.</i></p>
27	<p>Remuneration of members of the Supervisory Board should be fair, but should not constitute a significant cost item in the company's business or have material impact on its financial results. The remuneration should be in reasonable relation to the remuneration of members of the</p>	<p><b>YES</b></p>	<p><i>Remuneration of members of the Supervisory Board does not constitute a significant cost item in the Company's business. The aggregate remuneration is disclosed in the annual report.</i></p>



	Management Board. The aggregate remuneration of all members of the Supervisory Board should be disclosed in the annual report.		
28	The Supervisory Board should operate in accordance with its by-laws which should be available to the public.	<b>YES</b>	<i>The Company is currently amending the Rules of the Supervisory Board in order to introduce the provisions reflecting general ideas and assumptions behind the Best Practices of Supervisory Boards. Following the amendment, the Rules of the Supervisory Board will be made available to the public.</i>
29	The agenda of a Supervisory Board meeting should not be amended or supplemented during the meeting which it concerns. This requirement does not apply if all members of the Supervisory Board are present and agree to the amendment or supplementation of the agenda, and in instances where the adoption of certain activities by the Supervisory Board is necessary in order to protect the company against damage and in the case of a resolution which concerns the determination whether there exists a conflict of interest between a Supervisory Board member and the company.	<b>YES</b>	<i>The Rules of the Supervisory Board guarantee the stability of meetings' agenda. Any changes to the agenda require the presence and consent of all members of the Supervisory Board. Any other reasons for changes to the agenda following from this principle will be incorporated in the Rules of the Supervisory Board.</i>
30	A Supervisory Board member delegated by a group of shareholders to permanently exercise supervision should submit to the Supervisory Board detailed reports on the performance of his task.	<b>YES</b>	<i>Accepting the general idea and the assumptions behind this principle, the Company declares that it will apply this principle and incorporate a provision similar to the wording of this principle to the Rules of the Supervisory Board.</i>
31	A Supervisory Board member should not resign from his function during a term of office if this could render the functioning of the board impossible, and in particular, if it could hinder the timely adoption of an important	<b>YES</b>	<i>In accordance with the Company's Articles of Association, the Supervisory Board is composed of six to nine members. Members of the Supervisory Board make every</i>

	resolution.		<i>effort in their decisions not to hinder the timely adoption of resolutions.</i>
<b><u>BEST PRACTICES OF MANAGEMENT</u></b>			
<b><u>BOARDS</u></b>			
32	Bearing in mind the interest of the company, the Management Board sets forth the strategy and the main objectives of the company's operations, and submits them to the Supervisory Board. The Management Board is liable for the implementation and performance of the same. The Management Board cares for transparency and effectiveness of the company management system and the conduct of its business in accordance with legal regulations and best practice.	<b>YES</b>	<i>The Management Board of PKN ORLEN sets forth the strategy for the Company and the objectives of its operations, ensuring the transparency and effectiveness of the Company's managements system. In accordance with the provisions of the Company's Articles of Association, strategic long-term plans are submitted for approval by the Supervisory Board.</i>
33	When making decisions on corporate issues, members of the Management Board should act within the limits of justified economic risk, i.e. after consideration of all information, analyses and opinions, which, in the reasonable opinion of the Management Board, should be taken into account in a given case in view of the company's interest. When determining what is in the interest of the company, the justified long term interests of shareholders, creditors, employees and other entities and persons co-operating with the company, as well as the interests of the local community, should be taken into account.	<b>YES</b>	<i>When making decisions, Members of the Management Board of PKN ORLEN act in accordance with interests of the Company, its shareholders and other stakeholders using their knowledge and experience.</i>
34	In transactions with shareholders and other persons whose interests have impact on the interest of the company, the Management Board should act with utmost care to ensure that the transactions are at arms' length.	<b>YES</b>	<i>In transactions with shareholders and other persons whose interests have impact on the interest of the Company, the Management Board acts with utmost care to ensure that the transactions are at arms' length.</i>

35	<p>A Management Board member should display full loyalty towards the company and avoid any actions which could result exclusively in enhancing said member's own material interest. If a Management Board member receives information on the possibility of making an investment or other advantageous transaction concerning the business of the company, he should present such information immediately to the Management Board for the purpose of considering the possibility of the company taking advantage of it. Such information may be used by a management board member or be passed over to a third party only upon consent of the Management Board and only when this does not infringe upon the company's interest.</p>	<p><b>YES</b></p>	<p><i>Members of the Management Board have become acquainted with this principle and have undertaken to abide by it to the extent corresponding with this representation.</i></p>
36	<p>A Management Board member should treat his shares in the company and in its dominant companies and subsidiaries as a long term investment.</p>	<p><b>YES</b></p>	<p><i>Members of the Management Board who hold PKN ORLEN's shares identify themselves with the shareholders and by treating the investment in their Company shares as a long-term investment contribute to the growth of the shares value.</i></p>
37	<p>Management Board members should inform the Supervisory Board of each conflict of interest in connection with the performed functions or of the risk of such conflict.</p>	<p><b>YES</b></p>	<p><i>To date there has never been a conflict of interest of a Management Board member due to his/her function in the Management Board. If such a conflict of interest does occur, the Management Board will immediately inform the Supervisory Board of this fact.</i></p>
38	<p>The remuneration of Management Board members should be set based on transparent procedures and principles, taking into account its incentive nature and ensuring effective and smooth management of the company. The remuneration should correspond to the size of the company's business enterprise, should be reasonable in relation to the economic results, and be related to the scope of</p>	<p><b>YES</b></p>	<p><i>The remuneration of Management Board members includes basic remuneration, bonuses, annual award and monetary compensation for unused holiday leaves, all of which are determined by the Supervisory Board in the managerial contracts of the Management Board members.</i></p>

	liability resulting from a given function, taking into account the level of remuneration of members of management boards in similar companies in a similar market.		
39	The aggregate remuneration of all members of the Management Board should be disclosed and itemised in the annual report. If the amount of remuneration of individual members of the Management Board significantly differs, it is recommended that a relevant explanation be published.	<b>YES</b>	<i>The aggregate remuneration of all members of the Management Board is disclosed in the Company's annual report.</i>
40	The Management Board should lay down the principles and procedure of operations and allocation of powers in the by-laws which should be open and generally available.	<b>PARTIALLY</b>	<i>Members of the Management Board are bound by Rules of the Management Board, which specify the principles and procedures governing the work of the Management Board, address procedural issues and issues connected with day-to-day management of the Company and conducting its affairs. Bearing in mind the role that the Rules of the Management Board play in the management of the Company and their relation to the Company's business activities, PKN ORLEN – believing that there are no material reasons for which the Rules should be made public – leaves the contents of the Rules of the Management Board known only to the competent bodies of the Company, which is in the Company's interest.</i>
<b><u>BEST PRACTICES IN RELATIONS WITH THIRD PARTIES AND THIRD PARTY INSTITUTIONS</u></b>			
41	The selection of an expert auditor for a company should guarantee impartiality of performance of the entrusted tasks.	<b>YES</b>	<i>The Supervisory Board selects an auditor having regard for the impartiality and objectivity of the choice itself as well as of the performance of the tasks by the auditor.</i>
42	In order to ensure proper impartiality of opinion, the company should change the expert auditor at least once every five years.	<b>YES</b>	<i>The Company has adopted and applies the rule that auditors are changed at least once every five years.</i>

43	The expert auditor should be selected by the Supervisory Board or General Meeting of the company, upon receiving recommendations from the Supervisory Board.	<b>YES</b>	<i>Pursuant to the Company's Articles of Association auditors are selected by the Supervisory Board.</i>
44	An auditor auditing annual reports of a company or its subsidiaries cannot act as a special purpose auditor for the same company.	<b>YES</b>	<i>The Company declares that it will apply this principle and not appoint its auditors or auditors of its subsidiaries as special purpose auditors.</i>
45	A company should acquire its own shares in such a way that no group of shareholders be privileged.	<b>YES</b>	<i>The Company has never acquired its own shares. Having regard to the equal rights of all the shareholders, the Management Board shall exercise utmost care to ensure that no group of shareholders is privileged should such a transaction ever take place.</i>
46	The statutes of the company, its basic internal regulations, information and documents related to General Meetings, and the financial statements should be made available in the registered head office of the company and on its website.	<b>PARTIALLY</b>	<i>Except as regards the Company's position and reservations regarding Principle No. 40, the Company guarantees full disclosure and availability of all the information which is material for the shareholders, unless the disclosure of such information would be contrary to the Company's interest. The information published at the Company's website includes the Company's Articles of Association, information and documents related to the General Meetings and the financial statements.</i>
47	The company should have proper media relations procedures and regulations, and an information policy ensuring coherent and reliable information about the company. The company should, in compliance with the legal regulations and taking into account its interests, make available to mass media representatives information on its current operations and business standing, and allow their presence at General Meetings.	<b>YES</b>	<i>PKN ORLEN has implemented information policy procedures which ensure that the public obtains reliable information about the Company. The Company discloses to the mass media the data concerning its current activities and business standing in compliance with the provisions of the Polish Securities Act.</i>
48	In its annual report, a company	<b>YES</b>	<i>From the time of publication of</i>

should make public its declaration on the application of corporate governance standards. If the standards are not applied to any extent, the company should also publically explain this fact.

*this representation on the compliance with the corporate governance principles, the Management Board of PKN ORLEN will exercise utmost care to inform all participants of the capital market of any deviation from the adopted principles, in such manner and at such times as specified by the Management Board and Supervisory Board of the Warsaw Stock Exchange.*

**RESOLUTION No 35  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding approval of the motion with respect to the way of voting on the changes to the Company's Articles of Association**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby decides to exclude passing of the resolution regarding the change to § 7 item 11 of the Company's Articles of Association from passing of the resolution regarding other changes to the Company's Articles of Association stated in the agenda.

**§2**

The resolution takes an immediate effect.

**RESOLUTION No 36  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding changes to the agenda of the Ordinary General Meeting of Shareholders of PKN ORLEN**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby decides to change the sequence of the agenda of the Ordinary General Meeting of Shareholders of PKN ORLEN by moving the point no 16 regarding changes to the Company's Articles of Association and vote on it after point 21 concerning calling the Extraordinary General Meeting of Shareholders of PKN ORLEN.

**§2**

The resolution takes an immediate effect.



**RESOLUTION No 37  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the withdrawal of voting on the point 18 of the agenda**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby decides to withdraw from voting on the point 18 of the agenda regarding passing of the resolution concerning the issuance of bearer bonds with a pre-emptive conversion right into PKN ORLEN's shares, conditional increase of PKN ORLEN's initial capital with exclusion of the acquisition rights and amendments to the Articles of Association of PKN ORLEN.

**§2**

The resolution takes an immediate effect.

**RESOLUTION No 38  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding the withdrawal from voting on the resolution regarding the establishment of the number of members of the Supervisory Board of PKN ORLEN**

**§ 1**

The Ordinary General Meeting of Shareholders of PKN ORLEN hereby decides to withdraw from voting on the resolution regarding the establishment of the number of members of the Supervisory Board of PKN ORLEN.

**RESOLUTION No 39  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding appointment to the Supervisory Board of Polski Koncern Naftowy ORLEN S.A.**

**§ 1**

Under § 8 item 2 point 2 of the Company's Articles of Association, the Ordinary General Meeting of Shareholders of Polski Koncern Naftowy ORLEN S.A. decides to appoint Mr Janusz Zielinski the Supervisory Board of Polski Koncern Naftowy ORLEN S.A.

**§2**

The resolution takes an immediate effect.

**RESOLUTION No 40  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding calling the General Meeting of Polski Koncern Naftowy ORLEN SA**

§ 1

The Ordinary General Meeting of Shareholders hereby decides to oblige the Management Board to call the Extraordinary General Meeting of PKN ORLEN no later than 6 August 2004 concerning the introduction of changes to the Supervisory Board of PKN ORLEN.

§2

The resolution takes an immediate effect.

**RESOLUTION No 41  
OF  
GENERAL MEETING OF SHAREHOLDERS  
OF  
POLSKI KONCERN NAFTOWY ORLEN SPOLKA AKCYJNA**

**dated 24 June 2004**

**regarding calling an adjournment in the General Meeting**

§ 1

The Ordinary General Meeting of Shareholders hereby decides to call an adjournment. The meeting will be continued on 28 June 2004 at 14:00 CET in the same place as on 24 June 2004.

§2

The resolution takes an immediate effect.