



PRESIDENT OF THE COUNCIL OF MINISTERS
DSKP.WN2.282.20.2019.RA(5)
PW-203702

Warsaw, May 24th 2019

Mr
Daniel Obajtek
President of the Management Board
Polski Koncern Naftowy ORLEN S.A.
of Płock

REQUEST

*FROM A SHAREHOLDER REPRESENTING AT LEAST ONE-TWENTIETH OF THE SHARE
CAPITAL TO PLACE CERTAIN ITEMS ON THE AGENDA OF THE ANNUAL GENERAL MEETING
CONVENED FOR JUNE 14TH 2019*

Dear Mr Obajtek,

Acting on behalf of the Polish State Treasury as a shareholder in Polski Koncern Naftowy ORLEN S.A. of Płock (the "Company"), holding 27.52% of the Company's share capital, pursuant to Art. 401.1 of the Commercial Companies Code and Art. 7.4.3 of the Company's Articles of Association, I hereby request that the following items be placed on the agenda of the Company's Annual General Meeting convened for June 14th 2019, after item 21 "Consideration of and voting on resolutions to amend the Company's Articles of Association and determine the consolidated text of the Articles of Association":

1. Adoption of a resolution on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services, and on repealing Resolution No. 34 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services.
2. Adoption of a resolution on the rules for disposal of non-current assets and on repealing Resolution No. 36 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 on the rules for disposal of non-current assets.
3. Adoption of a resolution on the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees and a report on application of best practices, and on repealing Resolution No. 37 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 concerning the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees.
4. Adoption of a resolution on introducing the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent and on repealing Resolution No. 39 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 to introduce the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent.
5. Adoption of a resolution on the rules for disposal of non-current assets.

STATEMENT OF REASONS

In view of the entry into force of amendments to the Act on State Property Management of December 16th 2016, the State Treasury, as the main shareholder of Polski Koncern Naftowy ORLEN S.A., proposes that the following resolutions regarding the abovementioned agenda items be passed:

- Resolution on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services,
- Resolution on the rules for disposal of non-current assets,
- Resolution on the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees, and a report on application of best practices,
- Resolution on introducing the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent,
- Resolution on the rules for disposal of non-current assets.

Yours sincerely,

Zastępcą Dyrektora
Departament Skarbu Państwa
Marcin Izdebski

Appendices:

- draft resolutions of the AGM
- copies of the power of proxy dated June 7th 2018 and May 22nd 2019

draft

RESOLUTION NO. ...
OF THE ANNUAL GENERAL MEETING
OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA OF PŁOCK
of June 14th 2019

on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services, and on repealing Resolution No. 34 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services

Acting pursuant to Art. 17.2 of the Act on State Property Management of December 16th 2016, the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of Płock (the „Company”) hereby resolves as follows:

Section 1

Consent of the Supervisory Board shall be required for:

- 1) Conclusion of an agreement for legal services, marketing services, public relations and communication services, and management consultancy services, if the total expected fees for providing services under such agreement or under other agreements concluded with the same entity exceed PLN 500,000.00, VAT exclusive, per year;
- 2) Amendments to agreements for legal services, marketing services, public relations and communication services, and management consultancy services which increase the amount of fees above the amount specified in item 1;
- 3) Conclusion of an agreement for legal services, marketing services, public relations and communication services, and management consultancy services in which the maximum amount of fees is not specified.

Section 2

Resolution No. 34 of the Company's Annual General Meeting of June 30th 2017 on the rules to be followed when executing and amending agreements for the provision of legal, marketing, public relations and communication services, and management consultancy services, is hereby repealed.

Section 3

This Resolution shall come into force upon its adoption.

Number of shares validly voted:; shares validly voted as a percentage of the share capital:%.

Total number of valid votes cast:

Number of votes cast in favour of the resolution:, number of votes cast against it:, number of abstaining votes:

draft

RESOLUTION NO. ...
OF THE ANNUAL GENERAL MEETING
OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA OF PŁOCK
of June 14th 2019

on the rules for disposal of non-current assets and on repealing Resolution No. 36 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 on the rules for disposal of non-current assets

Acting pursuant to Art. 17.4 of the Act on State Property Management of December 16th 2016, the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of Płock (the "Company") hereby resolves as follows:

Section 1

1. Non-current assets within the meaning the Accounting Act of September 29th 1994 with a market value exceeding 0.1% of total assets as determined on the basis of the most recent approved financial statements shall be disposed of by the Company by way of a tender or auction unless the market value of assets to be disposed of is below PLN 20,000.
2. The Company may dispose of non-current assets without carrying out a tender or auction if:
 - 1) the agreement provides for the disposal of shares or other non-current financial assets, or licences, patents or other industrial property rights or know-how, and the terms of the disposal and the sale procedure other than tender or auction are defined in detailed rules for the disposal of non-current assets, approved by the Supervisory Board;
 - 2) the disposal is effected by way of liquidation proceedings, on the terms specified in a General Meeting resolution in compliance with separate laws;
 - 3) the assets to be disposed of are residential units owned by the Company, and they are to be sold for a price equal to or higher than 50% of their market value to the tenant or a close person permanently cohabiting with the tenant, as defined in Art. 4.13 of the Property Management Act of August 21st 1997; the price is determined taking into account the fact that the residential units to be sold are occupied; the value of any improvements made by the tenant is reflected in the price of the unit;
 - 4) in any other justified cases with the consent of the Supervisory Board;
 - 5) the disposal is made to a subsidiary;
 - 6) the assets to be disposed of are CO₂ emission allowances or their equivalents.
3. Detailed rules for the disposal of non-current assets as referred to in Section 1 and the rules referred to in Section 2.1. shall be prepared by the Management Board and approved by the Supervisory Board.

Section 2

Resolution No. 36 of the Company's Annual General Meeting of June 30th 2017 on the rules for disposal of non-current assets is hereby repealed.

Section 3

This Resolution shall come into force upon its adoption.

Number of shares validly voted:; shares validly voted as a percentage of the share capital:%.

Total number of valid votes:

Number of votes cast in favour of the resolution:, number of votes cast against it:, number of abstaining votes:

draft

RESOLUTION NO. ...
OF THE ANNUAL GENERAL MEETING
OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA OF PŁOCK
of June 14th 2019

on the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees and a report on application of best practices, and on repealing Resolution No. 37 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 concerning the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees

Acting pursuant to Art. 17.6 of the Act on State Property Management of December 16th 2016, the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of Płock (the "Company") hereby resolves as follows:

Section 1

The Management Board shall submit to the General Meeting and the Supervisory Board, together with the Directors' Report on the Company's operations in the previous financial year, the following reports:

- 1) report on entertainment expenses, legal expenses, marketing expenses, public relations and communication expenses, and management consultancy fees,
- 2) report on application of best practices referred to in Art. 7.3 of the Act on State Property Management of December 16th 2016 to the extent applicable to the Company.

Section 2

The Supervisory Board's powers shall include approval of the reports referred to in Section 1, prepared by the Management Board, with the proviso that the scope of the reports shall be defined with due regard for the need not to disclose secrets protected by law, in particular those specified in Art. 428 of the Commercial Companies Code.

Section 3

Resolution No. 37 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017, concerning the obligation to submit a report on entertainment expenses, legal expenses, marketing costs, public relations and communication expenses, and management consultancy fees, is hereby repealed.

Section 4

This Resolution shall come into force upon its adoption.

Number of shares validly voted:; shares validly voted as a percentage of the share capital:%.

Total number of valid votes:

Number of votes cast in favour of the resolution:, number of votes cast against it:, number of abstaining votes:

draft

RESOLUTION NO. ...
OF THE ANNUAL GENERAL MEETING
OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA OF PŁOCK
of June 14th 2019

on introducing the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent and on repealing Resolution No. 39 of the Annual General Meeting of PKN ORLEN S.A. of June 30th 2017 to introduce the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent

Acting pursuant to Art. 17.7, Art. 18.2, Art. 20, and Art. 23 of the Act on State Property Management of December 16th 2016, the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of Płock (the "Company") hereby resolves as follows:

Section 1

The Management Board shall take steps with a view to introducing into the Articles of Association of companies with respect to which the Company is the parent within the meaning of Art. 4.3 of the Act on Competition and Consumer Protection of February 16th 2007 the principles set out in Art. 17.1-4, Art. 17.6 and Art. 17.6a, taking into consideration the provisions of Art. 17.5, Art. 18.1, Art. 19.1-3, Art. 19.5 and Art. 22, of the Act on State Property Management of December 16th 2016 as well as the obligation to immediately remove any member of such company's supervisory body who does not meet the requirements set out in the Articles of Association.

Section 2

Resolution No. 39 of the Company's Annual General Meeting of June 30th 2017 to introduce the rules set out in the Act on State Property Management at companies with respect to which the Company is the parent is hereby repealed.

Section 3

This Resolution shall come into force upon its adoption.

Number of shares validly voted:; shares validly voted as a percentage of the share capital:%.

Total number of valid votes:

Number of votes cast in favour of the resolution:, number of votes cast against it:, number of abstaining votes:

draft

RESOLUTION NO. ...
OF THE ANNUAL GENERAL MEETING
OF POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA OF PŁOCK

of June 14th 2019

on the rules for disposal of non-current assets

Acting pursuant to Art. 17.1 of the Act on State Property Management of December 16th 2016, the Annual General Meeting of Polski Koncern Naftowy ORLEN Spółka Akcyjna of Płock (the "Company") hereby resolves as follows:

Section 1

Consent of the Supervisory Board shall be required for:

- 1) disposal of non-current assets within the meaning of the Accounting Act of September 29th 1994, classified as intangible assets, property, plant and equipment or long-term investments, including their contribution to a company or cooperative, if the market value of such assets exceeds PLN 100,000,000 or 5% of total assets within the meaning of the Accounting Act of September 29th 1994, as determined on the basis of the most recent approved financial statements, as well as granting another entity the right to use such assets for a period longer than 180 days in a calendar year, on the basis of a legal transaction, if the market value of the assets covered by such legal transaction exceeds PLN 100,000,000 or 5% of total assets, with the proviso that if the right to use the assets is granted under:
 - a) lease or rental agreements or other agreements for granting another entity the right to use an asset for consideration – the market value of the asset is understood as the amount of consideration for:
 - one year – if the right to use the asset is granted under an agreement concluded for an indefinite term;
 - the entire term of the agreement – if the right to use the asset is granted under a fixed-term agreement;
 - b) lending agreements or other agreements for granting another entity the right to use an asset free of charge – the market value of the asset is understood as the amount of consideration which would be receivable if a lease or rental agreement were concluded, for:
 - one year – if the right to use the asset is granted under an agreement concluded for an indefinite term;
 - the entire term of the agreement – if the right to use the asset is granted under a fixed-term agreement;
- 2) acquisition of non-current assets within the meaning of the Accounting Act of September 29th 1994 with a value exceeding PLN 100,000,000 or 5% of total assets within the meaning of the Accounting Act of September 29th 1994, as determined on the basis of the most recent approved financial statements;
- 3) granting consent to the acquisition, subscription for or disposal of shares in companies, and to the Company's participation in other entities; the Supervisory Board may determine the maximum amounts, terms and procedure to be applied by the Management Board to perform those actions without the Supervisory Board's consent, with the proviso that the following shall require the Supervisory Board's consent:
 - a) acquisition of or subscription for shares in another company where the value of such shares exceeds:
 - PLN 100,000,000, or

- 10% of total assets within the meaning of the Accounting Act of September 29th 1994, as determined based on the most recent approved financial statements;
- b) disposal of shares in another company where the market value of such shares exceeds:
 - PLN 100,000,000, or
 - 10% of total assets within the meaning of the Accounting Act of September 29th 1994, as determined based on the most recent approved financial statements.

Section 2

This Resolution shall come into force upon its adoption.

Number of shares validly voted:; shares validly voted as a percentage of the share capital:%.

Total number of valid votes:

Number of votes cast in favour of the resolution:, number of votes cast against it:, number of abstaining votes:

RADCA PRAWNY

Dominika Lechowska

Zastępca Dyrektora
Departament Zarządzania Państwem

