

# REPORT

## HUMAN RIGHTS IMPACT ASSESSMENT

PROJECT OLEFINS III for ORLEN S.A.

Client: ORLEN S.A.

Reference: HP2787-RHD-ZZ-XX-RP-Z-0005

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## Abbreviations

Aol	Area of Interest
CRC	Convention on the Rights of the Child
CSR	Corporate Social Responsibility
CSO	Chief Security Officer
DP	Disable Persons
EHS	Environmental, Health and Safety
EIS	Employee Insurance System
EP	Equator Principles
EFRA	Effective Refining
EPAP	Equator Principles Action Plan
ESI	Environmental Site Investigation
ESMS	Environmental and Social Management Plan
GDP	Gross Domestic Product
GIIP	Good International Industry Practice
HR	Human Resources
HRIA	Human Right Impact Assessment
IFC	International Finance Corporation
ILO	International Labour Organization
LC	The Act of 26 June 1974, the Labour Code.
IP	Indigenous People
kb/d	thousand barrels per day
NGO	Non-Governmental Organization
PS	Performance Standard
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessments
UDHR	Universal Declaration of Human Rights
UNGPs	United Nations Guiding Principles on Business and Human Rights
WBG	World Bank Group
WWF	Worldwide Fund for Nature Poland

## Definitions and acronyms

**Affected stakeholder:** One or a group of external stakeholders that actually is, or potentially could be affected by the Project.

**Compensation Plan:** This plan defines the compensatory or remedial measures for any residual impacts identified in the Social Impact Assessment that could not be avoided when the Project was defined. These measures may include, but are not limited to, financial compensation.

**Cumulative impacts:** Those impacts arising from the combined effects of the different components of a Project such as factories, camps, yards, pipelines etc within the Project's area of operation. Cumulative impacts may be generated by multiple industrial projects in the same area or region.

**ESIA:** Environmental and Social Impact Assessment.

**GIS:** Geographic Information System.

**HRIA:** Human Rights Impact Assessment.

**Human Rights:** Human Rights are generally defined as basic standards of treatment to which all people are entitled, regardless of sex, national or ethnic origin, colour, religion, language, disability, sexual orientation, or any other status. All Human Rights may be relevant to business and are integrated into recognized by various international guidelines (IPIECA-DIHR). The Company as stated in adheres in particular to the principles set out in International Labour Organization, Voluntary Principles and United Nations (Appendix 1 and Appendix 2).

**Human Rights Impact:** A Project can have both positive and negative impacts on the Human Rights enjoyment of individuals, groups and communities. An adverse Human Rights impact occurs when an action or omission removes or reduces the ability of an individual to enjoy her or his Human Rights (IPIECA-DIHR).

**ILO:** International Labour Organization.

**Impact:** Any impact positive or negative, potential or actual, on (i) the physical, natural or cultural environment, (ii) surrounding community, and/or (iii) human rights of individuals - community members or others, resulting from any business activity or omission, or directly linked to the Project by its business relationships.

**Impact avoidance measure:** A change in the Project's design, procedures or implementation (technical, planning options etc.) which avoids a negative or potentially negative impact of the Project.

**Impact mitigation measure:** A change in the Project's design, procedures or implementation (technical, planning options etc.) which reduces and/or mitigates a negative or potentially negative impact of the Project but which may nevertheless leave a residual impact.

**Indigenous Peoples:** Broadly defined as a distinct social and cultural group possessing the following characteristics in varying degrees: Self-identification as members of a distinct indigenous cultural group; collective attachment to geographically distinct habitats or ancestral territories in the Project area and to the natural resources in these habitats and territories; customary cultural, economic, social, or political institutions that are separate from those of the dominant society or culture; a distinct language, often different from the official language of the country or region.

**NGO:** Non-Governmental Organization.

**E&G:** Energy and Gas.

**Project:** Construction and operation of a new Olefins III Complex

**Project Affected Community (PAC):** Any community being subject to risks, potential or actual impacts from an O&G project within the Project's area of operation.

**Project Affected Person(s) (PAP):** Any individual person or group of persons subject to risks, potential or actual impacts from an O&G project within the Project's area of operation.

**Project Area of Operation:** The Project's area of operation includes the primary Project site(s) and related facilities, associated facilities whose viability and existence depend exclusively on the Project and whose goods or services are essential for the successful operation of the Project; areas potentially impacted by cumulative impacts from further planned development of the Project; and areas potentially affected by impacts from unplanned but predictable developments caused by the Project that may occur later or at a different location.

**Residual impact:** Those impacts remaining after impact avoidance and mitigation measures have been applied.

**Severity:** Expression of the scale of the impacts generated to stakeholders, regardless of their probability, taking into account the nature, the scope, the people affected (considering both the overall number of people affected as well as indications of systemic discrimination); whether the impact is short or long term, the remediability of the impact and the vulnerability of the affected stakeholder including their sensitivity and resilience to handle or recover from impacts (IPIECA - DIHR). In the case of potential impacts, severity is assessed independently of probability and is the primary factor to consider in determining the prioritization of measures to address the identified impacts.

**Social Baseline Study (SBS):** Initial evaluative study of the socio-economic and Human Rights context prior to any operational activity, formalized in the framework of the Exploration & Production processes.

**Social Impact Assessment (SIA):** Study that assesses and/or analyses the actual and potential social or Human Rights impacts – positive and/or negative, direct and/or indirect, short, medium and/or long term, intentional and/or not – on the population affected by an O&G project.

**Social Management Plan:** Summarizes the findings of the SIA; outlines the proposed measures for mitigation and local socio-economic development; provide estimates of the timing, frequency, duration and cost of management measures; and establish monitoring and reporting procedures.

**Societal:** The Societal approach includes initiatives undertaken by the Company and its assets in order to better integrate their activities into the societal context of their host communities, countries and regions, notably by contributing to human, economic and social development in those territories.

**Stakeholder:** Any person, group of persons, or organization (external to the Company) on who/which the Project (or activity) has an actual or potential, direct or indirect, positive or negative impact, or one that has an actual or potential, direct or indirect, positive or negative impact on the Project (or activity).

**Stakeholder Consultation Plan/Stakeholder Engagement Plan (SEP):** Consultation and engagement are the ongoing, interactive processes between the Affiliate and its stakeholders. The consultation/engagement plan has three main components: information sharing and disclosure, dialogue (listening and exchanging) and negotiation. It includes the consultation/engagement calendar, the people involved, their roles and responsibilities, and the issues requiring consultation and engagement.

**UNDP:** United Nations Development Program.

**Vulnerability:** An individual or group's diminished or lack of capacity to understand, anticipate, cope with, resist or recover from the consequences of a potential impact or other threat. It is important not to confuse 'the vulnerability of people or groups to the Project's impact' with that of people included in 'vulnerable groups' such as indigenous people, elderly people, etc. A person may not belong to a typical 'vulnerable group' but still be very vulnerable to impacts

## 1 PROJECT OVERVIEW

### 1.1 Human Rights Impact Assessment

ORLEN S.A. commissioned Royal HaskoningDHV to undertake a human rights impact assessment (HRIA) for the company's Project Olefins III in Plock, Poland. The objectives of the HRIA are to:

- Identify actual and potential human rights impacts, risks, and opportunities;
- Make recommendations for an action plan to address impacts, mitigate the risks, and maximize the opportunities relating to the policies, processes, plans, and activities of ORLEN S.A. and Olefins III;
- Build capacity and increasingly empower relevant staff to lead constructive dialogue with stakeholders and improve management of human rights.

The desired outcome of the project is that ORLEN S.A. possesses the knowledge, insights, and perspectives to integrate human rights responsibilities into its management.

This should include (1) understanding how to prevent, mitigate, or address adverse human rights impacts that ORLEN S.A. might be directly involved in or linked to via their operations, services, or business relationships while implementing Olefins III Project, and (2) creating a human rights strategy to exercise appropriate levels of leverage over any adverse human rights impacts, and maximize any human rights opportunities.

The desired impact of the project is that, over the coming decades, investments in new products, services, technology, and operations result in improved realization of human rights, such as privacy, security, freedom of expression, labour rights, and economic, social, and cultural rights.

### 1.2 ORLEN Group in Poland

ORLEN Spółka Akcyjna (also referred to as: "ORLEN S.A." or "Company") is a multi-utility Company with the majority share of the State Treasury. The Company is listed on the Warsaw Stock Exchange [WSE].

ORLEN S.A., along with the companies forming the ORLEN S.A. Group, is one of the biggest and most modern multi-utility companies in Central Europe, operating in the following markets: Polish, Lithuanian, Czech, Slovak, German and Canadian. Moreover, the Group has units located in the territory of Malta, Sweden, the Netherlands, Hungary, Estonia and Latvia, as well as the USA. As of 31 December 2021 ORLEN S.A. Group consisted of 106 companies: a parent Company and 105 companies consolidated by full method, over which ORLEN S.A. has control. November 2022 saw the merger of ORLEN S.A. with two energy giants: Lotos Group and Polskie Górnictwo Naftowe i Gazownictwo (PGNiG). In our region of Europe (not counting Russia) the Group holds the position of Leader. In the number of fuel stations, it currently ranks sixth in Europe.

ORLEN S.A. owns seven refineries: four in Poland (in Plock, Trzebinia, Gdańsk and Jedlicze), two in the Czech Republic (in Litvinov and Kralupy) and one in Lithuania (in Mažeikiai). Furthermore, it is the owner of a few heat and power plants.

### 1.3 Olefins III Project

ORLEN S.A. plans, on the land adjacent to the northern border of the Production Plant in Plock, to construct a new Olefins III Complex (hereinafter also "Project"). The main objective of the Project is to increase the scale of manufacture of olefins and other significant petrochemical products. The construction of the Olefins III Complex is an important investment for the society of Plock and Plock commune, as well as the society of Stara Biała commune, both with regard to development of the region and future of next generations of the residents. The areas assigned for the investment are in the Stara Biała commune, and their owner is ORLEN S.A. METHODOLOGY

## 1.4 Identification And Prioritization

HRIA methodology is aligned with the UNGPs and uses the international legal human rights framework as the basis for defining the scope of the term “human rights.” Companies today are expected to respect all human rights, and it is understood that businesses can potentially impact any of them. Human rights issues also cut across a diverse range of business activities and company functions. Therefore, our HRIA methodology uses as its baseline the universe of rights codified in the following international instruments (presented in the table below):

Table 1 International and regional human rights instruments

International and regional human rights instruments	
Universal Declaration of Human Rights (UDHR)	<ul style="list-style-type: none"> <li>• Universal Declaration of Human Rights, 1948 <a href="#">link</a></li> </ul>
International Covenant on Civil and Political Rights (ICCPR)	<ul style="list-style-type: none"> <li>• International Covenant on Civil and Political Rights, 1966 <a href="#">link</a></li> <li>• Optional Protocol to the International Covenant on Civil and Political Rights, 1966 <a href="#">link</a></li> </ul>
International Covenant on Economic, Social and Cultural Rights (ICESCR)	<ul style="list-style-type: none"> <li>• International Covenant on Economic, Social and Cultural Rights, 1966 <a href="#">link</a></li> <li>• Optional Protocol to the International Covenant on Economic, Social and Cultural Rights, 2008 <a href="#">link</a></li> </ul>
Other core international human rights conventions <a href="#">link</a>	<ul style="list-style-type: none"> <li>• International Convention on the Elimination of All Forms of Racial Discrimination, 1965 <a href="#">link</a></li> <li>• Convention on the Elimination of All Forms of Discrimination Against Women, 1979 <a href="#">link</a></li> <li>• Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, 1984 <a href="#">link</a></li> <li>• Convention on the Rights of the Child, 1989 <a href="#">link</a></li> <li>• International Convention on the Protection of All Migrant Workers and Members of Their Families, 1990 <a href="#">link</a></li> <li>• International Convention for the Protection of All Persons from Enforced Disappearance, 2006 <a href="#">link</a></li> <li>• Convention on the Rights of Persons with Disabilities, 2006 <a href="#">link</a></li> <li>• Second Optional Protocol to the International Covenant on Civil and Political Rights aiming at the Abolition of the Death Penalty, 1989 <a href="#">link</a></li> <li>• Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women, 1999 <a href="#">link</a></li> <li>• Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict, 2000 <a href="#">link</a></li> <li>• Optional Protocol on the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography, 2000 <a href="#">link</a></li> <li>• Optional Protocol to the Convention on the Rights of the Child on a communications procedure, 2014 <a href="#">link</a></li> <li>• Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, 2002 <a href="#">link</a></li> <li>• Optional Protocol to the Convention on the Rights of Persons with Disabilities, 2006 <a href="#">link</a></li> </ul>

## International and regional human rights instruments

<p>International Labour Organisation (ILO) fundamental conventions</p>	<ul style="list-style-type: none"> <li>• Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) <a href="#">link</a></li> <li>• Right to Organise and Collective Bargaining Convention, 1949 (No. 98) <a href="#">link</a></li> <li>• Forced Labour Convention, 1930 (No. 29) <a href="#">link</a></li> <li>• Abolition of Forced Labour Convention, 1957 (No. 105) <a href="#">link</a></li> <li>• Minimum Age Convention, 1973 (No. 138) <a href="#">link</a></li> <li>• Worst Forms of Child Labour Convention, 1999 (No. 182) <a href="#">link</a></li> <li>• Equal Remuneration Convention, 1951 (No. 100) <a href="#">link</a></li> <li>• Discrimination (Employment and Occupation) Convention, 1958 (No.111) <a href="#">link</a></li> </ul>
<p>Other ILO conventions <a href="#">complete list</a></p>	<ul style="list-style-type: none"> <li>• ILO Hours of Work (Industry) Convention, 1919 (No. 1) <a href="#">link</a></li> <li>• ILO Hours of Work (Commerce and Offices) Convention, 1930 (No. 30) <a href="#">link</a></li> <li>• ILO Night Work of Young Persons (Non-Industrial Occupations) Convention, 1946 (No. 79) <a href="#">link</a></li> <li>• ILO Labour Inspectors Convention, 1947 (No. 81) <a href="#">link</a></li> <li>• ILO Night Work of Young Persons Employed in Industry Convention, 1948 (No. 90) <a href="#">link</a></li> <li>• ILO Protection of Wages Convention, 1949 (No. 95) <a href="#">link</a></li> <li>• ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) <a href="#">link</a></li> <li>• ILO Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117) <a href="#">link</a></li> <li>• ILO Equality of Treatment (Social Security) Convention, 1962 (No. 118) <a href="#">link</a></li> <li>• ILO Employment Policy Convention, 1964 (No. 122) <a href="#">link</a></li> <li>• ILO Minimum Age (Underground Work) Convention, 1965 (No. 123) <a href="#">link</a></li> <li>• ILO Medical Care and Sickness Benefits Convention, 1969 (No. 130) <a href="#">link</a></li> <li>• ILO Minimum Wage Fixing Convention, 1970 (No. 131) <a href="#">link</a></li> <li>• ILO Holidays with Pay (Revised) Convention, 1970 (No. 132) <a href="#">link</a></li> <li>• ILO Workers' Representatives Convention, 1971 (No. 135) <a href="#">link</a></li> <li>• ILO Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) <a href="#">link</a></li> <li>• ILO Working Environment (Air Pollution, Noise and Vibration) Convention, 1977 (No. 148) <a href="#">link</a></li> <li>• ILO Occupational Safety and Health Convention, 1981 (No. 155) <a href="#">link</a></li> <li>• ILO Workers with Family Responsibilities Convention, 1981 (No. 156) <a href="#">link</a></li> <li>• ILO Termination of Employment Convention, 1982 (No. 158) <a href="#">link</a></li> <li>• ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169) <a href="#">link</a></li> <li>• ILO Night Work Convention, 1990 (No. 171) <a href="#">link</a></li> <li>• ILO Prevention of Major Industrial Accidents Convention, 1993 (No. 174) <a href="#">link</a></li> <li>• ILO Maternity Protection Convention, 2000 (No. 183) <a href="#">link</a></li> </ul>
<p>Regional Instruments</p>	<ul style="list-style-type: none"> <li>• European Convention on Human Rights, 1950 <a href="#">link</a></li> <li>• The European Social Charter, 1961 <a href="#">link</a></li> <li>• European Convention for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment, 1987 <a href="#">link</a></li> </ul>

International and regional human rights instruments	
	<ul style="list-style-type: none"> <li>• Council of Europe, 1949 <a href="#">link</a></li> <li>• Council of Europe Convention on Action against Trafficking in Human Beings, 2005 <a href="#">link</a></li> <li>• European Charter for Regional or Minority Languages, 1992 <a href="#">link</a></li> <li>• Charter of Fundamental Rights of the European Union, 2000 <a href="#">link</a></li> </ul>
Environmental Instruments	<ul style="list-style-type: none"> <li>• Stockholm Convention on Persistent Organic Pollutants, 2001 <a href="#">link</a></li> <li>• Kyoto Protocol, 1997 <a href="#">link</a></li> <li>• United Nations Convention on Biological Diversity, 1993 <a href="#">link</a></li> <li>• United Nations Framework Convention on Climate Change, 1994 <a href="#">link</a></li> <li>• Paris Agreement, 2015 <a href="#">link</a></li> <li>• Montreal Protocol on Substances that Deplete the Ozone Layer, 1987 <a href="#">link</a></li> <li>• Basel Convention on the Control of Transboundary Movements of Hazardous Wastes, 1989 <a href="#">link</a></li> </ul>
Other International Instruments, for list of universal human rights instruments see <a href="#">here</a>	<ul style="list-style-type: none"> <li>• Rome Statute of the International Criminal Court, 1998 <a href="#">link</a></li> <li>• UNESCO Convention concerning the Protection of the World Cultural and Natural Heritage (1972) <a href="#">link</a></li> <li>• Convention Against Corruption, 2000 <a href="#">link</a></li> <li>• Convention Against Transnational Organized Crime, 2000 <a href="#">link</a></li> <li>• Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the UN Convention against Transnational Organised Crime, 2000 <a href="#">link</a></li> </ul>

Where appropriate, in areas of armed conflict, we broaden this baseline universe to include relevant aspects of humanitarian law contained in the Geneva Conventions.

Royal HaskoningDHV HRIA methodology identifies human rights impacts, and the human rights risks and opportunities arising from those impacts. Royal HaskoningDHV’s HRIA methodology also prioritizes human rights using factors contained in the Principles 19 and 24 of the UNGPs, such as:

- Scope - How many people could be affected by the harm/opportunity?
- Scale - How serious are the impacts for the victim?
- Remendability - Will a remedy restore the victim to the same or equivalent position before the harm?
- Likelihood - What is the likelihood of the impact occurring?
- Leverage - How much leverage does ORLEN S.A. have to influence the impact?

## 1.5 Rights Holder Engagement

Effective human rights due diligence requires meaningful engagement with “rights holders” - people whose human rights may be impacted by the company. Particular attention should be paid to human rights impacts on individuals from groups or populations that may be at heightened risk of vulnerability or marginalization.

Royal HaskoningDHV engaged with rights holders and stakeholders in Plock, Poland, but for reasons of consistency with HRIAs undertaken in higher risk locations, the identities of the individuals and organizations we consulted are being kept confidential. In total, interviews with around 48 individuals and organizations, including ORLEN S.A., subcontractors (Hyundai, Technicas Reunidas, Fluor) and external stakeholders informed the ORLEN S.A. Olefins III HRIA.

Key human and labour rights issues in the oil and gas industry in Poland are presented in Section 3.2.

## 1.6 Additional Aspects

There are three additional key points to understand about the Royal HaskoningDHV methodology:

- There is significant overlap of rights in international human rights instruments. Our assessment methodology accounts for this overlap and is based on a single list of all the relevant rights categorized into business-relevant groupings, such as labour, privacy, freedom of expression, security, community, and health, safety, and environment, etc. We use these groupings to make the assessment more actionable for the company;
- An appreciation of the local context is critical for the success of the assessment, so the Royal HaskoningDHV tool includes the identification of dimensions such as extent of rule of law, relevant laws and regulations, priority stakeholders, and relevant human rights history in the country;
- It is often more effective to describe issues in plain language when “on the ground” both with local stakeholders and staff in-country. As part of our HRIA approach, we “translate” specific human rights into operational issues and ask questions that address human rights with non-technical language. After the assessment, we map our findings back to the universe of human rights issues that forms the basis of the HRIA.

In this assessment, Royal HaskoningDHV provides analysis, reaches conclusions, and makes recommendations for the management of human rights. We accomplish this based on a review of ORLEN S.A. documentation, desk-based research, interviews with ORLEN S.A. executives and employees, interviews with rights holders and stakeholders, and observations from site visits.

However, it is important to note that Royal HaskoningDHV assessment is not an audit and does not apply a specific professional auditing standard. Royal HaskoningDHV has not undertaken a complete examination of all data, records, operations, and performance information, and we have not reached a formal auditor’s opinion.

## 1.7 Phases And Timeline

Royal HaskoningDHV undertook this HRIA in June and July 2022. This included site visiting in Plock and conducting survey research with ORLEN S.A. and local stakeholders, as well as conversations with staff at ORLEN S.A. HQ in Plock. HRIA process is summarized in the table below.

Table 2 HRIA drafting process

Phase	KEY Questions	Method
<b>IMMERSION</b> Building knowledge of ORLEN S.A. Group and Olefins III Project	<ul style="list-style-type: none"> <li>• What is ORLEN S.A. existing human rights policy and management approach, globally and in Poland?</li> <li>• What products, services, and technologies will be provided in Poland?</li> <li>• Who will be Olefins III main customers/customer segments?</li> <li>• What is the governance and ownership structure in Poland?</li> <li>• Who are the key internal and external stakeholders and rights holders in Poland?</li> <li>• What is the human rights context in Poland, such as extent of rule of law, relevant regulations, main stakeholders, and human rights history?</li> </ul>	<ul style="list-style-type: none"> <li>• Reviewed relevant ORLEN S.A. documentation</li> <li>• Desk-based research of Poland, such as relevant human rights reports</li> <li>• Interviews with Polish country experts</li> <li>• Identification of rights holder groups and stakeholders</li> </ul>
<b>MAPPING</b> Identifying and testing relevant issues and opportunities through rights holder/stakeholder mapping and interviews	<ul style="list-style-type: none"> <li>• What are the relevant human rights impacts, risks, and opportunities in Poland?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with 10+ relevant ORLEN S.A. staff in Poland</li> <li>• Interviews with relevant local stakeholders and rights holders</li> <li>• Identify human rights impacts, risks, and opportunities</li> </ul>
<b>PRIORITIZATION</b> Prioritize human rights risks and opportunities to determine where ORLEN S.A. should focus resources	<ul style="list-style-type: none"> <li>• In what order should ORLEN S.A. address the identified impacts, risks, and opportunities?</li> <li>• Where should ORLEN S.A. allocate resources?</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize human rights impacts, risks, and opportunities on the basis of severity (scale, scope, irremediability), likelihood, and leverage</li> </ul>
<b>MANAGEMENT</b> Develop recommendations for mitigation measures in the short, medium, and long term, in line with prioritization	<ul style="list-style-type: none"> <li>• What action plan should ORLEN S.A. put in place?</li> <li>• What leverage does ORLEN S.A. have over these risks and opportunities?</li> <li>• What measures should ORLEN S.A. take over the short, medium, and long term?</li> <li>• What information should be published externally, and what information left confidentially for ORLEN S.A.?</li> </ul>	<ul style="list-style-type: none"> <li>• Provide recommendations on how to address impacts, risks, and opportunities</li> <li>• Draft report</li> <li>• Conduct workshops to discuss and revise findings and recommendations</li> <li>• Final report</li> </ul>

## 1.8 Scope Of The Assessment

The UN Guiding Principles on Business and Human Rights state that business, in order to understand their human rights performance, should identify and assess any actual or potential human rights impacts with which they may be involved either through their own activities or as a result of their business relationships.

Further, in order to prevent and mitigate adverse human rights impacts, business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes, and take appropriate action.

In line with the business commitment to respecting human rights, the human rights assessment of ORLEN S.A. aims at:

- Identifying human rights impact areas within and across whole Olefins III Project;
- Rating the severity and level of prevalence of each impact;
- Assessing the level of compliance in policies, procedures and performance with international human rights standards and best practice for business.

The Human Rights Impact Assessment of ORLEN S.A. covers all potential human rights impacts across three areas:

- Employment Practices - concerning the rights of individuals employed by the company, or seeking employment with the company;
- Community Impact - concerning the rights of individuals residing in societies (including societies defined by political, cultural or geographic boundaries) which are affected by company activities or products;
- Suppliers and other business partners - concerning the rights of individuals affected by business partners' operations, whether as employees, local residents or other stakeholders.

Full overview of stakeholders met or interview conducted with during the assessment process is presented in the table **Błąd! Nie można odnaleźć źródła odwołania..**

Table 3 Overview of the stakeholders

<b>Government and local institutions/</b>	<ul style="list-style-type: none"> <li>• Plock Town Hall</li> <li>• Stara Biała commune office</li> <li>• Polish Waters "National Water Holding" (Panstwowe Gospodarstwo Wodne Wody Polskie)</li> <li>• Voivodeship Inspectorate of Environmental Protection (Wojewódzki Inspektorat Ochrony Środowiska)</li> <li>• Local government units dealing with the socially excluded and refugees in the communes covered by the project</li> </ul>
<b>Civil society organisations</b>	<ul style="list-style-type: none"> <li>• WWF Poland</li> <li>• Pracownia na Rzecz Wszystkich Istot</li> <li>• Amnesty International Poland</li> <li>• Campaign Against Homophobia</li> <li>• KOLIBER PŁOCKA GRUPA LGBT</li> <li>• Grupa Granica</li> <li>• PAH – Polish Humanitarian Action</li> </ul>
<b>ORLEN S.A.</b>	<ul style="list-style-type: none"> <li>• 15 employees – 8 women, 7 men</li> </ul>

<b>Contractors and sub- contractors</b>	<ul style="list-style-type: none"> <li>Hyundai Engineering Poland Spółka z ograniczoną odpowiedzialnością and Técnicas Reunidas S.A. Spółka Jawna FLUOR</li> <li>ORLEN Ochrona</li> <li>Total: 12 responses</li> </ul>
<b>Community members</b>	<ul style="list-style-type: none"> <li>8 landowners; 3 women; 5 men</li> </ul>
<b>Sum</b>	<ul style="list-style-type: none"> <li>Total – 48</li> </ul>

## 2 APPLICABLE LAWS AND REGULATIONS

### 2.1 Overview

Human rights are often expressed and guaranteed by law, in the form of treaties, customary international law, general principles and other sources of international law. International human rights law dictates obligations of Polish Government to act in certain ways or to refrain from certain acts, in order to promote and protect human rights and fundamental freedoms of individuals or groups.

### 2.2 The international human/labour rights conventions and other conventions signed and ratified by Poland

The international human/labour rights conventions and other conventions signed and ratified by Poland are presented in the table below.

Table 4 The international human/labour rights conventions and other signed and ratified by Poland

Convention	Date	Status
C029 - Forced Labour Convention, 1930 (No. 29) P029 - Protocol of 2014 to the Forced Labour Convention, 1930 ratified on 10 Mar 2017 (In Force)	30 Jul 1958	In Force
C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	25 Feb 1957	In Force
C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)	25 Feb 1957	In Force
C100 - Equal Remuneration Convention, 1951 (No. 100)	25 Oct 1954	In Force
C105 - Abolition of Forced Labour Convention, 1957 (No. 105)	30 Jul 1958	In Force
C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	30 May 1961	In Force
C138 - Minimum Age Convention, 1973 (No. 138) Minimum age specified: 15 years	22 Mar 1978	In Force
C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)	09 Aug 2002	In Force
C081 - Labour Inspection Convention, 1947 (No. 81)	02 Jun 1995	In Force
C122 - Employment Policy Convention, 1964 (No. 122)	24 Nov 1966	In Force
C129 - Labour Inspection (Agriculture) Convention, 1969 (No. 129)	02 Jun 1995	In Force
C144 - Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)	15 Mar 1993	In Force

Table 5 International standards and guidelines

No.	Legislation
1	Constitution of the Republic of Poland (Dz.U. z 1997 r. nr 78, poz. 483)
2	The Act of June 26, 1974, the Labor Code.
3	Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin
4	Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services
5	Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast)
6	Directive 2014/54/EU of the European Parliament and of the Council of 16 April 2014 on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers Text with EEA relevance
7	Act of 23 May 1991 on Trade Unions Freedom of association, collective bargaining and industrial relations
8	Act of 24 April 2009 on investments in the liquefied natural gas regasification terminal in Świnoujście (Special Gas Act)
9	Act of June 10, 2016, on the posting of workers as part of the provision of services
10	Act of 3 October 2008 on the provision of information on the environment and its protection, public participation in environmental protection and on environmental impact assessments
11	United Nations Guiding Principles on Business and Human Rights (UNGPs)
12	International Labour Organization (ILO) Core Labour Standards
13	International Bill of Human Rights
14	Equator Principles (EP) 4
15	International Finance Corporation (IFC) Performance Standards (PS) Performance Standard 2 – Labour and Working Conditions
16	IFC Performance Standard 5 – Land Acquisition and Involuntary Resettlement
17	IFC Performance Standard 7 – Indigenous Peoples
18	IFC Performance Standard 8 – Cultural Heritage
19	World Bank Group (WBG) Environmental Health and Safety (EHS) Guidelines

## 3 COUNTRY AND INDUSTRY CONTEXT

### 3.1 Poland

Poland's territory extends from the Baltic Sea in the north to the Sudeten and Carpathian Mountains in the south. The country is bordered by Lithuania and Russia to the northeast, Belarus and Ukraine to the east, Slovakia and the Czech Republic to the south, and Germany to the west. Poland also shares maritime boundaries with Denmark and Sweden.



Poland covers an administrative area of 312,722 km<sup>2</sup> and is the ninth-largest country in Europe.

Poland is a unitary parliamentary republic and a representative democracy, with a president as the head of state. The executive power is exercised further by the Council of Ministers and the prime minister who acts as the head of government. The head of state is elected by popular vote for a five-year term.

Poland is a developed market; it has the sixth largest economy in the European Union by nominal GDP and the fifth largest by GDP. It provides very high standards of living, safety and economic freedom, as well as free university education and a universal health care system.

On 24 February 2022, the Russian regime launched an unprovoked, large-scale invasion of Ukraine. Poland is allowing millions of Ukrainians fleeing the war access to the labour market and to health and social benefits.

#### 3.1.1 Vulnerability in the Plock district

IFC defines vulnerability as *"people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected than others."*

Groups that are vulnerable in the villages within the Project Aol are generally the elderly, widows and the disabled. In addition, a large number of refugees from Ukraine came to Poland due to Russia's attack on Ukraine.

#### 3.1.2 The situation of refugees in the Plock district

According to the information obtained on 29 June 2022 at the Security and Crisis Management Department of the City Hall of Plock, 373 people are present at collective accommodation points. In Poland, many refugees are accommodated in private homes (some Polish citizens have made their homes and free rooms available to refugees).

ORLEN S.A. Group has been actively involved in supporting refugees.

Shortly after the outbreak of war, they donated a large batch of Starlinks to Ukraine, which will enable its residents to contact the world through satellites that provide internet. (Starlink is a telecommunications satellite system being built by the US company SpaceX, owned by Elon Musk. Telecommunications satellites are designed to deliver the Internet).

As part of the social activities, heated tents have been prepared near the Polish-Ukrainian border, with hot snacks and drinks available. More than 30,000 liters of fuel have also been donated to the city of Przemyśl

for use in helping refugees. Already more than 10 people, primarily mothers with children, are being cared for by ORLEN S.A. in hotel facilities that have been made available in Plock for those in need.

ORLEN S.A. Group consistently undertakes activities to support the people of Ukraine. As part of the ORLEN Paczka service, the company has made it possible to donate the most necessary gifts, which can be sent free of charge in all parcel machines in Poland. The parcels, in cooperation with the General Consulate of the Republic of Poland in Lviv, will ultimately go to civilians in Ukraine.

ORLEN S.A., together with the ORLEN Foundation, prepared day care centres at reception points for the youngest refugees from Ukraine. Children remain in them under the care of professional caregivers, while parents can take care of the necessary formalities during this time. Thanks to the company's support, the youngest can, among other things, also benefit from the help of therapists.

ORLEN S.A., as part of the pilot project "ORLEN For Plock. Solidarity with Ukraine" will organize Polish language courses for both children and adults, as well as weekly art and language classes for the youngest refugees who have settled in Plock.

According to information dated 2 July 2022 around 2105 refugees from Ukraine found shelter in the Plock district.

- Numbers of refugees (who rarely registered in the PESEL system in the Plock District) in individual municipalities: Plock, Stara Biała Commune - 138 people
- Słupno commune - 186 people
- Radzanowo commune - 94 people
- Nowy Duninów commune - 142 people
- Mała Wieś Commune - 105 people
- Staroźreby Commune - 47 people
- Gąbin commune - 350 people
- Drobin commune - 246 people
- Bulkowo commune - 89 people
- Wyszogród Commune - 508 people
- Słubice commune - 200 people
- Bodzanów commune - no information available
- Bielsk Commune - no information available
- Łąck Commune - no information available

The total number of people registered in the PESEL system in the Plock district - 2105 people.

The number of refugees accommodated in refugee centres in the Plock district is 270 people.

Refugees who enter Poland through the border in Belarus do not stay in Poland. The main target of the refugees are the countries of Western Europe - according to the data of local government institutions in District Plock, only refugees from Ukraine are covered.

It may be anticipated that majority of refugees that stay in Poland are women in the production age often accompanied by children. They seek employment in various branches of economy often discarded by Polish employees (cleaning services, gastronomy, retail, production etc.)

Due to the above, the implementation of the Project may create new job opportunities for them and support local businesses that employ refugees (and other vulnerable groups).

The competition between job applicants for the Project construction and operation, some of whom may be refugees, is possible. However, it is assessed negligible due to the fact that the majority of refugees are

women specializing in other tasks than physical work on the construction site or highly skilled work during operation.

### 3.1.3 Ethnicity and Language in the Plock district

The dominant nationality in the Plock district is Polish, which covers approximately 99% of all inhabitants. Minorities are listed in Table 5-1.

Table 6 Ethnicity and Language in Plock district (2011)

Population – total:	110140 people
minority:	Number of people:
Czech	<100
Lithuanian	<100
German	<100
Romanian	<100
Russian	<100
Ukrainian	<100
Jewish	<100

The dominant language is Polish. Due to the outbreak of the war in Ukraine in 2022, there is a significant influx of Ukrainian citizens.

### 3.1.4 Gender in the Plock district

In the structure of the population by gender, the disproportion between the number of men and the number of women is clearly marked in Plock. The proportion of women in the total population is slightly below 50% in the age groups below 40 years, and in the age group of 70 years and above it is over 60%.

In 2021, men constituted 47% of the population (55,024 people) and women 53% (61,938 people). On average, there are 113 women for every 100 men. The ratio of women to total men is influenced by both natural biological processes and migration flows. The first group of factors includes, among other things, the continuing prevalence of boys over girls among new-borns and the higher death rate of men than of women. The second group of factors includes such phenomena as more frequent migration of women from rural to urban areas or migration of the population (especially young people) to other regions.

### 3.1.5 Women's rights in the local context

In view of the law existing in Poland providing for equal protection regardless of gender, women's rights are not considered separately. If such cases occur, they are reported individually to the local authorities. A register of such data is not available ('RODO-protection of personal data').

Despite this, the local authorities are doing their best to ensure that none of the rights of women are violated. For this reason, a thriving local branch of the League of Polish Women was established in Plock. As their main goal they have:

- fulfilment of the principle of women's equality in socio-political, professional and family life
- defending the rights and interests of women
- helping women and their families.

The following activities are carried out:

- Meetings for members of the organization-New Year's, Christmas and Women's Day

- informational and educational activities for families with a disabled person,
- organizing medical, rehabilitation and recreational assistance for children and youth with disabilities,
- organization of integrative family rehabilitation, winter and summer - vacation periods.

There are also plans to launch a Women's Council at Plock City Hall as a support body for the mayor.

### 3.1.6 LGBT rights in the local context

In August 2019, a statement was issued saying that the city council of Plock strongly opposes the promotion of LGBT+ ideology.

Despite this, Plock is not counted as an LGBT-unfriendly city by minority rights monitoring. Additionally, the organisation Płock Equality March is active there.

By implementing the Human Rights Protection Policy, ORLEN Group defined the key principles of activities, behaviour and regulations applicable in the Group, which are directly or indirectly related to the observance of human rights within the organization and in relations with external stakeholders.

Treating all employees with due respect, the ORLEN Group does not accept any behaviour or irregularities aimed at violating human dignity, in particular mobbing, discrimination and all forms of harassment.

The basis for building ethical standards and shaping the correct attitudes of employees is the Code of Ethics, which contains fundamental values and rules of conduct – consistent for the entire Group.

The ORLEN Group's Ethics Ombudsman guards compliance with the provisions of the ORLEN Group Code of Ethics, guarantees employees, the employer and all stakeholders the possibility to freely report violations. In addition, she sensitises employees to business ethics and ethical standards and reinforces in employees' minds the importance of their own role in the process of building an ethical corporate culture. He is a social functionary elected by ORLEN S.A. employees. The Ethics Ombudsman undertakes actions to clarify and eliminate behaviours inconsistent with the values and principles of conduct adopted in ORLEN S.A., in particular:

- Provides ongoing support to ORLEN S.A. employees with regard to questions and concerns raised regarding ethical issues, in particular in the area of employee relations;
- Ensures that all stakeholders, in particular employees, can anonymously and freely report violations of the provisions of the ORLEN Group Code of Ethics within the framework of the procedures and communication channels in place;
- Receives, selects and evaluates reported complaints in terms of their validity and materiality. For complaints of lesser materiality, takes corrective action directly. Refer cases of higher complexity and materiality to the Secretary of the Human Capital Committee;
- Informs all the parties concerned of the action taken, respecting the rules of confidentiality;
- Prepares, on the basis of the complaints and comments made, an annual report for the Human Capital Committee with proposals for solutions to improve corporate culture.

In addition, the Ethics Officer's tasks include carrying out educational activities disseminating the provisions of the Code of Ethics, including: lectures for managers on ethics, training courses promoting values and principles for all ORLEN S.A. employees, training during the Adaptation Programme for new employees to familiarise them with the provisions of the Code of Ethics and with the assumptions and operation of the ethics system in ORLEN S.A. and ORLEN Group, as well as a training block for trainees.

Following global trends in compliance with ethics requirements, an Ethics Team operates within the structure of the Human Resources Area. Its main tasks include:

- coordination of all ethical issues, based on the provisions of the Code of Ethics, in compliance with the assumptions of the ORLEN 2030 strategy and the vision of ORLEN Group development;
- development, implementation and updating of policies, procedures and tools in line with ethical standards in ORLEN Group;
- Following global trends in ethics compliance, an Ethics Team operates within the structure of the Human Resources Area;
- coordination of all ethical issues, based on the provisions of the Code of Ethics, in compliance with the assumptions of the ORLEN 2030 strategy and the vision of ORLEN Group development;
- development, implementation and updating of policies, procedures and tools in line with ethical standards in ORLEN Group.

As part of the functioning of the Ethics Team, the Ethics Ombudsman performs its tasks. The Ethics Ombudsman's autonomous and social function remains unchanged. The Ethics Team and the Ethics Ombudsman are designed to increase employee involvement in building a corporate culture based on ethics and values by strengthening communication and training activities and implementing consistent ethical standards in ORLEN S.A. and ORLEN Group companies. Ethics Ombudsmen function in ORLEN Group companies with more than 100 employees. In companies with less than 100 employees, the employer is responsible for ethical issues.

### **3.1.7 The situation of disabled people in the Plock district**

The only, so far, reliable and authoritative sources of information about the number of disabled people are the data of the National Census of 2012. The General National Census carried out in 2011, due to voluntary answers to questions about disability, may affect the structure of disabled people obtained in the census. and underestimating the total number of people with disabilities.

There are 10,044 people with disabilities in the Plock district (as of December 31, 2012) (9% of the total population), of which 325 people (over 3% of the total number of disabled people) are disabled children and adolescents. On the other hand, there are 238 people with disabilities, unemployed and jobseekers and not in employment. Observing the previous years, it is an upward trend.

In 2012, 1,806 applications for admitting the disabled status were submitted to the District Adjudication Team, of which 1,523 (84% of all applications) for people over 16 years of age and 283 (16% of the total) for children and adolescents up to 16 years of age. The team issued 1,740 decisions, including 85% on the degree of disability and 15% on the disability. The remaining 4% of submitted applications were considered negative.

Out of 1,484 certificates of disability, 42% of people were classified as severe, 40% as moderate and 18% as mild. In the case of children and adolescents up to 16 years of age, out of 256 disability certificates – 118 people (46% of the children required one of the caregivers to resign from employment to provide care) were entitled to the nursing benefit and 138 people (54%) to the nursing allowance.

Among adults, women were more disabled - 54%, while in the case of children - boys - 58%.

Due to the type of disability, the most common causes of disability in adults were locomotor impairment - 364 (24%), neurological diseases - 292 (20%) and respiratory and cardiovascular diseases - 280 (19%). However, among children and adolescents up to 16 years of age, locomotor impairment - 51 (20%) and respiratory and circulatory system diseases - 43 (17%).

### 3.1.8 Indigenous People in Poland

There are no indigenous peoples in Poland. In the EU, the only indigenous people that have survived to the present day are the Saami who live on the Scandinavian Peninsula. The Olefins III project has no effect on indigenous peoples.

## 3.2 Oil and Gas Industry in Poland

Poland has two major refineries with a total capacity of 556 kb/d of crude oil in 2020. The largest refinery (343 kb/d) is located at Plock in central Poland and owned by ORLEN S.A.. The other refinery (213 kb/d) is located in Gdańsk near the Baltic Sea and owned by ORLEN S.A. In 2019, a finalised EFRA (Effective Refining) project (investment of EUR 600 million) increased the production capacity of the Gdańsk refinery by around 20 kb/d, mainly for diesel and jet fuel. In 2021 ORLEN S.A. started a EUR over 2 billion project to expand the Olefins Complex in Plock as a key project under the strategic Petrochemical Development Programme and the largest petrochemical investment in Europe over the last 20 years. Production is expected to start in early 2025. In recent years, both the Plock and Gdańsk refineries have been operating at close to full capacity. There are also four small refineries in southern Poland used mainly as storage depots and to produce asphalt.

### Key human and labour rights issues in the oil and gas industry in Poland

Violations of human and labour rights in the oil and gas industry in Poland are not often reported in the public space. The oil and gas industry in Poland is highly unionized. Employees are aware of their rights and enforce them through collective agreements with employers. Corporations in this industry have implemented modern management standards and CSR policies.

In the context of the project, more important seems to be the situation in the construction and service industries, in which more violations of human and labour rights are reported, especially concerning violations of the rights of migrant and temporary workers.

Most common irregular practices of intermediaries

- Job-finding fees. The charge for arranging a job starts from 100 euros, depending on the types of documents prepared.
- Payment for jobs in the form of a deposit to the agency for the worker to appear at the workplace.
- Deducting sums from salaries for housing or other expenses.
- Contracts only in Polish, with no translation provided. Low awareness among migrant workers regarding their labour rights, and a reluctance to read contracts.
- Blackmailing of migrant workers using their desire to prolong their work in Poland and legalize their residence.
- Recruitment for fake jobs and the sale of permits for visas.
- Limited training in workplace health and safety.

Main violations at the workplace:

- Work without a work contract.
- The types of work contracts are not the right ones for the work migrants do. Often they should be employment contracts instead of civil law contracts.
- Medical care is not provided, since many Ukrainian migrants work in the gray zone or have civil law contracts that provide no medical care.
- Extensive working hours.
- Non-payment of wages by both intermediaries and direct employers, or
- non-payment of wages for the final months of employment. Employers

- abuse migrants' need to return home before their visa expires.
- Unpaid trial periods.
- Deduction of housing and other costs from salary.

## **4 HUMAN RIGHTS AT ORLEN S.A.**

ORLEN S.A.'s approach to human rights is set out in Group Policies and Group Instructions. Group Policies are approved by the ORLEN S.A.'s Board of Directors and contain the scope and purpose, principles, and roles and responsibilities that apply to the issue. Group Instructions are approved by the ORLEN S.A.'s Management Board and go into more detail by describing the objectives and requirements that apply to the issue. The following table summarizes the policies and instructions relevant for human rights:

Table 7 The policies and instructions relevant for human rights

H&S		
<ul style="list-style-type: none"> <li>Operational Directive<sup>1</sup> no. 5/2018/ZB of 19 March 2018 on conducting earthworks at ORLEN S.A.</li> <li>Attachment no 1 to Operational Directive no. 5/2018/ZB</li> <li>Attachment no 2 to Operational Directive no. 5/2018/ZB</li> <li>Attachment no 3 to Operational Directive no 5/2018/ZB</li> </ul>	<p>The directive introduces "Instructions for conducting earthworks on the territory of ORLEN S.A." in order to secure underground reinforcement of the area, safety of conducted works and elimination of hazards - in the course of earthworks conducted on the premises of the production site in Plock (including railway terminal in Plock, fuel terminal in Plock), Włocławek site, CCGT Włocławek site and ORLEN S.A. terminals in Poland.</p>	<p>The directive provides guidelines on how to carry out earthworks. These are guidelines mainly for contractors and subcontractors.</p>
<p>Attachment no 1 to Operational directive no. 8/2018/ZB</p>	<p>The directive introduces "Instructions for carrying out safe work at height" in order to ensure safety and proper organisation while carrying out work at height on the premises of the production site in Plock (including railway terminal in Plock, fuel terminal in Plock), Włocławek site, CCGT Włocławek site and ORLEN S.A. terminals in Poland.</p>	<p>The directive provides guidelines on how to carry out work at height. These are guidelines mainly for contractors and subcontractors.</p>
<ul style="list-style-type: none"> <li>Directive<sup>2</sup> no. 8/2015/DG of 30 March 2015 on principles, procedures for organisation and control of employee training in the scope of occupational health and safety, fire protecting and conducting position training in ORLEN S.A.</li> <li>Attachment no 1 to Directive no. 8/2015/DG</li> </ul>	<p>The directive introduces "Instructions concerning the principles, procedure of organisation and control of training in occupational health, fire protection and carrying out job training in ORLEN S.A" to update the principles and procedure applicable to the organisation, conduct and control of training in occupational safety and health and fire protection.</p>	<p>The document introduces time periods for the validity of health and safety training for ORLEN S.A. employees.</p>
<ul style="list-style-type: none"> <li>Operational Directive no. 9/2020/PB of 24 August 2020 on work inside tanks, closed apparatus and sewage manholes in ORLEN S.A.</li> <li>Attachment no. 1 to Operational directive no. 9/2020/PB</li> </ul>	<p>The directive introduces "Instructions for safe work inside tanks and in sewage manholes" to ensure safety and proper organisation while performing work inside tanks and in sewage manholes on the premises of the production site in Plock (including railway terminal in Plock, fuel terminal in Plock), Włocławek site, CCGT Włocławek site and ORLEN S.A. terminals in Poland.</p>	<p>The directive provides guidelines on how to carry out work in limited spaces: tanks, columns, etc. These are guidelines mainly for contractors and subcontractors.</p>

<sup>1</sup> Zarządzenie operacyjne

<sup>2</sup> Zarządzenie

H&S		
<ul style="list-style-type: none"> <li>• Directive no. 23/2019/DG of 9 April 2019 on the procedure for determining the circumstances and causes of accidents at work, accidents on the way to and from work, occupational diseases, and occupational safety hazards and near misses, as well as the principles for providing care to the injured person after an accident at work in ORLEN S.A.</li> <li>• Attachment no 1 to Directive no. 23/2019/DG</li> </ul>	<p>The directive introduces "Instructions concerning the principles and procedures for determining the circumstances and causes of accidents at work, accidents on the way to and from work, occupational diseases, and occupational safety hazards and near misses, as well as the principles for providing care to the injured person after an accident at work in ORLEN S.A."</p>	<p>Instructions for employees, managers and accident teams on how to carry out activities related to accidents at ORLEN S.A. Applies to ORLEN employees. The NEAR MISS handling path is also indicated. Based on the registers kept, the TRR ratios for ORLEN and contractors are calculated.</p>
<ul style="list-style-type: none"> <li>• Directive no. 36/2020/DG of 18 June 2020 on the introduction of the fire and chemical safety regulations for ORLEN S.A</li> <li>• Attachment no 1 to Directive no. 36/2020/DG</li> </ul>	<p>The directive introduces "Regulations on fire and chemical safety of ORLEN S.A: in order to ensure fire and chemical safety at ORLEN S.A. and to regulate the principles of conduct and responsibility in this respect.</p>	<p>Regulation on all fire issues and dealing with chemical hazards, including chemical alarm, rescue and fire protection. List of technical measures and standards for personal fire equipment. Rules for alerting and proceeding in the event of various incidents on the premises of the plant: fire, spill, chemical accident, etc. Applies to ORLEN employees.</p>
<ul style="list-style-type: none"> <li>• Directive no. 44/2020/DG of 3 September 2020 on the carrying out of work on the basis of written authorisation at the Plock production site, the PTA site in Włocławek, the CCGT site in Włocławek and Terminals located outside Plock.</li> <li>• Attachment no. 1 to Directive 44/2020/DG</li> </ul>	<p>The directive introduces "Instructions for carrying out of work on the basis of written authorisation" at the Plock production site, the PTA site in Włocławek, the CCGT site in Włocławek and Terminals located outside Plock.</p>	<p>The directive provides guidelines on how to carry out work based on written permits on the premises of ORLEN S.A.. These are guidelines mainly for contractors and subcontractors.</p>
<ul style="list-style-type: none"> <li>• Directive no. 50/2021/DR of 29 December 2021 on the implementation of the "Emergency instructions to be followed in the event of an emergency".</li> <li>• Attachment no. 1 to Directive no. 50/2021/DR</li> </ul>	<p>The directive implements "Emergency instructions to be followed in the event of an emergency" to regulate the procedure to be followed in the event of an emergency, the notification obligations, the establishment and operation of Technical and Emergency Teams and the calculation of losses.</p>	<p>The directive concerns the classification of events, the method of reporting to external bodies: WIOŚ [Wojewódzki Inspektorat Ochrony Środowiska], and the composition and scope of work of technical teams examining emergency events at the premises of ORLEN. Applies to ORLEN employees.</p>
<ul style="list-style-type: none"> <li>• Directive no. 17/2019/DG of 14 March 2019 on the detailed rules for ascertaining and qualifications of persons engaged in the operation of devices, installations and networks in ORLEN S.A.</li> <li>• Attachment no. 1 to Directive no. 17/2019/DG</li> </ul>	<p>The directive introduces "Rules for ascertaining and qualifications of persons engaged in the operation of devices, installations and networks in ORLEN S.A."</p>	<p>The directive concerns the rights of people who deal with devices under voltage and power networks. Applies to ORLEN employees.</p>

H&S		
<ul style="list-style-type: none"> <li>• Directive no. 39/2018/DG of 14 June 2019 on principles and procedures for drawing up, approving and updating general and specific instructions.</li> <li>• Attachment no. 1 to Directive no. 39/2018/DG</li> </ul>	<p>The directive introduces “ Principles and procedures for drawing up, approving and updating general and specific instructions” in order to ensure the efficient planning and ongoing control of the drawing up, approval and updating of general and detailed instructions in force at ORLEN S.A.</p>	<p>The directive concerns the scope of preparation and approval of instructions at ORLEN S.A. Applies to PKN employees.</p>
<ul style="list-style-type: none"> <li>• Directive no. 46/2020/DG of 7 September 2020</li> <li>• Attachment no 1 to Directive no. 46/2020/DG</li> <li>• Attachment no. 2 to Directive no. 46/2020/DG</li> <li>• Attachment no. 3 to Directive 46/2020/DG</li> </ul>	<p>The directive introduces:</p> <ol style="list-style-type: none"> <li>1) „Principles for the management of protective clothing and footwear and personal protective equipment – Attachment no 1 to this Directive;</li> <li>2) “Principles of personal hygiene management” – Attachment no 2 to this Directive;</li> <li>3) “Principles for the location of the first aid stations and first aid kits and the provision of first aid equipment supplies – Attachment no 3 to this Directive;</li> </ol>	<p>The directive concerns PPE (Personal Protective Equipment). Applies to ORLEN employees.</p>
<ul style="list-style-type: none"> <li>• Directive np. 48/2019/DG of 22 August 2019 on the assessment of occupational risks of work performed by workers employed in ORLEN S.A.</li> <li>• Attachment no 1 to Directive no. 48/2019/DG</li> <li>• Attachment no 1 to Directive no. 48/2019/DG</li> </ul>	<p>The directive introduces „Instructions for risks assessment for work activities and the resulting activities in ORLEN S.A.” in order to establish uniform principles and procedures applicable to occupational risk assessment for work activities in ORLEN S.A..</p>	<p>The directive on risk assessment at workplaces Applies to ORLEN employees.</p>
<ul style="list-style-type: none"> <li>• Operational Directive no. 5/2015/RB of 25 February 2015 on the introduction into official use of the “Radiation Protection Manual at the production site in Plock and the PTA site in Włocławek.</li> <li>• Attachment no. 1 to Operational directive no. 5/2015/RB</li> </ul>	<p>The directive implementing „Radiological protection instruction against ionising radiation” for implementation of obligations arising therefrom and for the updating of the rules and improvement of nuclear safety and radiological protection in ORLEN S.A..</p>	<p>The directive concerning the regulation of the procedure, identification, putting into use and disposal of radioactive materials. Individual dosimetry, permits for a defectoscope, etc. Applies to ORLEN employees.</p>
<b>Environmental Protection</b> (applies to ORLEN employees)		
<p>Monitoring procedures for surface water, groundwater and soil.</p>	<p>Implementation of monitoring obligations for surface water, groundwater and soil</p>	<p>Environmental measurements, reporting to authorities, analysis.</p>
<p>Introduction of "Instructions on the implementation of obligations arising from Integrated Permits for installations located on the Production plant of ORLEN S.A. in Plock".</p>	<p>Implementation of the integrated permit.</p>	<p>Report to administration.</p>
<p>Introduction of the „CO<sub>2</sub> Instruction introducing rules of functioning of the system of monitoring and reporting of carbon dioxide emissions and activity levels in ORLEN S.A.”</p>	<p>Implementation of the CO<sub>2</sub> decision.</p>	<p>Reporting of emissions and activity levels to KOBIZE (The National Centre for Emissions Management) and for ETS purposes.</p>

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Introducing for official use „Instructions determining the rules of calculating and paying charges for the introduction of gases and dust into the air and water services in w ORLEN S.A. Spółka Akcyjna”.	Implementation of POŚ (Environmental Protection Programme) obligation to charge for the use of the environment.	Report to administration (authorities)
Introduction of „Packing Management Instruction) in ORLEN S.A.”.	Implementation of the act maintaining cleanliness and order in municipalities regarding packing management.	Report to administration (authorities)
Introduction of the „Instruction determining the rules of LDAR (Leak Detection and Repair) system in ORLEN S.A.”	Implementation of BAT obligation to monitor leakages from installations.	For internal purposes and for environmental charges.
Procedure for conducting environmental monitoring and recording the indications of the “Responsible Care” programme	Environmental monitoring regulations.	Report to RC secretariat (voluntary initiative).
Waste management procedure	Regulation of waste generation and management activities.	Report to administration.
Code of conduct for felling trees and bushes from areas owned by ORLEN S.A., including rules for removal of such vegetation in the event of danger to health and life.	Regulating the process of cutting down trees and bushes.	Valuation of felled timber, disposal of timber, compensatory planting, removal of windbreaks and trees threatening the safety of people and property.
Introduction of rules and procedures for the management of expenditures and reserves for remediation of earth surfaces and for the implementation of remediation in ORLEN Spółka Akcyjna.	Management of funds contained in the REMEDIATION RESERVE.	Ensure the correct management of the expenditure and of the reserve established to cover the costs of remediation of the earth’s surface and the establishment of the procedure for carrying out remediation in ORLEN S.A..
<b>HR (applies to ORLEN employees)</b>		
Human Rights Assessment	Actions and commitments of ORLEN S.A.. regarding respect for human rights	The policy defines the key principles of actions and behaviours that are directly and indirectly related to the observance of human rights within the organization and in relations with external stakeholders as well as contractors in the supply chain. Respect for human rights is the foundation of the ORLEN Group’s operations.

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<p>Company Collective Labour Agreement, including Bonus Regulations and Human Rights Policy in ORLEN S.A. capital Group</p>	<p>Social contract as a source of labour law, sanctioning an incentive-based and coherent reward and bonus system creates standards for individual Employee-Employer relations and norms for partnership in Employer – Union relations.</p> <p>Company Collective Labour Agreement (CCLA) regulates comprehensively the concepts of relationship management arising from the employment relationship, in accordance with applicable law and best market practice. Agreement is an element of integration and unification of social relations, supporting the implementation of business process. It is an effective and objective tool for regulating personnel management policies, with particular reference to hiring, promotion and remuneration systems, thanks to the use of transparent solutions for job classification, basic salary scales and the system of bonuses and other employee benefits.</p> <p>CCLA also provides the opportunity to have an effective and open dialogue with the social sides, as its regulates thee relevant issues concerning cooperation with trade union organisations.</p> <p>The agreement was concluded in 2008 and entered into force on 1 January 2009.</p> <ul style="list-style-type: none"> <li>• Additional Protocol No 1 was concluded in 2013,</li> <li>• Additional Protocol No 2 in 2015,</li> <li>• Additional Protocol No 3 in 2017,</li> <li>• Additional Protocol No 4 in 2018.</li> </ul> <p>There are currently no negotiations with the trade union side on changing the content of the CCLA.</p> <p>The agreement covers all employees of the employer, so the provisions of the Agreement will also apply to employees of Olefins III.</p> <p>Moreover, “Human Rights Protection Policy in the ORLEN S.A. Capital Group” has been developed and implemented.</p>	<p>The CCLA sets out the employment standards and therefore obliges the employer to comply with these standards, in particular the hiring, promotion and remuneration systems – in terms of job classification, the basic salary scale and the bonus system and the granting of other benefits to employees.</p> <p>The policy defines the key principles of actions and behaviours that are directly and indirectly related to the observance of human rights within the organization and in relations with external stakeholders as well as contractors in the supply chain. Respect for human rights is the foundation of the ORLEN S.A. Group’s operations.</p>
<p>Work Regulations</p>	<p>The document regulating the organisation and order of the work process and the related rights and obligations of Workers and Employees</p>	<p>Document regulates the organisation and order of work process and the related rights and obligations of the Employer and Employees. Every employee is obliged to familiarise herself/himself with the Work Regulations and confirm this by signing.</p>

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<p>Policy on management of ORLEN S.A. Capital Group employee potential</p>	<p>The formal document complementing the HR area strategy. The policy reflects the conviction emphasized in the corporate strategy, the HR strategy and the document “Values and Principles of conduct of ORLEN S.A. ” the Code of Ethics that Employees are one of the most valuable assets and their unique knowledge, competences and experience constitute a competitive advantage of the ORLEN S.A. Group companies.</p> <p>The HR policy was approved by the decision of the ORLEN S.A.. Board and has been in force in the Capital Group since 2013 (implementation in ORLEN S.A. took place in 2013, in the companies of the Capital Group - gradually in the following years). The last HR Policy update process took place in 2017 to maintain continuity of the document in the corporation. Considering the volatility of the economic situation, changes in the labour market and the challenges of human capital management requiring flexible actions and quick responses to challenges arising in specific business segments and in the labour market, the updated HR Policy document was submitted for implementation in ORLEN S.A. and the Group Companies with effect from 1 January 2018 and remains in force. The document contains priorities and key tasks related to human resources management developed based on best market practices – it reflects market challenges and trends related to human capital development. The application of market best practices in the field of people management in the Capital Group is implemented adequately to the needs of the business in order to support the implementation of the sub-strategies of individual segments and business areas. In accordance with Appendix 1 to the ORLEN S.A.. Capital Group Employee potential management Policy, the implementation of the solutions arising from the HR Policy is carried out on the basis of the priorities arising from the HR Strategy, as defined in the individual implementation plans for each Capital Group Company, developed in the last quarter of the year by the individual Competence Centres in ORLEN S.A..</p>	<p>The policy is subject to ongoing review. Changes to the document require the approval of the Human Capital Committee, the opinion of the Board of ORLEN S.A. Capital Group and the approval of the Group Strategy Committee</p>
<p>Agreement on the principles of cooperation of social partners in the restructuring processes at ORLEN S.A. and on the rights of employees related to these processes concluded on 27 March 2006 (consolidated text) and Collective Labour Agreement - Attachment no. 4 (Principles of cooperation between the employer and the trade unions on matters relating to restructuring)</p>	<p>ORLEN S.A. = internal regulations which set out the principles for cooperation between ORLEN S.A. and trade union organisations operating within ORLEN S.A. . in restructuring and reorganisation processes. They are tasked with implementing restructuring and reorganisation processes through social dialogue in order to maintain social peace within the Company.</p>	<p>The principles of cooperation set out in the agreement and in the Company Collective Labour Agreement are used in all formal relations and cooperation in labour matters. All personnel decisions are made in accordance with these principles.</p>

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Diversity Policy	<p>The document which aims to promote values, principles, rules and customs that are part of the fair treatment of Employees and the creation of an atmosphere of acceptance. The Policy sets out assumptions and principles whose main objective is to increase awareness and understanding of the importance of diversity and create conditions for an open and tolerant workplace.</p> <p>Policy was issued by internal Directive no 32/2021/DG on 25 August 2021.</p>	<p>The diversity policy at ORLEN S.A. is the result of a consistent HR Policy that has been pursued for many years and is focussed on our most valuable asset – People. The aim of diversity management is to create a working environment in which every employee feels respected and valued and in which they can realise their full potential, thus contributing to the success of the employer.</p> <p>Managers are committed to treating each employee equally and are not allowed to stereotype. Trainings and awareness-raising workshops are provided, including on anti-discrimination and mobbing, which are mandatory. The policy refers to several company policies and good practices.</p>
Regulations for preventing bullying, discrimination and all forms of harassment in ORLEN S.A.	<p>The document setting out the rules for dealing with of bullying, discrimination and harassment at the Employer's premises, as well as specifying the rights and obligations of Employees in the event of such situation.</p>	<p>The regulations require all of organisational units to familiarise all employees with them. The regulations aim in particular to:</p> <ol style="list-style-type: none"> <li>1) prevent mobbing, discrimination and all forms of harassment in the workplace.</li> <li>2) intervene and mitigate the consequences of any identified cases of mobbing, discrimination and any form of harassment.</li> <li>3) draw consequences for those who engage in mobbing, discrimination and all forms of harassment.</li> <li>4) reinforce positive relations between workers and between workers and the employer.</li> </ol>

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Code of ethics with "Reporting Scheme"	<p>The document sets out the values, principles of conduct and standards setting the ethical standards for all employees of ORLEN S.A. Group based on a unified approach to understanding the values of ORLEN S.A.: Responsibility, Development, People, Energy, Reliability as well as the current scale and strategies of action, the range of requirements of the Company's environment and best practices in the field of business ethics. The code of ethics - in the context of maintaining an ethical and responsible attitude towards all stakeholders - defines how the organisation will develop as it expands into new markets. The reporting scheme describes the options and channels for raising and dealing with questions, concerns, violations of the Group's values and rules of conduct in ORLEN S.A..</p> <p>In ORLEN S.A. thinking about ethics in everyday business practice was reflected in the ethics programme adopted in 2006, within the framework of which a document entitled "Values and principles of conduct in ORLEN S.A." was implemented in 2012.</p> <p>On 17 May 2021 the document containing the revised approach to the values was renamed The Code of Ethics of ORLEN S.A. Capital Group.</p>	<p>In case of questions, concerns or observed violations of ORLEN S.A. Capital Group's values and principles of conduct, each employee has a number of options for reporting observed irregularities, according to her/his preferred form.</p>
Well-being Policy	<p>The document containing the most important solutions aimed at improving the quality of life and broadly defined employee well-being, broken down into individual spheres. Programmes implemented in ORLEN S.A. include additional medical care, preventive health programmes, preventive medical exams, support with Occupational Psychology Centre, Family Friendly Employer programme, legal benefit, shopping card, pay on demand, group insurance, pension saving programme. Successful well-being programmes must be comprehensive and cover all areas of human functioning, which is why we take a holistic approach and have introduced a variety of programmes and activities to meet the multidimensional needs of employees.</p>	<p>As a conscious and responsible employer ORLEN S.A. has prepared "Well-being policy at ORLEN S.A.." which contains a set of measures aimed at ensuring the well-being of Employees. The policy is enclosed as Attachment no 1 to this Directive. The policy outlines programmes and activities aimed primarily at improving the quality of life and well-being of employees and their families.</p>

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Age Management Policy	<p>Good practice in addressing the skills and generation gap in ORLEN S.A. Capital Group. Implementation of the policy in ORLEN S.A. was preceded by a detailed analysis of the personnel with regard to the age and retirement right of the employees. The policy sets out measures to support generational change, bearing in mind that the key in the process of generational change is to prepare a successor to replace the departing persons in order to safeguard the process of transferring knowledge and competences within the organisation. The policy was the starting point for the introduction of detailed activities in ORLEN S.A. and the Group Companies, i.e. the development of an "Age Measurement Programme in ORLEN S.A." - assumptions for cooperation with business areas in the area of countering unfavourable demographic phenomena.</p>	<p>ORLEN S.A. and ORLEN S.A. Capital Group companies as responsible employers, taking care of their development strategy and market competitiveness, consciously implement age management solutions/programmes as a way of counteracting the effects of imbalance in the age structure of the company's personnel. The Policy objectives are pursued through the implementation of practices and tools. A key role in age management in the Company is played by managers, who supervise and monitor human resources in their units, make demands in terms of employment, training and promotion, in order to secure "generation gap", taking into account business development directions and process efficiency. Managers are supported by the HR area.</p>
Regulations for Company Social Benefits Fund	<p>The document setting out the principles scope and persons entitled to social benefits. Company social activities comprise the financing of benefits organised for persons entitled to use Company Social Benefits Funds (CSBF). The document complies with generally applicable law, in particular with the Act of 4 March 1994 on company social benefits funds.</p>	<p>The Director of Social Relationship Management office is responsible for the development of policies and standards for social activities at the Employer and in Capital Group companies, as well as for the development of the budget of the Company's Social Benefits Fund. The Director of Social Relationship Management and the Director of the Office of HR Business Partners undertake to exercise day-to-day oversights of compliance with the provisions of this Directive, each in her/his area of operation. The Director of Social Relationship Management undertakes to prepare, in consultation with the Director of the Office of HR Business Partners, a proposal for updating this Directive, should circumstances justify such updating.</p>
Job Description Book	<p>The book contains description of all jobs occurring in ORLEN S.A.. For each position the type of tasks to be performed, the impact on performance, responsibility regarding safety, knowledge and experience of the employee, management and communication competences and the working environment are described.</p>	<p>The record of the Job Book has a direct influence on the content of the individual job cards, but also on the recruitment process and indirectly on promotion process.</p>

<b>H&amp;S</b>		
ORLEN S.A. Group Anti-Corruption Policy	The document underscores the importance of training and awareness-raising among employees and the responsibility of companies' managements to create conditions that help to prevent and counteract corruption at the ORLEN S.A. Group. The person responsible for coordinating the implementation of the Policy objectives in effectively preventing and detecting irregularities and misconduct is the ORLEN S.A. Anti-Corruption Compliance Officer	Designed to raise employee awareness, encourage positive attitudes and behaviour, and streamline procedures and business process oversight.
Supplier Code of Conduct	Intended for ORLEN S.A. suppliers. This document forms an integral element of cooperation with suppliers, including the supplier qualification and evaluation processes, governs business standards in health and safety at work, human rights, business ethics, employee matters and environmental protection.	The document helps us to support our suppliers in building awareness and best practices in this area.
<b>Protection of biodiversity and sustainable management of living natural resources</b> (applies to OSBL and ISBL Contractors)		
Alien invasive species procedure	Preventing the introduction and spread of invasive alien species and dealing with their identification.	Description of management with a view to the identification, prevention of the introduction and spreading of invasive species.
<b>Social</b> (applies to all interested groups)		
Stakeholder Engagement Plan	Support for stakeholder involvement as part of the environmental, social and health impact assessment of an investment related to the extension of the Olefins III Complex located in Plock. Identify potential stakeholders that will be affected by the Project and make recommendations on how to involve them during the Project lifetime, so that they are well informed and seek their input into the Project.	Consideration of complaints and applications that will be submitted via the form on the website or traditional mail; fulfilment of obligations towards stakeholders included in the SEP document.
<b>Wastewater management</b> (applies to ORLEN S.A. employees)		
Directive no 31/2021/DP of 11 August 2021 on: use of fire-fighting water network and marking and maintenance of hydrants on the premises of the production plant in Plock	The purpose of the directive is to comprehensively ensure fire protection within the scope of maintaining the main and intranet fire-fighting network in full operating efficiency, rational fire-fighting water management in the production plant in Plock.	Report to administrations, Public Fire Brigades, Insurance Agencies.
<b>Security</b> (applies to ORLEN employees)		
Safety management plan	Defines the scope and principles for carrying out activities to ensure the protection of the Olefins III Project.	Periodic risk analysis including statistical data on security incidents.
Rules for communicating information on extraordinary events, including information that may affect the safety of ORLEN S.A. and ORLEN S.A. Capital Group companies	Ensuring physical, technical and economic security of ORLEN S.A..	Description of rules for dealing with the occurrence, identification, prevention of emergency events.

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Anonymous whistleblowing system at ORLEN S.A.	Preventing irregularities and fraud in ORLEN S.A..	Consideration of complaints and applications that will be submitted via the form on the website or traditional mail.

## 5 RISKS AND OPPORTUNITIES FOR OLEFINS III PROJECT

HRIA identified actual and potential human rights impacts in Poland, including both risks and opportunities. Actual and potential impacts are defined as follows:

- Actual impacts are defined in the UNGPs as impacts that have already occurred. In this HRIA, Royal HaskoningDHV has listed actual impacts as overall impact categories of known impact, such as privacy and labour standards.
- Potential impacts are defined by the UNGPs as human rights risks and adverse impacts that might occur in the future. In this HRIA Royal HaskoningDHV has listed a number of detailed human rights risks for each actual impact category—however, given the power of telecommunications to support the realization of human rights, we have also listed human rights opportunities.

Companies are expected to address their actual adverse human rights impacts through remediation and their potential adverse impacts through prevention or mitigation. However, while companies are expected to address all their adverse human rights impacts, it is not always possible to address them simultaneously. For this reason, and consistent with Principles 14 and 24 of the UNGPs, we have used the Royal HaskoningDHV HRIA toolkit to categorize these impacts as high, medium, or low priority based the severity of the impact. Severity is judged by:

- **Scope** - How many people could be affected by the harm/opportunity? (large, medium, small, very small)
- **Scale** - How serious are the impacts for the victim (major, moderate, minor, very minor)?
- **Remendability** - Will a remedy restore the victim to the same or equivalent position before the harm (not possible, possible, likely, remediable)?

For potential impacts, we have also considered the likelihood of the potential impact on rights holders occurring in the next two to three years (very likely, likely, possible, unlikely, very unlikely). When judging the likelihood of an impact occurring Royal HaskoningDHV considered both the human rights context in Poland and the presence of relevant ORLEN S.A. policies, processes, and procedures. In addition, in line with the Principle 19 of the UNGPs, we considered whether ORLEN S.A. is connected to the human rights impact in any of the following ways:

- Caused the impact, in which case the company should take the necessary steps to cease or prevent the impact;
- Contributed to the impact, in which case the company should take the necessary steps to cease or prevent its contribution and use its leverage to mitigate any remaining impact to the greatest extent possible;
- Linked to the impact by its products, services, operations, or business relationship, in which case the company should determine action based on factors such as the extent of leverage over the entity concerned, how crucial the relationship is to the enterprise, the severity of the abuse, and whether terminating the relationship with the entity itself would have adverse human rights.

It is important to note that Royal HaskoningDHV's prioritization of these impacts would likely be similar (though not necessarily identical) for companies with comparable products and services in Poland.

The policies and proposed mitigation measures are applicable to all parties working on the Project: ORLEN S.A., contractors and subcontractors.

Table 8 Human Rights Impact Analysis

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
Land Acquisition and Resettlement	<ul style="list-style-type: none"> <li>Right to Own Property</li> <li>Right to Equality before the Law</li> <li>International standards for responsible business also provide that individuals should receive adequate compensation when deprived of their land. Adequate compensation requires that displaced persons are provided with compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods.</li> </ul>	Violation of property rights during expropriation procedures. The owners' dissatisfaction with the amount of compensation.	Social protests related to the application of the expropriation procedure. Bad public reception of the project	NA	NA	NA	NA	NA	NA	Grievance Mechanism and Remedy
Right to Information and Consultation	<ul style="list-style-type: none"> <li>Right to Equality before the Law</li> <li>Freedom from State or Personal Interference in the above Rights</li> <li>Community Duties Essential to Free and Full Development</li> <li>Freedom of Opinion and Information</li> <li>Right to Own Property</li> </ul>	Incorrectly conducted public consultations and information campaign about the project	Bad public reception of the project	High	High	Possible	Critical	<p>Social and environmental documentation (EIA, HRIA, SIA etc) will be submitted to the public on the project website. ORLEN S.A. will also provide physical access to this documentation at the business owner - so that excluded groups have equal access to information.</p> <p>Moreover, the complaints mechanisms have been developed and executed.</p> <p>A Stakeholder Engagement Plan was developed and executed, identifying how the project will engage and consult with internal and external stakeholders to keep them informed about progress with the project, understand and respond to their concerns and report to them on the project's environmental and social performance.</p>	Minor	Freedom of Expression
Indigenous People (IPs) Rights	There are no indigenous peoples living within the acquisition zone because there are no indigenous peoples in Poland. In the EU, the only indigenous people that have survived to the present day are the Saami who live on the Scandinavian Peninsula.	The Olefins III Project has no effect on indigenous people	No impact	NA	NA	NA	NA	NA	NA	Indigenous People
Labour Rights	<ul style="list-style-type: none"> <li>Right of Peaceful Assembly and Association</li> <li>Right to Desirable Work and to Join Trade Unions and to strike</li> <li>Right to work</li> <li>Right to enjoy just and favourable conditions of work (wages, working hours etc.)</li> </ul>	Non-compliance with employee rights by ORLEN S.A.	<ul style="list-style-type: none"> <li>High-turnover rate;</li> <li>Must bear with the high cost of paying compensation</li> <li>Strikes by construction site workers and in turn slowing down the completion process</li> <li>Complaints to the Labour Courts;</li> </ul>	Medium	Medium	Likely	Major	<p>Based on e.g. two documents implemented in the Olefins III Project i.e.:</p> <ol style="list-style-type: none"> <li>'Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project'</li> <li>Code of conduct for ORLEN S.A. Suppliers</li> </ol> <p>Child labour and forced labour practices are considered unacceptable in the entire supply chain within the Olefins III Project.</p> <p>Additionally, according to the Policy, employees performing work for the Olefins III Project through the supply chain are free to associate themselves in any form they choose, i.e. in</p>	Negligible	<ul style="list-style-type: none"> <li>Child labour</li> <li>Collective bargaining</li> <li>Freedom of association</li> <li>Grievance Mechanism and Remedy</li> <li>Job security/ Right to Work</li> </ul>

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
	<ul style="list-style-type: none"> <li>Right to form and join trade unions, and the right to strike</li> <li>Grievance Mechanism and Remedy</li> </ul>							<p>free and independent workers' organizations that protect their interests, without any interference or repression. The complaints mechanisms have been developed and executed.</p>		<ul style="list-style-type: none"> <li>Wages</li> <li>Working hours</li> <li>Privacy</li> </ul>
Contractor and suppliers' workers' rights	<ul style="list-style-type: none"> <li>Freedom from Slavery</li> <li>Right to Equality before the Law</li> <li>Freedom from Torture and Degrading Treatment</li> <li>Grievance Mechanism and Remedy</li> </ul>	<ul style="list-style-type: none"> <li>Migrant workers may be subject to degrading or life-threatening treatment or lack of equal opportunity for promotion, due to discrimination against workers from other cultures or races</li> <li>Migrant and immigrant workers can have their travel documents held by the employer as a condition of work. This takes away their freedom of movement and is a form of bonded labour. There may also be discrimination with regard to working hours, pay, training, housing conditions and access to health care or education.</li> <li>Companies cutting off access to existing water supplies, or making existing supplies non-potable,</li> <li>Undermine the right to water (intersects with the right to health).</li> </ul>	<ul style="list-style-type: none"> <li>Grievance/ complaints from the migrant workers.</li> <li>Have to bear with the high cost of paying compensation.</li> <li>Complaints to the Labour Courts;</li> <li>Strikes by construction site workers and in turn slowing down the completion process.</li> </ul>	Low	Low	Likely	Moderate	<p>H&amp;S procedures apply to all employees regardless their ethnicity, sex or religion.</p> <p>Migrants' rights are defined in 'Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project'.</p> <p>Compliance with the provisions of Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project' will be conducted in accordance with the relevant provisions of the EPCC ISBL Contract and the EPC OSBL Contract in the supply chain. ORLEN S.A. may at any time, inspect the proper performance of the Contractor's obligations on the Site, in the offices and plants of the Contractor, vendors and/or other subcontractors, and/or in any other place where the contractor, vendors and/or other subcontractors are performing any part of the contractor's obligations.</p> <p>As per the ISBL EPCC Contract, ORLEN S.A. and PMC as ORLEN S.A.'s appointee, conducts the quality inspection and control, environment, health and safety inspections, and any other inspection, supervision the ORLEN has under the contract. During the abovementioned inspections the ORLEN/PMC verifies among others that:</p> <ul style="list-style-type: none"> <li>the contractor's Personnel employed in the performance of the contract holds all qualifications, permits to work in Poland and medical certificates required by the applicable Statutory requirements,</li> <li>all contractor's personnel employed in the performance of the contract at the given time complies with all applicable HSE regulations, including in particular the statutory requirements and the internal regulations of the owner. Inspections are being conducted periodically and the report from the inspections is being prepared.</li> </ul> <p>Contractor and its subcontractors are informed about the means and grievance mechanism implemented in the Olefins III Project.</p>	Minor	Modern Slavery
Freedom of association	<ul style="list-style-type: none"> <li>Right of Peaceful Assembly and Association</li> <li>Right to Desirable Work and to Join Trade Unions</li> </ul>	Failure to respect labour rights by contractors and sub-contractors, and suppliers in the supply chain.	<ul style="list-style-type: none"> <li>Strikes by construction site workers and in turn slowing down the completion process</li> <li>Complaints to the Labour Courts</li> <li>Grievance/ complaints from the workers.</li> </ul>	Low	Low	Likely	Moderate	<p>The labour and working conditions management plan will recognise workers' right to organise collective bargaining and to form trade unions (especially for migrant workers).</p> <p>Compliance with the provisions of Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project will be controlled in accordance with the relevant provisions of the EPCC ISBL Contract and the EPC OSBL Contract.</p>	Negligible	<ul style="list-style-type: none"> <li>Collective bargaining</li> <li>Freedom of association</li> </ul>
Safe and healthy working conditions	<ul style="list-style-type: none"> <li>Right to social security, including social insurance</li> <li>Right to Rest and Leisure</li> </ul>	<ul style="list-style-type: none"> <li>Failure to comply with the Labour Law</li> <li>Inadequate health and safety supervision</li> </ul>	<ul style="list-style-type: none"> <li>Increased accident rate</li> </ul>	Medium	Medium	Likely	Major	<p>ORLEN S.A. and Contractors will continuously monitor the workplace area, admin building or the processing area, and check if they are safe by conducting audits and inspections in line with OHS documentation and Labour Code.</p>	Moderate	<ul style="list-style-type: none"> <li>Working hours</li> <li>Right to health</li> </ul>

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
	<ul style="list-style-type: none"> <li>Right to Social Security</li> </ul>		<ul style="list-style-type: none"> <li>Increased number of serious and fatal accidents</li> <li>Inspections of the Labour Inspectorate,</li> <li>Failure to meet the work schedule</li> <li>Bad press for the Project</li> </ul>							<ul style="list-style-type: none"> <li>Social insurance</li> <li>Right to Security</li> <li>Occupational health and safety</li> </ul>
Child Labour	<ul style="list-style-type: none"> <li>Right to Education</li> <li>Freedom from Slavery</li> <li>Freedom from Torture and Degrading Treatment</li> <li>Child rights</li> </ul>	<ul style="list-style-type: none"> <li>The use of child labour by suppliers in supply chains</li> <li>Failure to comply with the Labour Law.</li> </ul>	Non-respect of children's rights by suppliers in supply chains.	Low	Low	Likely	Moderate	The use of child labour and forced labour is prohibited directly within ORLEN S.A. operation and supply chain. Compliance with the provisions of Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project' will be controlled in accordance with the relevant provisions of the EPCC ISBL Contract and the EPC OSBL Contract.	Minor	<ul style="list-style-type: none"> <li>Children's rights</li> <li>Child labour</li> <li>Right to education</li> </ul>
Disable Worker	<ul style="list-style-type: none"> <li>Right to economic and social security and to a decent level of living</li> </ul>	<ul style="list-style-type: none"> <li>Fatal and non-fatal incidents and injuries could happen when non-appropriate job tasks are given to a person with disabilities.</li> <li>The construction design does not consider the needs of people with disabilities.</li> </ul>	<ul style="list-style-type: none"> <li>Persons with disabilities face discrimination and barriers that restrict them from participating in society on an equal basis with others every day.</li> </ul>	Low	Low	Likely	Moderate	Recruitment process is formalised to ensure non-discrimination, establishment of a committee charged with the recruitment procedure, guaranteeing credibility and transparency of the process possibly involving independent third parties and customary local partners. ORLEN S.A. to have an open policy of considering persons with disabilities for suitable job requirements and facilities to support mobility and performance. Since 2021, the "Diversity Policy" has been adopted at ORLEN S.A. by an internal organizational act. ORLEN S.A. participates in the Work Integration Program, which employs dozens of people with disabilities in the Group.	Negligible	<ul style="list-style-type: none"> <li>Disability rights</li> <li>Wages</li> </ul>
Vulnerable groups	Right to Equality before the Law	Not including vulnerable groups in the project communication, SEP, and recruitment processes.	<ul style="list-style-type: none"> <li>Economic displacement</li> <li>Deepening exclusion - negative impact on social exclusion.</li> </ul>	Low	Low	Likely	Moderate	Recruitment process is formalised to ensure non-discrimination, establishment of a committee charged with the recruitment procedure, guaranteeing credibility and transparency of the process possibly involving independent third parties and customary local partners.	Minor	<ul style="list-style-type: none"> <li>Migrants' rights</li> <li>Non-discrimination</li> <li>Women's rights</li> <li>Disability rights</li> </ul>
Refugees	UN Refugee Convention essentially highlight those refugees who are fleeing to a different country should have freedom to work, freedom to move, freedom to access education, and basic other freedoms that would allow them to live their lives normally	Increased migration of workers will reduce the availability of rental housing for refugees.	Deterioration of the living conditions of refugees	Low	Low	Likely	Moderate	If possible, cooperate with local governments with regards to provide social support to refugees.	Minor	Migrants' rights

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
Refugees	UN Refugee Convention essentially highlight those refugees who are fleeing to a different country should have freedom to work, freedom to move, freedom to access education, and basic other freedoms that would allow them to live their lives normally.	New jobs on the local labour market related to the Olefins III Project, and the demand for new employees among local companies servicing the project (hotels, restaurants, local trade)	Refugees will have new jobs related to the economic recovery and the search for employees to work on the project - positive impact.	Low	Low	Likely	Moderate	Recruitment process is formalised to ensure non-discrimination, establishment of a committee charged with the recruitment procedure, guaranteeing credibility and transparency of the process possibly involving independent third parties and customary local partners. If possible, cooperation with local governments in the professional activation of refugees.	Moderate	<ul style="list-style-type: none"> <li>Migrants' rights</li> <li>Modern slavery</li> </ul>
Gender Equality	Right to Equality before the Law	Sector employs a high proportion of male workers. This can lead to mistreatment of women and lack of equal opportunity.	Employer preferences on specific gender for certain job scope	Low	Low	Likely	Moderate	Employment process must be carried out in a fairly manner. Hiring must be based on the qualification and experiences of the applicants; and ORLEN S.A. and contractors and subcontractors must review their employment policy to include gender equality. Recruitment process is formalised to ensure non-discrimination, establishment of a committee charged with the recruitment procedure, guaranteeing credibility and transparency of the process possibly involving independent third parties and customary local partners.	Minor	Non-discrimination
Women's Rights	<ul style="list-style-type: none"> <li>Women's rights</li> <li>Right to Equality before the Law</li> </ul>	Gender pay gaps, failure to respect women's rights to care and maternity leave, gender-based mobbing, sexual harassment	<ul style="list-style-type: none"> <li>Lawsuits related to the violation of employee rights, bad press</li> <li>Bad social perception of the project</li> </ul>	Low	Low	Likely	Moderate	ORLEN S.A. provides mandatory trainings for employees in the field of counteracting mobbing, discrimination and all forms of harassment, as well as mandatory training in the field of Code of Ethics. Employees are also made aware of the company's values by the Ethics Officer during welcome meetings for newly hired employees. The company conducts preventive examinations tailored to the needs of different age groups and genders.	Minor	Women's rights
LGBT Rights	Right to Equality before the Law	Discrimination on the grounds of sexual orientation.	<ul style="list-style-type: none"> <li>Lawsuits related to the violation of employee rights, bad press</li> <li>Bad social perception of the project</li> </ul>	Low	Low	Likely	Moderate	ORLEN S.A. will take proactive efforts - especially training and awareness raising - to reduce discrimination risk at the company, such as discrimination based on gender, age, ethnicity, language, national origin, and disability. These efforts must raise awareness of the discrimination risks specifically relevant in Poland, such as the situation relating to ethnic minorities, asylum seekers, LGBT, and the elderly. ORLEN S.A. has internal regulations that define the method of preventing discrimination and resolving situations of potential violations in this respect - appropriate ordinances and a training system.	Minor	Non-discrimination
HSE	<ul style="list-style-type: none"> <li>Right to Own Property</li> <li>Right to Equality before the Law</li> <li>Right to Adequate Living Standard</li> </ul>	Works related to the construction of the investment may cause breakdowns or release of substances into the environment, water contamination, dust, excessive noise emissions, deterioration of the environment.	<ul style="list-style-type: none"> <li>Environmental penalties</li> <li>Revocation of environmental permits</li> <li>Suspension of construction works</li> <li>High compensation related to environmental pollution</li> </ul>	Medium	Medium	Likely	Major	Regular supervision over contractors and subcontractors in the area of compliance with environmental protection law and received environmental decisions will be performed. ORLEN S.A. and Contractors will ensure that the Environmental Management Plan (BIOS) is properly managed, executed and maintain including monitoring and assessment.	Moderate	<ul style="list-style-type: none"> <li>Right to security</li> <li>Right to water</li> <li>Right to health</li> </ul>

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
Environmental Safety	<ul style="list-style-type: none"> <li>Right to Own Property</li> <li>Right to Equality before the Law</li> <li>Right to Adequate Living Standard</li> </ul>	Exploitation of the installation may cause breakdowns or release of substances into the environment, water contamination, dust, excessive noise emissions, exceeding environmental standards	Environmental penalties. Revocation of environmental permits. High compensation related to environmental pollution.	Medium	Medium	Likely	Major	<p>Management system is implemented based on the ISO 14001 standard, which will ensure full control over the processes affecting the environment</p> <p>Regular audits of suppliers and contractors are conducted in this regard.</p>	Minor	<ul style="list-style-type: none"> <li>Right to security</li> <li>Right to water</li> <li>Right to health</li> </ul>
Public Health	<ul style="list-style-type: none"> <li>Right to Adequate Living Standard</li> <li>Right to health</li> </ul>	<ul style="list-style-type: none"> <li>Large migrant populations, mainly male, can disrupt social cohesion and can lead to the spread of disease (e.g., HIV/Aids, COVID) to the existing population.</li> <li>Pollution from business operations</li> <li>Failure to implement appropriate health and safety standards</li> <li>Denying workers their contractually agreed employment injury benefits.</li> <li>Offering a private social security scheme that has discriminatory eligibility criteria.</li> </ul>	<p>The spread of infectious diseases may affect the proper implementation of the project schedule. Increased employee morbidity. Problem with access to health services due to the spread of infectious diseases.</p> <p>Pollution from business operations can create negative impacts on the health of workers and/or surrounding communities.</p> <p>Failure to implement appropriate health and safety standards leads to long-term negative impacts on workers' health.</p> <p>This right obliges the State to create and maintain a system of social security that provides adequate benefits for a range of issues (such as injury or unemployment).</p>	Low	Low	Likely	Moderate	<p>EPC Contractors formulated the Worker Accommodation Plan for Employees performing works at the construction site of the Olefins III Project in accordance with Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project.</p> <p>ORLEN S.A. has developed an Occupational Safety and Health Management Plan as accordance to the ESMP report.</p> <p>ORLEN S.A. must be aware of the risks to health and safety and take steps to avoid accidents and limit their consequences.</p>	Minor	<ul style="list-style-type: none"> <li>Right to security</li> <li>Right to health</li> <li>Social insurance</li> </ul>
Community Safety (Road Safety)	<ul style="list-style-type: none"> <li>Right to Own Property</li> <li>Right to Equality before the Law</li> <li>Right to Adequate Living Standard</li> </ul>	<ul style="list-style-type: none"> <li>Bad traffic organization</li> <li>No security measures to protect road users.</li> </ul>	Increased vehicle traffic (transport of materials, people) will reduce road safety and increase the number of road accident.	Low	Low	Likely	Moderate	<p>A detailed transport and road safety management plan, formulated by EPC Contractors, was developed and will be implemented based on project policies, site-specific traffic risk assessments and safe driving procedures. The plan will consider but will not be limited to the need for additional mitigation measures including local road upgrades, use of traffic convoys, restrictions on movement times.</p> <p>Vehicle movements will be restricted to defined access routes and demarcated working areas (unless in the event of an emergency), on a project site and existing assets in Plock. The project will obtain government consent (if required), to use roads not designated for project use.</p> <p>Local population and road users will be informed of planned transport activities.</p>	Minor	<ul style="list-style-type: none"> <li>Right to security</li> <li>Right to health</li> </ul>

Human Rights contexts topic	Social / Human Rights at risk	Source of impact	Description of potential impact	Scope	Scale	Remediability	Severity of impact	Mitigation measures	Evaluation of residual impacts	Equator Principles
								Rehabilitation of certain access infrastructures to and within the project site before and after the operations will be conducted to restore dirt roads potentially damaged by passage of heavy vehicles once such request will be issued by authority.		
Security	Right to Adequate Living Standard	Large population of immigrants, especially men, can disrupt social cohesion and can cause alcohol-related problems like violence and fights, drug abuse and an increase in criminal activities like theft etc. to the existing population.	<ul style="list-style-type: none"> <li>A decline in the sense of security in the area of the project</li> <li>Increasing the number of crimes.</li> <li>Social anxiety</li> <li>Bad public reception of the project</li> </ul>	Low	Low	Likely	Moderate	<p>Contractors must develop clear procedures on security management focussing on how to identify, assess and address human rights impacts.</p> <p>Contractors must:</p> <ul style="list-style-type: none"> <li>Ensure that all relevant security actors have been trained in the implementation of the relevant human rights standards, including offering to facilitate such training where necessary;</li> <li>Require all security actors to conduct background checks on their personnel, and prohibit anyone who has been credibly linked to past human rights abuses from attending their operations;</li> <li>Actively monitor its security arrangements, and ensure that any security-related incidents, and in particular those involving use of force, are reported, investigated and appropriately acted upon, including taking necessary disciplinary or remedial measures;</li> <li>Develop and communicate its policy regarding security incidents involving contractors.</li> </ul> <p>A Security Management Plan has been defined. It includes the scope and conduct of activities aimed to ensure that the Olefins III Expansion Project is protected from identified threats and security risks, while safeguarding the rights of the local community and employees.</p>	Minor	Right to security

Table 9 Implementation status of ORLEN S.A. procedures

Topic	Regulations	Is it already implemented?	Expected time of implementation
Land Acquisition and Resettlement	NA	NA	NA
Right to Information and Consultation	Environmental and Social Management System (ESMS)	Yes – under revision based on LESA remarks	<p>1 The scope of the ISBL, which includes the Hyundai Tehnicas procedure, is already in place. Hyundai's procedures are in place</p> <p>2. The other procedures we have described in the current ESMP - e.g. Orlen's anti-corruption policy - are already in place.</p> <p>In terms of ISBL, the ESMP will be reviewed on an ongoing basis to ensure consistency with Hyundai Tehnicas procedures.</p> <p>Further additions are ahead, respectively:</p> <ol style="list-style-type: none"> <li>OSBL - when the OSBL Contractors will prepare their procedures</li> <li>operational phase - when the Project become operational</li> </ol>
	Environmental Impact Assessment (EIA)	Yes	The requirements for the construction phase are implemented on an ongoing basis and the requirements for the operation phase will be implemented during the project phase.
	Human Rights Impact Assessment (HRIA)	Yes – under revision based on LESA remarks	The requirements for the construction phase are implemented on an ongoing basis and the requirements for the operation phase will be implemented during the project phase.
	Social Impact Assessment (SIA)	Yes	The specific requirements resulting from SIA will be followed throughout the Project life cycle.
	Complaints mechanisms	Yes	Already implemented on Project website

Topic	Regulations	Is it already implemented?	Expected time of implementation
	Stakeholder Engagement Plan (SEP)	Yes – under revision based on LESA remarks	The specific requirements resulting from SEP will be followed throughout the Project life cycle.
Indigenous People (IPs) Rights	NA	NA	NA
Labour Rights	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
	Code of conduct for ORLEN S.A. S.A. Suppliers	Yes	Code of conduct for ORLEN S.A. Suppliers is obligatory provided to all bidders who are taking part in procurement process and supplier confirms fulfilling its rules by accepting special statement
Contractor and suppliers' workers' rights	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Freedom of association	The labour and working conditions management plan	Yes	Labour and Working Conditions Procedure for ISBL has been developed. Some correct actions are required based on LESA remark
	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Safe and healthy working conditions	OHS documentation		Delivery of the ISBL scope is well-covered by plans prepared by the EPCC Contractor, including the HSE Plan (A8RX-CHT-0000-HSE-PLN-003) and other plans referenced throughout this document. Development of OHS Management Plans for the OSBL scope of works is required prior to commencement of construction activities, once the EPC Contractors are in place. OHS Management Plans for Project operations should be provided through the ESAP, no later than six months prior to commencement of operations.
	Labour Code	Yes	Already implemented.
Child Labour	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Disable Worker	Diversity Policy	Yes	In 2021, the "Diversity Policy" was adopted in ORLEN S.A. by an internal organizational act.
Vulnerable groups	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Refugees	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Gender Equality	Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project	Yes	Already implemented.
Women's Rights	Code of Ethics	Yes	Code of Ethics was adopted in ORLEN S.A..
LGBT Rights	Code of Ethics	Yes	Code of Ethics was adopted in ORLEN S.A..
HSE	Environmental Management Plan (BIOS)	ISBL – Yes OSBL – No	Environmental Management Plan (BIOS) for IBSL was developed Environmental Management Plan (BIOS) for OSBL for will be prepared prior to construction phase once EPC OSBL will be appointed
Environmental Safety	ISO 14001	Yes	ORLEN S.A. holds ISO14001.
	Environmental and Social Management System (ESMS)	Yes – under revision based on LESA remarks	The requirements for the construction phase are implemented on an ongoing basis and the requirements for the operation phase will be implemented during the project phase.

Topic	Regulations	Is it already implemented?	Expected time of implementation
Public Health	Worker Accommodation Plan	Yes	Health, Hygiene and Welfare on Accommodation Camps procedure for ISBL part has been prepared Influx Management Plan for ISBL must be developed
	Occupational Safety and Health Management Plan	ISBL – Yes OSBL – No	Environmental Management Plan (BIOS) for IBSL was developed Environmental Management Plan (BIOS) for OSBL for will be prepared prior to construction phase once EPC OSBL will be appointed
	Environmental and Social Management Plan (ESMS)	Yes – under revision based on LESA remarks	The requirements for the construction phase are implemented on an ongoing basis and the requirements for the operation phase will be implemented during the project phase.
	Human Rights and Work Rules	Yes	Already implemented.
Community Safety (Road Safety)	Transport and Road Safety Management Plan	ISBL – Yes OSBL – No Operation Phase - No	ISBL TMP is already in place. TMPs for construction of the OSBL scope and operation of the Project should be provided through the ESAP.
Security	Security Management Plan	Yes	Current Security Management Plan prepared by ORLEN addresses construction of both the ISBL and OSBL facilities, and also operation of the ISBL facilities once incorporated into the existing complex in Plock. No further action is required regarding Project construction. However, it is recommended that the Security Management Plan is reviewed and updated prior to Project commissioning/operations, to ensure that any it captures any changes in activities and stakeholders on site (this is consistent with commitments made in the plan).

## 6 RECOMMENDATIONS

### Policy recommendation

The company's human rights infrastructure should be strengthened by establishing a single human rights policy from which the existing issue-specific policies cascade.

In November 2022, the Management Board of ORLEN S.A. accepted the "Human Rights Protection Policy in the ORLEN Capital Group" for implementation. The policy defines the key principles of actions and behaviours that are directly and indirectly related to the observance of human rights within the organization and in relations with external stakeholders as well as contractors in the supply chain. Respect for human rights is the foundation of the ORLEN S.A. Group's operations.

Principle 16 of the UNGPs states that, as the basis for embedding their responsibility to respect human rights, business enterprises should express their commitment to meet this responsibility through a statement of policy.

### Recommendations to support better structures and procedures on environmental and social impact assessments

ORLEN S.A. should conduct an information campaign about the grievance mechanism established by the SEP, especially among its own employees and employees of the subcontractor. The interviews showed insufficient knowledge of these mechanisms among employees. It would be advisable to put information about them on information boards and during the initial training of employees.

ORLEN S.A. should also strengthen company procedures on environmental impact assessments to be rolled out in the Project (implement the alien species procedure, water and soil monitoring procedure).

### Recommendations on security management

ORLEN S.A. should develop clear procedures on security management focussing on how to identify, assess and address human rights impacts.

Furthermore, ORLEN S.A. should:

- Ensure that all relevant security actors have been trained in the implementation of the relevant human rights standards, including offering to facilitate such training where necessary.
- Require all security actors to conduct background checks on their personnel and prohibit anyone who has been credibly linked to past human rights abuses from attending ORLEN S.A. operations.
- Actively monitor its security arrangements, and ensure that any security-related incidents, and in particular those involving use of force, are reported, investigated and appropriately acted upon, including taking necessary disciplinary or remedial measures.
- Develop and communicate its policy regarding security incidents involving ORLEN S.A..

### Recommendations on supply chain management:

High-risk parts of ORLEN S.A.'s supply chain should be examined for evidence of human rights violations.

Next, specific risk areas should be examined including subcontractors, especially those deeper in the ORLEN S.A. supply chain.

Rather than undertaking full audits, ORLEN S.A. could liaise with informed stakeholders and human rights defenders to identify key red flags to look for. In making this recommendation, we have assumed that other supply chain risks (e.g. labour standards in the supply chain, and conflict minerals) are adequately managed

by existing processes (Code of conduct for ORLEN S.A. Suppliers, Human Rights and Work Rules Policy in the Supply Chain for the Olefins III Project (hereinafter: the Policy).

While ORLEN S.A. has procurement controls in place, there is a risk that it could miss sub-contractors making use of black-market labour, paying wages that are not sufficient for a reasonable standard of living, not placing reasonable limits on working hours, or undercutting health and safety protections. As a worst-case scenario, given the influx of asylum seekers, there may be a risk of modern forms of forced and bonded labour. ORLEN S.A.'s reliance on tier one suppliers to apply minimum standards to the next tier down may not be sufficient to detect these risks.

The UNGPs imply that companies should prioritize human rights based on the severity of the violation, rather than the supply chain tier.

### **Recommendations on discrimination awareness and unconscious bias training**

ORLEN S.A. may undertake proactive efforts - especially training and awareness raising - to reduce discrimination risk at the company, such as discrimination on the basis of gender, age, ethnicity, language, national origin, and disability. These efforts should raise awareness of the discrimination risks specifically relevant in Poland, such as the situation relating to ethnic minorities, asylum seekers, LGBT, and the elderly. Anti-discrimination or unconscious bias training should be accompanied by clear internal communications and statements that ORLEN S.A. does not tolerate discrimination in any form. It will be important to ensure that all dimensions of potential discrimination are covered, including hiring, promotion, pay, customer service, product and service design, and procurement decisions. Finally, these non-discrimination messages can be accompanied by positive messages that emphasize the value of diversity in all its forms. ORLEN S.A. has already embarked on a trial of unconscious bias training, which could become mandatory. During discussions with external stakeholders - especially regulators, academics and civil society organizations - the importance of unconscious bias training was often referenced. It was frequently referenced that many employers and decision makers in Poland are less aware of certain types of discrimination risk than they should be, and that increasing awareness of these risks would be important as Polish society becomes more diverse.

The UNGPs should be implemented with particular attention to the rights and needs of, as well as the challenges faced by, individuals from groups or populations that may be at heightened risk of becoming vulnerable or marginalized, and with due regard to the different risks that may be faced by women and men. Article 14 of the UNGPs state that human rights commitments should be supported by any necessary training for personnel in relevant business functions.

## 7 REFERENCES

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<http://www.globalnetworkinitiative.org/>

Equator Principles Association

[https://equator-principles.com/app/uploads/PUBLIC-Guidance\\_Application-of-EP.pdf](https://equator-principles.com/app/uploads/PUBLIC-Guidance_Application-of-EP.pdf)

OECD, “Anti-Bribery Convention”

<http://www.oecd.org/corruption/oecdantibriberyconvention.htm>

OHCHR, “Convention on the Rights of the Child”

<http://www.ohchr.org/EN/ProfessionalInterest/Pages/CRC.aspx>

OHCHR, “International Covenant on Civil and Political Rights”

<http://www.ohchr.org/EN/ProfessionalInterest/Pages/CCPR.aspx>

OHCHR, “International Covenant on Economic, Social, and Cultural Rights”

<http://www.ohchr.org/EN/ProfessionalInterest/Pages/CESCR.aspx>

OHCHR, “UN Guiding Principles on Business and Human Rights”

[http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

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<https://www.ohchr.org/sites/default/files/Documents/Issues/Business/NationalPlans/PolandNationalPlanBHR.pdf>

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