



Polski Koncern Naftowy ORLEN
Spółka Akcyjna

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

Dear Sir/Madame

We hereby announce that a clause concerning changes of the Articles of Association has been listed on the agenda of Ordinary General Meeting. The proposed changes relate to several areas:

a) the area of power

PKN ORLEN S.A. is a major producer of electric and thermal power as well as a direct participant of balancing market. The Energy Strategy of ORLEN Capital Group assumes an increase in the production of power. Due to that reason, we suggest a change of the Articles of Association through an amendment of § 8 section 11 item 4a and indication that the ordinary course of the Company's business shall include activities related to power trading apart from activities relating to fuel trading. Furthermore, we propose to indicate the definition of power in the Articles of Association. According to the proposition, this term shall mean electric power and the property rights arising from certificates of origin for electricity or energy performance certificates.

In addition, we propose to include a new activity in the Company's scope of business, i.e. security and commodity contracts brokerage (66.12.Z). The expansion of the scope of business is related to PKN ORLEN S.A.'s planned entering to the market of electric power trading. The proposed changes will allow for a smooth conclusion of transactions relating to power trading.

b) new activities

As the same time, we suggest including wholesale on a fee or contract basis (NACE 46.1) and the activity of agents involved in the sale of fuels, ores, metals and industrial chemicals (NACE 46.12.Z) into the scope of the Company's business within wholesale area, due to the planned integration of maritime trade in ORLEN Capital Group. New activities will allow to fulfil the plans concerning the integration of activities relating to maritime trade.

As for the area of finances, due to the finance management formula adapted by ORLEN Capital Group, we suggest including the new activity, i.e. the activity of head offices and holdings, excluding financial holdings (NACE 70.10.Z). into the scope of the Company's business. This activity includes strategic and organisational planning.

c) real estate

Additionally, we suggest changing the Articles of Association by indicating that disposal of real estate, perpetual usufruct rights, or of an interest in real estate whose net book value is more than 1/5 of the Company's share capital requires the consent of the Company's General Meeting. In case of real estates whose value does not exceed 1/5 of the share capital, the decision concerning their disposal shall be made by the Management Board and the Supervisory Board. In case of real estate purchase, the Articles of Association provisions shall not be changed.

According to the current wording of the Articles of Association, the disposal of a real estate whose net book value is more than 1/20 of the Company's share capital requires the consent of the General Meeting.

The proposed change is due to the fact that from the operational perspective, the disposed real estates are unnecessary for the Company. They are usually offices that are not fully used, areas where there used to be ineffective, closed petrol stations or closed warehouses, facilities in poor technical condition. Real estates of that kind are not of primary significance to the Company. Hence, the Company is interested in disposing of them as soon as possible.

The threshold value used so far of 1/20 of the share capital was established many years ago. The proposed change to increase it to 1/5 of the share capital reflects changes that the real estate market has undergone since this clause was entered into the Articles of Association. It accounts for the price changes on the real estate market and allows to adjust the Statute's clauses to the change of purchasing power of money.

Taking the above-mentioned into account, we suggest that it should remain in the competences of the General Meeting to decide about issues related to the disposal of a real estate, but such that exceeds the value of 1/5 of the share capital.



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d) In addition, we suggest changing § 2 item 1 of the Articles of Association by indicating the activity concerning production and processing of refined petroleum products on the level of Polish Classification of Activities (NACE) 19.20.Z. The change in this area is due to obligations imposed on companies pursuant to amended Act on the National Court Register.

Since 1.01.2015, the register of companies has to include the information about the scope of business according to Polish Classification of Activities (NACE - not more than ten positions, including one superior business on the level of sub-class. Due to the fact that in case of the Company the superior business is production and processing of refined petroleum products, and taking into account the fact that this activity is not listed on the level of sub-class, it is necessary to make an amendment in that area and notify the company register thereof.

Due to the fact that there are not many propositions of Articles of Association changes, we suggest that the Ordinary General Meeting adopt the uniform text of the Articles of Association.