

Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2022

This Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. ("the Remuneration Report") has been developed by the Supervisory Board of Orange Polska S.A. in compliance with the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to the organised trading system and on public companies ("the Public Offering Act").

The Report covers the financial year 2022 and provides an overview of the remuneration granted in line with the Remuneration Policy of Orange Polska S.A. and, from 17 June 2020, also the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A. with subsequent amendments ("the Remuneration Policies"). The Remuneration Policies support the implementation of the strategy of Orange Polska S.A. ("the Company") and the protection of its long-term interests. In particular, by ensuring market-competitive base salaries and additional benefits, Orange Polska S.A. strives to recruit and retain the Company's key people. The purpose of the short-term and long-term variable remuneration, which depends on the Company's key financial indicators, is to motivate the Management Board Members to achieve strategic goals, which are subsequently cascaded to employees at lower levels of the organisation in the form of management goals.

The Remuneration Policies applied by the Company are also an element of its comprehensive strategy. By enabling the recruitment, retention and motivation of the best managers and professionals in the specialised areas existing in Orange Polska S.A., they provide people prepared to achieve the strategic goals of the Company.

Remuneration levels within Orange Polska S.A. are regularly compared to the remuneration practices of competitive companies in the market. Total remuneration of employees depends in particular on the Company's financial results as well as each employee's individual contribution and performance.

1.Changes in the Company's Boards

There were no changes in the composition of the Management Board in 2022. As of 31 December 2022, the Company's Management Board was composed of: Julien Ducarroz, Jolanta Dudek, Bożena Leśniewska, Witold Drożdż, Piotr Jaworski, Jacek Kowalski, Jacek Kunicki and Maciej Nowohoński.

There were the following changes in the composition of the Supervisory Board in 2022: On 22 April 2022, the mandates of Maciej Witucki, Prof. Michał Kleiber, Monika Nachyła, Marc Ricau and Jean-Michel Thibaud expired. On the same day, the Annual General Meeting appointed the following persons: Bartosz Dobrzyński, Monika Nachyła, Marc Ricau, Jean-Michel Thibaud and Maciej Witucki to the Supervisory Board for a new term of office.

2.Description of the Remuneration Policies

In line with the requirements set in the Public Offering Act, on 17 June 2020 the Annual General Meeting adopted the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A., which was subsequently amended on 27 August 2020. Under this Policy, the Company's remuneration system for the Management Board Members consists of fixed and variable components, including:

- i. base salary;
- ii. performance-based bonus (variable component of remuneration);
- iii. benefits and allocation benefits;

- iv. long-term capital remuneration;
- v. base premium for participation in the pension scheme;
- vi. employment termination benefits;
- vii. other benefits arising out of the provisions of labour law.

The remuneration paid in 2022 was structured in compliance with the adopted Remuneration Policies and thus furthered the key objectives thereof.

The detailed terms of remuneration have been regulated in individual employment contracts with Members of the Management Board.

Some remuneration components due to the Management Board Members employed by the Company (including employee pension scheme premiums or some non-pecuniary benefits) were granted based on internal regulations which apply also to other employees of the Company.

In line with the Company's Articles of Association, Members of the Management Board are appointed and removed by the Supervisory Board. The term of office of each Member of the Management Board is three years. Remuneration payments to the Management Board Members were effected pursuant to employment contracts concluded for their term of office.

Mr. Julien Ducarroz, who has been the President of the Management Board of Orange Polska S.A. since 1 September 2020, remains employed by Swiss-based Orange Global International Mobility SA (OGIM SA), an Orange SA Group company, and performs his duties as the CEO on the basis of appointment, as he has been posted to Orange Polska S.A.

Members of the Supervisory Board are appointed and removed by the General Meeting. Their individual term of office is three years. No contracts related to their functions in the Supervisory Board are concluded with the Supervisory Board Members. Their remuneration is payable pursuant to the relevant resolution appointing the Supervisory Board Member, Resolution No. 33 of the General Meeting of Orange Polska S.A. dated 9 April 2015 on the terms of remuneration of Members of the Supervisory Board, and the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A. Simultaneously, the Supervisory Board Members other than Independent Members may remain employed by an Orange SA Group company; then, no remuneration is due to them for performing functions in the Supervisory Board.

In line with the Company's Articles of Association, at least four Members of the Supervisory Board of Orange Polska S.A. shall be Independent Members, meeting the independence criteria specified in the Articles of Association and the Act of 11 May 2017 on certified auditors, audit firms and public oversight with respect to Independent Members of the Audit Committee.

In 2022, Orange Polska S.A. had five independent Members on the Supervisory Board, namely: Bartosz Dobrzyński (since 22 April 2022), John Russell Houlden, Prof. Michał Kleiber (to 22 April 2022), Monika Nachyła, Maria Pasło-Wiśniewska PhD and Wioletta Rosołowska.

3. Remuneration of the Members of the Management Board and Supervisory Board

a. Base salary

The terms of base salaries of the Management Board Members take into account the remuneration standards for particular positions related to the scope of duties and the market valuation of the work performed. Orange Polska S.A. monitors the remuneration market by comparing, at least annually, the Company's salaries and remuneration practices to the remuneration in other companies in the Polish market.

In the reported period, Orange Polska S.A. determined remuneration terms based on non-discrimination, particularly with respect to gender, age, disability, race, religion, nationality, political opinion, trade union membership, ethnic origin and sexual orientation. The Company regularly reviewed its remuneration practices for non-discrimination.

The Company has followed the Diversity Management Policy for the Members of the Management Board, adopted by the Supervisory Board on 3 November 2021, and the Diversity Management Policy for the Members of the Supervisory Board, adopted by the Annual General Meeting on 22 April 2022.

With respect to the Management Board Members, the Remuneration Committee of the Supervisory Board has the right to recommend the terms or employment, including the amount of base salary, based on the following premises:

- i. scope of responsibilities and complexity specific to the position;
- ii. market competitiveness of the remuneration;
- iii. recommendation of the President of the Management Board (does not apply to the remuneration of the latter);
- iv. recommendation of the Member of the Management Board in charge of Human Capital in the Company (does not apply to the remuneration of the latter);
- v. individual contribution of the Management Board Member to the implementation of the Company's strategy.

b. Benefits

The Company provided a package of benefits to Members of the Management Board of Orange Polska S.A. aimed to enable and facilitate the performance of their duties within the Company.

Members of the Management Board employed by Orange Polska S.A. were entitled to the following non-pecuniary remuneration components:

- i. training and studies aimed at improving professional qualifications;
- ii. medical care package for Members of the Management Board and their relatives (children, partners/spouses);
- iii. life insurance;
- iv. landline Internet at the place of residence (Orange Polska S.A.'s telecommunications infrastructure permitting);
- v. protection in the case of liability arising from the performance of the Management Board Member's duties, including in the form of insurance protection;
- vi. other non-pecuniary benefits to which the Company's employees are entitled in accordance with the internal regulations of Orange Polska S.A.

Members of the Management Board posted to Poland are entitled to all or some of the benefits listed above, or the benefits available according to the regulations of the posting company, provided that they are approved by the Supervisory Board of Orange Polska S.A.

In 2022, Members of the Management Board employed by Orange Polska S.A. were actually granted the following benefits (accounted for in the Table 1a below):

- i. medical care package for Members of the Management Board and their relatives (children, partners/spouses);
- ii. life insurance;
- iii. landline Internet at the place of residence;
- iv. other non-pecuniary benefits to which the Company's employees are entitled in accordance with the internal regulations of Orange Polska S.A.

Members of the Management Board were also entitled to liability insurance in 2022.

Members of the Management Board were granted some benefits from which also persons closely associated with them could benefit in line with the terms of their employment contracts. The value of such benefits is indicated in the Table 1a below under the caption Benefits.

While performing the duties of the President of the Management Board of Orange Polska S.A., Mr. Julien Ducarroz was entitled to the benefits resulting from the International Mobility Policy of the Orange Group, payable by Orange Polska S.A. pursuant to an agreement between Orange Polska S.A. and OGIM SA. The amount of his remuneration and benefits is shown in the Table 1b below.

In the reported period, Members of the Management Board of Orange Polska S.A., excluding Julien Ducarroz posted to the position of the President of the Management Board, did not receive remuneration from other Orange SA Group companies except for eligibility to participate in the Long Term Incentive Plan (LTIP).

In the reported period, Members of the Management Board of Orange Polska S.A. did not receive remuneration from other Orange Polska S.A. Group companies.

c. Other benefits eligible to Members of the Management Board on the same terms as to all employees

Members of the Management Board employed by Orange Polska S.A. had the right to join the Employee Pension Scheme ("EPS"), which is financed by Orange Polska S.A. This scheme is a pension fund (Orange Polska Employee Pension Fund). Members of the Management Board become eligible after they have worked for at least six months in Orange Polska S.A. The Company finances a monthly base premium in the amount of 7% of the gross remuneration amount, which constitutes the base for the calculation of the pension and disability insurance premiums. In 2022, Members of the Management Board employed by Orange Polska S.A. made use of this benefit.

A Member of the Management Board, Piotr Jaworski, uses a housing unit from the Company's resources under a rental agreement concluded prior to his appointment to the Management Board. The rent for the dwelling is determined in the same way as for other people using dwellings from the Company's resources.

d. Benefits related to termination of employment with Orange Polska S.A.

In case of employment termination, employment contracts with Members of the Management Board employed by Orange Polska S.A. are terminated with a six-month notice.

Upon termination of the employment contract with a Member of the Management Board by the Company with a notice, without a notice pursuant to Article 53 of the Labour Code or by mutual consent of the parties, as well as upon expiration of the term for which the employment contract was concluded, Members of the Management Board are entitled to severance pay in the amount of their six-month base salary.

All Members of the Management Board are obliged to refrain from engaging in any competitive activities for twelve months after the termination of employment with Orange Polska S.A. Subject to certain exceptions, in return for refraining from competitive activities they are entitled to receive compensation in the amount of their six-month base salary.

e. Variable remuneration component

Each Member of the Management Board was entitled to variable remuneration component dependent on the achievement of annual and semi-annual financial and non-financial objectives.

The purpose of the bonus system was to motivate Members of the Management Board to achieve high performance by attaining the predefined and agreed objectives which support the implementation of the Company's strategy and growth of customer satisfaction. In addition, the system of objectives stimulated co-operation among employees and business units by setting some solidarity objectives in addition to individual ones.

For Members of the Management Board, the variable component of remuneration is more related to the Company's performance and depends more on the achievement of solidarity goals, which are financial objectives shared by all Members of the Management Board, than in the case of other employees of the Company.

The variable component of remuneration was determined in semi-annual settlement periods, and its calculation was based on the evaluation of the achievement of objectives defined for each Member of the Management Board in their individual task sheets.

The annual and semi-annual objectives for Members of the Management Board depended on the Company's business plans for a given period, scope of responsibility of the particular Member of the Management Board, recommendations of the President of the Management Board and recommendations of the Member of the Management Board in charge of Human Capital in the Company.

Solidarity objectives included EBITDAaL (EBITDA after Leases), Organic Cash Flow, the Green indicator referring to CO₂ emissions in the entire Orange Polska Group, and customer satisfaction with Orange services

(Perception NPS). Individual objectives were related to the performance of the function reporting to the Management Board Member and management evaluation.

If objectives were assessed to have been achieved in 100%, the amount of the variable remuneration component was 50% of the base salary due for a given period under the employment contract. The achievement of the set objectives below or above 100% entailed a lower or higher amount of the variable remuneration, respectively. Performance in 2022 permitted granting the variable remuneration component to all Members of the Management Board, which is reflected in the Tables 1a and 1b below.

On March 25, 2022, the Supervisory Board, upon recommendation of its Remuneration Committee, granted the right to the additional Stretch Bonus to the President and Members of the Management Board. The award of the Stretch Bonus is based on EBITDAaL, eCAPEX and OCF as financial triggers. The terms of payment of the Stretch Bonus are each time determined by the Supervisory Board based on the recommendation of its Remuneration Committee.

The Stretch Bonus for the President and Members of the Management Board for 2022, due to the fulfillment of the predefined conditions, will be paid in 2023.

Table 1a. Total remuneration of Members of the Management Board in 2022

Full name	1. Fixed remuneration (PLN '000)						2. Variable remuneration (PLN '000) ¹				Total remuneration for 2022 (PLN '000)	Proportion between fixed and variable remuneration granted in 2022 (%)	Variable remuneration for 2021 paid in 2022 (w/o advance on the MBO bonus paid in December 2021) (PLN '000)
	Base salary	Benefits*	Benefits for relatives	Compensation and severance pay	Other payments (including EPS)	Total fixed remuneration	Granted for the first half of 2022	Granted for the second half of 2022	Annual, granted for 2022 (Stretch Bonus)	Total variable remuneration			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Jolanta Dudek	1,200	29	0	0	128	1,357	331	432	100	863	2,220	61%/39%	278
Bożena Leśniewska	1,440	32	0	0	157	1,629	412	536	120	1,068	2,697	60%/40%	356
Witold Drożdż	960	32	0	0	105	1,097	274	346	80	700	1,797	61%/39%	231
Piotr Jaworski	1,020	35	0	0	111	1,166	287	367	85	739	1,905	61%/39%	240
Jacek Kowalski	1,140	29	0	0	124	1,293	315	410	95	820	2,113	61%/39%	289
Jacek Kunicki ¹⁾	1,080	43	0	0	116	1,239	303	386	90	779	2,018	61%/39%	233
Maciej Nowochoński	1,176	33	0	0	127	1,336	325	429	98	852	2,188	61%/39%	281

* Includes family members in line with the provisions of section 3b(ii) above. Includes an additional benefit in the form of festival passes, which were used by Bożena Leśniewska (for Orange Warsaw Festival and Open'er Festival) and Piotr Jaworski (for Orange Warsaw Festival). In addition, Bożena Leśniewska used a sport card financed from the Company Social Benefits Fund. The benefit was worth PLN 492 in 2022 (not included in the Table 1a above).

¹ The figure Includes the variable remuneration component accrued in 2022 and payable in 2023, as approved by the Supervisory Board of Orange Polska S.A., while excludes the variable remuneration component accrued in 2021 and paid in 2022.

Table 1b. The amounts paid by Orange Polska S.A. in 2022 as the reimbursement of the costs related to posting of the President of the Management Board

Full name	1. Fixed remuneration (PLN '000)*	2. Variable remuneration (PLN '000) ¹			Total remuneration (PLN '000)	Proportion between fixed and variable remuneration (%)	Variable remuneration for 2021 paid in 2022 (without advance on the MBO bonus paid in December 2021) (PLN '000)
		excluding annual Stretch Bonus granted for 2022	Annual, granted for 2022 (Stretch Bonus)	Total variable remuneration			
1	2	3	4	5	6	7	8
Julien Ducarroz	3 848	1 165	657	1 822	5 670	68%/32%	1 077

¹ The figure includes the variable remuneration component accrued in 2022 and payable in 2023, as approved by the Supervisory Board of Orange Polska S.A., while excludes the variable remuneration component accrued in 2021 and paid in 2022 (except for the amount resulting from foreign exchange gains/losses).

* Fixed remuneration includes an additional benefit in the form of a pass for Orange Warsaw Festival, received by the President of the Management Board from Orange Polska S.A. The benefit was worth PLN 1,998.

f. Variable remuneration objectives for Members of the Management Board

The indicators presented below constituted the basis for setting solidarity objectives for Members of the Management Board and were settled in direct relation to the Company's annual performance. The total remuneration of each Member of the Management Board complied with the adopted Remuneration Policy of Orange Polska S.A. and the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A. The objectives and the way of setting them were approved, following a review, by the Remuneration Committee of the Supervisory Board.

The objectives for the Management Board Members were settled on a semi-annual basis (with reference to the Company's annual results) by the Supervisory Board of Orange Polska S.A. upon recommendations of the Remuneration Committee of the Supervisory Board. Orange Polska S.A. presents in its published consolidated financial statements the financial indicators which determine the Company's financial standing to the stock exchange. The objectives pursued by the Management Board were closely related to these financial indicators, and the achievement thereof had a direct impact on the amount of the variable component of remuneration payable to each Member of the Management Board. Therefore, the achievement of these objectives contributed to the long-term performance of the Company.

The indicators for setting solidarity objectives in 2022 were as follows: EBITDAaL, Organic Cash Flow (OCF), CO₂ emissions (Green) and Perception NPS.

The variable component of remuneration was determined on the basis of the achievement of both solidarity and individual objectives.

Table 2. Year-average share (%) of different categories of objectives in the amount of variable remuneration granted to Members of the Management Board in 2022

Full name	Share of solidarity objectives (%)	Share of individual objectives (%)
Julien Ducarroz	81%	19%
Jolanta Dudek	85%	15%
Bożena Leśniewska	82%	18%
Witold Drożdż	83%	17%
Piotr Jaworski	84%	16%
Jacek Kowalski	85%	15%
Jacek Kunicki	84%	16%
Maciej Nowohoński	84%	16%

In 2022, Orange Polska S.A. did not exercise the option to demand the return of the variable components of remuneration.

g. Orange Polska S.A. Incentive Programmes

Long Term Incentive Programme for the key executives of Orange Polska S.A. based on derivatives (LTI)

On 23 July 2021, the Supervisory Board of Orange Polska S.A. adopted the Long Term Incentive Programme for the key executives of Orange Polska S.A. based on derivatives (phantom shares), where the underlying instrument is the price of Orange Polska S.A. shares listed on the Warsaw Stock Exchange (WSE). The scheme aims to mobilise the key executives towards the long-term financial performance of the Company and value creation for the investors, as well as environmental care. The latter dimension of activities focuses on a reduction of CO₂ emissions and, as an incentive instrument, directly supports the implementation of one of the key elements of Orange Polska's strategy, which is environmental protection.

The Programme is based on three-year cycles (Programme Series), beginning in consecutive calendar years. Two series, 2021–2023, and 2022–2024, have been launched in the Programme.

According to the Programme Regulations, the President and other Members of the Management Board are eligible to purchase 43,200 phantom shares each. The participants have voluntarily purchased phantom shares for a price of PLN 0.50 per share. A necessary pre-condition for buy-out by Orange Polska S.A. of the phantom shares allocated to various success indicators – EBITDAaL, Organic Cash Flow, reduction of CO₂ emissions and achieving at least one of two targets: (i) average share price in 1Q 2024 for the 2021–2023 series or in Q1 2025 for the 2022–2024 series, or (ii) Orange Polska S.A. shares outperforming the WIG20 Index – is achieving the business objectives defined for the particular success indicator. An additional pre-condition for buy-out of the phantom shares, in the number reflecting the results in KPIs, from the Programme participants by the Company is that the average Orange Polska S.A. share price in the first quarter after the end of the Programme series is not lower than the average price in the first six months of the Programme series. Otherwise, the phantom shares will not be bought back and the participants will lose the invested funds.

Table 3. The value of phantom share-based payments in the Long Term Incentive Programme recognised by Orange Polska S.A. with respect to Members of the Management Board – LTI 2021–2023 series

Full name	LTI 2021–2023	
	Number of purchased phantom shares	Value of share-based payments recognised as the Company's costs for 12 months ended on 31 December 2022 (PLN '000)*
1	2	3
Julien Ducarroz	43,200	73
Jolanta Dudek	43,200	73
Bożena Leśniewska	43,200	73
Witold Drożdż	43,200	73
Piotr Jaworski	43,200	73
Jacek Kowalski	43,200	73
Jacek Kunicki	43,200	73
Maciej Nowohoński	43,200	73

* Number of shares × valuation of share options as of 31 December 2022

Table 3a. The value of phantom share-based payments in the Long Term Incentive Programme recognised by Orange Polska S.A. with respect to Members of the Management Board – LTI 2022–2024 series

Full name	LTI 2022–2024	
	Number of purchased phantom shares	Value of share-based payments recognised as the Company's costs for 12 months ended on 31 December 2022 (PLN '000)*
1	2	3
Julien Ducarroz	43,200	69
Jolanta Dudek	43,200	69
Bożena Leśniewska	43,200	69
Witold Drożdż	43,200	69
Piotr Jaworski	43,200	69
Jacek Kowalski	43,200	69
Jacek Kunicki	43,200	69
Maciej Nowohoński	43,200	69

* Number of shares × valuation of share option as of 31 December 2022

h. Long Term Incentive Plan of the Orange Group

The Long Term Incentive Plan of the Orange Group is effected in three-year editions. It includes key managers in the Orange Group and is integrated with the Orange Group's strategic plan.

Members of the Management Board are awarded a predefined number of free shares of Orange SA under the following conditions: continuous service in the Orange Group throughout the Plan and some performance-based criteria.

The Plan aims to recognise the engagement of the Group's key managers, to share the value created by the Orange Group's strategic plan, to achieve a balance between short-term and long-term remuneration, and to rely on well-known, monitored performance indicators.

The first edition of the Plan functioned between 2017 and 2019.

In July 2018, the second edition of the Long Term Incentive Plan of the Orange Group for 2018–2020 was made available. It ended with granting disposable Orange SA shares in April 2021.

In July 2019, the third edition of the Long-term Incentive Plan of the Orange Group for 2019–2021 was made available.

In April 2022, the third edition of the three-year Long Term Incentive Plan (LTIP) made available for 2019–2021 was settled, and Orange S.A. granted disposable shares to the participants (see Table 4a below).

In July 2020, the fourth edition of the Long Term Incentive Plan of the Orange Group for 2020–2022 was made available.

In July 2021, the fifth edition of the Long Term Incentive Plan of the Orange Group for 2021–2023 was made available.

In July 2022, the sixth edition of the Long Term Incentive Plan of the Orange Group for 2022–2024 was made available.

The conditions for receiving a specified number of free shares of Orange S.A. are indicated in the Table 4 below.

In the Long Term Incentive Plan of the Orange Group for 2020–2022 and 2021–2023, shares based on the achievement of the Organic Cash Flow objective can be awarded upon achieving it at the level equal to or greater than 95% of the target. With respect to other objectives, shares are awarded upon achieving them in 100%.

Table 4. Detailed parameters of the Long Term Incentive Plan

Name of the Plan	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024
1	2	3	4
Performance assessment period	Years 2020–2022	Years 2021–2023	Years 2022–2024
Award date	21 July 2020	28 July 2021	27 July 2022
Ending date of the edition	31 December 2022	31 December 2023	31 December 2024
Award condition	Continuous service in 2020–2022	Continuous service in 2021–2023	Continuous service in 2022–2024
a) Financial indicator	a) Organic Cash-Flow ¹	a) Organic Cash-Flow ¹	a) Organic Cash-Flow ¹
b) Indicator weight	b) 40%	b) 50%	b) 50%
a) Financial indicator	a) Total Shareholder Return ²	a) Total Shareholder Return ²	a) Total Shareholder Return ²
b) Indicator weight	b) 40%	b) 30%	b) 30%
a) Financial indicator	a) CSR ³	a) CSR ⁴	a) CSR ⁴
b) Indicator weight	b) 20%	b) 20%	b) 20%

- ¹ The Orange Group's Organic Cash Flow will be assessed for the whole term of the relevant LTIP series with reference to the strategic plan objectives.
- ² The increase in Total Shareholder Return should be higher than in TSR for the Stoxx Europe 600 Telecoms index between the first four months of the year preceding the first year of performance assessment and the last four months of the last year of performance assessment.
- ³ 10% of the CSR objective corresponds to the achievement of the goal related to using energy from renewable sources at the end of the assessment period and the remaining 10% of the CSR objective corresponds to the intensity of CO₂ emissions with respect to customer service at the end of the assessment period.
- ⁴ 10% of the CSR objective corresponds to the achievement of the goal related to a reduction of CO₂ emissions at the end of the assessment period and the remaining 10% of the CSR objective corresponds to the achievement of the goal related to the share of women in management positions at the end of the assessment period.

Table 4a. Number of shares held by Members of the Management Board in the Long Term Incentive Plan of the Orange SA Group

Full name	Shares to be awarded (number)				Disposable shares awarded in LTIP 2019–2021 and settled in 2022 (number)
	LTIP 2019–2021	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024	
1	2	3	4	5	6
Julien Ducarroz	2,000	2,000	2,000	2,000	970
Jolanta Dudek	2,000	2,000	2,000	2,000	970
Bożena Leśniewska	2,000	2,000	2,000	2,000	970
Witold Drożdż	2,000	2,000	2,000	2,000	970
Piotr Jaworski	2,000	2,000	2,000	2,000	970
Jacek Kowalski	2,000	2,000	2,000	2,000	970
Jacek Kunicki	1,000	1,000	1,000	2,000	485
Maciej Nowochoński	2,000	2,000	2,000	2,000	970

Table 4b. Value of share-based payments in the Long Term Incentive Plan recognised as costs by Orange Polska S.A.

Full name	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024
	For 12 months to 31 December 2022	For 12 months to 31 December 2021	For 12 months to 31 December 2022
1	2	3	4
Julien Ducarroz	22	24	13
Jolanta Dudek	22	24	13
Bożena Leśniewska	22	24	13
Witold Drożdż	22	24	13
Piotr Jaworski	22	24	13
Jacek Kowalski	22	24	13
Jacek Kunicki	11	24	13
Maciej Nowochoński	22	24	13

i. Remuneration of the Members of the Supervisory Board

The remuneration of the Members of the Supervisory Board is determined by the General Meeting of Shareholders of Orange Polska S.A.

Members of the Supervisory Board are entitled to fixed monthly remuneration regardless of the number of meetings held in a given month. Members of the Supervisory Board are also entitled to additional remuneration depending on their functions performed in the Supervisory Board, especially participating and performing functions in any of the standing Committees of the Supervisory Board.

Within the Supervisory Board, there are three standing committees: Audit Committee, Remuneration Committee and Strategy Committee. Members of these Committees are entitled to remuneration set out in the Resolution 33 of the Annual General Meeting of 2015. Furthermore, the Supervisory Board may establish other Committees and define their tasks at its own discretion. However, members of such other Committees are not entitled to additional remuneration. In 2022, the Supervisory Board did not establish

any further Committees. If a person is a Member or the Chairman of several Committees of the Supervisory Board in the given period, they do not receive the sum of additional remuneration but the highest remuneration to which they are entitled.

Members of the Supervisory Board employed by Orange SA or its subsidiaries do not receive remuneration for performing the function of a Member of the Supervisory Board of Orange Polska S.A. or its Committees.

All Members of the Supervisory Board are entitled to reimbursement of costs related to their participation in the Board's work. Members of the Supervisory Board can be covered by protection against liability arising from the performance of the Supervisory Board Member's duties, particularly in the form of insurance.

In 2022, Members of the Supervisory Board were granted additional benefits in the form of invitations to cultural events.

Table 5. Remuneration of the Members of the Supervisory Board for 2022

Full name	Remuneration for performing the function (PLN '000)	Of which: Remuneration for sitting on a Committee (PLN '000)	Notes
1	2	3	4
Maciej Witucki	430	–	4)
Ramon Fernandez	–	–	1)
Marc Ricau	–	–	1)
Philippe Béguin	–	–	1)
Bénédicte David	–	–	1)
Bartosz Dobrzyński	158	55	5)
John Russell Houlden	394	263	
Marie-Noëlle Jégo-Laveissière	–	–	1)
Prof. Michał Kleiber	66	24	2) 4)
Patrice Lambert-de Diesbach	–	–	1)
Monika Nachyła	217	79	5)
Maria Pasło-Wisniewska PhD	321	184	4) 5)
Wioletta Rosołowska	210	79	
Jean-Michel Thibaud	–	–	1)
Jean-Marc Vignolles	–	–	3)
Total	1 796	684	

¹⁾ A person employed by Orange SA, who did not receive remuneration for the function performed.

²⁾ A person who was not a Member of the Supervisory Board of the Company as at 31 December 2022.

³⁾ A person employed by Orange SA to 30 June 2021, who did not receive remuneration for the function performed.

⁴⁾ Remuneration includes reimbursement of some social insurance contributions as pursuant to the decision of the Social Insurance Institution (ZUS) the limitation of the annual basis for calculating contributions was exceeded.

⁵⁾ Remuneration includes additional benefits in the form of passes for Orange Warsaw Festival (OWF) and Open'er Festival (Bartosz Dobrzyński and Monika Nachyła for both OWF and Open'er; Maria Pasło-Wisniewska for Open'er).

j. Derogations from the Remuneration Policies and from the process of their implementation

In 2022, Orange Polska S.A. effected remuneration payments in line with the adopted Remuneration Policies, and there were no derogations from the rules specified therein.

k. Information on changes in remuneration terms and the Company's performance

The Table 6 indicates percentage changes in key indicators versus their value in the preceding year.

Table 6. Evolution of Orange Polska's consolidated results over the last five years

Evolution of Orange Polska's consolidated results (%/PLN million)					
Orange Polska Group reports a single operating segment in its IFRS financial statements, as decisions about resources to be allocated and assessment of performance are made on a consolidated basis.					
	2018	2019	2020	2021	2022
EBITDA/EBITDAaL ¹	2,881	3,006	2,797	2,963	3,078
EBITDA/EBITDAaL evolution ²	3.1% ³	7% ¹	2.9% ⁴	5.9% ⁴	3.9% ⁴
Revenue	11,101	11,406	11,508	11,928	12,488
Revenue evolution ²	-0.7% ³	2.9%	0.9%	3.6%	4.7%
NPS (Net promoter score – position on the Polish market of telecommunications operators)	3	2	1	2	2

¹ Starting from 2019, following the adoption of IFRS 16 “Leases”, the Orange Polska Group redefined the performance measures used, and EBITDA was replaced by EBITDAaL (EBITDA after Leases).

² Evolution of performance measures was calculated on a comparable basis. Where applicable, previous year's results were restated to reflect changes in accounting policies and deconsolidation of subsidiaries, and to conform to new definitions of performance measures.

³ In 2018, Orange Polska adopted IFRS 15 “Revenue from Contracts with Customers”. Evolution of Orange Polska's results in 2018 was calculated on a comparable basis, i.e. based on IAS 18 “Revenue” and other standards and interpretations concerning revenue recognition applicable in 2017.

⁴ Starting from 2020, gains on disposal of assets are excluded from EBITDAaL. Evolution of EBITDAaL in 2020 was calculated on a comparable basis to conform to the new definition.

Total remuneration of Members of the Management Board, selected financial metrics of Orange Polska S.A. and remuneration of employees other than Members of the Management Board and Supervisory Board, for 2022 are shown in the Table 7 below. Remuneration of all persons performing the function of the Management Board Members in 2022 have been accounted for.

Table 7. Evolution of remuneration in Orange Polska S.A. over the last five years

Management Board remuneration in PLN '000 (gross) ^{1,3}					
Full name	2018	2019	2020	2021	2022
Julien Ducarroz ²	n/a	n/a	1,339	5,382	5,670
Jolanta Dudek	1,377	1,528	1,624	1,903	2,220
Bożena Leśniewska	1,960	2,233	2,248	2,568	2,697
Witold Drożdż ³	242	1,453	1,487	1,700	1,797
Piotr Jaworski ³	244	1,498	1,504	1,757	1,905
Jacek Kowalski	1,712	1,767	1,935	2,166	2,113
Jacek Kunicki ³	n/a	n/a	614	1,813	2,018
Maciej Nowohoński	1,771	1,821	1,972	2,203	2,188
Jean-François Fallacher ^{1,3}	3,772	4,382	3,359	n/a	n/a
Mariusz Gaca ^{1,3}	2,422	2,529	2,369	n/a	n/a
TOTAL	13,500	17,211	18,451	19,492	20,608
Employee remuneration (excluding the Management Board and Supervisory Board) ^{1,4}					
	2018	2019	2020	2021	2022
Average total gross salary in PLN '000	110	115	122	129	134
Total employee remuneration in PLN '000 (gross) in subsequent years	1,410,988	1,338,585	1,275,836	1,236,923	1,187,072
Management Board remuneration to employee remuneration ratio (%)	0.96%	1.29%	1.45%	1.74% ⁵	1.74%
Number of employees ⁶	12,873	11,687	10,489	9,622	8,863

n/a – not applicable

Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2022

- ¹ Remuneration excluding compensation and severance pay paid in connection with termination of employment (including compensation for non-competition after termination of employment).
- ² The amount paid by Orange Polska S.A. as the reimbursement of the costs related to posting of the President of the Management Board.
- ³ Total remuneration and benefits of Members of the Management Board (including the Employee Pension Scheme), excluding benefits from the Social Fund, from the date of appointment as a Member of the Management Board to the end of tenure as a Member of the Management Board.
- ⁴ Total salaries and benefits of employees (including the Employee Pension Scheme), excluding benefits from the Social Fund.
- ⁵ In 2021, the remuneration of Members of the Management Board increased by payments pursuant to the completion of the Incentive Programme in the form of phantom shares was assumed to determine the ratio.
- ⁶ Average annual employment according to Statistics Poland's in full-time equivalents (excluding the Management Board).

This Report presents developments related to the remuneration of Members of the Management Board and Supervisory Board, while omits developments related to changes in the terms of remuneration of the employees of Orange Polska other than Members of the Management Board or the Supervisory Board, which occurred in 2022 (except for the data presented in Table 7 above).

The detailed regulations concerning remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. are set out in the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A., which was adopted at the General Meeting of Shareholders on 27 August 2020 (Attachment to the Resolution no. 2 of the Extraordinary General Meeting of Orange Polska S.A. dated 27 August 2020 on the adoption of the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A.).

The Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2021 was drawn up and adopted by the Supervisory Board of Orange Polska S.A. on 25 March 2022 in line with the requirements set forth in the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to the organised trading system and on public companies. The Annual General Meeting of Orange Polska S.A. expressed a positive opinion on the Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2021 (Resolution no. 32 of the Annual General Meeting of Orange Polska S.A. dated 22 April 2022).

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

Independent Reasonable Assurance Report

To the General Shareholders' Meeting and Supervisory Board of Orange Polska S.A.

Scope of Service

At the request of Orange Polska S.A. (the "Entity") we performed an independent reasonable assurance engagement relating to evaluation of the remuneration report of the Management Board and the Supervisory Board for year 2022 (the "Remuneration report") in terms of the inclusion of the information required under Article 90g paragraphs 1-5 and paragraph 8 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated 29 July 2005 (the "Act").

Responsibilities of the Supervisory Board of the Entity

Members of the Entity's Supervisory Board are responsible for the preparation of the Remuneration report in accordance with Article 90g of the Act. This responsibility also includes designing, implementing and maintaining internal control relevant to the preparation of the Remuneration report that is free from material misstatement whether due to fraud or error.

Auditor's Responsibilities

Our objective was to evaluate the completeness of the information included in the Remuneration report against the criteria set out in the section "Identification of the Criteria" and to issue an independent reasonable assurance conclusion based on the evidence obtained.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" as adopted by the National Council of Statutory Auditors ("NCSA") as National Standard on Assurance Engagements 3000 (R). That standard requires that the auditor plans and performs procedures to obtain reasonable assurance about whether the Remuneration report has been prepared completely and that the information has been disclosed with the level of detail required by Article 90g paragraphs 1-5 and paragraph 8 of the Act.

The firm applies International Standard on Quality Management (PL) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagement" as adopted by the Council of Polish Agency for Audit Oversight as National Standard on Quality Control 1, which requires us to design, implement and operate a system of quality

management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and ethics requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board For Accountants (IESBA Code) as adopted by the resolution of the NCSA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior as well as other independence and ethical requirements, applicable to this assurance engagement in Poland.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement in the Remuneration report, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the preparation of the Remuneration report in accordance with Article 90g paragraphs 1-5 and paragraph 8 of the Act in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of internal control.

Our procedures included, in particular:

- reading the content of the Remuneration report and assessing whether it contains quantitative and qualitative (descriptive) disclosures to the extent required by the Act;
- determining, by comparing to corporate documents, a list of persons for whom there is a requirement to include information in the Remuneration report and determining, by inquiring of persons responsible for preparing the Remuneration report, whether all information provided for in the criteria for preparation of the Remuneration report has been disclosed;
- reading the resolutions of the General Shareholders Meeting of the Entity regarding the remuneration policy for Members of the Management Board and Supervisory Board and related detailed resolutions of the Supervisory Board and assessing whether the information presented in the Remuneration report is consistent with the remuneration policy adopted by the Entity and effective during the period covered by the report;
- determining, by performing inquiries and verifying the employment contracts, whether the remuneration of the Members of the Management Board and Supervisory Board includes cash or non-cash benefits granted to their closest family members in accordance with the requirements of the Act;
- determining whether the information concerning granted or offered financial instruments, including the general terms - complies with the adopted and approved variable remuneration component program adopted by the Entity.

The Remuneration report was not subject of audit within the meaning of National Standards on Auditing. The procedures performed by us do not constitute either an audit or review of this financial information, therefore we are not responsible for issuing or updating any reports or opinions on the Entity's historical financial information.

Our procedures were solely aimed at obtaining evidence that the information included by the Supervisory Board in the Remuneration report, in terms of its completeness complies with the applicable requirements. The purpose of our work was not to assess the sufficiency of the information included in the Remuneration report in terms of the purpose of preparing the Remuneration report, or to assess the correctness and integrity of the information contained therein, in particular as to the amounts disclosed, including estimates made for prior years, figures, dates, analysis, allocation methods and compliance with the adopted remuneration policy.

Our procedures also included an assessment of whether the subject matter of the engagement is appropriate and the criteria adopted for preparation of the Remuneration report are appropriate to the given circumstances.

Identification of the Criteria

The evaluation criteria of the Remuneration report are set out in Article 90g paragraphs 1-5 and paragraph 8 of the Act.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined above.

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

In our opinion, the Remuneration report, in all material respects, contains all the elements listed in Article 90g paragraphs 1-5 and paragraph 8 of the Act.

Restriction of Use of Our Report

Our report has been prepared for the General Shareholders' Meeting and Supervisory Board in order to meet the requirements of the Article 90g paragraph 10 of the Act and shall not be used for any other purpose. KPMG accepts no liability in relation to this report, arising from contractual or non-contractual relationships (including negligence) in relation to third parties. The above does not exclude our liability where such exclusion is disallowed by law.

On behalf of audit firm

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.

Registration No.: 3546

Signed on the Polish original

Anna Burian-Szywacz
Key Certified Auditor
Registration No. 12579

Proxy

Warsaw, 26 April 2023