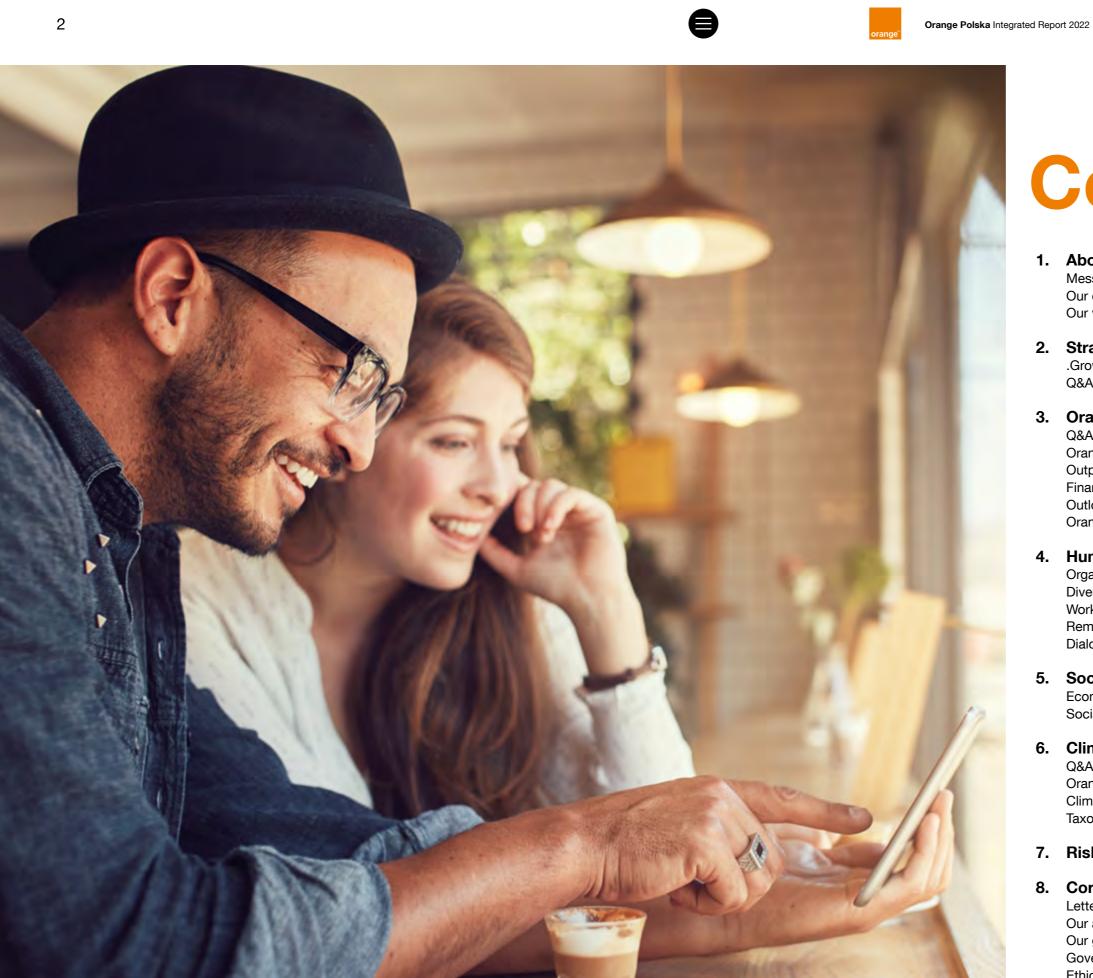


Integrated Report

Orange Polska







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About Orange Polska

Orange Polska is a leading provider of telecommunication and ICT services in Poland, operating in all segments of the Polish telecoms market. We own the largest telecom infrastructure in Poland, providing a broad portfolio of products and services for individual, business and wholesale customers on fixed and mobile networks.



Message from our CEO



6

Dear Stakeholders,

I invite you to read the new edition of Orange Polska's integrated annual report. Combining financial and non-financial aspects of our results into one document allows us to show you our performance in a wider context, and discuss how we create value for our various

stakeholders, while at the same time building a more sustainable business for the long term. I have a pleasure to say that our last year's edition received the main prize in the Integrated Report category of the Sustainable Development Reports competition organised by the Forum for Responsible Business and Deloitte.

Last year our business faced an accumulation of exceptional challenges related to the war in Ukraine, the energy crisis and rapidly growing inflation. These constituted a major test of our ability to execute our strategy and deliver growth. Despite those headwinds, we grew our revenues, profits and return on capital employed, while keeping our cash generation solid and our balance sheet healthy. In mid-point of our .Grow strategy implementation we are well on track to reach its objectives.

2022 was a particular year for the pillar of our strategy related to responsibility. We made exemplary progress in our #OrangeGoesGreen programme. Owing to newly

signed power purchasing agreements, we already secured, three years ahead of the plan, our 2025 strategic goal of CO₂ emissions reduction: 65% versus the base year of 2015. I am very proud of that achievement: it will stabilise our energy costs and make our business operations cleaner and more friendly to the environment. I am also pleased that our OrangeGoesGreen strategy was appreciated by the World Communication Awards in a competition awarding achievements and innovations in the telco industry globally. We got into the final short list as the only company from the European Union. Our climate strategy was seen as holistic with tangible actions and results.

On the other hand the war in Ukraine was clearly a major challenge in our environment. As soon as it started we used our resources to provide help and support actions on different fronts. Now, we are more focused on structural initiatives, aimed at integrating refugees into the Polish education system and labour market.

The macroeconomic environment continues to be very demanding and uncertain: Poland's economic growth in 2023 is expected to slow down to less than 1%, inflation to stay at a double-digit level, and the war beyond our eastern border unfortunately continues. While we believe the demand for our services will remain solid, high inflation will significantly impact our operating costs. I am confident, however, that we are well prepared to face the challenge and will be able to adapt and extract the maximum value from our assets.

> Julien Ducarroz President and CEO of Orange Polska





Our company

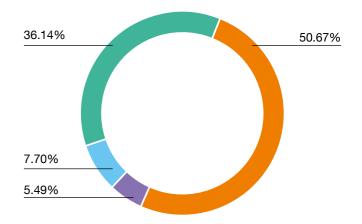
Orange Polska is a leading provider of telecommunication and ICT services in Poland, operating in all segments of the Polish telecoms market. The Group owns the largest telecom infrastructure in Poland, providing a broad portfolio of products and services for individual, business and wholesale customers on fixed and mobile networks. We are the biggest fixed-mobile convergent operator in Poland based on FTTH technology. For business customers we offer end-to-end solutions assisting in digital transformation.

Orange Polska is 50.67% owned by Orange S.A., one of Europe's leading telecom operators. Orange Polska's success is founded on a portfolio of competitive products, a powerful, proactive sales force and outstanding customer care, supported by a robust infrastructure and highly motivated employees. Co-ordinating our efforts around a lean, agile operating model will ensure that we deliver healthy and sustainable returns to our shareholders.

From recovery to sustainable growth

In June 2021 we presented our .Grow strategy for 2021-2024. It was a successor to a previous strategy called Orange. One, which was successfully concluded in 2020. Orange. one was a breakthrough strategy which allowed us to reverse multi-year negative trends in sales and profitability, and deliver

Orange Polska shareholders



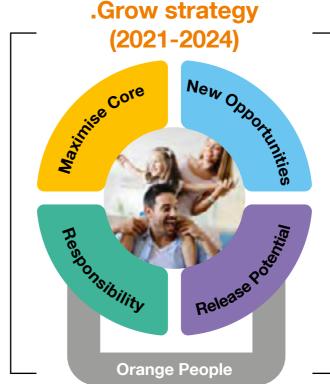
Number of shares held

Orange S.A.	664,999,999
Allianz Open Pension Fund	101,008,824
Nationale-Nederlanden Open Pension Fund	72,053,524
Other shareholders	474,295,132
Total	1,312,357,479

turnaround. The .Grow strategy is an evolutionary step to accelerate sales and profit growth, while laying the foundation for growth beyond 2024. Orange Polska is in midway of implementation of its .Grow strategy. Despite numerous headwinds, coming mainly from macro environment, and intensifying competition, Orange is perfectly on track with all its financial and operational ambitions.

Convergent value strategy focused on the household & new wholesale strategy to maximise value

#OrangeGoesGreen Safe digital inclusion **People diversity**



Next level of ICT acceleration...

...enhanced by 5G as a catalyst for new business

Digital transformation

Simplification & effciency

Orange Group mission

As a trusted partner, Orange gives everyone the keys to a responsible digital world.

Our values

Close

- I'm close to the customer
- I'm close to the team
- I build relations based on trust & respect

Simple

- I constantly simplify
- I work in an agile way and effectively
- I communicate in an open and effective way

Positive

- I collaborate I appreciate
- I share passion and I care about world around

work of others

Bold

- I challenge the status quo and propose improvements
- I experiment and take risk
- I look for innovation



Convergent customers (B2C)



Mobile accesses (SIM cards)



Fixed broadband access (retail)



TV customers



Fixed voice lines

(retail)

1,625 (+4.7% yoy)	17,630 (+4.9% yoy)	2,804 (+2.1% yoy)	955 (-4.0% yoy)	2,572 (-4.8% yoy)
	o/w handset offers 8,723 (+3.5% yoy)	o/w fibre 1,171 (+24% yoy)	o/w IPTV technology 821 (+15.6% yoy)	
	o/w pre-paid 5,064 (+2.2% yoy)			





Revenues

PLN 12.49 bn

+4.7% yoy



EBITDAaL

PLN 3.08 bn

+3.9% yoy



Net income

PLN 724 mn

+2.6x yoy on comparable basis (yoy comparison excludes impact related to FiberCo transaction in 2021)



Market cap **PLN 8.7 bn** at year end



ROCE 6.5% +1.5x yoy



Net debt to **EBITDAaL** 1.3x



(in FTEs) 9,764

Employees



Phishing attempts blocked by our CyberShield ~ 5 mn



PLN 1.72 bn

-1.0% yoy

CO, reduction

14% yoy



Organic Cash Flow

PLN 822 mn

-5.2% yoy

Renewable electricity as % of total

electricity consumption

12%

x2 yoy



Cash dividend

PLN 0.35 per share

+40% yoy to be paid in 2023 from 2022 profits



Digital education programmes for:

>6.5k children & >21k teachers

Our value creation model

Orange Polska creates value for its customers by providing a friendly and effortless customer experience. We do this by supplying unmatched connectivity, and by selling a broad portfolio of innovative convergent, mobile and fixed products and services, supported by a proactive sales

force, outstanding customer care, and highly motivated employees. Satisfied customers provide the revenues and profits the Company needs to reinvest in the business, ensuring continued value creation for all our stakeholders.

Taking into account our new strategy .Grow, in which we place great emphasis on our role as an integrator of comprehensive transformation services for business, last year we decided to add a new output to our value creation model: "Full value chain for digital transformation for companies."

As the climate neutrality is a challenge for the whole world and we are actively reducing our impact on the environment, we perceive "Climate" as our natural resource.

External environment

(Regulatory, Economic, Telecom market, Supply Chain, Social, Environmental)

KEY RESOURCES

Natural

- Spectrum
- Energy
- Climate



Financial

- Debt
- Equity



Manufactured

- Network infrastructure
- Software
- Points of Sale



Human & intellectual

- Knowledge about customers and market

Social & relationship

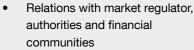


- Brand
- Business partners

BUSINESS MODEL

Products & Services Vales & distribution of the Core New Opportunities of the Core of the

Employees Innovation



- Social impact

OUTPUTS

Unmatched data connectivity for households and businesses

- · Providing best connectivity
- Delivering a palette of services adjusted to customer needs



Effortless and friendly customer experience

- Optimal sales channel mix
- Making customer journey easy and friendly



Full value chain for digital transformation of companies

• Being integrator and digital service provider

Acting in an effective and responsible manner



- Focus on efficiency
- Management of the impact on the environment
- Impact on society
- Being digital and caring employer

OUTCOMES

Value creation for all stakeholders

Performance measures KPIs

Risk management

Internal environment

(Corporate governance, Corporate culture)

Key resources



Spectrum

Orange Polska is Poland's leading telecommunication provider, operating in all segments of the Polish telecom market and holding licences for 800 MHz, 900 MHz, 1800 MHz, 2100 MHz and 2600 MHz frequencies. Spectrum is a scarce and unique natural capital, to which access is regulated at the national and European Union level. Our access to the spectrum required for rendering telco services is at the regulator's discretion. The amount of spectrum that is at our disposal influences the competitiveness and quality of the services we render.

Energy

Expansion of the telecommunications infrastructure in response to the growing demand for information flow entails higher demand for electrical energy in our industry. In order to compensate for this environmentally unfriendly trend, we take steps to optimise energy consumption. We also reduce electricity consumption through replacement of older technical devices with modern energy-efficient ones, modernisation of cooling systems, introduction of energy saving functionalities, and so on. Electricity consumption is also the main contributor to own greenhouse gas emissions in the digital sector.

Electricity is the backbone for the functioning of the digital sector, especially operation of telecommunications networks. Poland's power generation is based on coal, so the only reasonable way towards a sustainable reduction in our climate (carbon) footprint is increasing the proportion of renewable energy in our energy mix, coupled with the optimisation of the energy consumption volume.

Climate neutrality is the most important challenge for the humanity nowadays. Each company should take responsibility for both its own emissions and emissions across its value chain. The overall objective for Orange Polska is to achieve net zero carbon already by 2040 for all emissions (both its own and in the entire value chain). This is aligned with Orange Group's global climate goals that pursue the Paris Agreement objective to limit global temperature rise to 1.5 degrees Celsius by the end of the 21st century. In the first stage we focus mainly on reducing our own CO₂ emissions by at least 65% by 2025 versus

We steadily increase the share of renewable energy in our energy mix, contracting it directly with its producers on a long-term basis. In parallel, we optimise energy consumption, as energy efficiency is the other crucial element in reducing our climate footprint.











Debt and equity

We aim to maintain a responsible capital structure to support our business operations and finance capital expenditures. Equity and debt are balanced to remain within the frame of a safe financial structure and good credit standing. Since 2014, our debt is sourced from our majority shareholder, Orange S.A. Such a policy allows for synergies in processes and cost efficiencies, as Orange S.A. is one of the largest telecom companies in Europe with ready access to a broad range of financing sources. The funding is provided on an 'arm's length' basis, supported by market benchmarks. All our debt is denominated in the local currency and is insensitive to currency fluctuations. We are also actively hedging interest rate risk. At the end of 2022, more than 90% of our debt was at the fixed interest rate.

At the end of 2022, the duration of debt stood at 2.4 years on average. This allows us to maintain a balance between the optimal costs and a stable financial structure. Our leverage is closely monitored and the ratio of net financial debt to adjusted EBITDAaL is a key measure of our financial structure and liquidity.



Manufactured

Network infrastructure

Our activities require significant manufactured capital: our mobile and fixed line networks, service platforms and IT systems are the foundations of the products our customers rely on. Maintaining a reliable and fault-free network is critical to our business success. We have to respond to changes in technologies and invest in the right mix of technologies - for example, for the last few years we have made significant investments in the rollout of the fibre network. This is necessary for us to stay competitive in the market and be in a position to offer the best convergent services. Over the last 10 years we have invested over PLN 24 billion in fixed assets.

Software

We run a number of service platforms that combine our network and IT resources to underpin many of the key products we offer. Our internal IT systems enable us to manage our processes, handle customer information and deliver our products and services.

Distribution channels

We reach our customers and sell our products through various distribution channels: traditional points of sale (POS), telesales, active sales, alternative channels and on-line sales. This wide distribution network ensures that everyone has access to our products and services. Our distribution network is constantly evolving in line with changing customer preferences, with an increasing share of digital channels. We have more than 600 points of sale all over Poland, of which more than 20% were adapted to the needs of customers with disabilities.



Human and intellectual

Employees

Engagement of adequately skilled employees plays a critical role in achieving our business goals. We invest in our people, so they can succeed and contribute effectively to our business. We value diversity, providing equality of opportunities, which we believe leads to a higher skills-set and higher innovation - diverse workforce fosters greater innovation, helps us to better understand and serve our customers, and empowers our people to deliver their best. At the end of 2022, the Orange Polska Group had 9,764 employees, while outsourced staff stood at 2,476.

Innovation

We have created Orange Labs to support development of new technologies and innovations. It is part of the international Orange Labs network, which includes over a dozen research and development (R&D) centres and laboratories. Orange Labs co-operates with external partners to develop, select and implement innovations, undertaking R&D tasks for both Orange Polska and the Orange Group. Any financial settlements between Orange Polska and the Orange Group are done on an 'arm's length' basis, supported by market benchmarks. The main areas of activity are: Digital Personal Life, Software Infrastructure, Ambient Connectivity, Digital Society, Data & Knowledge, Trust & Security and Internet of Things. R&D and co-operation with start-ups within Orange Fab are very important to our business; we spend around PLN 50 million on research and development annually. We follow the Open Innovation model. As a result, our social impact is not limited to the direct influence of our innovations on the lives of people and communities, but is also reflected in the transfer of know-how to our partners.

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Knowledge about customers and market

Knowledge about our customers and our market is crucial to our success. Building trust and loyalty among our customers and giving them what they want is vital to our sustainability in an increasingly competitive industry. The voice of our customers has a major influence on our business decisions. To deliver unmatched experience throughout the customer journey, we engage in active dialogue with our customers on different levels.

We conduct comprehensive surveys which compare our offers, products and network quality to those of our competitors. Our managers are engaged in various initiatives to solve customers' problems and to better understand our own strengths as well. They also help frontline employees to understand the customer perspective.



Social and relationship

Brand

Orange - strong globally ...

No matter where we develop our activities, Orange's philosophy remains the same: to make technology accessible to the masses. We adapt to each requirement to offer our customers the best possible experience in each of the 26 countries where we operate.

... and leading in Poland

According to external market research conducted in December 2022 (by PBS Research Agency), Orange was the first choice brand for Polish consumers with respect to Mobile voice (27%), Mobile broadband (24%), Fixed broadband (24%), Packages (23%) and Fibre (24%).

We are optimistic about technology, while making it accessible to as many people as possible. That is why our role is "always in touch to connect what's essential in your life". Our brand is first and foremost a human brand, helping us stay close to our customers and in touch with their needs, whether they are a multinational company or a teenager with their first phone. We want everyone to be able to easily use digital technologies and to know their possibilities.

The Orange brand is our consistent asset across all countries, and one of most valuable. It is also instrumental in demonstrating that we are a digital, efficient and responsible company. We act responsibly, taking care of the development of circular economy services in the field of customer devices: telephones, modems, TV set-top boxes. We extend their lives – thanks to caring for them under four initiatives: recycling – repurchase, repairing them

(regeneration – repair), transferring for renewal, further use (renovation – renewal), care for responsible disposal at the end of life (recycling – return). Thanks to these initiatives, we contribute to lower consumption of raw materials and energy and less greenhouse gas emissions.

Relations with market regulator, local authorities and the financial community

Good relationships with our key stakeholders are vital to the success of our business. To us, this means building trust, readiness for dialogue, and keeping in touch on an ongoing basis. In particular, it is essential for us to establish and maintain constructive dialogue with the telecom regulator and local authorities. As a listed company, we take care of our investors and the financial community by providing transparent communication of our financial results and engaging in direct dialogue with them.

Relations with business partners

Orange Polska is a partner or a member of a number of industry, business and social organisations. We want our relations with our suppliers and business partners to be based on transparent long-term relationships and adherence to ethical standards and principles. We co-operate with both global vendors and local market players. Our activities include both one-off purchases and long-term contracts with 2,990 suppliers. We follow a competitive and open procurement policy, which is ensured by the Procurement Process Rules. The document includes procurement procedures which regulate supplier selection, contracting and confidentiality, and address potential conflicts of interest. Our principles of co-operation with suppliers regarding social, ethical, environmental and human rights issues are contained in the Supplier Code of Conduct, which is a part of contracts.

Social impact

It is important for us to maximise Orange Polska's positive social impact and minimise any negative consequences, which is why we have created a corporate social responsibility (CSR) strategy. Combating socio-digital exclusion is an important element of this strategy, involving not only access to new technologies but also education, particularly of young web users, residents of small towns and rural areas, as well as seniors. We believe that teaching people to use new technologies for both their own benefit and that of the community is just as important as providing technologies themselves. Through its initiatives the Orange Foundation has been encouraging people to gain knowledge, participate in culture and build communities with skilful use of the internet and digital technologies. This knowledge not only improves quality of life and contributes to society as a whole, but also benefits the long-term development of our business.





Business model

Licences and regulations

To be able to render mobile telecom services we require access to radio spectrum. The amount of spectrum that is at our disposal influences the competitiveness and quality of the services we render and ultimately the customer experience. This is especially important in the light of huge growth in mobile data consumption.

In 2022, the Company proceeded with the renewal of the 2100 MHz spectrum license, which was to terminate as of 1 January 2023. On 11 October 2022, the Company received a decision from the President of UKE allocating the 2100 MHz telecommunications licence for a further reservation period until 31 December 2037. The fee of PLN 352 million was paid in October 2022. The price, following the rules of the Telecommunications Law, is based on the fee paid for 1 MHz in the last tender/auction for the same spectrum and adjusted by respective inflation rates and license time. The 2100 MHz spectrum is used for 4G and 5G (DSS) services.

In order to continue to assure the best customer experience we need to continuously optimise our effective use of spectrum. In 2022, we announced a plan to switch off the 3G technology on Orange Polska's network and allocate the freed frequencies to 4G. It will enable us to increase the network capacity and enhance the quality of data services, particularly in non-urban areas. The process is to be carried out in stages in 2024 and 2025.

Due to delays in the distribution of the 3400–3800 MHz spectrum band related to the cancellation of the former auction procedure, the Company has implemented and expanded Dynamic Spectrum Sharing (DSS) in the 2100 MHz band, which allows dynamic allocation of spectrum resources to 4G or 5G as required. Over 3,300 stations enabled such 5G service for Orange Polska's customers at the end of 2022.

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Future 5G spectrum

Growing demand for data services and the future development of 5G systems necessitates the allocation of new bandwidth. The primary spectrum for the 5G technology includes the 3400–3800 MHz band ("C-band"), which would greatly relieve mobile networks in urban areas (capacity band), and the 700 MHz band, which would significantly enhance the service quality in semi-urban and rural areas (coverage band).

At the end of December 2022, more than two years after the cancellation of the former procedure, the President of the Office of Electronic Communications (UKE) launched a public consultation process regarding the C-band auction. The second round of consultation was launched in April 2023. The proposed auction structure has not changed. It provides for allocating four frequency licences of 100 MHz each (in the second round of consultation, the width of the blocks to be auctioned was extended from 80 MHz in the initial proposal), valid for 15 years. Only one entity from each group of companies is eligible to participate in the auction. Each participant (or its group)

16 About Orange Polska

has to demonstrate a record of investments of at least PLN 1 billion in telecommunications infrastructure between 2016 and 2021, and to hold a frequency license in the, 900, 1800, 2100 or 2600 MHz band (this is of paramount importance, as the 5G network will be initially deployed in the Non-Standalone (NSA) architecture). Bidding for each license will start at PLN 450 million. According to the time schedule presented by the President of UKE in the second round of consultation, the frequency licenses should be allocated in the fourth quarter of 2023.

A new element of the procedure (although still under consultation proposal) is that winners will be required to reach a number of investment commitments regarding network coverage and various quality requirements. The network should reach data transmission targets in terms of capacity (Mbps) and latency (ms) for the certain area of Poland and the predefined share of households, as well as selected national and regional roads and railway lines. The network coverage and parameters are to increase over time, reaching the ultimate targets within seven years, while the intermediate targets are to be achieved within one, three and five years. Importantly, these parameters may be reached using any frequencies held by the operator. As to the quantitative commitments, within 36 months of the auction the winner should launch the predefined number

of base stations operating in the C-band nationwide, including specific numbers in each municipality (gmina) depending on its population.

It may be expected that the proposed commitments will be the subject of numerous discussions between the market players and the regulator, which might influence the course and duration of the bandwidth allocation process.

Another spectrum that will be used for 5G technology in the future is in 700MHz. When announcing the consultation of the C-band auction process, the President of UKE declared that the selection procedures for the 700 MHz band will be announced in 2023. However, the full usage of this band would require a number of international agreements, particularly with the Russian Federation and Ukraine, to enable its release for mobile communication systems without the risk of mutual interference. Considering Russia's military action on the Ukrainian territory, signing such agreements seems very difficult at present.

Orange Polska has been actively involved in discussions about future bandwidth distribution plans, coming up with initiatives aimed at ensuring quick and effective 5G spectrum allocation.

Current distribution of frequencies for the 700-2600 MHz bands and 3400-3800 MHz bands



Orange Polska Integrated Report 2022

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Details of telecommunications licences are as follows:

		Years to expiration ²	Net book value	
(in PLN milions)	Acquisition date		At 31 December 2022	At 31 December 2021
800 MHz	2016	8.1	1,652	1,858
900 MHz	2014	6.5	156	180
1800 MHz	1997	4.6	-	-
1800 MHz ¹	2013	5.0	80	95
2100 MHz	2000	-	-	100
2100 MHz	2022	15.0	352	-
2600 MHz	2016	8.1	63	71
Total telecommunica- tions licences			2,303	2,304

- 1 Licence held under agreement with T-Mobile Polska S.A.
- 2 Remaining useful life in years as at 31 December 2022.



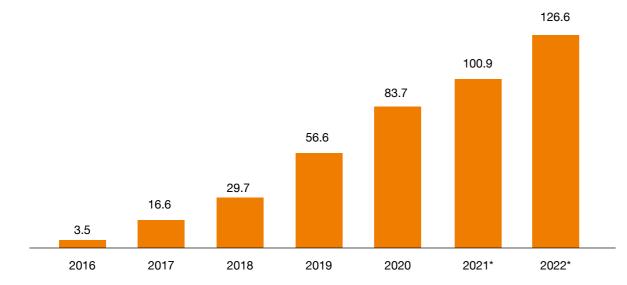
Network

The largest network infrastructure in Poland

As the former incumbent operator, we have the largest network infrastructure in Poland, supporting both fixed and mobile services. It includes around 15,475 km of fibre in backbone, 93,154 km of fibre in aggregation network and more than 353,133 km of access copper network. The access network is predominantly built in copper technologies: fibre accounts for around 126,657 km at the moment (incl. Światłowód Inwestycje JV, in which Orange Polska has a 50% stake), although it is growing rapidly in line with our intensive fibre investment plans.

Fibre is also increasingly used to connect our mobile base stations, on the one hand to boost our capacity to accommodate growing data consumption, and on the other to ensure greater reliability of the network. In 2022, additional 130 base stations were connected via fibre. At the end of the year, about 62% of our mobile base stations were connected to the backbone through fibre. Mobile and fixed networks share not only cable infrastructure but also higher network layers, like core, control and service platforms. We will gradually transition our network to be fully IP-based in the years ahead, which will require the elimination of certain network elements (e.g. PSTN stacks).

Length of fibre access network (in '000 km)



*includes Światłowód Inwestycje JV, in which Orange Polska has a 50% stake









To ensure the best connectivity and optimal resource allocation, we take the specifics of local markets into account. In cities, we are focusing on the development of Fibre to the Home (FTTH) coverage, whereas in less populous areas, copper-based technologies, supplemented by mobile ones, are the primary broadband access solution. We also roll out our fibre network in smaller towns and in suburban areas on a selective basis within the framework of the Operational Programme Digital Poland (POPC). We are increasingly expanding our fibre network into singlefamily housing districts, though apartment buildings are still the primary target for our investments. At the end of 2022, our fibre footprint covered more than 7 million households. This encompassed both our own network (3.5 million households) and the reach built through different wholesale partnerships (including co-controlled entity Światłowód Inwestycje).

Co-operation with third-party operators has also made a big contribution to the development of our fibre optic network. Thanks to this approach, whenever co-operation is possible, we avoid uneconomical duplication of fibre networks. If the extant network meets the standards guaranteed by Orange, we try to use such networks in the first place.

Orange Polska's mobile network services broadcast from over 12,000 base stations with over 99% of them offering 4G LTE broadband data, and cover almost 100% of the population and 98% of the country's territory. In response to the growing demand for high-speed internet access, Orange Polska is also steadily increasing the number of locations supported by LTE Carrier Aggregation technology (4G+), which multiplies available bandwidth.

Network reliability and resilience requires the constant upgrade of self-healing network mechanisms, and continuous quality monitoring. We are capable of monitoring our service quality not only at the statistical level but also from the perspective of an individual customer. We are proactive in our approach and respond before parameters start to deteriorate, preventing network congestion, thus ensuring the same connectivity experience, whether customers use our mobile or fixed networks.

Further preparations for the 5G network implementation

Orange Polska's ambition is to actively participate in the deployment of the 5G network in Poland, and to provide our customers with access to this network and to modern services based on it. The ongoing rollout of our fibre network is a precondition for the efficient operation of the future 5G mobile network. We believe that it is of paramount importance to collect unique experience in the implementation of 5G systems right now, so we undertake to implement numerous pioneering projects.

In May 2022, we opened the new 5G Lab at our Warsaw headquarters. The laboratory is a place where we develop and test solutions using 5G technology, including projects in co-operation with start-ups, and present innovative solutions to businesses, using the same frequencies on which the ultimate 5G network in Poland will operate. As a result of these preparations, we will be ready to launch new 5G services to businesses as soon as possible after the frequencies necessary to build 5G in Poland are made available.

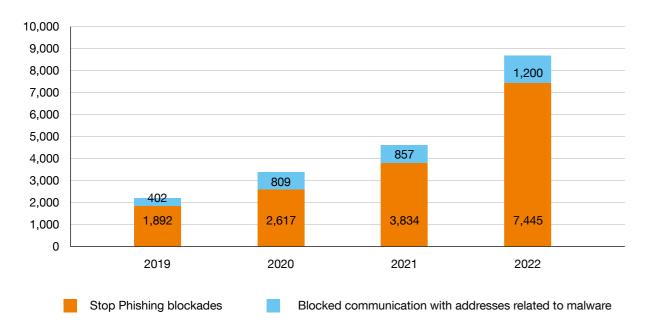


Network security as our top priority

Throughout 2022, Orange Polska CERT (Computer Emergency Response Team) observed extraordinarily high activity among phishing campaigns. The main distribution channels of these campaigns were e-mail messages and SMS. Social media were also important resources for cybercrime campaigns. This significant increase in security incidents in the online cyberspace has led to growing customer interest in cybersecurity services. To detect phishing campaigns and collect malware samples, Orange Polska uses internal Threat Intelligence solutions

based on Artificial Intelligence algorithms, as well as self-developed 'Honeypot' platforms (solutions simulating customers' equipment/systems which are exposed to cybersecurity attacks) controlled by Orange Polska. These allow for the proactive collection of malware samples and the identification of new methods of cybersecurity attacks. The chart below shows statistics on phishing and malware attacks blocked on the Orange Polska network. Each blockade represents one customer protected against a phishing attack or malware.

Phishing and malware attacks blocked in Orange Polska network (no. of unique customers in '000)



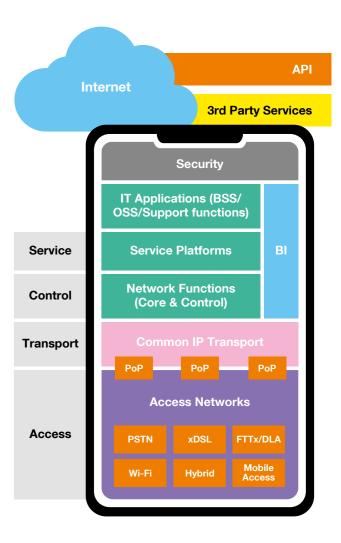


Orange Polska CERT operates around the clock, taking care of all cybersecurity issues that impact users who access the internet through the Orange Polska network. Customers are protected by CyberTarcza (CyberShield), launched in 2014 as a service to answer a specific market need for the detection of threats on the network and for securing users from malicious activity. Owing to the benefit of seamless and automatic work performed in the background, the comfort of use is highly advantageous to the users. Orange Polska is still the unique ISP (Internet Service Provider) in Poland offering advanced cybersecurity services. Almost every day the CyberShield informs various groups of customers about detected threats related to possible virus (malware) infections on their computers or mobile phones.

Network efficiency

To increase the efficiency of our infrastructure, legacy technologies and solutions which are mainly voice-oriented are being replaced with a converged network capable of handling all types of traffic: voice, data and video. We implement solutions that fully support IP technology and, thanks to self-healing and dynamic reconfiguration mechanisms, provide for higher service quality, while improving cost-effectiveness thanks to massive deployment of 100 Gb/s technology. In our efforts to provide customers with the best connectivity in Poland, we leverage our own investments by using third-party infrastructure and benefiting from EU funds for network construction.

On the mobile side, we are continuously co-operating with T-Mobile and NetWorkS! (a company responsible for radio access network construction, development and operations). With T-Mobile we share RAN infrastructure (nearly 12,000 shared sites), which enabled the fast introduction of 4G/5G and optimisation of operating costs and capital expenditures.





Products and services

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We aim to meet the needs of our customers by delivering unmatched data connectivity and products and services that matter to them. We want to be the number one operator for Polish households and the trusted partner of choice for businesses, supporting digital transformation. We offer a broad portfolio of telecommunication products and services for individual, business and wholesale customers. We are one of the biggest fixed-mobile convergent operators in Poland, offering fixed connectivity based on different technologies. Our success as a business depends on delivering value to all our customers, enabling them to fulfil their needs and aspirations. This translates into an increased market share on the one hand, and on the other hand into revenues and profits. To achieve success we have to design a palette of services that fit customer needs, are competitive and allow us to differentiate ourselves on the market. Finally, the offer has to be properly communicated.

Fitting customer needs

As customer needs are evolving rapidly and the continued digitisation of society generates a vast increase in demand for data transfer, we have to constantly develop our offer, adjusting it to customer needs and providing the right products at the right price. Our activities in this respect are different for the mass consumer market and for business customers. Furthermore, the business customer group is not homogenous, either. We make a distinction for internal purposes between small businesses, bigger corporate customers and the largest customers (key accounts). An example of a change in customer needs is the trend towards fulfilling the digital needs of entire households, as opposed to single service contracts that were the market standard a few years ago. Our products are available to all our customers regardless of their age, ability, skills or place of residence. We conduct an active dialogue with our customers to ensure that our services and products meet the relevant needs and requirements.

Competitiveness and differentiation

In order to be successful, our service portfolio must be competitive. So, we very closely monitor the activities of our competition and react appropriately. The Polish market is very competitive with a significant number of players in all segments. The level and dynamics of competition have had a very significant influence on our financial results. We are constantly looking for innovations in our product portfolio and the right balance between features and price. The key growth driver for us is the ability to offer both mobile and fixed services, which we call convergence. By addressing household telecommunication needs in a comprehensive manner and encouraging customers to buy additional services, convergence increases customer satisfaction and reduces churn as compared to single service users. Several years ago we launched a highly innovative Orange

Flex offer, fully manageable from a smartphone application. We believe total flexibility and digital experience will be the key factors for telecommunication services customers in the future. For less demanding and price sensitive customers, we offer attractively priced mobile and FTTH services under the Nju brand. We also develop adjacent services that complete our basic telecom product portfolio for a household, like energy resale. On the business market, a good example of differentiation strategy is our development of competencies in ICT, which in a lot of cases helps us to win business in our core services. Having the largest telecom infrastructure in Poland, we are also actively developing wholesale services for other operators. This is meeting high demand from them and increases return on our investments. Our global and widely recognised Orange brand is a vital source of competitive advantage and also helps us to differentiate.

Sales and distribution

We aim to make it easy for our customers to access our products and services. We use different channels to connect with customers, including traditional points of sale (our own or our agents'), online, telesales and door-to-door. To maximise value generation we must ensure the right mix of distribution channels, reflecting market evolution, local specifics, customer needs, our competitors, and the range of services we offer.



More effective selling with a local approach

The Polish telecom market is heterogeneous: households are divided fairly equally between big cities, small towns and rural areas. Each of these three zones is different with respect to factors such as competitive environment, our market shares in particular segments, connectivity options and customer needs. We diversify our sales approach to match local expectations and needs as well as customer purchase history. This allows us to reach them with an appropriate offer through an appropriate sales channel.

For example, in the competitive Warsaw market we run special digital campaigns and dedicated cross-channel actions to generate traffic at points of sale. These actions have proved effective and generated good sales results. In sales outlets we meet with customers who need assistance in choosing an offer; for time-sensitive customers we offer telesales; and those who prefer to have the complete information set and extensive price comparisons before making their decisions can choose to purchase online. This approach allows us to adapt to customer expectations, better recognise the potential of local markets and more effectively adjust our network investments to local demand.

Digitalisation and cross-channel

On our website we continue to enhance personalisation: customers are presented with dedicated content depending on their actions and the services they use. We also create a positive user experience across all customer touchpoints with innovative customer communication tools, such as:

- Bot-messenger enables our customers to communicate in a near-natural language via applications such as Facebook Messenger;
- Max a voicebot and chatbot which allows customers to get support on simple topics; for example, it provides information about payments, customers to report failures, calls back with an invoice payment reminder if necessary, or sends an SMS with payment information on request;
- Liveshopping an innovative new form of real-time online presentation of top smartphones and Orange services. It combines elements of both education and advertising as well as live sales. One of its biggest advantages is the ability to interact with users, who participate online and can ask questions to moderators.

In 2022, the popularity of the My Orange application continued to grow. Currently, we have 2.3 million users of the application, which is 35% more than in 2021, and 55% more activations versus 2021.

Customers demand the same quality of experience regardless of distribution channel: face-to-face, by phone or online. To address this, we have developed an omnichannel approach. Despite the impact of COVID-19 and growth of online sales, traditional points of sale still retain their importance. POSs accounted for almost half of total sales in 2022, and we expect a similar ratio in the coming years. Increasingly, we see customers hopping between these channels: they may start a transaction online but finalise it in a shop, or vice versa.

Customer care

Delivering top-quality customer care remains our priority. We want every customer interaction with Orange to be positive, and to ensure a uniform and consistent experience, regardless of the contact channel chosen by customers. To manage the best customer experiences, we use the Customer Journey Management methodology proven in the Orange Group. According to our customer experience strategy, we pay special attention to the development of remote and digital channels.

Omnichannel experience

First and foremost, we strive to provide the best omnichannel experience, based on the preferences and capabilities of our customers as well as our own business goals, as well as to increase the share of digital channels, primarily our Voice & Chatbot Max and the My Orange project.

My Orange is both a mobile app and an account available on our Orange.pl website, which provides customers with 24 **About Orange Polska**



service information and management functionalities. My Orange enables customers to quickly and easily check their credit balance, activate or deactivate services and review details of fees and charges on their own. The framework for our activities for the development of digital channels is provided by an ongoing, dedicated digital programme, which was launched in 2020.

Artificial intelligence (AI) and robotisation have played a major role in the development of our customer service channels. Since 2019, our customers have been supported by Max, the Chatbot and Al voice of Orange. Max answers all calls to our service infolines and supports outbound campaigns related to service purchase offers, overdue payment handling and situations in which customers are not satisfied with how their matter has been handled through traditional contact channels. In 2023, we plan to implement an asynchronous chat to enable our customers to contact us 24/7.

As for improving traditional channels of service, our priority was further standardisation and related improvement of service quality. We are the only telecom provider in Poland that has been operating in compliance with the

global COPC (Customer Operations Performance Center) standards for a number of years. The COPC certificate attests to the highest quality in customer care management, particularly with regard to efficiency monitoring, quality, and employee recruitment and development. COPC Enterprise (the special approach we currently use) encompasses customer experience and customer operations enterprise-wide rather than concentrating on the efficiency of individual locations or channels. The COPC experience and practices have improved both B2C and B2B customer care operations, and currently COPC certification is continued only for the mass market.

Implementing data-driven customer experience We design customer-experience actions based on customer behaviour patterns, using advanced statistical analysis. Using models designed through machine learning we can predict the most likely customer behaviours. Data-driven customer service helps identify and resolve customer issues more effectively. By analysing customer feedback and support requests, we can quickly identify common issues and implement proactive measures to prevent them from reoccurring in the future.



Digital

- Orange.pl
- My Orange online account
- My Orange mobile app
- Our Orange community (mutual assistance forum)
- Social media, such as Facebook, Twitter and Instagram
- Chat
- Email
- Voicebot with artificial intelligence (Max)
- Chatbot (Max)
- Web applications for business customer self-service*



Human

- Call centre
- Point of sale
- Delivery courier
- Field technician



Automated

- IVR**
- USSD***
- * Premium Support Portal, Mój Biznes Orange and Fleet Manager are free self-service systems for B2B customers, enabling them to submit requests, verify data, view invoices and manage agreements.

Customers

- Premium Support Portal is a system dedicated to Fibre Business Package and Business Package data services and advanced services;
- Mój Biznes Orange is a new primary CRM system built for both sales and customer care and aimed at business markets larger than the SOHO
- Fleet Manager is a system dedicated to mobile services.
- ** IVR Interactive Voice Response is a system allowing interactive caller support. The caller, after hearing the recorded messages, selects items from the
- *** USSD is Unstructured Supplementary Service Data. After choosing the selected menu on the handset screen, the customer activates another menu that includes the information they need. The menu is visualised on the screen (if the phone has one).



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Customised service

Our goal is to provide the right service according to the special needs of various group of customers:

- Senior citizens (over 65)
- Foreigners
- People with disabilities
- Customers preferring digital channels
- Premium customers

As a result of this customisation, we can handle customer matters much better, accurately adapting to the customer's age, individual needs or required access features.

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Contact channels

We offer a wide selection of contact channels to our customers, which we constantly improve to best meet their expectations.



Digital channels

- Prices and availability
- Buy new services and renew agreements
- Customer care, e.g. diagnose devices or services
- Learn how to easily effect customer self-care: connect a device, use self-service tools (Orange Expert tutorials)



Call Centre

- Obtain product and payment information
- Request changes in services and the account
- Buy new services and renew agreements
- Customer care (complaints, technical issues, payments)



POS

- Browse showroom
- Try or test products
- Buy products and services
- Obtain information
- Pick up orders
- Customer care



Social media

- Obtain product and services information
- Share experience
- Demand information
- Customer support (not associated with account details)
- Demand opinions







Our external environment

Regulatory

General rules

The Polish telecommunications market is subject to wide sector regulation, including that which is established at the EU level and transposed to national legislation. It is supervised by a National Regulatory Authority (NRA), the Office of Electronic Communications (UKE). As a general rule, the telecom market is divided into separate markets for wholesale and retail services (so-called 'relevant markets'). UKE analyses the level of competition within each of these markets and, based on this analysis, decides on the necessary level of regulations. As a former incumbent operator on the fixed services market, Orange Polska is designated an entity with significant market power and is subject to regulations in certain market segments. In particular, the Company is obliged to prepare regulatory accounting separation statements and perform cost calculation for LLU and BSA services, which are to be verified by an independent auditor annually. As such, this regulatory regime has a significant impact on some of the services we provide. On the mobile market, regulations are equal for Orange Polska and other major market players. Our activities are also subject to supervision by the Office of Competition and Consumer Protection (UOKiK).

Core regulations

We consider the following regulations to be the most important for our business at the moment:

 Access to wholesale broadband services (also known as Bit Stream Access, or BSA) and physical access to the last mile infrastructure (Local Loop Unbundling, or LLU) are mandatory under cost orientation obligation (verified by Margin Squeeze/Price Squeeze tests) and non-discrimination rules (including Chinese Walls), and this legislation covers both fibre and copper lines. Orange Polska is not obliged to provide BSA on fibre and copper infrastructure in 151 deregulated municipalities. LLU is not required in 51 deregulated municipalities. The Company, as other beneficiaries of public funds, is also providing wholesale access to its network built within the POPC programme based on BSA and LLU, as well as access to infrastructure.

- Regulation of call termination services. The level of termination rates is established in the Delegated Regulation, and the following rates apply:
 - The single EU-wide maximum rate for voice call termination on a mobile network (MTR) will be 0.2 euro cents per minute from 1 January 2024. Since 01.01.2023 MTR was decreased to PLN 0.0190.
 - The maximum EU-wide rate for terminating a voice call on a fixed network (FTR) has been at 0.0032 PLN 0/min since 01.01.2022.

Obviously, as a business entity, we must also comply with administrative decisions and general law and regulations.

Further amendments to telecom rules are pending at both European and national level.

Recent trends in the regulatory environment

In 2022, the legal environment was characterised by instability and high dynamics of change. Changes resulted both from the adaptation of Polish law to European



Union law and from national initiatives. Frequent, wideranging and fast-paced legislative changes entail the need

for constant and careful monitoring of the environment, especially as many of the changes underway involve the imposition of new obligations and consequently require complex and costly implementation and adaptation measures.

One of the most important regulatory developments in the telecommunications sector – the implementation of the European Electronic Communications Code – continued in 2022. Adoption of the new Electronic Communications Law (PKE) is planned for 2023. The current Act – the Telecommunications Law – has been in force for almost two decades. A number of revolutionary solutions will be introduced, opening a new chapter in the provision of electronic communications services, including the return of unused prepaid funds, direct billing regulations (adding payments for services purchased online, e.g. games or music, to the telecommunications bill), new pre-contractual information obligations, partial regulation of over-the-top services, and changes to contracts.

National legislative acts of significant sectoral relevance for telecommunications that were adopted in 2022 covered such areas as consumer protection, energy, infrastructure reporting system, security and defence, special prepaid solutions for Ukrainian citizens and construction law, among others.

Acts of significant relevance at the EU level include those on cybersecurity and the establishment of a new regulatory framework for digital markets and services.

There are ongoing legislative works (currently at the government level) on the draft act on amending the act on the national cybersecurity system. In particular, the draft provides for the assessment scheme of so-called 'highrisk vendors', creation of the National Security Network, and some operational amendments regarding security of networks.

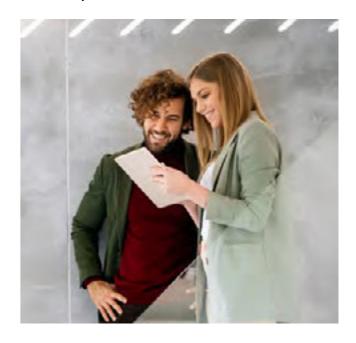
Recently, the regulatory policy has concentrated on amending domestic regulations and monitoring the EU regulations. The extended regulations lead to implementation of IP interconnection for termination of calls in Orange Polska's network. The Polish NRA also focuses on new rules of regulation of access to wholesale broadband network by reviewing partially regulated BSA and LLU markets, but also issuing decisions regarding access to networks of beneficiaries of EU funds. New reporting obligations are also being implemented with respect to network elements, coverage of fixed and mobile networks, services, and investment plans. At the same time, the implementation of the EU regulations is monitored especially in the areas of roaming regulations and open internet regulations.

Economic

Changes to the Polish economy, such as GDP growth, inflation, unemployment, disposable income, private consumption, interest rates or foreign exchange rates, can influence our ability to create value. Whilst these areas are outside of our direct control, we can use our hedging strategies to mitigate the potential adverse impact of market movements. After the revival of the Polish economy in 2021 (after COVID-19 related recession in 2020), the business environment in 2022 was heavily impacted by the geopolitical situation. Russia's aggression on Ukraine prolonged uncertainty and negatively affected the political, social and economic environment in Poland and worldwide. In 2023, the macroeconomic environment continues to be very demanding with an uncertain scale of economic slowdown, double- digit inflation and the still-turbulent geopolitical situation. Despite exceptional headwinds related to the external environment, the telecommunications sector remained stable, and we are certain that telecommunications services will remain essential for both residential and business customers.

GDP Growth

The unprecedented disturbances in the global economy, mainly resulting from Russia's aggression on Ukraine, negatively affected the Polish economy in 2022 and its future growth prospects. GDP growth in 2022, according to preliminary data, came at strong 4.9%. However this dynamics decelerated strongly through the year. In 1Q, it was at a robust rate of 8.6%, still partly owing to post-pandemic recovery; in 4Q, it slowed down to only 2%. Current market consensus expects the Polish economy to grow by less than 1% in 2023. High inflation will negatively influence households' disposable income and affect their level of consumption, while investments look set to be affected by high interest rates and weaker demand both domestically and abroad.



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Inflation

Average annual CPI in Poland reached 14.4% in 2022, which was the highest rate in 25 years. It continued increasing towards year-end, hitting 16.6% in December. High inflationary pressure is expected to continue in 2023 with current market consensus forecasting its average level at around 13%. Its peak is estimated in the first quarter with possible decline to a single digit number in the second half of 2023, when it will benefit from the high comparable base effect. The key inflationary factors include further growth in prices of raw materials (partly due to removal of VAT cuts introduced last year) and food, as well as problems with global supply chains.

Disposable income

The average monthly disposable income per person amounted to PLN 2,250 in 2022 and grew by strong 9.1% year-on-year. It has been continuously growing year after year in the past two decades. It represents the money available to a household for spending on goods and services or for savings.

Unemployment and labour costs

The unemployment rate in Poland at the end of 2022 was 5.2%, a decrease from 5.8% at the end of 2021. The Polish labour market again appeared resilient to external shocks – first the COVID-19 pandemic and now the war in Ukraine and its numerous negative consequences. With the start of Russian aggression, many Ukrainian employees, working in various sectors of the economy, left Poland. At the same time, there was a marked inflow of immigrants, mainly women and children.

The expected economic slowdown coupled with high inflation rates may affect Poland's labour market in 2023. Higher prices of raw materials and growing labour costs (particularly due to an increase of more than 20% in the minimum wage) may lead companies to limit recruitment or even reduce their workforce (the first indications of this trend were already seen towards the end of 2022). However, it is expected that the labour market will not be significantly hit owing to additional factors, including the limited availability of workforce in the market (with some industries already facing labour shortages) and, in the long run, the demographics of the Polish society. According to the consensus forecast, the unemployment rate in Poland will be relatively stable in the next few years, reaching an estimated level of 5.6% in 2023.

Interest rates

In 2022, the Monetary Policy Council continued a cycle of interest rate increases in Poland. In response to rising inflation, the National Bank of Poland's reference rate increased from 1.75% in January to 6.75% at year-end. The tightening of monetary policy stopped at that point due to concerns it could inhibit economic growth. The economic slowdown seen in the second half of the year



coupled with the still uncertain situation beyond Poland's eastern border should contribute to the stabilisation of the monetary policy of the Polish central bank. Higher interest rates should not have any material impact on Orange Polska's interest costs, as more than 90% of its debt is at the fixed rate by mid 2024.

Foreign exchange rates

Foreign exchange rate fluctuations affect Orange Polska's liabilities denominated in foreign currencies and settlements with foreign operators. However, this influence is greatly contained by a portfolio of hedging instruments held by Orange Polska. In 2022, the Polish zloty lost 2.2% against the euro and 8.2% against the US dollar. Any potential depreciation of the Polish currency should not influence Orange Polska's liabilities denominated in foreign currencies or settlements with foreign operators owing to a high hedging ratio.

Telecom market

Polish telecom market at a glance

The Polish telecom market is mature, with the stable, single digit growth rate. It is characterised by high service penetration in most segments and very low prices (relative to other EU countries). This sector is very important for the Polish economy, particularly in the digital age. Together with the IT and content industries, it shapes the information society and actively participates in the transformation of Polish companies. The COVID-19 outbreak in 2020 made the telecom sector more visible than before, as it significantly accelerated market changes in Poland towards digital solutions. Network quality was revealed to be essential for everyone, which is why we could observe higher market demand for fixed broadband connectivity, especially fibre services. It also accelerated the digital transformation of Polish enterprises. The

telecommunications market has been also evolving in terms of technology. Fibre has become the leading fixed broadband technology and we are at the dawn of 5G in mobile. Even though the allocation of spectrum dedicated to 5G has been delayed, it is expected to be of key importance in the coming years – especially for the business market. The telco industry faces many business and technical challenges that will require large investments in infrastructure to provide individual, public sector and corporate customers with fast and secure internet access (both wired and wireless), as well as new services and equipment to meet new requirements.

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The Polish telecom market is characterised by high levels of competition and relative fragmentation. It is mainly driven by mobile services and a high degree of fixed-to-mobile substitution in both voice and data. In the past, these factors had a critical impact on the overall performance of the market and resulted in the prices of Polish telecom services being among the lowest in the European Union. However, the market landscape has changed significantly since 2019 thanks to mobile operators increasing tariffs in a 'more for more' formula. Convergence has become the leading formula to compete for household customers. This has triggered acceleration in market consolidation mainly between fixed and mobile players. A need to invest, growing inflation and relatively low prices of telecom services build expectations that the market participants will continue to focus on value generation. Importantly, the Polish market is characterised by 24-month loyalty contracts, which make it slower for telecoms to pass inflation to their customers.

According to our estimates, the value of the Polish telecom market is on the increase despite the continuing unfavourable macroeconomic and geopolitical situation. This growth is mainly driven by the adoption of 'more for more' strategies by market participants (taking into account also the fact that prices of telecom services in Poland are much lower than across the EU), growing demand for fast broadband connectivity and growing sales of handsets.

Historic perspective: destructive price competition led to low prices and quick fixed-to-mobile substitution through several stages:

- A very high level of price competition in mobile services was exacerbated by several price wars in both the B2C and B2B segments, mainly between 2010–2013. This led to prices in Poland being among the lowest in the European Union. The key disruptor was Play, a latecomer to the market, which pursued an aggressive strategy to gain a market share.
- The structural decline of fixed voice services, influenced mainly by rapid proliferation of affordable mobile services, partial regulation of this segment and unfavourable demographic trends.

 Underdeveloped fixed broadband infrastructure, especially outside of big cities, which in combination with the rapid development of mobile services and strategies of mobile-only market players resulted in partial fixed-to-mobile substitution. Poland has a much higher penetration of mobile broadband positioned as home internet access compared to the EU average.

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- These trends have had a significant impact on Orange Polska compared to the overall market, and this has been reflected in many years of falling revenue. This was mainly due to:
 - the need to adjust to high price competition in mobile to defend market shares in both the B2C and B2B segments;
 - very significant exposure to fixed voice, as an incumbent operator;
 - underperforming the overall market in fixed broadband due to regulations and weak infrastructure in big cities, resulting in the loss of market share to cable operators;
 - no significant exposure to the pay-TV market.

Current and future trends are more benign, with a focus on value and drive for convergence based on fibre

- More focus on value: Even though the Polish telecom market remains very competitive, all key players have become more focused on value pursuing 'more for more' strategies, mainly in mobile. The competition has shifted from being based solely on price to other elements of the offer and quality of customer care. This is mainly driven, on the one hand, by relatively low prices of telecom services compared to other EU countries and growing disposable income; and on the other hand, by the need of operators to invest in infrastructure and mitigate cost inflation. Taking into account unprecedented inflationary challenges (inflation in Poland is at a 25-year high), higher nominal prices seem to be more of a must than an option in order to protect profitability. Prices of telecom services in Poland continue to be among the lowest in the EU. Value creation is at the core of our commercial strategy. In 2022, we made price adjustments in the majority of our core telecom services for both consumers and business customers. We also introduced inflationary clauses into new customer contracts that may be exercised from 2023.
- Fixed-mobile convergence at the core of commercial strategies: Convergence sales of mobile and fixed-line service bundles is increasingly recognised by all market players as the household business-winning formula. Over the past few years all mobile players have started to also offer fixed services, while leading fixed operators have entered the mobile market. This is conducted either through wholesale partnerships or through

- acquisitions. Examples of wholesale partnerships include T-Mobile's entrance to part of Orange's fibre network, or the co-operation of Play with the cable operator Vectra. Convergence strategies are also facilitated by emerging fibre infrastructure operators that provide only wholesale services, for example Światłowód Inwestycje (a JV of Orange Polska and APG) or Fiberhost. Proliferation of the fibre footprint available for all players is also driven by fibre networks built within the EU-sponsored Digital Poland programme (POPC). In 2022, an important new convergent player emerged as a result of the acquisition of UPC (the largest cable operator) by Play (owned by Iliad). Orange Polska initiated its highly successful convergence strategy in 2017, introducing a hard bundle - Orange Love - as our flagship offer for Polish households. By the end of 2022 it had attracted more than 1.6 million customers.
- Consolidation mainly triggered by a push towards convergence: The Polish market remains quite fragmented, especially among fixed operators. However, over the past few years there have been a few consolidation transactions between larger players. Two mobile operators – Plus (Cyfrowy Polsat) and Play - acquired fixed-only companies: Netia (the leading alternative fixed-line operator) and UPC (the largest cable company), respectively. The other significant transaction conducted in the past few years was between two cable companies, in which Vectra (the second-largest cable company on the market) acquired Multimedia (the third-largest). Consolidation on the fixed market (also among local internet service providers) is expected to continue in line with even more fierce competition in retail.





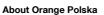


 High demand for fast broadband connectivity, with fibre emerging as the leading technology:

The pandemic and overall trend towards digitisation has increased demand for fast connectivity, which has become an essential utility for households. Investments in the fast internet infrastructure have accelerated in recent years, especially outside of big cities, in areas where the infrastructure has historically been quite weak, causing fixed-to-mobile substitution. FTTH has emerged as the leading technology. This acceleration resulted mainly from Orange Polska's massive investments in fibre since 2016 and the EU co-funded Digital Poland programme aimed at rolling out infrastructure in less-urban areas. We estimate that the number of households connectable to fibre might have increased by over a million in 2022, to a total exceeding 10 million, which would account for about two-thirds of all households in Poland. This growth resulted from the continued investment projects financed with EU funds in the Digital Poland Operational Programme (POPC), as well as those financed by operators on their own. The latter include both major players investing on a large scale (e.g. Światłowód Inwestycje or Fiberhost) and numerous minor local operators. The Polish market for fibre services is very fragmented. According to the Office of Electronic Communications, there are over 1,000 internet providers operating in this technology, but only seven of them have a market share of over 1% (data for 2021). The fibre footprint expansion has taken place not only in urban areas but also increasingly in the outskirts of big cities, smaller towns and rural areas. A major player in the wholesale infrastructurebased broadband market is Światłowód Inwestycje, a joint venture of Orange Polska and APG, which aims to provide fibre to 2.4 million households by 2025. In 2022, the Iliad Group invested in the acquisition

- of the cable operator UPC Polska. As a result, it can now develop convergent services and, according to its declarations, use the existing UPC infrastructure and new investments to enter the wholesale market by offering access to its infrastructure to other players. Taking into account customer demand, MNOs convergent strategies and new partnership agreements, we expect fibre rollout in the country to continue.
- Transactions related to infrastructure: In 2021. Cellnex, an infrastructure market player on the European market, entered the Polish market via acquisition of mobile infrastructure from Play (March 2021) and Cyfrowy Polsat (July 2021). Cellnex entered the contract with Play as a majority shareholder in On Tower Poland Sp. z o.o. (Cellnex Poland with 70% of shares, and Iliad with 30%). In the case of Cyfrowy Polsat, the transaction concerned both passive infrastructure (c. 7,000 sites) and active infrastructure (c. 37,000 radio carriers, 11,300 km of fibre backbone and fibre-to-the-tower backhaul, and a national network of microwave radio links). Also in 2021, Orange Polska signed an agreement to sell a 50% stake in a joint venture operating under the name Światłowód Inwestycje (FiberCo), which will build fibre infrastructure and offer wholesale access services based on FTTH technology. By 2025, Światłowód Inwestycje aims to build fibre networks to 1.7m households located mainly in low- and midcompetition areas. The transaction valued Światłowód Inwestycje at PLN 2.748 million (on a debt-free, cashfree basis). Orange Polska sold a 50% stake in the joint venture to APG for a total consideration of PLN 1.374 million. In 2022, Iliad (owner of Play and UPC) revealed plans of its own FiberCo with the private equity firm InfraVia.









- Data consumption booming: Data consumption is on the rise, spurred by the proliferation of mobile devices and the rapid growth of data per customer, the latter being driven mostly by multimedia content and social media. We foresee data consumption continuing to grow at the current pace for at least the next few years, while the smartphone revolution continues in Poland. Responding to customer expectations of the best-possible, always-on internet access requires a convergent approach to connectivity. That is why the development of both fixed (FTTH) and mobile networks (4G and 5G) is crucial.
- **5G** at the dawn: 5G as a marketing concept has been present on the Polish market for the past three years, but it is so far only offered by operators on the frequencies used for 4G in the DSS technology. The auction for so-called C-band (3.4-3.8 GHz spectrum dedicated to 5G) has been long delayed. The consultation process began in December 2022 and according to the market regulator's plans is expected to be completed in 2023. 5G is expected to open new opportunities for both consumers and businesses,

and should be one of the growth triggers for the market in the years to come. 5G will make mobile data transmission much faster, but more importantly for its future applications, it will have much lower latency (the time needed for two devices to communicate) and much larger capacity (the number of devices that can be connected to the network at once). 4G is not able to handle the constantly growing number of connected objects, all of which are transferring more and more data. From today's perspective it seems that 5G offers more monetisation opportunities on the business market, that will go beyond simple connectivity. 5G will open up a whole array of possibilities to automation processes and to the use of artificial intelligence in various industries - from manufacturing to agriculture. All devices receive and process data much faster, enabling, for example, the remote steering of manufacturing processes in real time. These processes will function in closed ecosystems, often on designated slices of the mobile network. This means much bigger synergies between connectivity and ICT, and Orange Polska is very well positioned to benefit.

Orange Polska Integrated Report 2022

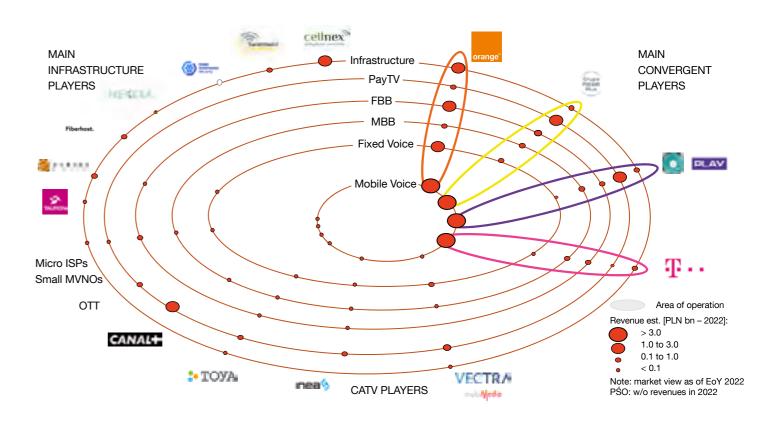


Orange Polska: a key player in all market segments and well positioned to benefit from market trends

Orange Polska is the leading telecom operator in Poland operating in all market segments. We have the largest customer base in both the fixed and mobile segments, as well as the largest share of telecom infrastructure in Poland. Following successful implementation of the Orange.one strategy in 2017-2020 we delivered a turnaround and reshaped our business profile to one suited for growth and positioned to benefit from market opportunities. Essential to the value-creation plan were heavy investments in the fibre network, pursuing a convergence value strategy, and development of the ICT area. Development of business lines with growth prospects as well as exploring unique market opportunities were necessary to offset ongoing pressure on our revenues from legacy services - which once constituted the core of our operations, and which have been in structural decline for a number of years. At the same time, we were radically transforming our operations to be more agile, digital and flexible, with a strong online presence and highly automated processes. In 2021, we announced the new .Grow strategy that is focused on sustainable growth of revenues and profits through maximisation of our key growth levers and exploration of new market opportunities. In 2022, the second year of implementation of our ambitious .Grow strategy, our performance confirmed that we are on the right track to reach the objectives we have set, despite exceptional headwinds related to the external environment.

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Main players on Polish telco market



Note: market view as of May 2020



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We aim to build strong, long-term relationships with our suppliers. We want our relations with suppliers and business partners to be based on transparent principles and a mutual obligation to abide by ethical standards.

Supplier assessment

We take an active part in the implementation of the Orange Group's global supplier assessment programme, QREDIC. The results of the assessment are used in the process of negotiating with and selecting suppliers at the global level, for example, for subscriber devices or network equipment purchases. A supplier is disqualified if the assessment reveals definite non-compliance with ethical or environmental standards.

At the global level, the Orange Group is a founding member of the Joint Audit Co-operation (JAC), an association which brings together telecommunications operators to control, evaluate and develop the implementation of CSR principles by global suppliers of the ICT sector. As of today, a total of 27 telecom operators have joined the JAC initiative. In 2022, JAC carried out 98 audits.

Local suppliers are required to sign up to a compliance clause, which is included in agreements with our Company. The clause includes an obligation to comply with ethical and responsible conduct rules, particularly concerning human rights, environmental protection, sustainable development and anti-corruption. In addition, an anticorruption clause is included in all purchase agreements. From 2021, suppliers from high-risk groups are asked to complete a CSR questionnaire, which relates to the areas of environmental protection, occupational health and safety, employee rights, diversity, compliance and ethics.

Building long-standing relations with suppliers

In 2022, we co-operated with 3,019 suppliers in Poland, including subscriber and network equipment suppliers, network contractors, IT equipment suppliers, personnel outsourcing agencies and media houses. We strive to build our relations with suppliers on the basis of long-term contracts providing for transparent terms of co-operation. Over 97% of purchases (by value) are executed under long-term framework agreements. We are working towards effecting all payments to suppliers within due time. The timely payment rate is 93%. The standard term of payment to suppliers is up to 30 days (92% of agreements).

Transparent supplier selection process

We follow a competitive and open procurement policy. The transparency of our supplier selection process is ensured by the Procurement Process Code, a set of rules which must be followed by all procurement organisation employees in their direct and indirect contacts with suppliers. The Code includes procurement procedures which transparently regulate supplier selection, contracting and confidentiality. Since 2019, the CSR clause has been included in the templates of purchase contracts, and since 2022 also in non-purchase contracts. We are gradually supplementing its implementation also among long-term suppliers which had concluded contracts before its introduction. In 2022, 98% of buyers from the procurement department of Orange Polska completed online training dedicated to the main CSR aspects in procurement. Currently, over 96% of orders (by volume) are placed electronically, via an online procurement tool that automatically analyses submitted offers. Moreover, suppliers who want to co-operate with Orange Polska can register to join a database of potential suppliers, allowing them to participate in the Company's procurement processes.





Social

Poland's standard of living has been improving steadily over the years. However, post-pandemic and war-induced inflation hit the Polish market in 2022, following a surge in energy prices. In December 2022, year-on-year inflation reached 16.6% - value unseen in Poland since the 1990s. Since May 2022, the Polish economy has also experienced a decrease in wages due to inflation levels exceeding wage dynamics – with real wages (adjusted for inflation) decreasing by the biggest amount in the 21st century (i.e. by 6.3% year-on-year at the end of 2022). Such a situation is bound to influence the economy, with shrinking budgets of households inevitably impacting consumption levels and ushering a possible period of economic stagnation, with inflation levels remaining high. High energy prices also have impact on individual households with, according to different methodologies, 9-32% of households not able to fulfil their energy needs in 2022. That translates to roughly 1.4-5 million households experiencing the problem of energy poverty (according to WISE 2023).

High inflation threatens the achievements of a range of programmes aimed at reducing inequalities and eradicating poverty, which have been introduced over the last decade. Since 2015, an increase in the minimum wage, changes in civil-law contracts and – above all – programmes of social benefits for families (PLN 500 monthly allowance per child, and PLN 300 yearly allowance for school starter kits) have radically improved the situation of many vulnerable groups, particularly those of lower social and economic status. Elevated inflation has diminished the impact of those social transfers, which are not subject to indexation (purchasing power of the 500+ programme has fallen by almost a third since 2016).

According to Statistics Poland, the Gini coefficient of income inequality, which measures the distribution of equivalised disposable income across the society, fell from almost 34.5 in 2005 to 29.8 in 2017, but since then bounced back to 31.9. It is still about 10% below EU average (Eurostat 2021), but the rapid increase in income inequalities, especially during COVID-19 pandemic is troubling. Between 2019 and 2021, earnings of the poorest 10% of the population fell by 6%, whereas the richest 1% has increased their income by a similar margin. The losses sustained by the underprivileged part of the population may be tracked down to employment type, as low-wage jobs tend to be based on civil contracts that could be easily terminated when economic difficulties hit small enterprises.

Unemployment levels in Poland remain low at only 2.9% in December 2022, the third lowest figure in Europe (with EU average of 6.1%). At the end of 2022, the employment rate in 20-64 age group reached 77.2% (above EU average of 74.9%), regaining levels from before the COVID19 pandemic. The problem that remains urgent is that the



employment rate varies considerably across educational attainment levels and with respect to gender. While in 2022, for the first time the activity rate for Polish women was higher than the EU average (seven out of ten working-age women worked in 2022 in Poland vs. 83% of men), the education employment gap remains one of the biggest in Europe. At the end of 2022, the employment rate in the 20–64 age group was above 90% for people with tertiary education, but slightly below 73% for people with upper secondary education and only 47% for those with primary or lower secondary education. Women with primary or lower secondary education face a particularly high risk of exclusion from the labour market: only slightly more than 35% of them in the 20-64 age group were in employment, which is one of the worst results in the EU.

One of the key recent changes in the social environment is linked to the Russian invasion of Ukraine, which forced millions of refugees out of the country. By the end of the summer 2022, more than 1.5 million refugees from Ukraine were staying in Poland, which means that the population increased by 5% over the course of a few months. According to migration experts by the end of 2022 the number of Ukrainins in Poland amounted to 2-2,5 million, including 1-1,5 million people living in Poland before the invasion, and about one million of those, who arrived as refugees after 24th February 2022 (OBM 2022). Every fourth refugee wants to stay in Poland for at least a few years, while 40% do not have specific plans for the future regarding their place of residence (according to Migratory Consortium). 44% of all refugees and 80% of adults are women, which could bring about substantial changes to the feminised sectors of the economy, such as services, retail and care services. At the same time, up to 400,000 Ukrainian men who had been employed in Poland before February 2022 have come back to their home country, leading to a shortage of staff in such sectors as construction, transport and logistics. Almost 200,000 Ukrainian children joined Polish schools and 43,000 entered the preschool care system. The Poles showed unprecedented solidarity towards Ukrainian refugees, but the prolonged impact of the current situation, especially

on public services, will be enormous. Already struggling healthcare, education and housing find themselves under biggest pressure.

However, the influx of people from Ukraine should also have a positive effect on the economy, especially as Poland is facing the challenges of a rapidly ageing population. The unfavourable demographic trends have been reflected in a decline in the working-age population over the last years. The problem is compounded by the falling number of births, which in 2022 reached the lowest level since the Second World War, with negative natural growth levels since 2012.

As a telecommunications company, we must respond to the diverse needs of our customers. Telecommunications expenditure is a permanent component of any household budget, and we try to ensure that each customer, regardless of their income, can find a suitable offer for them and their relatives. Nowadays, it is no longer network access itself but rather the ability to use new technologies wisely and safely which has become a social challenge.

Human rights

Owing to the nature of our business model and supply chain, we follow the human rights policy formulated at the international level by the Orange Group. In addition to the general framework of the International Labour Organization conventions, the Universal Declaration of Human Rights and the Global Compact principles, the Orange Group complies with the UN Guiding Principles on Business and Human Rights.

In 2022, the Company adopted the Human Rights Policy in Orange Polska. The Policy confirms our commitment to respect human rights in the entire value chain, avoid violating human rights or contributing to violations thereof and, should such a violation occur, counter and minimise its negative effects and take corrective actions. Orange Polska's attitude to respecting and promoting human rights is determined by its obligations towards the following groups of stakeholders:

- Employees and outsourced workers;
- · Customers;
- Suppliers, subsuppliers and business partners;
- · Local communities and social environment.

Based on the diagnosis of the industry and Orange Polska's activities, the Company has identified the following salient human rights issues:

- Right to privacy and freedom of expression;
- Non-discrimination and counteracting exclusion;
- Rights of the child, including online safety issues;
- Forced labour, contemporary slavery and human trafficking;
- Respect for human rights, including employee rights, when extracting minerals from conflict zones;



- Child labour:
- Employee rights, including freedom of association and collective bargaining.

In order to deliver on its responsibility to respect human rights, Orange Polska has been implementing a human rights due diligence process, as defined in the UN Guiding Principles on Business and Human Rights. It enables risk identification and management in the human rights area, and provides for preventing violations, monitoring and regular reporting, while accounting for the stakeholders' involvement on each stage of the process. The Policy will be fully implemented in 2023.

The issues related to respect for human rights are addressed in the Orange Polska Code of Ethics.
Furthermore, Orange Polska has introduced the Supplier Code of Conduct. It seeks to encourage suppliers to comply with and respect the relevant laws and regulations, and ensure that they are faithfully and effectively enforced. Our suppliers shall respect human rights and shall avoid being complicit in human rights abuses of any kind.

The Supplier Code of Conduct covers the following areas:

- Social responsibility: freedom of association and the right to collective bargaining, forced labour, child labour, diversity and non-discrimination, remuneration, working hours, and human health and safety;
- Environmental and climate responsibility: environmental protection, natural resources, and waste management;
- Prohibited business practices: anti-corruption policy, competition, sponsorship, political contributions, money laundering, data security, and data protection.

The Supplier Code of Conduct has been published and implemented through a CSR clause, which is obligatory

in all types of purchase agreements with our suppliers. Pursuant to the clause, the parties undertake to comply with, and ensure that their employees, suppliers and sub-contractors comply with all national, European and international rules associated with standards of ethical and responsible behaviour, including standards on human rights, environmental protection, human health and safety, and sustainable development. They also undertake to combat any infringements of human rights and fundamental freedoms, as well as any risks to the health and safety of persons and the environment. In addition, they declare that they will require their employees, suppliers and sub-contractors to refrain from using child labour or forced labour, and shall combat any discrimination.

Furthermore, we have implemented a CSR questionnaire, covering human rights, environmental, labour, social, ethical and compliance issues, for suppliers from the areas with the highest risks to human rights. The questionnaire results are accounted for in a process of submitting offers in the procurement procedures carried out by Orange Polska. Companies failing to achieve the required score shall be precluded from co-operating with Orange Polska.

In order to raise awareness of human rights, the persons responsible for procurement procedures undergo CSR and human rights training.

Environmental

Digital technology is used daily by 6 billion people worldwide. The wider ICT sector (telecommunications networks of different technologies, data centres, production and operation of the equipment required to provide and use digital services, etc.) accounts for almost 10% of global energy footprint, which corresponds to about 5% of global CO_2 emissions. And this share is expected to grow.

Orange Polska is sensitive to global challenges related to the natural environment and natural resources. We have set ambitious goals and taken concrete actions to reduce our environmental and climate impact, both direct and indirect. Our target is to become net zero carbon by 2040 with respect to our own direct and indirect emissions as well as value chain emissions. This is aligned with Orange Group's global, science-based climate goals that pursue the Paris Agreement objective to limit global warming in the 21st century to 1.5 degrees Celsius versus the pre-industrial era.

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In addition to the efforts we make to reduce the impact of our own operations on the environment, as a provider of telecommunication services we can significantly contribute to reducing the negative impact of activities of other entities. As digital technology has been integrated into all sectors of human activity, it is necessary to develop its sustainable uses in order to reduce the climate and environmental impact of other sectors.

Modern digital technologies are a major tool to solve climate issues. Telecommunications services support green transformation and offer solutions that enable customers to reduce their carbon footprint. Tele- and videoconferences decrease business travel (especially by plane), while IoT solutions, particularly in the Smart City domain, optimise consumption of resources (e.g. electricity or water) and reduce emissions and pollution thanks to smart management and monitoring systems for municipal services (e.g. utilities supply, city lighting, parking places, city bikes or waste collection).

On the one hand, use of new technologies provides an opportunity in terms of economic and social development and more eco-friendly solutions; on the other hand, it presents a challenge related to the rapid obsolescence of products and increased demand for energy. This requires us to maximise the useful life of devices and manage end-of-life equipment. It also necessitates a shift towards resource, energy, climate and environmental efficiency both within the Company and in relations with its suppliers.

In addition, a major element of our efforts is to educate customers and encourage them to get involved in circular economy initiatives.

The crucial role of the digital sector in responding to the climate crisis does not release the telecom industry from the obligation to achieve net zero carbon emissions from its own operations as soon as possible, mainly through a decrease in CO₂ emissions. However, apart from this responsibility and the efforts involved, the digital industry also has specific opportunities related to its potential positive impact on other sectors by supporting their emissions management and reduction.

Our stakeholders

Through a dialogue with our stakeholders, we learn to respond to their expectations more effectively. This chart

identifies our key stakeholders, their concerns and how we engage with them. In the course of our business activities, we come into contact with members of each of these groups every day.

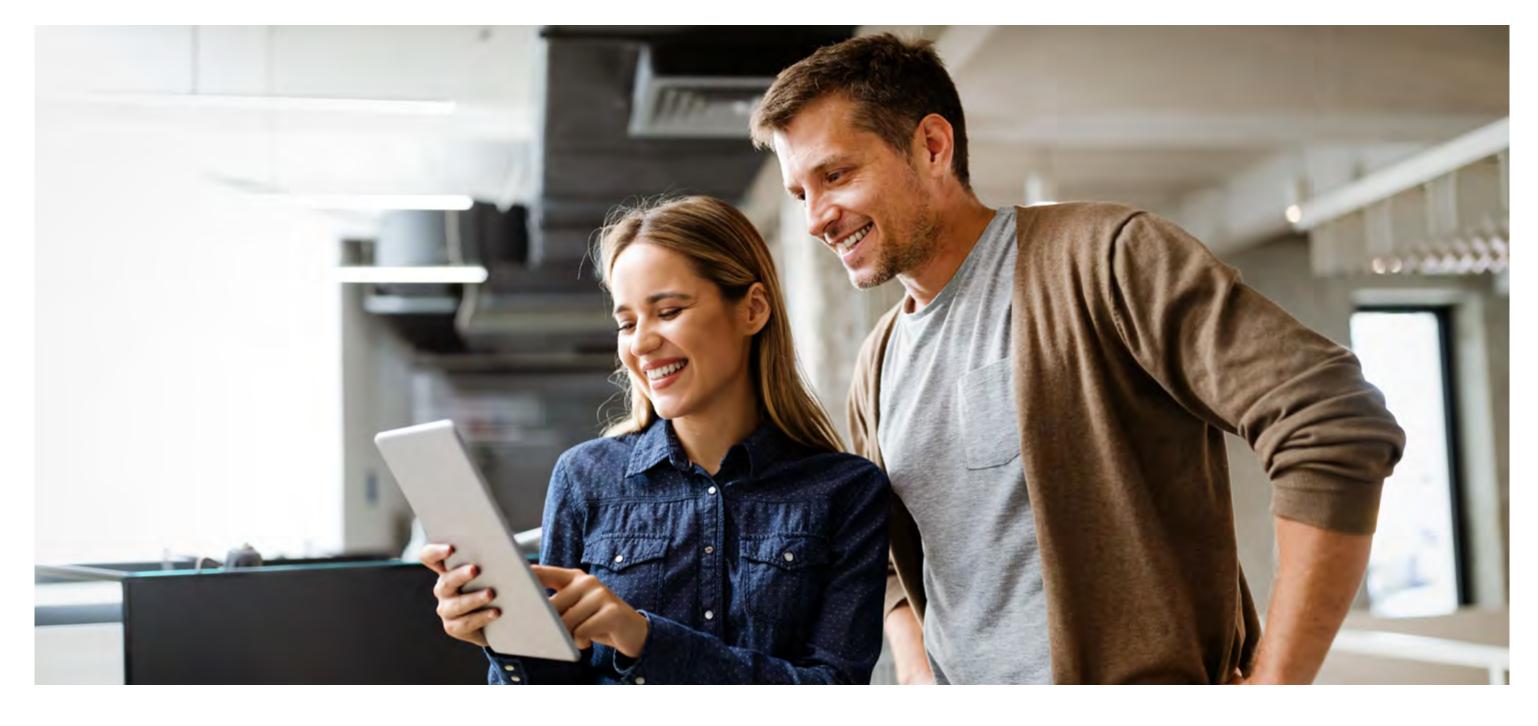


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	Why it is important to engage	Ways we engage	How often we engage	What matters most to them
Investors	As a listed company, we take care of our investors and the financial community.	Providing detailed and transparent communication of financial and operational results; engaging in direct dialogue with investors through participation in roadshows, conferences and meetings; dedicated IR website.	Quarterly and annual results publication and meetings; surveys; continuous direct contact.	Transparent financial information; opportunity to meet management; sustainable growth of revenue, EBITDA and cash flow, and dividend policy. (pp.105-107)
Customers	Our customers are vital for the success of our business and we put them at the heart of everything we do.	Dialogue with customers: listening & responding; customer satisfaction surveys, including NPS.	Continuous direct contact; regular customer opinion surveys (monthly, quarterly, annual and ad hoc).	A reliable and resilient network; good coverage; safe services; simple, transparent offers and pricing; good convergent offer; excellent customer service; easy access to services. (pp. 23-25, 78-84)
Employees	Engagement of adequately skilled and motivated employees plays a critical role in delivering excellent customer service and increasing long-term value generation.	Employee training and talent development; dialogue with employees: satisfaction survey; dialogue with trade unions.	Continuous direct contact; regular satisfaction surveys once a year.	Friendly and modern work environment; competitive remuneration levels; safety standards; clear career path and motivation system; development opportunities. (pp.108-123)
Business partners	Building strategic alliances can help to ensure the quality of our network and broaden our portfolio of customer offers.	One-on-one business meetings; agreements based on fair rules of co-operation.	Regular and ongoing contact.	Transparent and fair rules of co-operation. (pp. 14, 34, 127, 134)
Suppliers	Suppliers and contractors impact on our ability to provide products and deliver services.	Dialogue and building of long-term relations with suppliers; group assessment: opinion surveys; audit.	Regular and ongoing contact; opinion surveys at least once a year.	Fair treatment; transparent rules of tenders and co-operation; timely payment and favourable terms. (pp. 34,127)
Government and the regulator	As our industry is regulated, it is essential for us to establish and maintain a constructive relationship with the regulator.	Maintaining a constructive dialogue with the regulator; consultation process; dedicated reporting; meetings; participating in industry conferences.	Regular and ongoing contact.	Licensing and compliance; quality of services and network performance; wider access to broadband; partnership in health and education; investments in disadvantaged communities. (pp.14-15)
Communities	Empowering local economies strengthens the socioeconomic context in which we operate.	Co-operation with communities; programme part- nership with educational and social institutions.	Regular and ongoing contact.	Investment in infrastructure; social investment in communities. (pp.126-141)
Environment and climate	Maximizing the positive and minimizing the negative impact on the natural environment and climate.	Co-operation with ecological organizations, state institutions and business partners.	Regular and ongoing contact.	Ambitious climate goals, transparent reporting rules and cooperation with others for the natural environment and climate (pp. 142-179)







Our internal environment

Corporate governance

Corporate governance in Orange Polska is designed to provide responsible company management and supervision in order to achieve the Company's strategic goals and enhance its value. To these ends, we have created a strong corporate governance framework to support the structures, processes and controls, which help us to operate more efficiently and mitigate risk. The ability of the Company to create value is ensured by having capable governing bodies with a proper division of responsibilities and optimal representation of experience, skills and education. The sustainability of the Company is secured by the ability to allocate fairly and sustainably the created value, which is necessary to

the Company's long-term success. The details of Orange Polska's corporate governance are described in the Corporate Governance Chapter of this report on page 200.

Corporate culture

Orange Polska attaches great importance to ensure equal treatment for all employees, along with clear evaluation and promotion criteria, professional and personal development opportunities, and good and safe working conditions. We aim to create a culture of dialogue and collaboration in which all employees feel respected and can freely express their opinions, the culture where all departments aim to reach the Company's goals together - as one team. We aim to be a company focusing on making things and procedures simpler, so we introduce agile ways of work and enhance our people to be innovative.

Orange Polska conducts regular employee satisfaction surveys and engages in a dialogue with trade unions. We build the foundations that help create a friendly workplace. We take care of employees' safety, health and retirement plans. We provide preventive healthcare, care about employees' wellbeing and we offer help and support in difficult life situations.

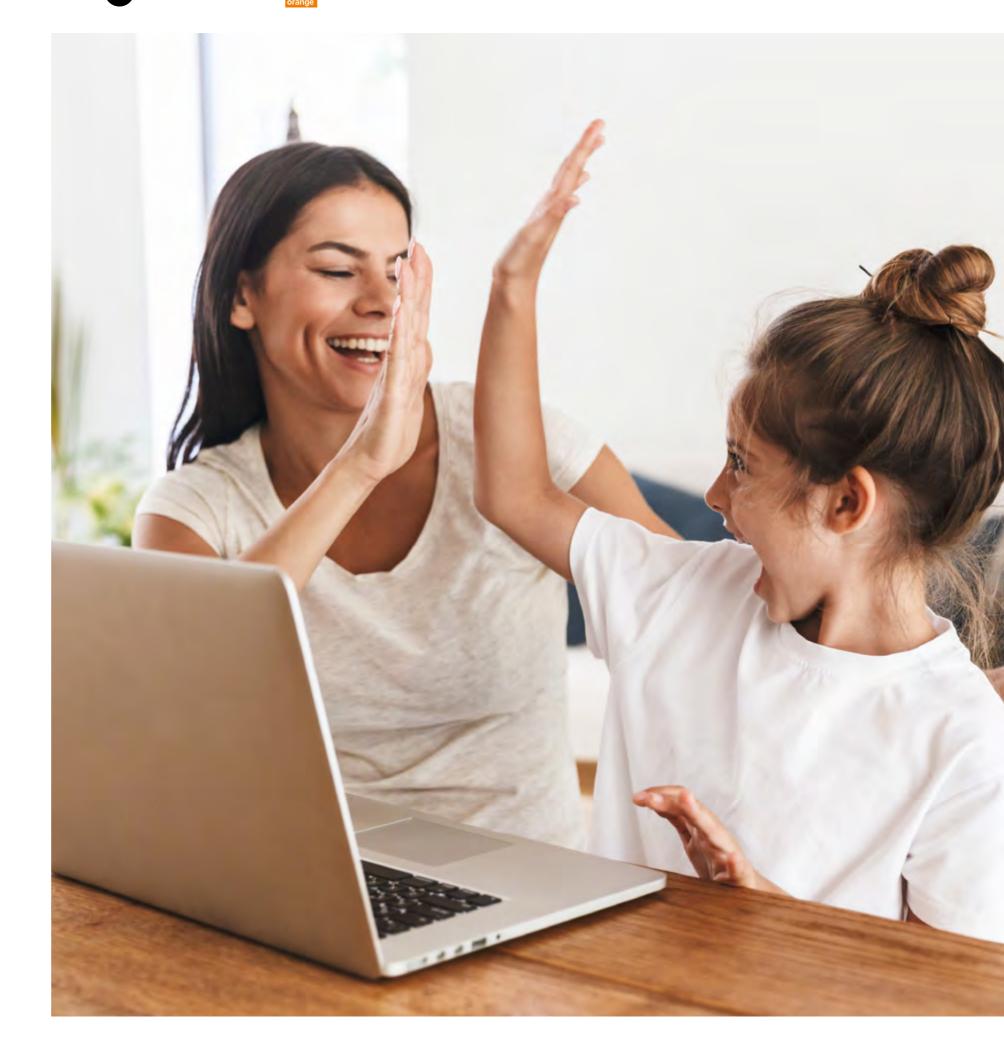
We value diversity and believe that skilful diversity management in a workplace creates new opportunities. It is essential for us to foster an organisational culture based on mutual respect for the differences between us.

Following the launch of our new strategic programme .Grow, we believe that only by mutual investment in our people and their development and engagement, as well as by creating friendly and inspiring work environment for them we can grow as a company.

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In order to be close to the needs of employees and to know their opinion on the Company's activities, we regularly conduct two global surveys: Organisational Health Survey and Your Employee Barometer. Both of them set the directions for further activities within the framework of building a proper organisational culture, which supports the implementation of our .Grow strategy and is in line with Orange's values (close, simple, bold and positive).

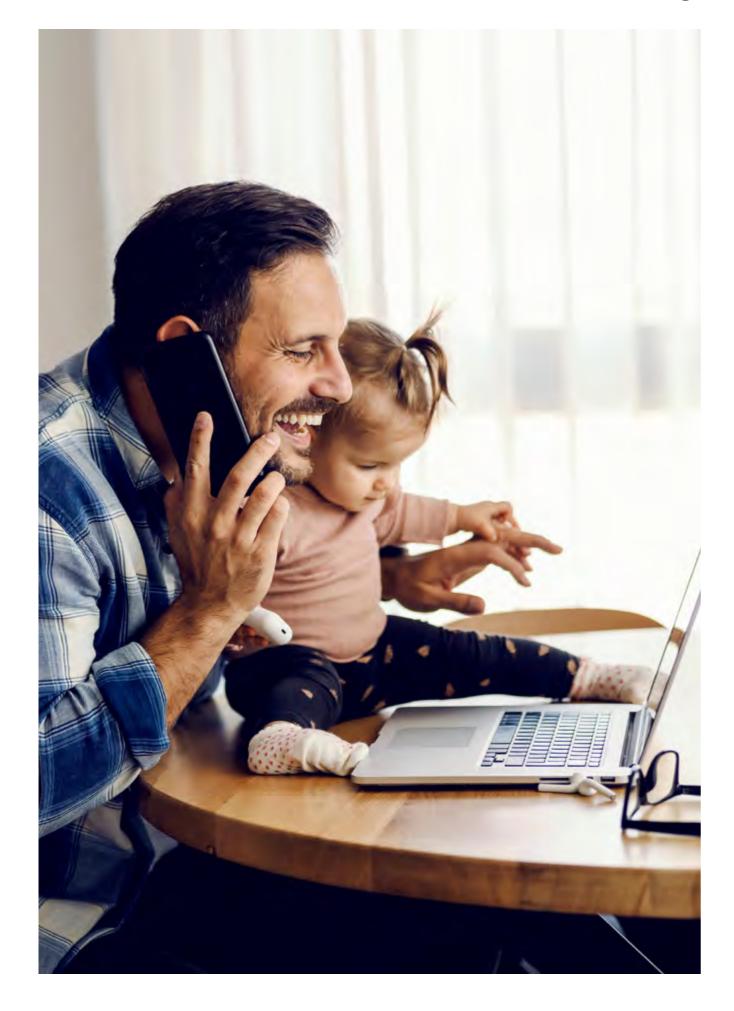
The details of Orange Polska's corporate culture are described in the "What we do to be close, simple, bold and positive - priorities of the culture change" section on page 108.



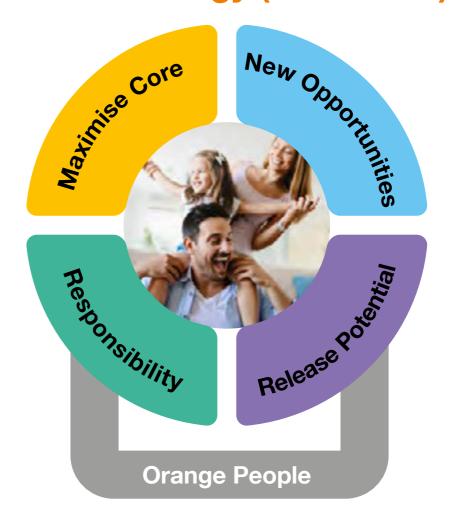
Strategy

The .Grow strategy is an evolutionary step to accelerate sales and profit growth, while laying the foundation for growth beyond 2024.





.Grow strategy (2021-2024)





Growth of financial outputs through sustainable development

Long-term value creation for all stakeholders

Key trends













From recovery to sustainable growth

In June 2021 we presented our .Grow strategy for 2021-2024. It was a successor to the previous strategy called Orange.one which was successfully concluded in 2020 and which allowed us to reverse multi-year negative trends in sales and profitability and deliver turnaround. We are well prepared for the future, with products that are demanded by customers, assets that support these products and a progressively more efficient cost structure. Orange Polska is a strong leader in all key market segments. We are ready to exploit new opportunities and face future challenges.

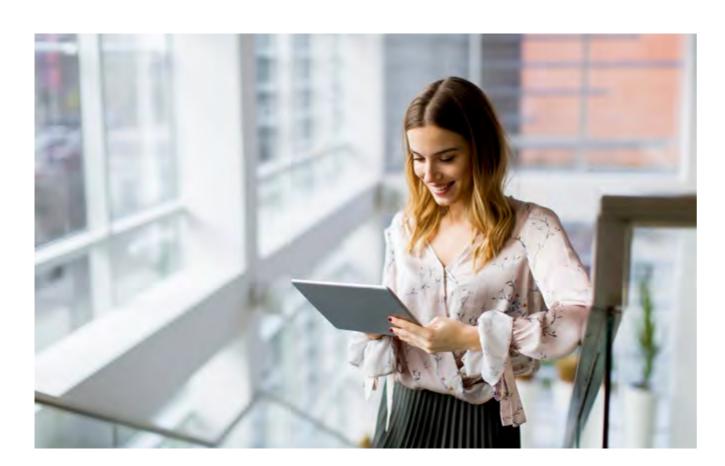
The .Grow strategy is designed to stimulate and accelerate sales and profit growth, while laying the foundation for growth beyond 2024. Convergence remains a key growth lever on the consumer market, helping us gain and maintain customer trust and loyalty. The arrival of 5G will provide a new growth lever, adding an exciting dimension of connectivity for consumers and businesses. In this respect, we see ICT as a key growth driver in our B2B business.

As we manage the decline of our legacy business, we are adding new sources of profitable growth, including wholesale customers for our fibre and mobile networks. We will place selective bets on new and emerging trends and technology, knowing that not all will pay off, because we want to grow beyond 2024.

As part of .Grow, we are releasing our internal potential resulting from digital transformation. We are heading in the direction our customers expect, while improving our internal efficiency by leveraging more on big data and artificial intelligence.

Last but certainly not least, we are growing in social responsibility. We have set ourselves ambitious ESG goals, and our services put us in the ideal place both to help others reduce their environmental footprint and to ensure that no one is left behind.

In financial terms, with .Grow we embarked on a path of faster and more sustainable growth, based on solid foundations. EBITDAaL growth is to accelerate, driven by revenue expansion fuelled by commercial activity. It has proven to be a fundamental change from our previous strategy, when the turnaround – after years of decline – was generated by huge savings on indirect costs, while direct margin continued to fall. Our Capex structure will gradually evolve to incorporate a higher share of investments in mobile networks. However, we aim to keep eCapex at a steady annual level of PLN 1.7–1.9 billion on average over the period. This is how our business growth has begun to translate into increasing generation of cash flow. We will continue to share the benefits of this growth with our shareholders through the return to dividends.







Consumer market: convergence based on fibre to remain a key growth lever

In the mass market, convergence – or sales of mobile and fixed-line service bundles – remains the key to value creation. It addresses household telecommunication needs in a comprehensive manner, increasing customer satisfaction and reducing churn. And it allows us to upsell more services, winning a higher share of household media and telecom budgets.

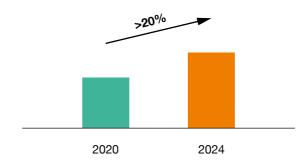
Orange Love – a proven track record

We have already bet on convergence in 2017 introducing Orange Love as our flagship offer for Polish households. The Orange Love offer is a predefined set of fixed and mobile services, bundled together and sold at an attractive fixed price. The basic package can be extended with extra fees for additional SIM cards, higher fibre-broadband speed and additional TV content. On top of that we offer a wide range of smartphones at attractive prices. Importantly, Orange Love is available on any broadband technology (fibre and copper), and also on LTE positioned as home broadband. This allows us to market this offer all over the country, which is very efficient. By the end of 2022, Orange Love had attracted more than 1.6 million customers.

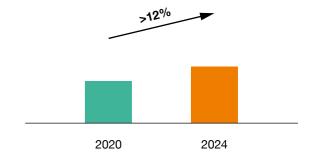
More potential in convergence

The Polish market is becoming increasingly convergent, similar to some other EU markets, but we continue to see significant potential to both upselling additional services to households where we are already present and reaching new households with our services. Our ambition is to expand our convergent customer base by at least 20% above our 2020 base by the end of 2024, while achieving a further significant increase in ARPO.

Convergent customers growth fuelled by fibre expansion



ARPO growth driven by value strategy and upsell





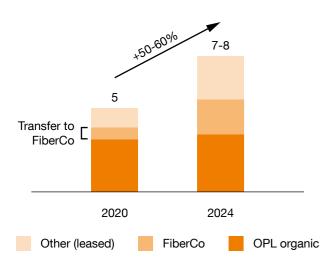


Other operators are also increasingly in pursuit of a convergence strategy based on fixed broadband, which results in increased competition. This requires us to differentiate with a comprehensive service offer and quality customer care. We will leverage the great power of our brand and our excellent image among customers, and will also attempt to address the needs of more price-sensitive customers.

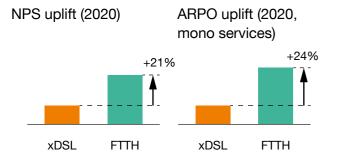
Fibre – a key success factor

The main success factor to reach our convergent ambitions will be further expansion of our fibre reach. By 2024 we intend to increase it by 2-3 million households, or 40-60% compared to the end of 2020. Over the last few years we have heavily invested in fibre network rollout, establishing fibre as a synonym for fast and reliable internet in Poland, which has been reflected in Orange Polska's perception as the internet provider of choice. In the coming years, we will rely more on wholesale access to the networks of other operators. These will be mainly the networks constructed by Światłowód Inwestycje (FiberCo) and those built within the Digital Poland Operational Programme (POPC). Fibre generates much higher average revenue per user compared to copper technologies. This can be attributed mainly to broader opportunities to sell content and to higher speeds, making these services better perceived by customers and an increasingly popular choice.

We will further significantly expand fibre reach (m households)



Fibre value creation

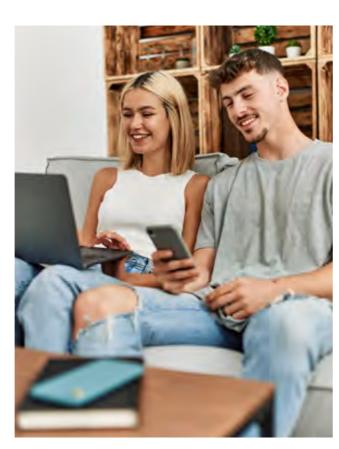


TV content – an important element of the convergent offer

An important factor in the success of our convergent strategy is also the quality of TV content, which is very important for Polish consumers when choosing a service provider. While demand for OTT content has grown rapidly, the linear TV offer continues to be very popular. We intend to remain a content reseller: our strategy does not foresee any investments in exclusive content. Our offer comprises more than 200 linear channels and we are increasingly promoting OTT content as well. Our TV customer base stood at around 950,000 at the end of 2022. More than 80% of that base accounts for IPTV technology. The customer base in this technology is growing strongly, driven by expansion of our fibre footprint. The remaining part accounts for satellite TV, which we consider a legacy technology and no longer develop.

Beyond connectivity – more services for households

Fixed and mobile connectivity will remain our main services, but we aim to explore and test other value-added services following a vision of the 'extended home'. We want to reach customers with new offers that will make their everyday life easier thanks to modern technologies. We plan to add further elements to our convergent packages: cybersecurity services, smart devices, new possibilities of using digital entertainment and solutions related to the use of environmentally friendly, clean energy. Besides infrastructure, we have highly skilled technicians, sales representatives and sales network to install and advise our customers on those areas. Those assets give us unique positioning to develop and design new services.





Business market: ICT-centred strategy

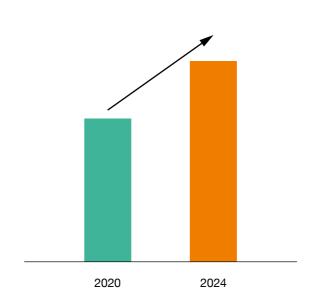
Orange Polska is the leader in all business segments of the telecommunications market and a leading player in the ICT market. Over the course of the previous strategy we travelled a long way from a legacy telco operator to a trusted partner in the digital transformation of Polish corporates. The two key enablers of the turnaround in B2B operations were: monetisation of our investments in fibre, and focus on ICT development through organic growth and selective acquisition to complement a portfolio

of competencies. As a result, we were able to uniquely combine connectivity services with systems integration, cybersecurity, counselling, services in the field of software, and applications.

Digital transformation of businesses in Poland is now a fact. It has accelerated over the past two years in practically all sectors of the economy as a result of the pandemic. Upon the implementation of .Grow we continue our strategy, strengthening our position as an integrator of transformational solutions. We continue to accompany businesses on their technological journey, expanding the portfolio of solutions of the future.

We want to maintain the dynamic growth of ICT revenues at around 10% annually by 2024. We will achieve this by continuing to leverage our key resource – that is, mobile and fibre networks – enhanced by a broad portfolio of services comprising the entire value chain of digital transformation. The key role in this process will be played by further stable growth of our subsidiary Integrated Solutions, the third-largest integrator in the Polish market. And we will achieve acceleration in ICT by monetising our investments in new areas and competencies, that is in BlueSoft and Craftware. The highest growth is to be achieved in the areas of cybersecurity, and software and applications, based on both the expertise of our subsidiaries and the competence developed for internal needs.

ICT revenues ambition c.10% CAGR





Software and Apps





Cloud & CRM





Cybersecurity





Network & Communication

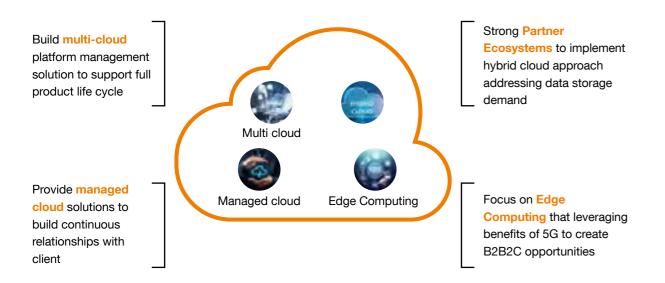




of business. Subsequent stages include the automatic

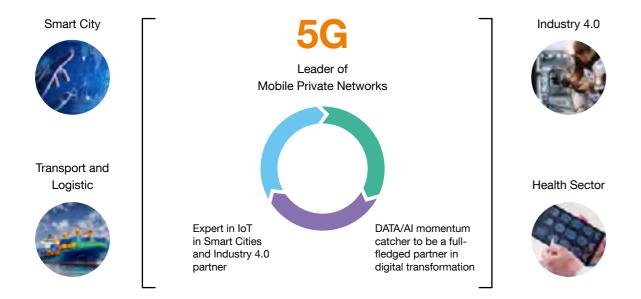
analysis of data, the volume of which will expand in the wake of 5G implementation, and the use of artificial intelligence for the development of future-oriented solutions.

We will be focused on multi-cloud based services



5G technology will be a new catalyst for the ICT market, particularly in the Internet of Things domain. The new network will be faster and more efficient. It will be able to support millions of connected devices at the same time. Companies will be the first to take advantage

of its capabilities. We want to be the market leader in mobile private networks. We have already made first implementations on the 3.6 GHz spectrum that will be used for 5G in the future. Together with our customers we want to create more than 40 campus networks by 2025.



The development of the 5G network will bring new benefits and new development opportunities for business. The Internet of Things, virtualisation of everyday operations, process automation and good use of huge amounts of data, supported by artificial intelligence algorithms, will transfer business in Poland to the next level of digital

development. The implementation of the .Grow strategy will secure a leading position for us in the field of counselling and integration of comprehensive transformation services for business, enabling enterprises and institutions to efficiently function in the new digital world.



Wholesale market – more business opportunities

We are co-operating with a few dozen other telecom operators on the wholesale market, opening our own infrastructure or using infrastructure owned by others. Such co-operation avoids unnecessary infrastructure overbuild.

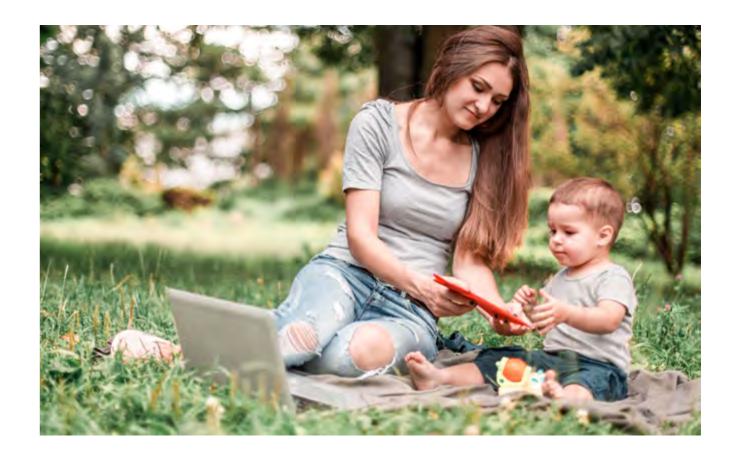
As part of the .Grow strategy, we are opening for even more business opportunities in wholesale. On the one hand, it is a natural consequence of our investments in mobile and fixed infrastructure and our ambition to better achieve their monetisation – we have the largest share of telecom infrastructure in Poland. On the other hand, we see wholesale potential resulting from the development of the fast internet access market, entry of other market

players into the convergence market and gradual deployment of 5G mobile networks.

We strive to acquire a higher number of customers for our fibre network, both that which has been deployed in previous years and that built within the Digital Poland Operational Programme (POPC). It is our ambition to increase the number of fibre customers serviced by other operators at least sixfold compared to the end of 2020, when their base stood at 26,000. In addition, we intend to provide greater access to our transport infrastructure. This will include rendering services to Światłowód Inwestycje. We also see potential here for other mobile infrastructure operators interested in connecting their base stations to our fibre network.

As part of the development of wholesale, in June 2021 we extended a national roaming contract with P4 (operator of the Play network). This co-operation continues in the take-or-pay scheme, which guarantees Orange Polska additional minimum revenue of PLN 300 million in total for 2021–2025. The agreement concerns relatively limited volume of traffic compared to that generated by Orange Polska's own customers, and has built-in controls in order to secure the adequate quality of services.

Furthermore, we would like to enter the MVNO wholesale market, offering our network to fixed operators willing to enter the market for mobile services.





Releasing potential to be more digital - but with people at the centre ...

We need to become more digital ourselves in order to help our customers to grow in a digital world. Our ambition is to be the digital operator for Poland. We are the first company

in the Orange Group to appoint a Chief Digital Officer. The new structure is our competence hub, working for and with all business lines and operations. We have strong assets and experiences that we can build on. For example, our fully digital offer Flex, which is a unique product on the Polish market; and voicebot Max, which allows customers to get support on simple topics.

Designing Max we have enhanced customer care using big data and artificial intelligence (AI) solutions. Big data will allow us to better position and tailor specific offers for specific customers, translating into increased loyalty. Big data and Al can be used in network planning and management. Employing AI for network diagnostics can help us prevent failures based on analysis of data about the network's behaviour. It can support investment processes, by helping us recommend specific locations for rollout based on actual traffic and customer needs. We want to go to the market with those solutions and further monetise the potential that big data and Al contain.



Smart Operations:

Improve operating efficiency with BD/AI



Smart Network:

Operations excellence & smarter investment



Improve customer value and experience, smart usage of data insights



New commercial products and services based on Data&Al





Integrated Report 2022

Our ambition is that by the end of 2024 one out of every four sales is made through online channels, and three out of every four customer-care contacts happen through digital. This is a major shift towards efficiency: automating routine tasks and making customer contact with Orange easier, better and more suited to our customers' needs wherever they are, whenever they want.

At the same time, we understand that not all customers will want to go online with all of their business with Orange. That is why we believe in omnichannel, making it easy to start your process online, and complete it on the phone or in the store, directly supported by another human being. Because we understand that relationships are based on empathy and companionship – and you cannot simulate that with AI. This need for human contact is another thing that we saw vividly during the COVID-19 pandemic. So, we want to be digital but we know that there is no digital without people at the centre.

Going on-line in sales

>25% of digital sales (all services RGUs, 2024)

Channel mix transformation toward digital







Being digital in care >75% of digital care (all interactions, 2024)

- Customer migration to digital channels and Al
- Digital/AR support for installations and repairs





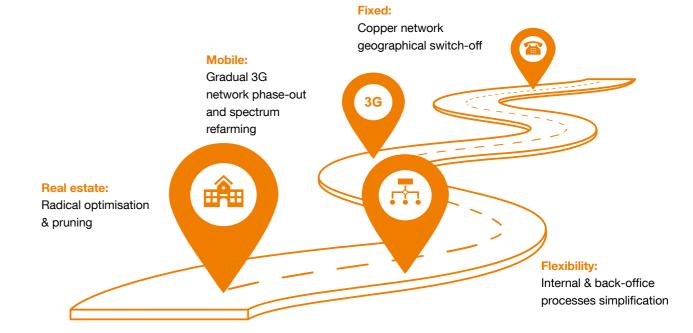


Providing human & personalized support if needed

... and simplifying our asset portfolio

To release our potential we also need to continue to simplify and focus on building strong foundations for the future. We need to make room for transformation. This includes phasing out older access technologies that we will gradually be replacing: 3G, by the end of 2024, and copper. They will be replaced by next-generation mobile and fixed networks, which will improve efficiency and curb the cost of legacy systems. This also applies to our real estate portfolio. We will continue our strategy in that area.

Our roadmap for more simplification & legacy phase-out



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Responsibility: ambitious environmental and social targets

Along with other pillars of our business we want to grow in social responsibility, which has always been very high on our agenda. It is in the DNA of Orange Polska, embedded in our daily business logic. We believe only authentic engagement brings value to all stakeholders. Orange Polska has set ambitious ESG goals for itself and is ideally placed with its services both to help others reduce their own environmental footprint and to ensure that no one is left behind. We believe that the telecom sector has an essential role to play in the transition to carbon neutrality.

Our primary goal is to be climate-neutral and achieve Net Zero Carbon by 2040, ten years ahead of the EU climate goals. Net Zero covers the entire emissions of Orange Polska: Scopes 1 and 2 (own direct and indirect emissions) and Scope 3 (emission throughout the entire value chain - suppliers, employees, customers). In the first period of action, by 2025, we will reduce our CO₂ emissions in Scopes 1 and 2 by as much as 65% compared to 2015. We want to achieve it primarily through increasing the share of renewable energy in our energy mix to at least 60% by 2025 from 0% in 2020. This means that we have to proactively search for and support new projects in this

area. We will also continue to optimise energy consumption: we have reduced our consumed energy volumes each of the past few years despite constant increase of data volumes on our networks. Deployment of new, much more efficient technologies, such as fibre and 5G, will also contribute here. Average electricity consumption per fibre customer is around 80% lower compared to copper.

To reach our 2040 goal, we will also accelerate efforts to reduce emissions in the entire supply chain, including suppliers and customers. This will include implementation of the principles of circular economy. For example, we will buy back older smartphones and accept used or broken ones for recycling in every Orange store.

Digital inclusion has a particularly important social dimension today. This means dissemination of high-speed internet access on the one hand, and education and development of digital competencies on the other. We are active in both of these fields. We invest in optical fibre, and by using public funds strive to reach areas more distant from major cities. These areas often lack infrastructure and access to modern services. In addition, we have been supporting the digital education of Poles for more than 15 years through our Orange Foundation. The Orange Foundation is committed to this and implements digital education programmes in schools. Over 5,000 children take part in such programmes each year. Along with our social partners, we also train teachers as part of the project called Lesson:Enter, which is co-financed by the European Union. This is the largest initiative of its type in Poland. In total, 75,000 teachers will benefit from this programme.

Open culture and diversity are also very important for us: data prove that diverse teams are more effective and work better. This applies to all levels of an organisation, from the frontline to the Management Board. We want to pursue more opportunities and greater diversity, focusing on increasing the share of female leaders (to 35%) and female managers (to 40%).





- NetZero2040 ambition
 - ~65% CO₂ emission reduction till 2025 mainly thanks to renewable sources
- Promoting circular economy (buy back and recycling of used or broken smartphones in every Orange store)



- Reducing socio-digital exclusion of vulnerable groups: NPS #1 in senior segment
- Digital education:
 - >5,500 children / year in educational programmes (safety, programming)
 - >75,000 teachers in programme enhancing their digital skills in 2020-2023



- Focus on equality in employment:
 - 37% women in leadership • 40% women in management
 - Responsible management and supervision to achieve

strategic goals

• Transparent communication of commitments

Integrated Report 2022

CSR strategy: being responsible

In Orange Polska, we have been successfully implementing a policy of corporate business responsibility in all areas of our business for several years now. Our corporate and social responsibility (CSR) strategy accounts for the Company's business objectives and fits into their implementation. The conclusions from a dialogue with stakeholders as well as market trends and social challenges for our industry in Poland and abroad have been key elements in our organisational culture which takes account of the expectations of employees and other stakeholders' groups - customers, investors, suppliers, business and social partners as well as the environment - in creating and implementing our business strategy. We believe that such an approach generates benefits for the Company and its environment, leads to long-term development and contributes to the improvement of everyone's lives. Therefore, in Orange Polska we have created a social responsibility strategy, focusing on five areas which are of key importance from the point of view of our sector and our operations on the Polish market.

In 2021, we launched the new CSR strategy for 2021-2025. This strategy continues our previous social and environmental policies and commitments.

A strong foundation of this strategy is responsible management - our values, ethics and compliance, and our dialogue with stakeholders as a tool for understanding their expectations. On this foundation are based four pillars of our CSR strategy:

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- Social and digital development We make new technologies an ally to economic and social
- Safe network for the use of the latest technologies to be easy and risk-free.
- Clean environment to pursue our business objectives with respect for ecological principles and in harmony with the environment.
- Engaged team We build culture of co-operation in which employees feel respected, work towards achieving shared goals and have an influence on functioning of the Company.

Responsible management and actions within these four pillars account for our social impact, which is analysed in 6 areas: economy, innovations, customers, environment, communities and employees.

The new .Grow strategy is also important from the point of view of social responsibility and sustainable development. For the first time, social responsibility has found itself on par with other strategic pillars, being one of the four main areas of the Company's activity. Activities and goals in the "Responsibility" pillar focus primarily on two issues - the impact on the climate and environment and ensuring broadly understood digital inclusion.



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.Grow financial ambition: growth of results and return to dividend payments

Our previous strategy reversed multi-year negative trends, delivering a financial turnaround, and improved the structure of our balance sheet. With .Grow we have entered a path of faster and more sustainable growth, based on solid foundations.

While expanding revenues, we will benefit from high operating leverage that will accelerate EBITDAaL and cash flow growth. Generation of sustainable returns is the key to .Grow and this is what makes it stand out from past performance. In our previous strategy, the turnaround was generated by huge savings on indirect costs, while direct margin continued to fall. In .Grow, the key driver for EBITDAaL growth will be revenue expansion fuelled by commercial activity. It will make this growth fundamentally healthier.

We will continue to expand revenues at an average rate of low single digits between 2020 and 2024. Our core business (which constitutes around 75% of revenues) will be fundamental to achieving this plan. Within the core business there are three main growth engines: convergence, ICT and wholesale. We plan to grow convergence and ICT revenues at a minimum CAGR of 8% and around 10%, respectively. Legacy services, comprising mainly traditional fixed line and interconnect, will be in decline. By the end of the plan, legacy will represent less than 10% of total revenues, so their further impact will be very limited. We will also devise new services - new areas of growth. These are small today, but are very future-oriented and will multiply at a high pace. Examples include services based on IoT, big data, campus networks or the augmented home. They are not key to our financial performance until 2024, but their development will be critical for us in subsequent strategic cycles.

Revenue growth driven by core business

Expected 2021-2024 trends

Core services



Growth engine

Low-to-mid single digit growth CAGR

Legacy services



Decreasing

PSTN/xDSL/wholesale trends maintained

Interconnect affected by MTR/FTR cuts (PLN ~1bn impact, very limited margin loss)

Hedge for the future

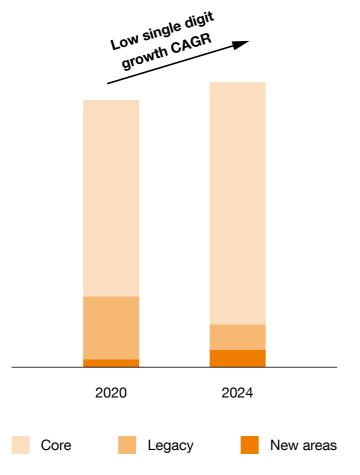
high growth rates

New areas





Total revenues









Convergence

households strategy

Customer base

growing (fuelled by fibre expansion)

ARPO

growing (value, 5G & multiservice)

Revenues >8% CAGR 57



centered B2B strategy

Growth on core

integration, software + & cybersecurity

New potential

cloud, 5G, data & loT

ICT revenues 9-10% CAGR



monetising our assets

on existing & new reach

Fibre

New growth

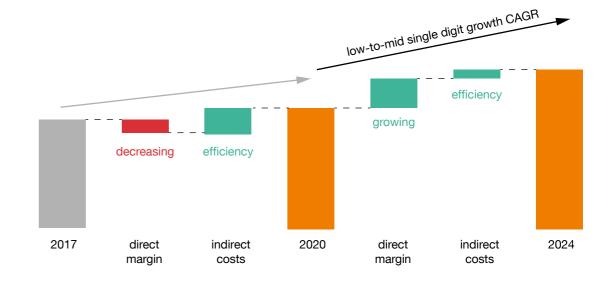
in infrastructure & MVNO

New sources of revenues

We will expand EBITDAaL at a low-to-mid single-digit pace. This growth will be predominantly driven by the expanding direct margin, as high operating leverage will allow us to benefit from higher revenues. Growth through commercial development will make our fundamentals much more solid and sustainable for the long term. Our cost transformation will continue. Indeed, the same digitisation trends that are enabling our growth leverage will also help us drive down costs further still. At the same time, using Al and process automation, we will improve our customer service: a win-win. We expect inflationary pressure to offset some of this margin expansion, but enough will find its way to operating profit to be able to grow our EBITDAaL margin.



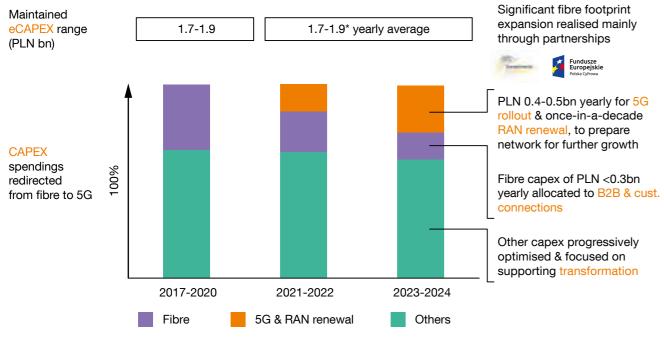
Both revenue expansion and cost savings will now contribute to EBITDAaL growth



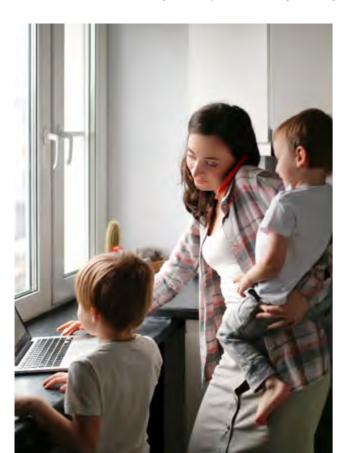
Our smart investment strategy will focus on growth, especially fibre and 5G, and on efficiency. Our capex structure will gradually evolve from the one driven by fibre to higher share of mobile. We will embark on a landmark modernisation of our mobile network. It is critical in order to ensure that we cope with the explosion of data, which is already taking place and will only accelerate in the future. It will be done on the occasion of the 5G rollout. While we

will continue to expand our fibre footprint, it will not require significant direct capex engagement, as it will be mainly realised through partnerships. Despite these significant investments, we aim to keep eCapex at a steady annual level of PLN 1.7–1.9 billion on average over the period. This is how our business growth will translate into increasing cash flow generation.

Evolving capex structure but steady average annual level

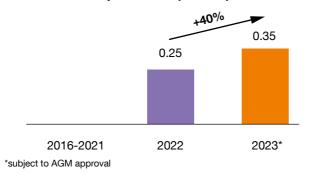


*Subject to final provisions of the cybersecurity act; excluding spectrum acquisition



Within the .Grow strategy we intend to resume dividend payments and we have presented a transparent dividend policy. In 2022 we paid a dividend of PLN 0.25 per share, for the first time since 2016. Return to shareholder remuneration underscores the confidence that we have in our growth prospects and in our sound balance sheet. Future dividend changes are conducted on a yearly basis, taking into account projections of underlying financial results and the long-term financial leverage forecast versus the 1.7x to 2.2x leverage corridor. Any increased level becomes a new sustainable floor for the future. On 15 February 2023, the Management Board of Orange Polska adopted a resolution recommending to the Annual General Meeting the payment of a cash dividend of PLN 0.35 per share in 2023 from 2022 profits.

Cash dividend per share (in PLN)





Q&A with Julien Ducarroz,

CEO and President of the Management Board



Q: Despite an environment that is more difficult than anticipated, the .Grow strategy is on-track at its midpoint. What are the key success factors?

When I presented the .Grow strategy almost two years ago, I said that our core business is the bedrock of our strategy and of our future success. This has materialised. Our core business is very strong and we continue to strengthen it further. Please note that we started to invest in fibre network rollout in 2016: this was a bold investment and unique on the market at that time. The markets were sceptical of its purpose and future success. Nowadays, fibre is core to commercial strategies of practically all telecom players in Poland. In 2017 we launched Orange Love, which, to date, remains our key commercial offer for households. Around that time we also started to navigate our business market operations towards services and competencies related to digitisation. This is now a key trend among corporates, significantly accelerated by the pandemic. So, now we are bearing the fruits of these big bets that we made a couple of years back. This also means that there is continuity, focus and consistency in our execution.

While we are constantly improving B2C and B2B operations, with .Grow we have added another engine to our core business: wholesale. We began exploring new business opportunities in the wholesale area and this has been

successful from the beginning. There is a lot of demand for our infrastructure from other telecom operators that we are able to satisfy, and I am confident this will develop further.

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Strong performance of the core business was accompanied by our continued cost discipline and transformation. Those two elements were key to successfully navigate the challenges of the past two years.

Last but certainly not least, I need to mention the factor which is at the root of all our success, which is our people. We are continuing cultural transformation at Orange Polska, bringing new talent onboard and encouraging our people to grow and reskill. This is very important for further development of our business and will help us to better adapt to the challenges ahead.

Q: What could still be done better - or faster?

The .Grow strategy is not only about developing what we already have today, but also about investing in the new services and new areas of growth for the future. This is very important, because we are still managing the decline of our legacy business and also because some of the services that are currently growing will gradually saturate. So, implementing .Grow, we also need to think about next strategic cycles. I think this is where we need to move faster over the next two years.

Various services based on 5G technology which today are in infancy, like IoT solutions, enhanced connectivity and big data analytics, are a good example. In IoT we made very good progress, especially in Smart City services, doubling this business area in 2022. Inflation, especially of energy prices, drives demand from local governments for solutions like intelligent metering or water management. This helps them to optimise costs and decarbonise. However, we have not been that successful so far in monetising big data analytics. Recently we have taken some measures to intensify within this area. We are also behind our ambitions regarding so-called private campus networks. Here, however, the main reason is related to the delay in distribution of dedicated 5G spectrum, which we had anticipated would be available much sooner. The allocation process has just restarted, so I hope we will soon be in a position to accelerate on this front.

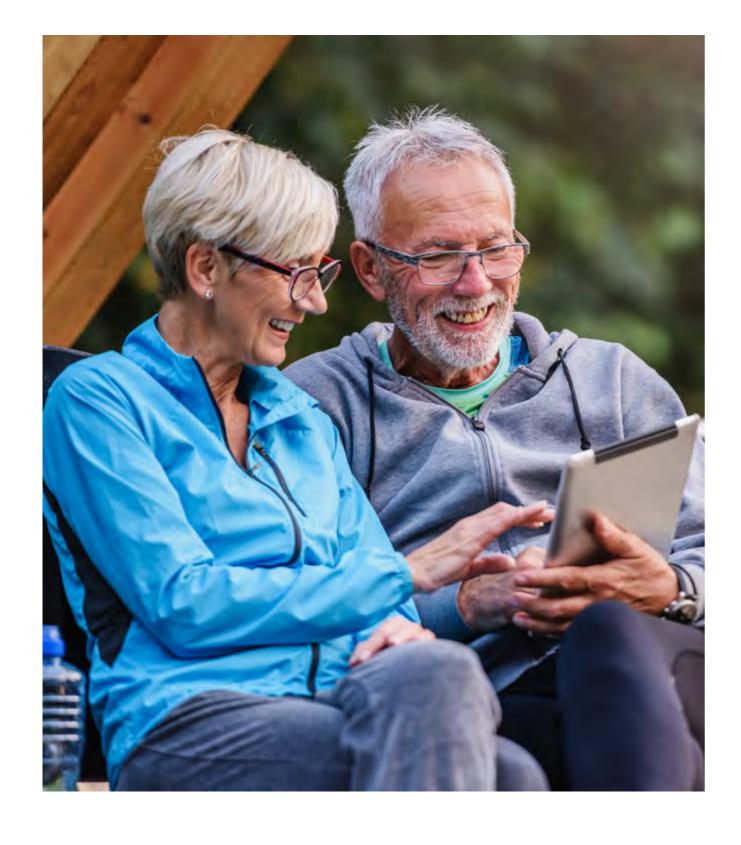
We also need to release more of our potential with adoption of digital tools. Both to make the digital journey for our customers easy and efficient and, internally, to boost our efficiency. In the coming years we will be increasingly managing customer interactions through machine learning and Al models. This will give us easier and faster



personalisation of contacts and offers, which, in turn, will translate into more services sold, increased customer loyalty and more revenues.

In 2022 we made exemplary progress in our OrangeGoesGreen strategy by securing our CO₂ emissions reduction goal in Scopes 1 and 2 three years ahead of the plan. Starting from this year we are accelerating our actions to also reduce emissions in Scope 3, which is much more complicated, as it encompasses our entire value chain, including our customers and suppliers. Our priority areas

for action include energy used by customers to power home and mobile devices, investments in technical infrastructure and production of sold devices. These key areas account for over 70% of our Scope 3 emissions. This is why we are actively pursuing actions related to circular economy, encouraging customers to reuse, refurbish and recycle their smartphones and wearables, and also educating them about very simple methods to save energy, such as switching their modems and set top boxes into a standby mode when not in use.







At the mid-point of strategy implementation, our performance is on-track

2022 marks the halfway point in the implementation of our .Grow strategy. Our results of the past two years prove that we are well on-track to meet its goals, even though the external environment is much more difficult than we had envisioned. We capitalise on solid demand for our services and our dynamic ability to execute. All our key subscription services have simultaneously expanded the customer base and improved the average revenue that they generate. Orange fibre is now available to almost 50% of Polish households. We now have more fibre than copper broadband customers, which symbolically marks the turning point in our technological transformation. Thanks to our 'new opening in wholesale' strategy we are maximising

the monetisation of our assets through the demand for our infrastructure from other operators. Revenue growth from ICT services has outpaced our expectations, as we are uniquely positioned to take advantage of the digitisation of Polish enterprises owing to our wide competencies coupled with a strong foothold in connectivity.

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Our financial ambitions are going according to plan – or even exceeding it. We have promised to translate revenue growth into low-to-mid single-digit increase of EBITDAaL through our high operating leverage. Next, by keeping stable capex, we aim to boost cash-flow generation and the return on capital employed (ROCE). As the table below demonstrates, revenue and EBITDAaL growth is at the high end of the guidance, while our eCapex is at the low end of the expectations. We have quadrupled ROCE and preserved a very sound balance sheet.

Medium-term financial guidance - summary

.Grow strategy: we are in line with the plan despite difficult environment

		Mid-term guidance (2021 to 2024)*	2021-22 performance
© =	Revenues	low single digit growth CAGR	+4.2% CAGR
all	EBITDAaL	low-to-mid single growth CAGR	+4.9% CAGR
	eCapex (PLN bn)	1.7 to 1.9 yearly average over the period	1.73bn (avg 2021-22)
	ROCE	increase 3-4x (vs. 1.6% in 2020)	6.5% in 2022 (4x increase)
	Net debt / EBITDAaL	we aim to keep safe balance sheet, with financial leverage in the range 1.7-2.2x**	1.3x (at the end of 2022)

^{*} As presented in .Grow strategy in June 2021

^{**} Long-term prospects for net debt/EBITDAaL





Q&A with Jacek Kunicki, Orange Polska CFO



Q: How did you manage to mitigate a headwind of more than PLN 200 million from 2022 energy costs to grow EBITDAaL by almost 4%?

In short, I would say that we have the right assets and strategy for these turbulent times. There are

two key elements of this strategy that allow us to deliver in spite of headwinds. First and most importantly, the strength of our core business. Second, the ongoing transformation and adaptability of our cost base. Let's briefly look at each one.

Our core business is strong. It consists of three commercial engines: services for consumers, businesses and wholesale activities. All these engines consistently deliver growth of revenue and margin. In all key telecom services we are growing simultaneously the number of customers and the average revenue each one generates. The latter has become an absolute priority, taking into account high inflation. Wholesale has recently emerged, next to B2C and B2B, as an important contributor to our profits. We will explore more business opportunities in this area. We have put the expansion of revenues and direct margin at the core of the .Grow strategy and current circumstances underscore that it is well suited to weather the current challenging macro-economic conditions.

For many years we have been transforming our cost base. This was the basis of the success of our turnaround. It continues at full speed even if the results are not as spectacular as they were in past years because a lot has been already done, because some costs are necessary to grow the business, and last, but not least because of inflation. Nonetheless, in 2022 we managed to adapt our costs to offset the majority of increase in energy costs. We achieved savings in property maintenance, network maintenance, procurement and optimisation of various business processes, which benefit from automation and digitisation. We have also benefitted from workforce optimisation, as we are implementing a social plan agreed with our social partners. In 2022 we took advantage of some less-recurrent developments, including increased sale of copper, sale of some obsolete technical equipment and reversal of certain provisions. As growth of indirect costs was largely contained, it preserved our high operating leverage, enabling increase of the direct margin to convert into EBITDAaL and net profit growth.

Q: Energy costs are expected to flatten out. What are the main challenges to achieve growth in 2023?

Growth of EBITDAaL is our objective for this year. However, this is going to require a lot of effort, even taking into account that we now have energy costs under control. In short, the energy challenge has been replaced by a challenge of double-digit inflation. It is affecting our cost base directly and indirectly.

The average annual inflation in Poland increased from 5% in 2021 to more than 14% in 2022. One important element of our costs is a set of rental agreements for network infrastructure, points of sale and office space. These rental costs are indexed to the previous year's inflation, so the impact of these will be much greater in 2023 than it was in the previous year. We also experience inflation of various costs related to property maintenance, including gas, central heating, cleaning, sewage and trash collection. The impact of inflation was exacerbated by a 20% increase in the minimum wage. This has two effects: it puts pressure on our own labour costs (we have increased minimum salaries in Orange Polska by more than 20% to adjust to market conditions), and it forces some of our suppliers to increase their prices.

Another aspect to watch for this year's growth outlook is overall uncertainty in Poland's macroeconomic situation.

GDP growth is expected to slow to below 1%. While our operations have proven resilient to short-lived recession (during the pandemic), it may have an impact on our business customers, which remains a risk area. We need to closely monitor the level of bad debt and the contracting demand.

In order to rise to these challenges we need to be persistent in execution of our commercial value strategy and continue our cost transformation. Let me be clear: we aspire to another year of growth despite the headwinds we face, while our guidance must reflect the level of uncertainty and all that is out of our control. With two years' experience within our strategy, I am confident that we are well prepared to face the challenges and to continue to extract maximum value from our assets.

Q: Management has recommended a 40% dividend increase for 2023. What enabled this important increase and what could potentially drive further increases?

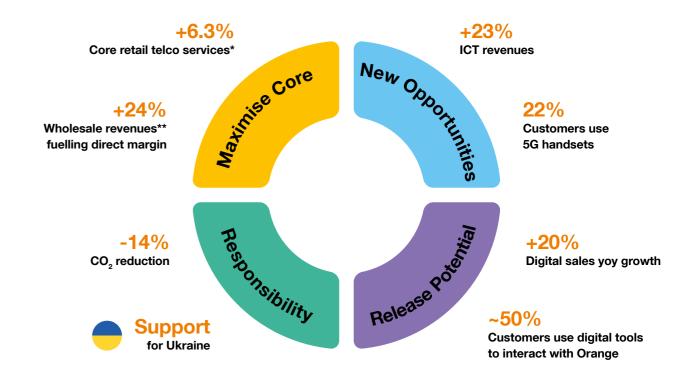
We were very happy to have been in the position to recommend a 40% increase of the dividend that will be paid in 2023 from 2022 profits. We have passed a mid-point of our strategy cycle and our results speak for themselves:

we are on track to meet its goals. In addition, our financial leverage stood at 1.3x at the end of 2022, which shows a strong balance sheet, giving us the safety and flexibility that is necessary, especially considering the current turbulent environment. Let me underline that not only did we announce that a PLN 0.35 per-share dividend will be paid in 2023 but also made it a new floor level for the future. This is our commitment to our shareholders: that our dividend going forward will be at least on this level.

Regarding future dividends, our policy has not changed. We assess our dividend potential annually, taking into account prospects for growth of our business and the prospective level of financial leverage. We have set ourselves a long-term leverage corridor between 1.7 and 2.2x. Currently, we are much below its low end. A very important development for its future level will be how much we will need to spend on the 5G licence in the C-band and what will be the prospects for 700 MHz spectrum allocation in the future. Our ambition is to grow our financial outputs and create long-term value for shareholders. The results of the first two years of the strategy demonstrate that we are on a very good path to achieve this.



2022 achievements on track with .Grow strategy



Orange People

~60% employees trained in Data&AI, Cloud and cybersecurity

^{*} convergence, mobile-only and broadband-only

 $^{^{\}star\star}$ excluding non-fibre fixed wholesale and interconnect (legacy)

66 Orange Polska in 2022



Outputs & outcomes

By following our business model and fulfilling our strategic objectives we deliver unmatched data connectivity for households and businesses and a palette of services adjusted to our customers' needs. We aim to deliver an effortless and friendly customer experience across all customer touchpoints. Simultaneously, we aim to be an agile and flexible company with a proven ability to find efficiency savings. Orange Polska is sensitive to the global challenges related to the natural environment and natural resources. We implement our business goals with respect for the rules of ecology and in harmony with the environment.





Unmatched data connectivity for households and businesses



Effortless and friendly customer experience



Full value chain for digital transformation for companies



Acting in an effective and responsible manner

connectivity

Providing best

- reliable and resilient network
- best connectivity regardless of the customer's location
- Delivering a palette of services adjusted to customer needs
- broad portfolio of competitive telco services
- the right products at the right price

- Optimal sales channel mix - optimisation and enhancement of digital sales channels
- Making customer journey easy and friendly
- simplified procedures and elimination of needless procedures and pain points
- problems solved during one contact
- high NPS ratio
- services accessible to

- · Being integrator and digital service provider
- counselling and integration of comprehensive transformation services for businesses
- digital partner in security, cloud and IT infrastructure & networking
- - · Focus on efficiency
 - an agile and flexible company with proven ability to find efficiency
 - constant transformation of indirect costs
 - processes optimisation and automation
 - · Management of impact on the environment
 - business goals implemented with respect for the rules of ecology and in harmony with the environment
 - Impact on society
 - social investment programmes
 - · Being digital and caring employer
 - investing in employees development

To help measure our progress on how well we are adding value for our stakeholders and delivering the outputs described above, we use KPIs and success measures presented in this chapter.





Unmatched data connectivity for households and businesses

Providing best connectivity

KPI	Our commitment	Performance
Providing best connectivity:		
Number of households (HH) connectable within our fibre network 4G coverage	To offer best connectivity, in both mobile and fixed, regardless of our customers' locations To densify LTE Carrier Aggregation services, while simultaneously deploying 5G technology	Number of HH connectable: 2020: 5.0 m 2021: 5.9 m 2022: 7.1 m Outdoor: 2020: 99.9% 2021: 99.9% 2022: 99.9% Indoor: 2020: 97.3% 2021: 97.4% 2022: 97.6% 4G Carrier Aggregation: 88.7%

Connectivity is a vital pillar of our strategy. As the demand grows for greater quantities of data and higher speeds of transmission, investing in the right spread of technologies as well as maintaining and upgrading our network infrastructure helps to ensure that Orange can continue to attract customers with the promise of fast and reliable services. In 2022, we continued to concentrate our efforts on fibre technology to keep pace with the demand for high-speed broadband, and we improved the quality of our mobile 4G/LTE network to accommodate the explosive growth of mobile data traffic.

Fixed line

A fast, modern and reliable network is a critical factor for success in convergence. Due to great differences in the competitive environment, the technological options related to population density, our market shares and customers' needs, we use a local approach in our activities, which varies in big cities, medium to small towns and rural areas. In big cities we focus on the development of fibre coverage and recovery of market share in fixed broadband by capitalising on our excellent position in the mobile market; in rural areas, mobile technologies, supplemented by fixed ones, are the primary broadband access solution.

We extend the fibre coverage not only by building completely new networks, but also using our previously built network, on which we launch additional fibre coverage for neighbouring households with low effort (coverage

density increase), which previously were not covered by fibre access. Such action allows us to better manage our existing resources, improve financial results and increase customer satisfaction.

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We use all possible channels of contacts with customers and our subcontractors to improve the quality of the services provided, which is reflected in our NPS results compared to other operators. We implement modern technologies to monitor orders by customers, contact our service technicians (using a mobile application) and base our activities on modern BI / data solutions.

Anticipating 'the new normal' after the COVID-19 pandemic, we developed new technical possibilities for our customers, giving them a chance to use our services and fix the problems in the self-service mode (or with the remote support of our advisors) - which meets the customers' expectations and is part of our .Grow strategy.

Since 2015, we have heavily invested in the rollout of access network in the fibre technology. It was instrumental to our turnaround strategy and the main driver for our convergence strategy of bundling mobile and fixed services. Until 2021, we were expanding our fibre footprint mainly with our own investments. From 2022, the increase in our fibre service reach has resulted almost exclusively from wholesale partnerships with several operators, which is in line with our .Grow strategy. Following the sale of a 50% stake in Światłowód Inwestycje (FiberCo), the

68 Orange Polska in 2022

latter became our biggest wholesale partner with access to over one million households. On one hand, this shift involves an increase in costs due to third parties' network fees, but on the other hand, it provides room for investing in other areas (such as 5G network deployment). At the end of 2022, almost 50% of our fibre footprint accounted for networks of other operators, including Światłowód Inwestycje, Inea, Nexera, Tauron and a number of others.

As at the end of 2022, over 7 million households were within the reach of our fibre services, which is an increase of over 1 million compared to the end of 2021. It means that almost a half of Polish households are connectable with Orange Polska's fibre services. In the past few years we have focused more on developing our network in smaller towns, where some districts are dominated by single-family houses. On one hand, it involves much higher investments, but on the other hand, we expect much higher demand for our services in single-family residential districts, despite the fact that fibre broadband is more expensive for such customers. There is also lower competition from other fixed-line operators than in big cities.

Orange Polska is Poland's largest wholesale service provider. The demand for transmission bandwidth is growing, especially for nx10 Gbps, 40 Gbps and 100 Gbps lines. To meet these needs, Orange Polska has continued to expand nationwide OTN (Optical Transport Network) trunk lines. In 2022, we increased the number of OTN transport nodes, thus expanding the aggregate network capacity from 10 Tbps at the end of 2021 to 17 Tbps at the end of 2022.

Orange Polska is Poland's sole operator of a network to which all the Emergency Communication Centres (ECCs) are connected, answering calls to the emergency numbers 112, 997, 998, 999 and eCall. About 90% of all emergency numbers in Poland (over 500 locations) are connected to Orange Polska's network. This provides the Company with revenue from alternative operators for emergency call termination on the Orange network, as well as subscription revenue.

The Call Setup Success Rate on the fixed network stood at 98.82%, at the end of December 2022, which confirms very high quality of Orange Polska's fixed-line services.

Mobile

In response to rapid growth in data traffic volume, we have steadily increased the number of our base stations and enhanced their capacity. In 2022, our customers got access to a further 148 base stations. LTE coverage for all bands was 99.9% of the population on 98.5% of Poland's territory at the end of December 2022. Orange Polska provided 4G services via nearly 12,000 base stations. This included 10,600 base stations enabling spectrum aggregation.

Despite the delay in the auction for the 5G-dedicated C-band, in 2021 Orange Polska launched its 5G service in the Dynamic Spectrum Sharing (DSS) mode in the 2100 MHz band. 5G coverage has been steadily extended and the number of our 5G DSS base stations exceeded 3.3k by the end of 2022.

To improve network capacity and customer experience, we have also started to refresh the radio access network, based on a plan to swap or renew the existing equipment. The operation, planned for four consecutive years, will benefit from the extended number of LTE layers in 1800/2100 MHz (with capacity improved by MIMO 4x4 technology) and additional equipment working in 800 MHz and 2600 MHz bands. However, we believe that the most significant booster for network performance will result from the distribution of dedicated 5G bands.

LTE outdoor and indoor coverage

LTE outdoor coverage evolution

Date	Geo- graphical Coverage	Population Coverage	System
31 Dec 2020	98.43%	99.88%	All LTE bands
31 Dec 2021	98.50%	99.89%	All LTE bands
31 Dec 2022	98.50%	99.90%	All LTE bands

LTE indoor coverage evolution

Date	Geo- graphical Coverage	Population Coverage	System
31 Dec 2020	86.33%	97.27%	All LTE bands
31 Dec 2021	86.62%	97.41%	All LTE bands
31 Dec 2022	86.93%	97.58%	All LTE bands



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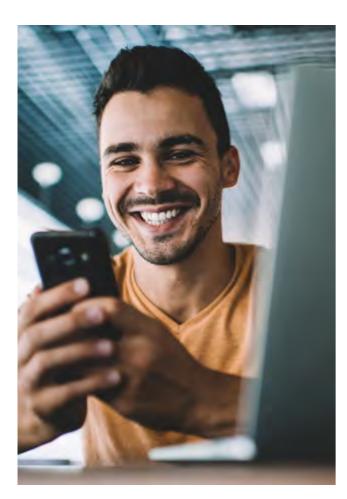


Delivering a palette of services adjusted to customer needs

Delivering a palette of services adjusted to customer needs:

Number of convergent customers	To offer a full palette of services, enriched by non-telco products, to strengthen our position as the unique convergent player in Poland	2020: 1,483k 2021: 1,552k 2022: 1,625k
Number of mobile SIM cards		2020: 15,752k 2021: 16,800k 2022: 17,630k
Number of mobile handset SIM cards		2020: 8,095k 2021: 8,424k 2022: 8,723k
Number of mobile pre-paid SIM cards		2020: 4,860k 2021: 4,953k 2022: 5,064k
Number of fixed retail broadband customers		2020: 2,702k 2021: 2,746k 2022: 2,804k
Number of fibre retail customers		2020: 725k 2021: 945k 2022: 1,171k
Number of fibre wholesale customer lines		2020: 26k 2021: 53k 2022: 83k
Convergence penetration in B2C fixed broadband customer base		2020: 65% 2021: 67% 2022: 69 %
Number of fixed voice customers		2020: 2,899k 2021: 2,702k 2022: 2,572k





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In 2022, our commercial activity remained focused on delivering a package of mobile and fixed services, which we define as convergence. It is our competitive edge, it constitutes a good customer loyalty tool and it allows us to upsell more services, winning a higher share of household media and telecom budgets.

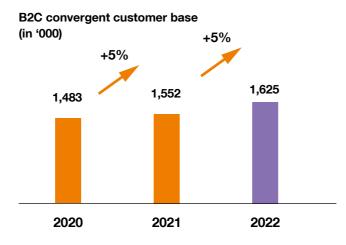
Convergence addresses household telecommunication needs and is a powertrain of our strategy

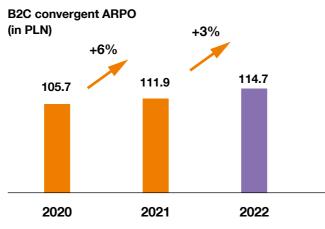
One of the key strategic objectives of Orange Polska is to be the leader in sales of telecommunication services to households. Convergence, or sales of mobile and fixed-line service bundles, addresses household telecommunication needs in a comprehensive manner, increasing customer satisfaction and reducing churn (as churn rate is significantly lower than among single-service users). Through our convergent offer we are able to enter new households with our services as well as upsell additional services to households where we are already present.

Our B2C convergent customer base increased by 73 thousand (or almost 5%), reaching 1.63 million. The growth rate was similar to that in 2021. It needs to be noted that saturation of our broadband customer

base with convergent services has already reached a significant level of 69%. The majority of new mobile and fixed broadband acquisitions are still effected in the convergent bundle formula. Our convergent offer is a major competitive advantage over CATV operators, as they provide no or very limited mobile services. However, the convergent services market has become more competitive lately, as all major mobile operators have been implementing a strategy of selling comprehensive services for home. The total number of services provided in the convergence scheme among B2C customers reached 6.4 million, which means that, on average, each convergent residential customer uses more than four Orange services. In 2022, in line with the 'more for more' strategy, we effectively increased the price of our main convergent bundle, Orange Love standard, by between PLN 2.5 and 7.5 (depending on the fibre speed option) in exchange for a bigger data pool and more TV channels. In addition, similarly to mobile offers, we introduced a condition providing for an automatic increase in the monthly fee after the term of the contract. This is meant to encourage customers to sign subsequent loyalty contracts and prevent a growing gap between the prices in our current offers and those paid by customers who make use of old price lists even though their contracts have long expired.

ARPO from convergent customers expanded by almost 3% year-on-year to PLN 114.7. This was largely due to our value strategy and an increasing share of fibre and TV services.







In 2022, we continued our policy of price increases in the 'more for more' formula for both residential and business customers, which became even more important in the context of the rapidly growing inflation and the resulting pressure on costs. In each post-paid tariff plan for B2C customers we raised the price by PLN 5, while increasing data pools and including the CyberShield service, which protects against cyber attacks. Simultaneously, the number of tariff plans was reduced to three by eliminating the lowend plan. All the remaining plans provide for access to 5G technology. For business customers who use the 'standard offer', we also raised the price by PLN 5 in three out of four tariff plans in return for higher data pools. Naturally, the changes apply to newly concluded contracts only.

In contracts with both categories of customers we added a novel condition providing for an automatic increase in the monthly fee after the term of the contract. It is to encourage customers to sign subsequent loyalty contracts and prevent a growing gap between the prices in our current offers and those paid by customers who make use of old price lists even though their contracts have long expired. This fee is PLN 10 and PLN 5 for residential and business customers, respectively. As at the end of 2022, Orange Polska had a mobile services base of over 17.6 million, which is an increase of almost 5% versus the end of 2021. The growth was generated mainly in the post-paid segment, but also by pre-paid services.

In the post-paid segment, there were no significant changes in SIM card trends:

- Volume growth in handset offers (which are of crucial business importance) was almost 4% year-onyear, that is slightly less than in 2021, as a result of the consistent implementation of a value-based commercial strategy, focus on the Orange Love convergent offer in customer acquisition, stable growth in the Nju brand, strongly growing take-up of the Orange Flex offer, and solid customer additions in the business market;
- The number of mobile broadband services continued to fall due to increased popularity of mobile broadband for fixed use offers as well as growing data packages for smartphones in mobile voice tariff plans;
- Further strong growth in the number of SIM cards related to M2M services (up 17% year-on-year), mainly owing to the execution of contracts for the delivery of SIM cards for electricity and gas meters as well as solutions for the e-Toll system for road toll collection.

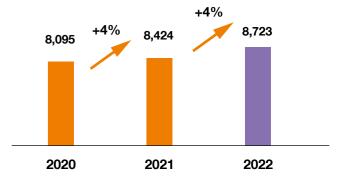
The number of pre-paid services increased by slightly more than 2%. The first half of 2022 saw strong growth in the pre-paid customer base, fuelled mainly by the distribution of free starters to war refugees from Ukraine. It was followed by a decline in the second half of the year, resulting from lower net additions and a change in our commercial offer (namely a reduction of the account validity for one-off activated cards).

Blended ARPO (from mobile-only services) amounted to PLN 20.3 in 2022 and was up 0.5% year-on-year. The post-paid ARPO grew by 3.1%, outpacing the 1.6% growth in 2021. The trend improvement resulted from the following factors:

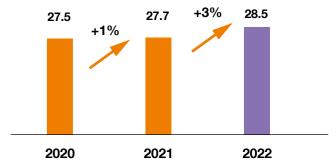
- Focus on value and related price increases (in line with our 'more for more' strategy) in both the consumer market and the business market (for SOHO customers);
- Lower penetration of mobile broadband in the mobile customer base; as a result, post-paid ARPO is less affected by substantial declines in mobile broadband ARPO (reflecting much lower take-up of this service);
- Further recovery of roaming revenues following a slump due to pandemic-related restrictions regarding people's mobility.

Notably, the reported mobile-only services ARPO has been diluted by systematic migration of customers from the main Orange brand to convergence and a growing share of Nju and Flex brands, which generate significantly lower revenues per customer.

Mobile handset customer base (in '000)



Mobile-only handset ARPO (in PLN)



59.5

2021

61.7

Fixed broadband: fibre brings competitive advantage and gives support to convergence

Total fixed broadband customer base increased by 58 thousand or slightly over 2% in 2022. Fixed broadband growth was driven exclusively by fibre, and our fibre customer base increased by 226 thousand, that is virtually the same dynamics as in 2021.

The strong growth in fibre is driving the technological transformation of our broadband customer base. The share of fibre in the total broadband customer base increased to 42% at the end of 2022 from 34% a year earlier. Our fibre customer base has exceeded the number of customers using copper-based technologies.

In line with the revenue reporting layout introduced in 2018, we separate convergent broadband customers (their number equals to that of convergent customers) from non-convergent broadband customers. Our non-convergent broadband customer base continued a slight downward trend.

Fixed broadband-only services ARPO continued to improve. Its increase of almost 4% can be attributed mainly to the following two factors:

- Price increases introduced in previous years; and
- Growing share of fibre customers (who generate much higher average revenue per user owing to higher penetration of a TV service), growing share of customers from single-family houses (where the service price is higher), and growing share of customers using high-speed options (600 Mbps and 1 Gbps), which are more expensive.

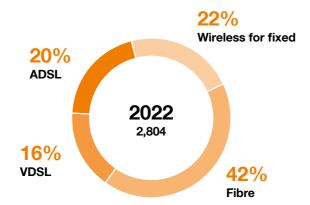
Since 2015, we have heavily invested in the rollout of access network in the fibre technology. It was instrumental to our turnaround strategy and the main driver for our convergence strategy of bundling mobile and fixed services. Until 2021, we were expanding our fibre footprint mainly with our own investments. From 2022, the increase in our fibre service reach has resulted almost exclusively from wholesale partnerships with several operators, which is in line with our .Grow strategy. Following the sale of a 50% stake in Światłowód Inwestycje (FiberCo), the latter became our biggest wholesale partner with access to over one million households. On one hand, this shift involves an increase in costs due to third parties' network fees, but on the other hand, it provides room for investing in other areas (such as 5G network deployment). At the end of 2022, almost 50% of our fibre footprint accounted for networks of other operators, including Światłowód Inwestycje, Inea, Nexera, Tauron and a number of others.

As at the end of 2022, over 7 million households were within the reach of our fibre services, which is an increase of over 1 million compared to the end of 2021. It means that almost a half of Polish households are connectable with Orange Polska's fibre services. In the past few years we have focused more on developing our network in smaller towns, where some districts are dominated by single-family houses. On one hand, it involves much higher investments, but on the other hand, we expect much higher demand for our services in single-family residential districts, despite the fact that fibre broadband is more expensive for such customers. There is also lower competition from other fixed-line operators than in big cities.

Our retail fibre customer base reached 1,171 thousand at the end of 2022, growing by 226 thousand over the period. Demand for fibre remained high. The service adoption rate (including both our own retail customers and those of other operators selling their services on our fibre network) continued to grow, reaching 18% (vs. 17% at the end of 2021). Notably, approximately 70% of fibre activations are new broadband customers for Orange, which means that our share in the fast internet market is increasing. It is specific to the Polish market that customers sign two-year loyalty agreements, which is a factor slowing down customer migration from cable networks to our fibre network. The basic speed of our fibre service is 300 Mbps. Our portfolio includes also higher speeds of 600 Mbps or 1 Gbps for an extra fee. Their share in new acquisitions has been steadily growing, which contributes to an increase in average revenue per user.

An important factor in competing for fixed broadband customers is the quality of the TV offer. Notably, the Polish market is characterised by very little exclusive content. Even expensive TV content (such as rights to broadcast sports events) is broadly distributed to cable televisions. Orange Polska continues to follow its strategy as a content distributor, co-operating with all major content providers. With many operators investing heavily in fibre networks and establishing wholesale partnerships, the competitive struggle for retail customers has intensified, which also affected our commercial performance in 2022.

Broadband customers base





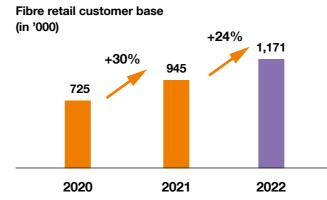
FBB-only ARPO (in PLN)

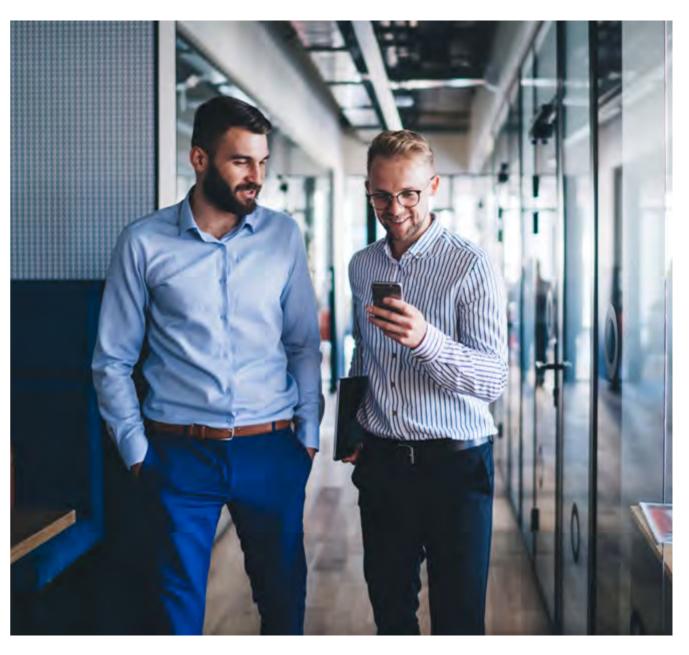
58.0

2020

Fixed voice services: unfavourable trends continue

Erosion of the fixed voice customer base (excluding VoIP) continued, as it decreased by 183,000 in 2022, which was lower than in 2021, when it shrank by 248,000. The decline in these services can be attributed mainly to structural demographic factors and the popularity of mobile services with unlimited calls to all networks. It is also a result of our convergence strategy, which stimulates partial migration of customers to VoIP. Average revenue per user slightly decreased to PLN 36.3.





Q&A with Jolanta Dudek, Vice-President in charge of Consumer Market



Q: Do you see changes in consumer behaviour resulting from the difficult macro situation?

2022 was a very good year for us on the consumer market with consistent performance in line with the goals of .Grow strategy. In particular, our

fibre customer base increased by more than 20%, as demand was stable and we further expanded our network's reach. In all key services we managed to simultaneously grow customer base and ARPO. In convergence, which is our flagship offer for Polish households, the customer base grew by a further 5%, even though more operators are now pursuing this strategy. This was accompanied by a 3% rise of ARPO. In mobile, taking into account all our brands, growth of customers was slightly better than in the previous year. It is important to add that the churn rate was stable.

All this was achieved despite a drastic negative shift in the geopolitical and macro environment related to the outbreak of war in Ukraine and inflation at its highest rate for 25 years. Simultaneously, the competitive environment in Poland tightened further with the emergence of a new significant convergent player, following acquisition of UPC by Play. Also, please note that we are actively implementing our commercial value strategy. I believe the demand for our services is structurally stable, as they are absolutely essential to the life of consumers. In addition their weight is relatively small in household budgets.

It does not mean that we don't see the negative impact of this significantly challenging macro situation. We see an increasing number of customers being more cautious in taking on larger commitments. For example, in our Christmas promotion, a larger proportion of customers than in previous years preferred the monthly discount rather than a free gift of significant value. We have structured some offers to offer a lower entry point, which then grows later in the contract, which relieves some customer worries. In Q4 we also launched handset sales on 36-month instalments. This increases affordability.

Let me finish by emphasising that we create a product portfolio for every customer group and strive to constantly improve it. On the one hand, we care for the most demanding ones: in January we launched a fibre speed offer of 2 Gbps. On the other hand, we selectively approach more price sensitive customers with fibre based on our B brand Niu.

Q: What are the key goals and challenges for 2023?

Mitigation of inflationary impact has become critical in recent months, and not only at Orange Polska. We are increasingly feeling the impact of inflation on our operating costs, and to counteract this and to protect our profitability we need persistent and diligent execution of our commercial value strategy. I would say this is our key goal and challenge for 2023.

We have been pursuing a 'more for more' pricing policy since 2019, but we intensified it in 2022 due to rising inflationary pressures. We increased the prices of the majority of our key services in H2, and now the key task is to maximise customer migration to these new tariff plans. The new tariffs were accompanied by a novel condition providing for an automatic increase in the monthly fee after the term of the contract. It is to encourage customers to sign subsequent loyalty contracts and prevent a growing gap between the prices in our current offers and those paid by customers who make use of old price lists even though their contracts have long expired. In May 2022, we included so-called inflationary clauses in new customer contracts. We have until mid-year to execute them and are seriously considering this.

We will obviously also be focused on further volume growth of customers. In fibre, we will benefit from further expansion of the footprint and we want to increase penetration of our services on the existing reach. We continue to aim at combined rise of customer base and ARPO







New opening in wholesale to maximise the utilisation of our infrastructure

As part of the .Grow strategy, we have expanded our approach to wholesale business opportunities. This is, in part, a natural consequence of our investments in mobile and fixed infrastructure and our ambition to better monetise those investments, as we have by far the largest telecommunications infrastructure among all the operators in Poland – including both transport and access fibre network, cable ducts and poles. We also see potential in wholesale resulting from the development of the market for fast internet access (mainly in the fibre technology), entry of other market players into the convergence market and gradual deployment of 5G mobile networks.

For several years we have seen considerable growth in the use of our poles and cable ducts, mainly as a result of numerous investments of various operators in their fibre footprint. Furthermore, between 2020 and 2022, the bandwidth used for data transmission services rendered to other mobile infrastructure operators interested in connecting their base stations to our fibre network increased by over 60%.

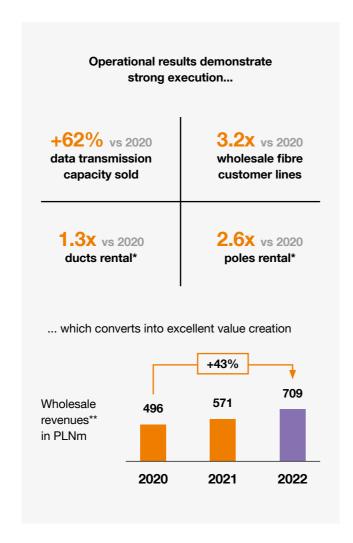
We also strive to acquire a higher number of customers using our fibre network but serviced by other operators. It is our ambition to increase their number at least six times compared with the end of 2020, when that base stood at 26,000. This increased to 83,000 at the end of 2022, an increase of more than three-fold.

As a result of these initiatives, we have achieved a marked increase in wholesale revenue, excluding legacy services (based on copper technologies) and interconnect settlements related to traffic termination. Revenue defined as above amounted to PLN 709 million in 2022 and increased by over 40% compared to 2020.

New opening in wholesale maximises monetisation of our assets

The largest infrastructure in Poland		
205k km	3.7m	
fibre network	own fibre HHC	
143k km	1.4m	
ducts	poles	
 meets growing demand from other telco operators for: connectivity for networks mobile backhaul wholesale fibre 		

- other operators rent ducts and poles from OPL to place fibre cabling for their networks
- ** wholesale revenues excluding non-fibre fixed wholesale and interconnect (legacy)



Orange Polska Integrated Report 2022

Q&A with Maciej Nowohoński, Management Board Member in charge of Carriers Market and Real Estate Sale



Q: Wholesale has emerged as an important pillar of Orange Polska's business. Why are your services so attractive to other operators?

In short, it is because the infrastructure market is booming in Poland and we are uniquely

positioned to benefit from this trend. Demand is mainly driven by three factors:

Firstly, fibre networks in Poland are growing rapidly. We estimate that in 2022, fibre's reach expanded such that more than a million new households are able to connect. Poland is catching up to western European countries in regards to fast broadband infrastructure. Over the past few years it was mainly Orange Polska rolling out fibre. More recently, a whole new segment of the industry, focused purely on infrastructure players, has emerged. Their strategy is to focus on building fibre networks and providing wholesale access to them to all interested players who offer retail services. One of these businesses is, obviously, Światłowód Inwestycje, co-controlled by Orange Polska. But there are many others. Rollout of these networks require a lot of cabling and data-transmission links. Using existing solutions and infrastructure helps to optimise this process. Our ducts and poles have a lot of excess capacity, that we offer to other operators to meet this demand.

The second demand driver is also directly linked to the fibre boom. We are actively providing opportunities within our own fibre access network to other operators who want to expand their footprint for fixed broadband services. The number of connected customer lines through this wholesale access has more than tripled in the past two years. We are on a good path to reach our strategic goal in this domain.

Thirdly, our wholesale customers are increasingly other mobile operators. Traditional datalinks that connect mobile base stations are less and less capable of carrying the amount of customer traffic, which is constantly growing.

They increasingly need fibre to connect their masts to preserve network quality. We have come up with dedicated solutions meeting these needs.

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Please note that all these demand factors have one common denominator: the ongoing surge in data consumption in Poland, which requires both high-speed fixed broadband and excellent mobile connectivity.

We can meet this demand owing to our country's largest stock of telecommunication infrastructure. This mainly includes more than 200,000 km fibre network, almost 150,000 km of ducts and around 1.3 million telecom posts. We are also investing into modern digital solutions that allow mass-scale operations between operators' IT systems and provide high-quality digital maintenance of the co-operation.

Q: What are the key priorities in this area for 2023 and onwards?

Our agenda is very busy. The market that I just described will develop further and we will benefit from it. There will be many new households that will be connected to high-speed internet. The new financing trigger in this area will come from European funds. While political disputes over European Recovery Funds continue, European Funds for Digital Development (EFDD) have already been approved and the process of their allocation has just started. The main goal of the EFDD programme, worth EUR 2 billion (and to be used by 2027), is to build a gigabit society in Poland, particularly to provide advanced public e-services, support cybersecurity and develop the data-based economy using modern digital technologies. These new networks will constitute a new market for us, offering additional opportunity to use our infrastructure.

The allocation process of the dedicated 5G spectrum has finally restarted. 5G technology will activate new investments in mobile networks over many years to come. Fiberisation of this infrastructure will continue. We have just entered the market for MVNO wholesale services, offering our network to fixed operators willing to enter the market for mobile services. MVNOs constitute a very small portion of the Polish mobile market and I believe we have prepared an offer which will be unique on the market and will attract a lot of newcomers.

The first two years of implementing our .Grow agenda in wholesale were very successful, and I am confident we will continue to build this momentum over the coming years.



Effortless and friendly customer experience

Optimal sales channel mix

Our commitment	KPI	Performance
To make it easy for all customers to access our products and services through different channels of contact	Number of POSs	2020: 687 2021: 653 2022: 617
	% of POS adapted for customers with disabilities	2020: 20% 2021: 21% 2022: 22 %
	Number of POS modernised (Best Retail Network)	2020: 46% 2021: 56% 2022: 73 %
	% of digital sales	2020: 14% 2021: 16% 2022: 17 %

Strong push for customer sales path optimisation

In 2021, during the COVID pandemic, we saw customer behaviour shift to digital channels. Since then, we chose to further build on this momentum. One focus of our work in 2021, the Omnichannel Client experience, was retained as a priority in 2022. This strategy puts the customer at the centre of our actions and concentrates on delivering the most comfortable shopping path possible.

We continued development of five omnichannel pillars:

- Personalistion, which is delivered by predicting the needs of customers and offering them services that suit them most;
- Gathering data during contacts with our customers to ensure that all points of contact have Customer 360 view (sales, customer care, billing etc);
- The My Orange app, which is becoming the heart of customer relationship management thanks to the accelerating trend of customers shifting to online;
- Common stock management within one system allows for real-time management of available devices in our Central Warehouse with a set of delivery options – pick-up in POS, courier or parcel locker.
- Processes and tools based on upscaling tools like Contact Leading, Link With Offer (through which customers complete the order online, for those who

could not complete the order during first contact with a salesperson in-store or on the phone) and Schedule Visit in POS.

We strongly believe that the omnichannel direction is the key step to ensure the best shopping experience, especially in the post-pandemic 'new normal'.

Optimisation and increasing the effectiveness of our sales channels

Our key objectives include further development of our online sales channels as well as the optimisation and modernisation of our sales outlets to align with market and consumer demands. These objectives directly result in greater customer satisfaction and further efficiency gains. The rapid development of online sales, combined with omnipresent digitalisation, influences the expectations and purchase preferences of our customers. As a result, sales outlets are losing their dominance as the main contact channel through which most customers new to Orange make their purchase decisions. On the other hand, most existing customers who want to buy additional services still choose retail outlets. That means we need to invest in the development of our point-of-sale network.

Orange Polska Integrated Report 2022



2022 saw a gradual return to normal in various aspects of life, including telecommunication service purchases. Customers largely returned to physical points of sale (POSs), which are still the biggest sales channel.

As at the end of 2022, Orange Polska had a chain of 617 POSs all over Poland. Our sales network is subject to continuous modernisation and optimisation. This involves, on the one hand, a reduction in the number of outlets (there were 653 of them at the end of 2022), but on the other hand, transformation to better suit customers' needs in a project called Best Retail Network (BRN). Solutions that were previously only implemented in large Smart Stores, such as intuitive and functional interiors, are also being implemented in smaller outlets. By the end of December 2022, 450 of our outlets had been modernised in a new visualisation (compared to 365 at the end of 2021).

The BRN programme combines a comprehensive set of activities to improve sales efficiency and customer experience, in four streams:

- Best POS a modernisation of our shops network, working towards all shops having a highly functional design and visualisation supported with IT tools;
- Best Location in-depth revision of Orange POS network based on sales potential and sales efficiency (city-by-city analysis);
- Best People focus on improvement of our staff retention rate and enhancement of sales force efficiency and engagement;
- Best Quality improvement of customer experience and sales efficiency through the rationalisation of both work standards and quality control in our shops.

The changes introduced are appreciated by our customers, as confirmed by a Minds & Roses poll, which indicates that, for the second year in a row, we are the number-one network in terms of transactional NPS for our outlets. (In other words, customers visiting Orange outlets declare that they would recommend a visit there to others more frequently than customers of alternative operators do with respect to their outlets.)

The year 2022 brought a further increase in sales in digital channels, both in terms of quantity and value. From the perspective of Orange Polska, 2022 was marked by a strong expansion of sales and customer service with the My Orange application, which provides access to customer account, presents our offers and supports customer service processes. The high effectiveness of our online sales was supported by marketing campaigns based on current events and behavioural customer profiles. With marketing automation and artificial intelligence tools, we are able to recommend offers to customers that might interest them most.

We have launched a number of dedicated campaigns, such as Sunday Deals in Orange, during which we offer 24-hour price promotions for e.g. smartphones, tablets, laptops, smartwatches, smartbands and universal accessories on offer without a subscription. So far, 44 editions have been held, bringing us additional orders for the aforementioned equipment and permanently entering the roadmap of digital events. Another dedicated online action is a time-limited action, offering all customers benefits for selected products for either three or six months for PLN 0.

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The development of online channels is driven by traditional offline channels, which we use to promote the My Orange application. We also intensively educate customers on the use of self-service channels. As a result of these activities, sales through digital channels increased to 17.2%, which is in line with our strategic goal of reaching 24% by 2024. Orange Flex – our fully digital offer performed very well in 2022. The customer base increased by 64% compared to 2021. In 2022, Orange Flex delivered almost 50% of Orange Polska's B2C mobile voice net additions. It is worth noting that our digital offer was very appealing to foreigners, especially Ukrainian refugees. As part of product development, we provided a lot of new features, which addressed customer needs based on their feedback from chat, surveys and social media.

The Telesales channel concentrates on dedicated campaigns accounting for customer profiles and behavioural patterns to ensure best offer customisation, as part of the handling of customer matters by our external partners and our own call centres. Thanks to specialisation and development of competencies of our consultants, we are highly effective in our operations, while great focus on retention campaigns enables us to effectively secure our customer base and mitigate churn.

We are also working on the implementation of the COPC Customer Experience 7.0 Standard in two internal locations and planning to use selected key process statistics within the framework of co-operation with external partners. Certification will be confirmed by a COPC certification audit in early 2024.

Implementation of a hybrid work model for our telesalesforce last year ensured better management of our sales teams' working time and helped increase the competitiveness of our agents within local labour markets by adapting to the market expectations. In 2022 telesales focused even more on the automation and simplification of processes, and in 2023 we are going further in this direction by planning to use the voicebot MAX to contact our customers. We are also taking actions to improve the conduct of campaigns based on a new marketing model and operating in crosschannel relations, expanding our activities beyond standard campaigns.



Customers can also benefit from direct contact with representatives of our Active Sales channel. Orange Polska uses advanced geomarketing tools for efficient planning of sales territories. Typically, our sales representatives operate in urban areas of our fibre investments. In the pre-paid distribution network, 2022 was marked by support provided to refugees from Ukraine. From the very first day of the war, we launched many aid initiatives: first of all, we distributed for free and registered over 700,000 pre-paid SIM cards. We launched a special free package of three services (free minutes and data in Poland and free calls to Ukraine). The year 2022 brought new records of online pre-paid top-ups – through online banking, but above all in our own channels (the Orange.

pl website and My Orange application). Despite the development of this channel, we maintain a permanent base of approximately 80,000 top-up points, such as grocery stores, kiosks and petrol stations. We provide a wide sales network of starters throughout Poland, recording the highest share of sales of pre-paid starters in December 2022 – 33.5%. (This is according to the CMR report: Market Monitoring Centre for December 2022, a panel of retail stores up to 2,500 m2 + kiosks and newsagents.)

Orange Polska offers a range of sales channels that meet the expectations of a vast range of customers regardless of their preferences and needs.

Making the customer journey easy and friendly

Our commitment	KPI	Performance
To improve the customer experience by offering attractive products and services, accompanied by improvements in customer service and sales channels, both traditional and online	NPS (Net Promoter Score)	NPS for Orange
To be innovative and flexible in responding to our competitors' moves		2013 2014 2015 2016 2017 2018 2019 2020 2021 2022
To provide security for internet users at Orange Polska network	Number of activations of our safety solutions	Activations of CyberShield protecting our customers: 2020: 3.5 million times 2021: 4.5 million times 2022: 5.0 million times

Building positive customer experiences

The customer is at the centre of everything we do. We focus on building positive customer experiences as well as developing strong, long-term relationships, using modern digital channels. From product and process planning to customer care in all contact channels, we unite all our employees around the common goal of providing Orange customers with the best possible experience. For several years we have been assessing our customers' experience with Orange through the NPS (Net Promoter Score) performance indicator. Our NPS stabilised in 2022.

The key NPS drivers are:

- Portfolio developments: growing customer base for our fibre services and Orange Love bundle, simplification of both mobile and fixed-line offers and their better adjustment to customer needs;
- Network developments: increased capacity of our LTE & 5G network and increased coverage of our mobile and fixed-line networks, aligned with our device policy (new and fast devices helping customers transform their home into an entertainment centre);
- Improved customer experience thanks to process simplification and automation, development of digital channels and digitisation of customer journey paths,

Orange Polska Integrated Report 2022



and continuous improvement in customer care by salespeople, technicians and infoline consultants in traditional channels supported by AI;

- Transparent communications with customers across all channels adjusted to various customers' preferences and new contact channels. In 2023, we plan to use communication as a factor enabling digital integration (especially for seniors);
- Transformation of B2B market management: new sector-oriented segmentation (allowing for better addressing the specific needs of different business branches), an increase in first-contact resolution by means of B2B technical assistance unification and SOHO customer care improvements.

Approach driven by customer journeys and digitisation

Our comprehensive customer experience management is based on Customer Journey Management. For the purpose of customer experience design, we use modern methodologies – Customer Journey Design and Design Thinking – which take into account the customer needs, opinions and emotions.

Over the recent years we have focused on the development of digital journeys, introducing a number of innovative and often revolutionary solutions to the Polish telecom market. In 2022, we implemented the following solutions:

- Diagnostics:
 - Diagnostics in app the customer can run diagnostics and registration of FIX/Mobile damage using the My Orange application;
 - Diagnostics in TV the customer can run diagnostics on TV (service status check, service management and technical support);
 - Diagnostics development on the front line and in self-service channels, by better filtration of customer problems, which means more customer cases are resolved on the first contact, thus reducing the number of cases sent to technical partners;
 - Plans for 2023 further diagnostics development for customers & consultants and further process digitisation.
- VideoHelp a solution that provides consultants with access to the customer's devices view via a camera on their smartphone;
- Wi-Fi assistant hint wizard for Wi-Fi problems, designed for customers and consultants. In 2023, we plan to integrate Wi-Fi assistant with Al;
- MyID the customer can now register to My Orange remotely:
- Change of data in e-Care the customer has an option of self-correcting/updating contact details, including their email address;

 Voice biometrics – development of the use of the biometric verification method (1 in 10 calling customers is verified by voice);

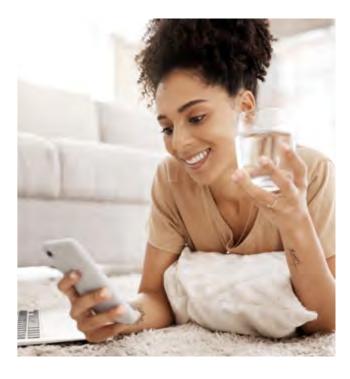
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- Voicebot and chatbot further enhancement;
- Graph on the first invoice changes in the first invoice for convergent offers (a graph with explanation of fees); a reduction in frontline contacts for dedicated customers:
- Complaint self-service the customer can resolve their complaint using My Orange application;
- Communication of changes securing the customer experience by effectively communicating information related to price changes and other changes to the base.

Artificial intelligence (Al) and robotisation have played a major role in the development of our customer service channels. Since 2019, our customers have been supported by Max, the Al voice of Orange. Max answers all calls to our service infolines and supports outbound campaigns concerning service purchase offers, overdue payment handling and situations in which customers are not satisfied with how their matter has been handled through traditional contact channels. In 2022, Max successfully resolved more than 50% of calls without having to transfer them to a consultant.

Our customers are increasingly using chat functions. Max is used in all customer service chats, and in 2022 it served over 45% of all issues without the need for follow-up by a consultant.

In 2022, we also continued to expand the automation and robotisation of customer service processes (RPA), providing for top service quality combined with cost effectiveness.





Orange without barriers

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One of the major tasks related to digital inclusion, which is part of Orange Polska's CSR strategy, is to respond to the needs of people with disabilities.

Our customers with disabilities can use 140 accessible outlets all over Poland (one-fifth of the total number), which feature:

- Easy access without architectural barriers;
- Additionally trained consultants;
- Online assistance from a sign-language interpreter,
 9:00am to 5:00pm;
- Printing out documents (e.g. terms of services, price lists and contract templates) in a larger font;
- Information about solutions dedicated to customers with disabilities provided in printed form (in a larger font), in electronic form or with a reference to a website.

Entrances to Orange Polska's dedicated outlets are marked with the relevant symbols as well as the OK Senior sign.

In each outlet, customers can:

- request that their invoices and key documents be printed in a larger font or in Braille, or sent as electronic files;
- select a handset with features for people with disabilities;
- get assistance in setting up a device.

Deaf customers wishing to contact our infoline can request the assistance of a sign language interpreter, who will make a call and help them get the relevant information. This is available Monday to Friday, 9:00am to 5:00pm. We have also developed video tutorials detailing features for people with disabilities offered by smartphones using Android, iOS or Windows.

On our Orange Expert YouTube channel, we publish video tutorials on our services and offers with subtitles and sign language interpretation. We are also working to adapt our website to the needs of people with disabilities.

Case Study

Orange for Seniors

The Orange for Seniors programme has been a part of Orange Polska's strategy since 2018. Its key challenge is to respond to changes in the demographic structure and a growing share of elderly people in the society.

As of the end of 2022, people aged 65+ accounted for as much as 26% of our customer base. But consumer research requested by Orange Polska has demonstrated that this group is not homogenous, but varied and diverse in their needs. It is therefore a challenge to adapt our customer service to fulfil those needs.

Call centre

In our call centre we have created a dedicated team to serve customers aged 65+. It consists of experienced consultants who have been trained to serve senior citizens and whose business indicators (e.g. handling time per customer) match this customer profile. They act in accordance with the specific senior customer service standards, which provide, for example, principles of simple communication or tips for elderly customers starting to use a smartphone or the internet.

The high quality of our dedicated service to senior citizens is confirmed by customer satisfaction scores (promoter score is higher by about 5 pp. vs. standard service). This is supported by additional communications, such as

newsletters to elderly customers adapted in terms of both topics and form (e.g. larger font).

Sales outlets

We have also raised the awareness of seniors' needs among our POS staff, particularly through a dedicated training course: Senior Customer of the Future. Service contracts and documents for senior customers can be printed in a larger font. In selected sales outlets we organise My First Smartphone workshops, during which Orange trainers teach seniors how to use new technologies comfortably and safely.

Furthermore, senior citizens visiting Orange outlets are offered facilities adapted to the needs of people with restricted mobility.

OK SENIOR

Our high service standards have been confirmed by the OK SENIOR certificates for our call centre and POSs, which we obtained in 2016 and 2018, respectively and have renewed every two years since then.

Independent auditors verify whether our customer service is safe, comprehensible, accessible and adapted to the needs of elderly customers. The audit involves mystery customers' visits and auditors' interviews with customer service staff. In the recertification procedure in 2021, we scored 81% for our outlets (the highest score ever) and 80% for our call centre (matching the score achieved in 2020).

Polish electromagnetic field (EMF) emission standards

Mobile phones

All mobile phones in Orange Polska's portfolio meet the emission standards specified by the International Commission on Non-Ionizing Radiation Protection (ICNIRP). We ensure that they are thoroughly tested and the safety of their use is verified in the process of examining their compliance with essential requirements. All mobile devices in Orange Polska's portfolio are safe for users and are accompanied by information on the Specific Absorption Rate (SAR), which is always lower than official limits (below 2 W/kg). SAR for mobile phones refers to the maximum level of radio waves that the user can be exposed to during a call. SAR values can be found in the user manual (technical specifications), which is provided by the manufacturer.

Base stations

Orange Polska uses only proven and worldwide-used wireless communication technologies which are consider as safe for all users. Since January 1, 2020, the limits of exposure to electromagnetic fields applicable in Poland have been consistent with the Council Recommendation 1999/519/EC. The new limits were set in the Decree of the Minister of Health of 17 December 2019 on the limit values of electromagnetic fields in the environment (Journal of Law of 2019, item 2448).

This replaced the Decree of the Minister of Environment of 30 October 2003 on the limit values of electromagnetic fields in the environment and methods of verification thereof (JoL No. 192, item 1883).

Orange Polska complies with all standards regarding electromagnetic field (EMF) emissions around base transceiver stations (BTSs) and broadcasting stations. We implement technical solutions to ensure protection against EMF emissions by radio communication systems of the base stations developed through our investments or operated on our networks. We ensure compliance with the relevant applications through the following:

- Developing the estimates of the EMF impact on the environment at the planning stage of BTS construction or modernisation projects:
- Reporting EMF measurements (vs. limits) to environmental protection bodies, which decide whether to carry out public consultation or not (public consultation and dialogue concerning network facilities are carried out as part of administrative proceedings and initiated and supervised by the relevant government agencies).

Orange Polska and all other mobile operators delivered input data (base stations parameters and results of PEM measurements) to the Institute of Telecommunications. These data allow the operation of the SI2PEM system. This system, which was launched on 20 July 2021, is available on the Internet and includes information on the predicted PEM levels and results of PEM measurements in Poland. Its users are able to obtain data regarding EMF levels in their areas of interest.

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5G technology

The 5G network has no confirmed negative or positive impact on people in terms of the electromagnetic field or the range of frequencies used. In terms of human exposure to EMF emissions, 5G systems have the same impact as former 2G, 3G and 4G systems. 5G devices will not exceed the Polish standards regarding EMF emissions. These standards have been established on the basis of scientific research in such fields as medicine, epidemiology, biology and dosimetry in accordance with the guidelines of the International Commission on Non-Ionizing Radiation Protection (ICNIRP).

Radio waves are electromagnetic waves of a frequency lower than that of infrared radiation or visible light (which is also an electromagnetic wave). Radio waves are not ionizing radiation (such as X-rays), and their levels used in mobile networks guarantee safety by a large margin. The electromagnetic fields used in mobile telephony have no confirmed adverse effects on human beings. Radio waves and microwaves are not considered a potential cause of cancer by the World Health Organization (WHO). They have been included in the category of phenomena and substances whose impact on the development of tumors requires further research, but this does not mean that, according to WHO, such an effect exists.



Personal data security

We control a vast amount of personal data of our customers, employees, business partners, etc. Personal data are one of the categories of confidential information (together with data protected by the telecommunication secret, and proprietary information). In order to prevent a potential breach of security of confidential information, including personal data, we have implemented security measures consistent with international standards. The Company has operated the Information Security Management System, which is compliant with the ISO 27001 standard. Orange Polska has also obtained a certificate of compliance with ISO 27018. In addition. the Company regularly renews the FIRST and the Trusted Introducer certificates for CERT Orange Polska.

At each stage of data collecting and processing, we ensure that customers are informed about the purpose and scope of data processing, as well as their right to access and rectify their personal data. Despite all the precautions taken, considering the modern threats related to information technologies used for processing of information, including personal data, it is not possible to fully exclude the risk of a breach of the security thereof.

Recourse to liability proceedings is facilitated by the General Data Protection Regulation (GDPR). A potential breach of the security of personal data could have a considerable impact on Orange Polska's reputation and a heavy impact on its liability, potentially including criminal liability, and hence have an adverse impact on the Company's future financial performance.

In accordance with GDPR, ISO 29134:2017 and the Article 29 Working Party Guidelines, in 2018 we implemented a process to identify and prevent violation of rights and liberties of data subjects. Furthermore, we also conduct dedicated training courses for employees and associates of Orange Polska, as well as the initial training process for new joiners as well as e-learning courses on information security and personal data protection.

Secure network

As an operator of the largest number of fixed broadband lines in Poland and, at the same time, an operator of a mobile network, we observe that although the number of attacks on the mobile network is still relatively low, the power of attacks on this network is slowly reaching that of attacks on the fixed network.

Orange Polska's CyberShield is a mechanism, that - based on network traffic supervision - intercepts traffic directed at confirmed malicious/phishing sites and blocks it. In some cases, the user receives additional information that one of their devices is trying to access a malicious address. Sites that phish various types of data from users (e.g. login details for online banking, social networks, internet accounts or websites), fake payment gateways, sites impersonating well-known service providers and prompting the installation of malware, as well as the Command & Control botnet addresses (i.e. those the malware communicates with) have all been covered by the CyberShield protection mechanisms.

In 2022, the dominating motif among cybersecurity threats was false investments. Promoted via false ads on Facebook sent from accounts/fanpages that have been newly created or taken over, these scams aimed to trick victims into investing in cryptocurrencies and/or exchanges, suspicious or real but highly risky. A social engineering message would be strengthened with a reference to popular brands, celebrities or politicians.

Also the "buyer" attacks remained popular last year. These request the buyer to enter their payment card details in order to allegedly pay for an item bought on OLX/Allegro e-commerce platforms.

In 2022, CyberShield blocked 130,000 phishing sites and prevented almost 5 million entries on them, thus protecting over 4 million people from losing their sensitive data or savinas.

Full value chain for digital transformation of companies

Our commitment	KPI	Performance
 Being leader in consultation and integration of comprehensive transformation services for business Digital partner in security, cloud and IT infrastructure & networking 	ICT revenues	ICT revenues (in PLN million) 2020: 930 2021: 1,094 2022: 1,358





Being integrator and digital service provider

One of the key elements of our strategy for the business market is to become the long-term strategic partner for our customers in digital transformation. It means that on top of connectivity, telecommunication services and IT infrastructure, we also need to provide them with comprehensive solutions, particularly in the area of software engineering, cloud and cybersecurity. In our strategy we highlight our intention to expand the ICT business, which offers high growth potential and considerable synergies with our core operations owing to ongoing digitalisation processes in enterprises.

This strategy has proved greatly successful. The organic development is supplemented by acquisitions, which are carefully selected to add specific competencies. In 2019–2020, we acquired BlueSoft and Craftware. These acquisitions have perfectly complemented our competencies and significantly increased our competitive edge against both alternative telecom operators and pure ICT companies. So far, both companies have met the expectations formulated with the acquisition decisions.

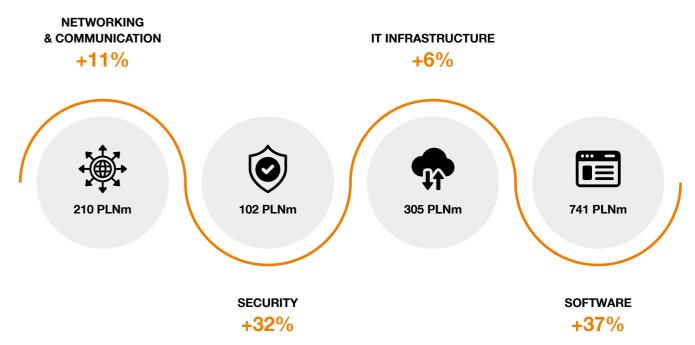
BlueSoft provides multiple IT services in areas with highgrowth potential: application development and integration, system customisation, analytics and cloud services. A great majority of BlueSoft's revenues comes from development and integration of customised applications, which include customer-facing portals (particularly for e-commerce) and back office platforms and systems. BlueSoft sells its

products to a diversified portfolio of blue-chip customers from multiple industries, including banking & insurance, utilities, pharma, telecommunications and logistics. Craftware offers the analysis, design and implementation of customer relationship management (CRM) systems. It has extensive experience in the implementation and integration of connected CRM systems, specialising in Salesforce, which is world's #1 CRM platform used by more than 150,000 companies worldwide. Craftware's customer base includes blue-chip companies from the pharmaceutical, FMCG, retail and finance industries. With the acquisition of Craftware, we have gained exposure to this fast growing market segment and further opportunities to use our existing competencies, particularly in the areas of cybersecurity, IT infrastructure hybridisation, application integration and migration to cloud.

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2022 was another year of our strong performance in ICT area. It further enhanced our position as a leading integrator and provider of full value chain for digital transformation of companies in Poland. We grew our ICT revenues by 23% year-on-year to PLN 1.4 billion. It was fully organic growth, which resulted mainly from our wide and well-diversified portfolio of services which allows us to adapt to a changing demand structure and be less dependent on fluctuations in supply chains. The main drivers were cybersecurity and software domains, both growing above 30% yoy The majority of projects were realised in retail, logistics and pharma sectors. These customers progressed with automation, migration to cloud and software solutions improving customer experience.

Revenue performance of key ICT domains (yoy % in 2022)





Q&A with Bożena Leśniewska, **Vice-President in charge** of Business Market



Q: 2022 was another successful year for Orange Polska's operations on the business market. What were the key drivers? What has improved as compared to previous years?

I am very pleased that 2022 was another very successful year

for our operations on the business market. Revenues in this area increased by as much as 9% in 2022. This encompassed all telecom services both for small businesses and large corporations; IT and IS services, which are often very synergetic to telecom activities; and the sale of equipment. It was an outcome that stemmed from consistent execution of our strategy across all business lines. I would like to mention three key factors in particular that contributed to this strong performance.

Firstly, mobile services. We have successfully combined further expansion of customer base with acceleration of ARPO growth. ARPO increased by more than 4% (vs. only 1% in 2021), as a result of our more for more value strategy and a continuing post-pandemic recovery of roaming. Customers liked our flexible tariff plans which include various value-added services that can be changed during the lifetime of their contract. That gives them a variety of choices and the opportunity to bundle according to their needs. Despite a market that remains very competitive, we were able to strengthen our leadership position in all customer segments.

Secondly, ICT. I am pleased to report that 2022 was another very strong year for those product lines. Growing revenues by more than 20%, we have outpaced our own expectations. We have successfully built our value chain to meet demand for digital transformation in Poland. Digitisation of business is the number-one trend among corporates from many industries, having realised that this is the key driver of their modern competitiveness. Companies' approach to data analytics and modern communication solutions is leading to demand for cloud adoption. And thanks to our sturdy foothold in connectivity (resulting

from massive investments in fibre) and wide portfolio competencies in the ICT area (built organically and through acquisitions), we are uniquely positioned in Poland to take advantage of that trend. I am especially pleased with an increase of more than 30% in cybersecurity revenue - an obvious acceleration compared to 2021. We are now one of the main market players in this area, providing security solutions along the entire data journey. While our high revenue growth is translating into profits, the obvious challenge that we face is significant inflation in labour costs in this industry, which is putting pressure on our profitability.

Finally, I would like to mention solutions based on IoT. This is an area which is still in the very early stage of development, but in which we see huge future potential. We doubled the volume of this business in 2022. Our City Management Platform is increasingly appreciated by local governments. Already more than 100 cities use intelligent metering, monitoring and analytic platforms for lighting, water, waste and transport management. This is especially important amid inflation and growing energy prices. I think it is safe to say that today we are the first-choice provider of Smart City solutions for Polish communities. And this is just the beginning. Much more potential in this area will be unlocked with 5G technology.

Q: In 2023 we may finally receive the dedicated frequency spectrum for 5G technology. How can that influence your area?

Announcing our strategy close to two years ago, we had anticipated that dedicated 5G spectrum would be available to us much sooner. Some of our plans and ambitions were based on this new resource and potential, so they had to be partly postponed because of that. That doesn't mean we were idle – just the opposite. In the beginning of 2022, we opened our headquarters 5G LAB, where we are developing 5G use cases, demonstrating their benefits to our customers and encouraging them to adopt.

5G will open a whole array of new opportunities for business customers, that will be gradually revealed over many years to come. I do not exaggerate when I say this is going to be a revolution. What's more, it concerns both private and public sectors. 5G will enable the creation of digital ecosystems for business transformation called Campus Networks. Many sectors will take advantage of that opportunity. Manufacturing processes will be automated, and because production robots will communicate between each other, these processes will be much more efficient. Analysis and monitoring of data generated in the production will be conducted in real time and will be much more accurate. It will improve quality control, supply chain management and preventive maintenance. This means higher productivity and a higher competitive position on the market. What is particularly important is that such private ecosystems mean that

networks are safe, as their elements are separated, dedicated and located at the customer's premises.

The other key group of beneficiaries are cities. Rapidly growing urban populations create mounting problems related to transportation, environmental pollution, traffic jams or waste management. Smart City solutions based on IoT are already available based on 4G technology, but 5G will give it another boost: 5G will allow fullscale implementation of such solutions as traffic-light management, smart water or electricity metering, and

installation of sensors measuring air quality. These systems can generate savings for cities and improve the quality of life for citizens.

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This will yield the emergence of completely new markets that will benefit our sector, as we monetise these opportunities. We are pleased that the consultation process for the new 5G auction finally began and we are looking forward to its finalisation as quickly as possible to fully unlock this

Acting in an effective and responsible manner

Focus on efficiency

Our commitment	KPI	Performance
To be an agile and flexible company with proven ability to find efficiency savings • Constant transformation of indirect costs • Process optimisation and automation • Leveraging digital tools to become more effective	Indirect costs	Indirect costs (in PLN million) 2020: 3,446 2021: 3,552 2022: 3,592

Our ambition is to be an agile company, digital and flexible, with a strong online presence and highly automated processes, as well as a proven ability to cut costs and find efficiency savings. This approach is reflected in both our commercial activity and our financial results.

In 2022, guided by .Grow strategy, we continued our comprehensive transformation programme to simplify, and where possible to automate and digitise our business processes. Indirect costs increased, but only by 1%. An almost 80% increase in energy costs (due to price increases in the market, mainly with respect to electricity) was largely offset by our transformation initiatives (savings in labour expenses and other categories of indirect costs) and profits gained from a number of initiatives, including the network rollout for Światłowód Inwestycje.

A very important element in the drive towards high efficiency is digitisation. One of the main enablers in expansion of our digital toolbox is cloud technology. We use cloud solutions to create advanced data-driven marketing and to better position and tailor offers for specific customer groups, translating into increased loyalty and revenues.





To do that we partnered with Google cloud and we are now progressively migrating our big data lake to the cloud and benefit from its capacity.

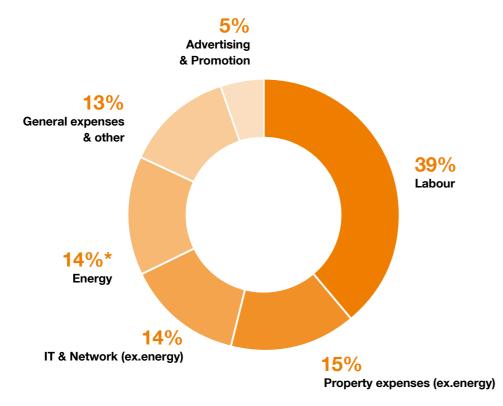
We are also improving online sales and customer care channels to increase our efficiency and improve customer experience. Our sales through digital channels increased by more than 20% last year. Max, our voice and chat bot with AI, every year is dealing better with customer requests with less human assistance needed. We estimate that in the past two years we avoided more than 2 million calls to our advisors on the main infolines, mainly thanks to Max.

We are adopting robotisation, big data and Al across the Company. We now have around 370 robots and more than 1,200 business processes automated. Among others, we

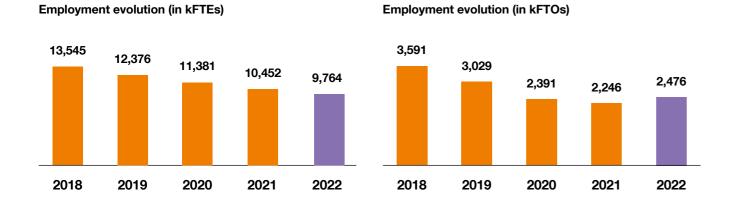
use artificial intelligence in credit risk monitoring, energy optimisation and cybersecurity. It allows us to save costs and reallocate our human resources from repetitive job to more creative tasks.

As of December 31, 2022, Orange Polska Group (incl. NetWorkS!) employed 9,764 people (in full-time equivalents), which is a decrease of 6.6% compared to the end of December 2021. Workforce reduction was mainly a result of the implementation of the Social Agreement for the years 2022–2023. Pursuant to the Social Agreement, 760 employees left the Company in 2022. Severance pay in Orange Polska S.A. averaged PLN 95.3 thousand per employee leaving under the Social Agreement in 2022.

Indirect costs split in 2022



* Energy costs have increased almost 80% yoy in 2022 as a result of surge of electricity unit price which doubled vs 2021 as a consequence of widespread energy crisis







Minimising our impact on the environment

Our commitment	КРІ	Performance
To implement business goals with respect for the rules of ecology and in harmony with the environment, including optimisation of energy use in the following areas: real estate, infrastructure and network, data centres, supervision over Orange Polska's impact on the environment; increase in the number of recycled, re-used and refurbished devices	Energy usage	Electricity consumption (GWh) 2020: 541 2021: 533 2022: 518
	Own CO ₂ emissions (GHG Scopes 1+2)	Total CO ₂ emissions ('000 tonnes) 2020: 405 2021: 367 2022: 316
	% of renewable energy	2020: 0% 2021: 6% 2022: 12 %
	Number of recycled and refurbished devices	Mobile collection (buyback & recycling) 2020: 33,609 2021: 37,765 2022: 61,200
		Refurbished mobiles sold 2020: 11,515 2021: 12,628 2022: 15,900
		Refurbished CPE devices 2020: 503,045 2021: 655,447 2022: 436,821

In Orange, we believe that technological progress must be available to everyone, but it should not happen at the expense of the natural environment. We take responsibility for our impact on climate. We have set specific, ambitious, science-based climate objectives. We invest in new, more efficient and energy-saving technologies, such as fibre, and increasing our use of renewable energy sources. Moreover, the technology industry has a special role to play, on top of rapidly bringing to net zero its own emissions. The digital sector can and should support the green transformation of many other industries, as our services have the potential to assist our customers in tackling their own climate and environmental challenges.

Orange Polska, like the entire global Orange Group, aims to become climate neutral and achieve Net Zero Carbon by 2040. Neutrality will cover both direct and indirect own emissions (Scopes 1 and 2 of the GHG Protocol)

and emissions in the value chain (Scope 3). By 2025, the Company intends to reduce its CO_2 emissions in Scopes 1 and 2 by 65% compared to 2015. Orange Polska's targets are in line with Orange Group's global climate goals confirmed by the Science-Based Targets Initiative (SBTI) as aligned with the Paris Agreement trajectory to limit global warming in the 21st century to below 1.5°C versus the pre-industrial levels.

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In 2021, upon coming into force of the first long-term agreement for power purchase from new wind sources, renewable energy became a driving force behind our CO_2 emission reductions. In 2022, we secured four PPA agreements and thus ensured that we will achieve the target share of renewable energy in our energy mix, initially set for 2025, already in 2023. As a result, our strategic goal to reduce CO_2 emissions by 65% versus 2015 in Scopes 1 and 2 is secured three years ahead of plan. This



is complemented with further improvements of energy efficiency of our operations, especially networks.

With our Energy Optimisation Programme, we have gradually reduced energy consumption. In 2022, it stood at 518 GWh (3% lower than in 2021 and 18% below 2015), 12% coming from renewable sources (up from 6% in 2021 and 0% in 2020). We have also accelerated efforts to reduce emissions in the entire value chain, including emissions by suppliers and customers. Despite growing volume of data traffic on its networks, Orange Polska achieved a 38% reduction in its own emissions between 2015 and 2022. In 2022, its CO₂ emissions were 316,000 tonnes versus 367,000 tonnes in 2021, which means a 14% reduction year-on-year.

Looking towards 2025, Orange Polska in the #OrangeGoesGreen programme is focused on three main priorities: responsibility for reducing its CO₂ emissions; value for its customers, shareholders and other stakeholders; and impact on the green, digital transformation of the Polish economy.

Furthermore, Orange Polska implements the principles of circular economy in order to reduce its carbon footprint throughout the entire supply chain. We buy back older smartphones and accept broken ones for recycling in every Orange store; every year we refurbish and relaunch several hundred thousand modems and set-top boxes; we implement innovations in our devices to extend their service life and reduce energy consumption; and we aim to

expand our portfolio of refurbished smartphones. In 2022, we collected about 62,000 handsets from the market (which is about 5% of sold phones). Our sales of refurbished smartphones reached almost 16,000. We also refurbished 436,821 fixed-line network devices (modems, set-top boxes), which met about 43% of the demand for such devices introduced by us to the market.

Orange Polska has monitored and managed its environmental impact for years. The Company has adopted the Environmental Management System, certified for compliance with the ISO 14001 standard for both fixed-line and mobile networks. It provides for the development of the Company's environmental policy; determination of environmental aspects of its operations; identification of the applicable legal requirements related to environmental protection; definition and implementation of environmental goals and outcome monitoring; and management of potential breakdowns dangerous to the environment. All activities of the Company related to its environmental impact comply with the relevant standards and regulations. Since 2008, Orange Polska has followed the Environmental Protection Policy, which aims to reduce the Company's environmental impact, while maintaining the quality of services and customer satisfaction with them. In 2021, Orange Polska adopted the Climate Policy, which defines ambitious goals for reducing its negative impact on

More in the section Climate and environment



Orange Polska Integrated Report 2022



Our commitment KPI Performance To expand access to new technologies Number of participants (residents of 76 Orange Studios in villages and small towns for 684,000 residents for residents of small towns - digital small towns and villages) in educationdevelopment of local communities al activities 190 schools and 3,800 children in the To develop digital competencies Number of participants (schools, among children and schools children) in educational programmes MegaMission programme 280 schools and 2,708 children in the #SuperCoders programme 2,881,958 children using our educa-To provide and support education on Number of participants (children) in the children's online safety in schools and Safety on the Internet programme tional materials kindergartens all around Poland with the Safety on the Internet programme

As an ICT infrastructure provider, we have the power to enhance the investment attractiveness of particular regions and specific locations as places to live and do business. As a provider of telecom services, we facilitate communication between people. This has its social consequences, as through this process some people gain by using technologies to improve their functioning in social life, while others are left behind due to digital exclusion. As a large business organisation, we contribute directly to the development of local communities. We employ people and build relations with suppliers and business partners in local markets; we also provide telecommunication services to local governments. As one of the corporate social responsibility leaders in Poland, we engage in social campaigns and initiate many educational and social programmes.

Access to technologies, experience in using them, competencies they require, as well as attitudes and motivation needed to learn them have become the key asset. Its deficit more than ever affects the life chances of people in Poland, as it means lack of opportunities for access to important information, effective education, good job, decent life and extensive social relations.

This is why for many years Orange Polska has attached great importance to education on wise and responsible use of new technologies. This is the main area of activity of the Orange Foundation. It The carries out its own educational projects aimed at developing digital skills among children and young people as well as teachers. The Foundation's projects are based on research, analyses and consultation by experts, so as to effectively address social needs. They are free, nationwide and intended as long-term.



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Furthermore, all projects are subject to evaluation. In their implementation, the Foundation co-operates with teachers all over Poland, leaders from small towns, Orange volunteers, and other non-governmental organisations.

Orange Studios – created to facilitate access to information, knowledge and technology in small towns and villages – have been operating since 2012. The studios are open to everyone not only as a place for developing digital skills, but also as a meeting space for integration,







courses, workshops or interesting events. Currently, there are 76 Orange Studios available to a total of 684,000 people from local communities. Since 2020, we have provided a makerspace in Orange Studios. We want to transfer the FabLab experience to small towns and support workshops using new technologies in the DIY approach. In October 2022, the Orange Digital Center was established as a means to bring together the informal education programmes of the Orange Foundation: Coding School, FabLabs powered by Orange and Orange Studios.

Many of our key social projects are aimed at schools. MegaMission is a 10-month course for grades 1 to 3 of primary schools, created to help kids better understand a sense of balance and safety online. Children develop healthy digital habits and learn what can be published online and how to protect their privacy. They practice 'netiquette' and learn about respecting copyright, how to find reliable information, observe good net-manners, protect their devices and moderate their time spent online. A total of 3,800 children from 190 schools participated in the project in the school year 2021/2022.

#SuperCoders is a course in programming and robotics for primary school students of grades 4 to 8. The project develops creativity, logical thinking and teamwork skills. Children learn coding during computer science and other classes. There is also a dedicated module for students with special educational needs. In addition, teachers gain new competencies, and schools receive grants for equipment purchases. A total of 2,708 children from 280 schools participated in the project in the last school year.

Furthermore, we strive to ensure the safety of children online. For over a decade, in co-operation with the Empowering Children Foundation, we have been educating pupils, parents and teachers on how to avoid the dangers of the digital world. We estimate that our educational materials, such as courses, educational games, lesson scenarios and publications, were used by more than 2.8 million children last year.

More in the section Society





Being digital and caring employer

Our commitment	KPI	Performance
To create a culture of co-operation in which all employees feel respected and freely pursue their professional goals and life passions	Number of employees*	2020: 10,967 2021: 10,144 2022: 9,466
To offer better working conditions, constant enhancement of the work environment and focus on talent development	Share of women among managers	2020: 33% 2021: 34% 2022: 36 % of managers are women
To continue workforce optimisation in co-operation with trade unions	Number of training hours per year per employee	2020: 24.3 2021: 24.7 2022: 23.0 training hours per employee
	Employees satisfaction index (International Social Barometer)	2020: 24,7 2021: 40 2022: 27 (on a scale from -100 to +100)

*Excluding NetWorkS!

Building a good work environment is one of the key challenges for every company. Our commitment in the employment area is to create a culture of co-operation in which all employees feel respected and freely pursue their professional goals and life passions.

Orange Polska is the biggest employer in the telecommunications industry in Poland and one of the country's largest corporations overall. The Company offers good working conditions and development opportunities to its employees. It also prides itself on having one of the most extensive social programmes, including a retirement benefit scheme unique within Poland. Furthermore, it puts a strong emphasis on developing employees' competencies and setting high professional and ethical standards at work.

Employees in different areas and at different levels of the organisation as well as persons working for Orange Polska within a growing outsourcing scheme of selected functions are eligible for benefits to various extent. Owing to the global range of Orange, its employees have also development opportunities outside their native country.

Offering the most attractive terms of employment is a challenge for any company, particularly facing strong market competition, increased by the crisis. However, it becomes a necessity for an organisation that wants to be considered close and positive, acting in a courageous and straightforward manner.

Orange Polska's workforce comprises almost 9,500 people working in more than 100 locations all over Poland. Of these, over 63% work in 15 regional centres in large cities; the others in smaller locations. The majority of our crew, over 60%, are men. Some of our employees are people with disabilities. Every year, about 500 of Orange Polska's employees become parents. Our employees differ vastly in professions and positions. All of this makes diversity management one of the key challenges in the area of human resources.

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The key diversity dimensions identified in Orange Polska are gender; age; competence, expertise, experience and mindset; psychophysical skills - (dis)abilities; and parental status. Other noted dimensions include religion and beliefs; workplace location (HQ vs. region); type of employment; and nationality/ethnic origin. It is important to account for all of these aspects in diversity management, particularly to take care of employees with disabilities, to enable intergenerational knowledge sharing and to build an open and inclusive corporate culture.

In terms of the Company's growth prospects, it is important to provide broad training and development opportunities to its employees. Challenges related to extremely rapid technological progress, digitisation, big data development and AI and cloud emergence carry the need for new competencies. Therefore, we place a great deal of importance on providing our employees with access

to the best possible training offer. On average, there are 23 hours of training per employee annually. We also want our employees to acquire the skills of the future and new qualifications that will enable them to better respond to the rapidly evolving expectations of the telecommunications and technology market.

The key to creating a friendly and motivating work environment is listening to employees' opinions about the Company, seeking solutions to the reported problems and suggesting positive changes. Therefore, Orange Polska has been conducting periodic employee satisfaction surveys, Our Barometer. Thanks to its regularity, we can compare results year-on-year and introduce improvements based on the employee feedback on a current basis. The results are communicated to the entire organisation. The survey aims to measure satisfaction of employees with their daily work

at Orange in three main dimensions: competencies of the future, agile working methods, and engagement.

In the last edition of the survey (October 2022), there were three key gains. Those came in the areas of autonomy and flexibility (41.8; +3.2), opportunities for development and advancement (15.7; +2.3) and support from manager (59.6; +1.9). At the same time, facing difficult economic and social situations (high inflationary pressure in Poland; the war in Ukraine at the Polish border), we see slightly lower results in pride from working for Orange – - now it is declared by as many as 83% of employees (37,6), while 76% would recommend us as an employer (27.0).

More in the section Human Capital





Financial Review

Financial Key Performance Indicators (KPIs)

We use the following financial and operational KPIs to track Orange Polska's performance

KPI	2022 Outlook and guidance	Performance	2023 Outlook and guidance	Grow ambitions 2021-2024
Revenues	Low single digit growth	2020: 11,508 2021: 11,928 2022: 12,488 2022 yoy growth: 4.7%	Low single digit growth	Low single digit growth CAGR
EBITDAaL (in PLN million)	Flat/low single digit growth	2020: 2,797 2021: 2,963 2022: 3,078 2022 yoy growth: 3.9 %	Flat/low single digit growth	Low-to-mid single growth CAGR
EBITDAaL margin		2020: 24.3% 2021: 24.8% 2022: 24.6 %		
eCAPEX (in PLN million)	PLN 1.7-1.9 bn	2020: 1,801 2021: 1,737 2022: 1,719	PLN 1.5–1.7 bn	1.7-1.9 bn yearly average over the period
Organic Cash Flow (OCF) (in PLN million)		2020: 642 2021: 867 2022: 822		
Net income (in PLN million)		2020: 46 2021: 1672* 2022: 724		
ROCE		2020: 1.6% 2021: 4.4% 2022: 6.5 %		increase 3-4x (vs. 1.6% in 2020)
Net debt/EBITDAaL		2020: 2.0 2021: 1.4 2022: 1.3		We aim to keep safe balance sheet, with financial leverage in the range 1.7–2.2x
Dividend per share (DPS) (in PLN)		2020: 0 2021: 0.25** 2022: 0.35 ***	PLN 0.35 as new sustainable floor for the future	
Total capitalization equity		2020: 81% 2021: 72% 2022: 76 %		

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^{*} Net income before gain related to FiberCo transaction amouted to PLN 272m, ** Dividend from 2021 profit, paid in 2022,

^{***} Dividend from 2022 profit, to be paid in 2023; Management's recommendation, subject to approval by the General Meeting of Shareholders

Revenues totalled PLN 12,488 million in 2022, up PLN 560 million or 4.7% year-on-year. The growth was faster than in 2021, despite the stronger negative regulatory impact of subsequent MTR/FTR cuts.

Our core telecom services - convergence as well as mobile-only and fixed broadband-only services - remain the key growth engine. Combined revenues of these three categories were up 6.3% year-on-year (vs. a 6.7% increase in 2021). Growth is fuelled by steadily growing customer bases for all types of services, as well as ARPO improvement, resulting from our value strategy and a growing share of fibre customers, who generate the highest revenue. Mobile-only revenues achieved particularly high growth and were up 6.1% year-on-year (vs. 3.1% in 2021). This resulted mainly from a growing post-paid and pre-paid customer base and an increase in ARPO. The customer base is expanding, despite partial migration from mobile-only to convergent services, owing to B2B customers as well as Niu and Flex brands. Year-average post-paid handset ARPO increased by 3%, following an increase by less than 1% in 2021, under the positive influence of our value strategy and further recovery of roaming revenues following a slump amid the COVID-19 pandemic.

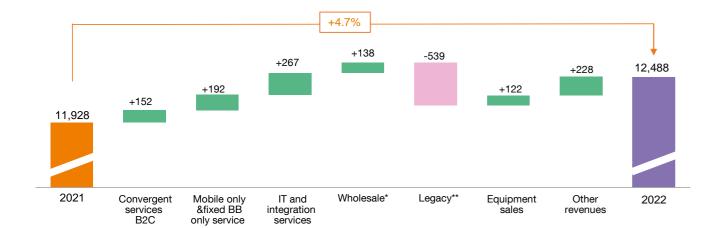
Revenues from IT and integration services maintained their robust growth (up 23% year-on-year), which was entirely organic. This was driven mainly by strong performance of our software subsidiaries (i.e. BlueSoft and Craftware), which achieved aggregate revenue growth of 29%, and a broad and well-diversified service portfolio, which enables us to flexibly adapt to the changing demand and be less dependent on supply chain fluctuations.

Revenue evolution was negatively impacted by regulatory cuts in both fixed and mobile termination rates (FTR and MTR). It led to revenue erosion and contributed to a 14% decrease in wholesale revenues. However, wholesale revenues benefited from growing revenue from providing access to our infrastructure to other operators, mainly reflected in other wholesale revenues, which increased by 17% year-on-year.

Revenue evolution in 2022 was also influenced by the following factors:

- A 47% increase in other revenues, mainly owing to higher average realised price in our energy resale
- A further structural decline in fixed voice telephony legacy revenues (by 15% year-on-year);
- An 8% increase in equipment sales.

Revenue evolution (yoy change in PLNm)



^{*}wholesale excluding non-fibre fixed wholesale and interconnect





2022 EBITDAaL up 3.9% yearon-year, as the margin from key revenue lines mitigated surging energy prices

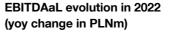
EBITDAaL for 2022 was PLN 3,078 million and increased by PLN 115 million or 3.9% year-on-year. Operating margin (ratio of EBITDAaL to revenues) slightly decreased to 24.6% (from 24.8% in 2021). The entire EBITDAaL growth was generated by improving direct margin, that is revenue growth fuelled mainly by the successful implementation of our value strategy in core telecommunication services, wholesale (excluding legacy services) and ICT products supporting sales for business customers. Indirect costs increased, but only by 1%. An almost 80% increase in energy costs (due to price increases in the market, mainly with respect to electricity) was largely offset by our

transformation initiatives (savings in labour expenses and other categories of indirect costs) and profits gained from a number of initiatives, including the network rollout for Światłowód Inwestycje.

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Cost evolution can be attributed mainly to the following

- A decrease of 14% in interconnect expenses, resulting mainly from cuts in both fixed and mobile termination rates and reflecting a decrease in wholesale revenues;
- An increase of 11% in commercial expenses, driven by growth in smartphone and ICT equipment sales;
- An increase of 32% in network and IT expenses, resulting from much higher network energy costs due to a surge in electricity prices in the market;
- An increase of 22% in other external purchases, mainly due to higher costs of energy for resale (related to higher revenues in this segment) and higher costs of ICT services (related to revenues).





^{**}legacy: narrowband only, non-fibre fixed wholesale and interconnect revenues



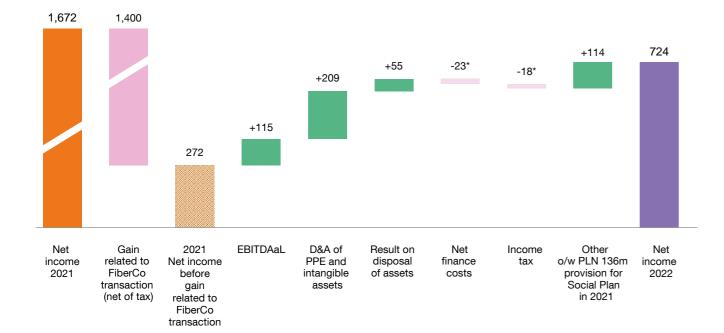


2022 net profit improved on comparable basis (ex. oneoff gain related to FiberCo transaction in 2021) on the back of growing EBITDAaL and lower depreciation

Net income for 2022 was PLN 724 million, significantly below the PLN 1,672 million of net profit generated in 2021. However this 2021 figure was boosted by PLN 1,400 million

(net of tax) gain on the sale of a 50% stake in Światłowód Inwestycje. Excluding this one-off development, net income in 2022 was significantly better than in the previous year. This improvement resulted mainly from three elements. Firstly, growing EBITDAaL. Secondly, depreciation decreased 8% year-on-year, which resulted mainly from extension of useful lives of certain assets and lower mobile Capex in the past few years. Finally, the 2021 bottom line was impacted by a PLN 136 million provision related to the new social plan. Net financial costs in 2022 were slightly higher due to non-cash FX losses (on EURO denominated long-term leasing liabilities).

Net income evolution in 2022 (yoy change in PLNm)





2022 eCapex (economic capex) at PLN 1.7 bn, in line with the low end of the guided range

In 2022, the Group's economic capital expenditures (which, since 2020, has included accrued proceeds from asset disposals) amounted to PLN 1,719 million and were lower by PLN 18 million year-on-year.

These included mainly the following:

 Increasing investments in the mobile network, including enhancement of the range of LTE services and the mobile network connectivity, expansion of the capacity (commenced access network modernisation project) and range of GSM/UMTS services, and adaptation of the mobile access network to the 4G technology requirements, particularly in the areas not covered by the mobile access network consolidation project

- (i.e. strategic or underinvested regions);
- Decreasing investments in the fibre network, which after establishing Światłowód Inwestycje joint venture are much lower than before and mainly include Capex related to further commercialisation of the constructed network (including customer premises equipment and service delivery) and fibre rollout to dedicated business customers:
- Expansion of the mobile transport and core network in order to handle the growing volume of data transmission and ensure the service quality expected by customers;
- Implementation of transformation programmes;
- Investment projects related to the portfolio development, sales and customer service processes as well as the modernisation and enhancement of the IT technical infrastructure:
- Rebounding proceeds from sale of real estate after pandemic-driven slowdown a year ago.

Split of economic capex

Investment areas

(in PLNm) 346 Fibre net of disposed rollout to FiberCo Mobile network Fixed & core network IT Systems and Infrastructure 470 382 ■ Others incl. non-fibre CPE Proceeds from assets disposal excl. -81 -129 assets disposed to FiberCo **eCapex** 1,737 1,719 2021 2022





2022 Organic Cash Flow reflects strong cash generation from operating activities

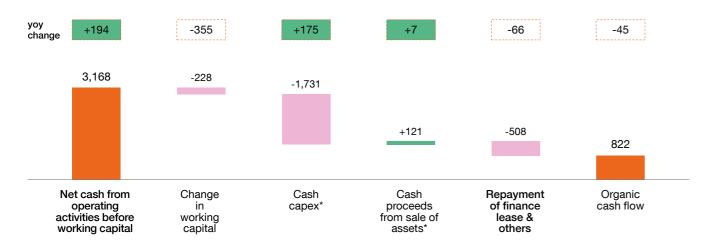
Organic cash flow for 2022 was PLN 822 million, a decline of 5% (or PLN 45 million) year-on-year. There were three key factors contributing to this performance.

Firstly, PLN 194 million better cash generation from operating activities before working capital reflected higher EBITDAaL.

Secondly, capital expenditure cash outflows (ex. proceeds from sale of fibre network assets to Światłowód Inwestycje) were PLN 175 million lower year-on-year due to phasing of Capex projects.

On the other, hand working capital requirement was higher by PLN 355 million, mainly due to growth of receivables related to record-high equipment instalment sales.

Organic Cash Flow evolution in 2022 (yoy change in PLNm)



^{*} Cash capex reduced by PLN 154m of cash proceeds from sale of fibre network assets to FiberCo (excluded from cash proceeds from sale of assets)





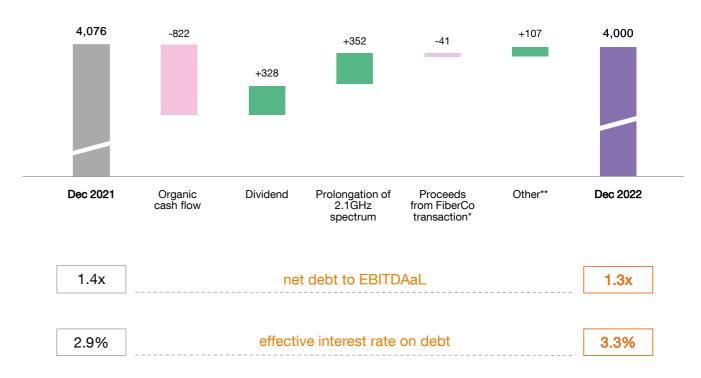


Leverage ratio down to 1.3x

Our net financial debt in 2022 decreased slightly by PLN 76 million to PLN 4,000 million. Our leverage ratio stood at 1.3x at the end of 2022, despite cash outlays for spectrum renewal and dividend. It reflects improving business fundamentals and balance sheet optimisation initiatives.

Our debt is denominated only in PLN, so it is not sensitive to currency movements. As of 31 December 2022, the Group's proportion between fixed/floating rate debt (after hedging) was 92/8% versus 91/9% on 31 December 2021. Owing to such a high level of hedging, changes in interest rates in the market will have significantly limited impact on the Group's debt cost until mid-2024.

Net debt evolution in PLNm



^{*}Instalment paid by APG in 2022 after delivering agreed roll-out plan
**Includes mainly settlements related to EU subsidies for fibre network construction (POPC)
and payments related to acquisition and integration of subsidiaries





Growing dividend payments

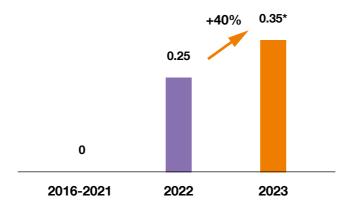
In 2021, considering the success of the turnaround as well as the new strategy .Grow, which plans for a dynamic growth of the Company's financial results, Orange Polska decided to resume sustainable shareholder remuneration. In 2022, we paid dividend of PLN 0.25 per share from the Company's 2021 profits. It was the first dividend payment since 2016.

Taking into account strong 2022 results and sound balance sheet situation, on 15 February 2023 the Management Board of Orange Polska adopted a resolution to recommend to the Annual General Meeting payment of a cash dividend of PLN 0.35 per share in 2023 from 2022 profits.

The proposal to increase the dividend by 40% is a reflection of the good performance and the confidence of the Management in the future prospects of Orange Polska. The Company considers PLN 0.35 per share as a new sustainable floor for the future.

Further changes to dividends will be decided on an annual basis, taking into account projections of underlying financial results and long-term financial leverage (net debt/EBITDAaL) forecast versus 1.7x to 2.2x leverage corridor.

Cash dividend evolution in PLN per share



 Management recommendation, subject to approval of General Meeting of Shareholders



2023 Outlook: confidence in our .Grow ambitions despite a challenging external environment

2023 priorities driven by the .Grow strategy

Key priorities for 2023



Orange People

Continued cultural change and upskilling

2023 will be the third year of implementation of our .Grow strategy. The environment continues to be demanding: the expectations are that Poland's economic growth will slow to less than 1%, inflation will stay at a double digit level and the war beyond our eastern border will, unfortunately, continue.

First and foremost, we need to be persistent in the execution of our commercial value strategy to at least partly reflect much higher costs in output prices. In the second half of 2022, we implemented a number of price adjustments to the majority of our services. Our key task is to ensure the new tariffs are adopted by our customers and translate into growth of ARPO and revenues. Rejuvenation of ARPO growth is essential to mitigate the impact of inflation.

That needs to be coupled with a further cost transformation to be more agile and effective. Key to this are the further digitisation of our business processes and transformation of our property portfolio. The latter includes, among other tasks, consolidation of our teams and reduction of the office space we use, taking our new hybrid work model into account.

We hope that 2023 will finally be the year of 5G. We are very pleased that the long-awaited consultation for the 5G auction has begun. We hope for an efficient and transparent process, so that we can begin the 5G network rollout using dedicated spectrum. It will be a very important development, opening new prospects for services and growth in both the consumer and business markets.

Finally, we will be pushing further with our green agenda on both the environmental and social front. Our increased focus will be on reducing CO_2 emissions within Scope 3 – which encompasses our entire value chain of suppliers and customers. Within that framework we will be more active when it comes to activities related to the circular economy.

There is no doubt that 2023 looks set to be another tough year. However, we are confident that we have right assets in place to manage this challenge and our ambitious goals.

.Grow financial ambitions confirmed by 2021-22 performance & 2023 outlook

	Revenues	EBITDAaL	eCAPEX
Strategy mid-point performance 2021-22	+4.2% CAGR	+4.9% CAGR	PLN 1.73bn (annual average)
2023 outlook	low single digit growth	flat/low single digit growth	PLN 1.5-1.7bn
	Key trends in core telecom services, ICT and wholesale to continue support growth	 To be supported by revenue growth and further cost transformation Inflation to weigh on operating costs 	 Disciplined investing Inception of 5G rollout Ambitious plan for disposal of unused real estate

All .Grow 2020-24 ambitions reconfirmed

low single digit growth **CAGR**

low-to-mid single digit growth CAGR

PLN 1.7-1.9bn yearly average over the period

The objective for this year is consistent with our strategy: to deliver growth of revenues, profits and cash generation. The key challenge is inflation, which will significantly impact our operating costs.

We forecast our revenues to increase by a low single digit in 2023. We believe the demand for our services will remain solid, as they are essential to our customers. We anticipate further growth of core telecommunication services (convergence, mobile and broadband) on retail markets, coupled with solid revenues from IT & integration and energy resale, and continued high demand for our infrastructure from our wholesale customers. We also expect continued pressure on high-margin legacy services (retail and wholesale fixed telephony).

Similarly to 2022, we expect EBITDAaL to be supported by profitable revenue expansion in all key areas of business, our intensive focus on value, and cost optimisation. The inflationary environment, however, is expected to weigh on our operating costs and constitute a key challenge to growth. A large part of our costs is indexed to last year's inflation (for example rental contracts for space for offices, sales outlets and infrastructure) or subject to pressure resulting from a significant increase of minimum wage.

Moreover, the macro environment is very volatile between the uncertain scale of economic slowdown and high inflation and interest rates. Taking all that into account, we expect EBITDAaL in 2023 to be flat or to grow by a low single digit percentage. This guidance is a repetition of the guidance that we announced for 2022 and accommodates more uncertainty than usual.

We anticipate our economic capex (eCapex) in 2023 to be in the range of PLN 1.5-1.7 billion, therefore lower than in the previous few years. This reflects three elements. Firstly, it is our view that the outcome of the 5G spectrum auction (C-band) is more likely to come in the second part of the year. This means that in 2023 we are not likely to see the full run rate of Capex related to rollout of the 5G network. Secondly, we believe our disciplined approach to investments will contribute. And third, our ambitious plan for disposal of our unused real estate will be part of the equation. (Our definition of eCapex excludes acquisition of mobile spectrum.)

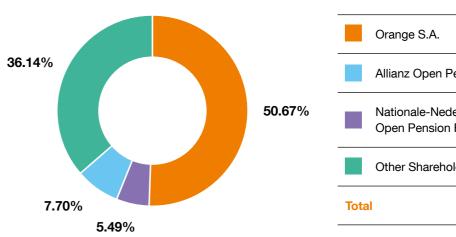
We are confident in the strength of our assets, growing customer demand and the quality of our services, and we are fully confirming all of our long-term strategic ambitions.



Orange Polska on the Warsaw **Stock Exchange in 2022**

Ownership structure

Interest in the Share Capital (%)



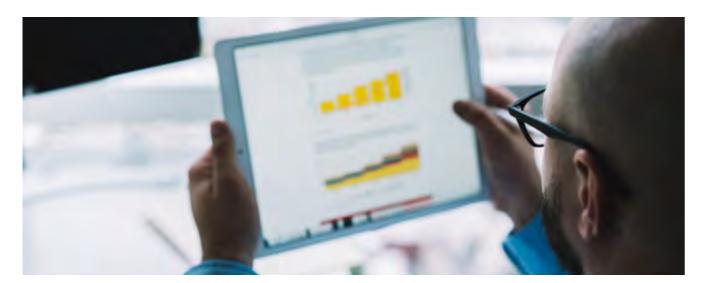
Orange S.A.	664,999,999
Allianz Open Pension Fund	101,008,824
Nationale-Nederlanden Open Pension Fund	72,053,524
Other Shareholders	474,295,132
Total	1,312,357,479

Number of shares held*

Our investors include individual and institutional shareholders. We maintain an active dialogue with our investors through an extensive investor relations programme.



^{* 1} share = 1 vote at AGM



Listing of Orange Polska S.A. shares on the Warsaw Stock Exchange

Since November of 1998, shares of Orange Polska S.A. (formerly Telekomunikacja Polska S.A.) have been listed on the primary market of the Warsaw Stock Exchange (WSE) within the continuous listing system.

The Company's shares are included in the following indices:

- WIG20 and WIG30 large-cap indices;
- WIG broad-market index;
- WIG ESG Index of socially responsible companies.

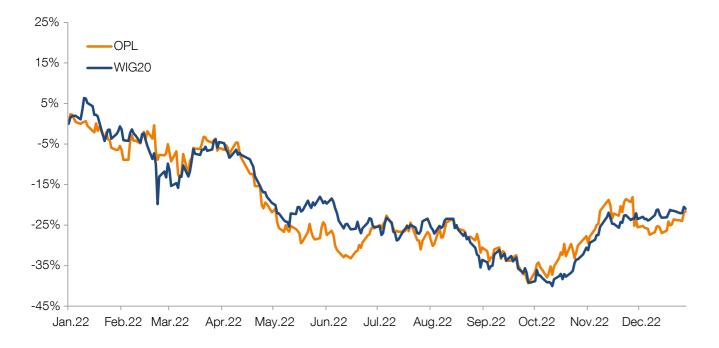
In 2022, Orange Polska S.A. was once again included in a prestigious group of listed, socially responsible

companies. The portfolio of the WIG ESG Index announced by the Warsaw Stock Exchange comprises 60 companies. Orange Polska S.A. has been present in the index portfolio since its first edition. The WIG ESG Index has been increasingly popular among companies and investors, who have noticed a link between consideration for social and environmental impact and financial performance.

In addition, Orange Polska S.A. has been included in the global FTSE Russell's ESG Ratings, a global index that measures companies' performance across environmental, social and governance (ESG) areas.

2022 brought losses in the indices on the Warsaw Stock Exchange (WSE). Orange Polska shares were down 22%, while the large-cap index, WIG20, lost 21% in the period.

Orange Polska S.A. share price in the period from January 1, 2022 to December 31, 2022





Recommendations and reports for Orange Polska S.A. shares are issued by the following financial institutions (according to the Company's knowledge as of the date of this report)*:

Name of the Institution Citigroup Dom Maklerski BDM S.A. Dom Maklerski Banku Ochrony Środowiska Dom Maklerski mBanku Dom Maklerski PKO Bank Polski Dom Maklerski Santander Erste Bank Investment Ipopema Securities Bank Pekao S.A. Trigon Dom Maklerski S.A.

Orange Polska's Investor Relations

Wood & Company

Our activity in the area of investor relations focuses primarily on ensuring transparent and proactive communication with capital markets through active co-operation with investors and analysts, as well as performance of disclosure obligations under the existing legal framework. Orange Polska's Investor Relations together with the Company's representatives regularly meet with investors and analysts, both Polish and international, and participate in the majority of regional and telecom industry investor conferences.

Orange Polska Group's financial results are presented quarterly during conferences, that are also available via a live webcast. In 2022, the Company held four results presentations.

Orange Polska's activity and performance are monitored by analysts representing both Polish and international financial institutions on a regular basis. In 2022, around a dozen financial institutions published their reports and recommendations concerning the Company.

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The up-to-date list of analysts is available on our website: https://www.orange-ir.pl/analysts/

In 2022, the Company attended 6 investor conferences organised by different brokers and held about 100 meetings with investors and analysts from Poland and a number of other countries. We also engaged in dialogue with individual investors by attending online conferences organised by the Association of Individual Investors. In 2022, Orange Polska published its sixth integrated annual report. Orange Polska's Integrated Report 2021 won the main prize in the Best Integrated Report category in the 16th edition of the Social Reports Competition, which is organised by the Responsible Business Forum and Deloitte. The key purpose of all of our Investor Relations efforts towards investors is to enable a reliable assessment of the Company's financial standing, its market position and the effectiveness of its business model, taking into account the Company's strategic development priorities in the context of the telecom market as well as the Polish and international macroeconomic environment.

We provide the investment community with a dedicated Investor Relations website www.orange-ir.pl and a weekly newsletter with the relevant information on Orange Polska and the Polish telecommunications market.

Compliance with Warsaw Stock Exchange Best Practice

Orange Polska S.A., as an issuer of securities listed on the Warsaw Stock Exchange, is obliged to follow the 'comply or explain' rule stipulated in the Best Practice for GPW Listed Companies 2021.

In 2022, the Company complied with all the rules of the Best Practice for GPW Listed Companies 2021 except one: the principle 2.2 in its part regarding diversity in the composition of the Management Board. Currently, the Management Board comprises 25% women.

The full text of our Statement on the Company's compliance with the corporate governance recommendations and principles contained in the Best Practice for GPW Listed Companies 2021 is available at

www.orange-ir.pl/corporate-governance/

^{*} For an updated list of brokers with the related institution data please visit the Company's website at https://www.orange-ir.pl/analysts/



Human capital

Building a good work environment is one of the key challenges for every company. Our commitment in the employment area is to create a culture of co-operation in which all employees feel respected and freely pursue their professional goals and life passions. 110 Human capita



Priorities of the culture change: what we do to be close, simple, bold and positive

We are building our organisational culture in an open dialogue with our employees, particularly through two global surveys (Organisational Health Survey and Your Employee Barometer), regular feedback and open meetings. We have defined four priority areas for our cultural change:

- Innovation culture
- Motivation & well-being
- Effective collaboration
- Development & mobility

Organisational culture

Innovation culture

Our idea is ...

To build an innovative culture, meaning the whole organisational environment. This will boost creativity, encourage people to take bold risks and prepare them to make mistakes – and learn from them.

Our initiatives:

- Listening and Responding Clubs a project encouraging employees to propose and implement improvements within the Company;
- Wall of Ideas an initiative to support innovation and collaboration among employees;
- Inspirational webinars and development offers regarding creativity and innovations;
- Hackathons.

Motivation & well-being

Our idea is...

To build a culture of appreciation through transparent communication and common celebration of employees' successes. And to support the well-being of employees and their involvement by providing them with the tools necessary to take care of their physical and mental condition.

Our initiatives:

- Recognition (financial & non-financial);
- Annual awards galas (held by the CEO and heads of functions):
- O!klaski (Applause!) an application enabling employees to express their appreciation and thanks for co-operation and recognise daily successes;
- Well-being webinars and dedicated programmes promoting a healthy lifestyle, e.g. Power Meetings, Akademia Lekkiej Głowy (Light Head Academy), Happiness at Work, Mingram Platform;
- Initiatives to strengthen work-life balance and mental resilience







Effective collaboration

Our idea is...

To make our everyday collaborations and communications faster and more direct, simple and effective in order to be an agile and innovative organisation.

Our initiatives:

- Simplification of processes across the organisation;
- Hybrid work model (two days in the office, three days at home):
- Implementation of agile ways of working;
- Dynamic and effective meetings;
- Feedback culture (360 Degree Feedback for all every two years; monthly Pulsometer – a team feedback survey focused on co-operation and achievement of goals);
- Task management using modern tools (Jira, etc.);
- #bezcukru (No sugar) regular meetings of the Board Members with employees (every two weeks; more than 2,000 employees participate on average; online video streaming);

Development & mobility

Our idea is...

To build a learning organisation by ensuring mutual development of employees, with a focus on the competencies of the future boosted by professional schools, new development programmes, internal mobility and learning in communities.

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Our initiatives:

- Jump programme of internal mobility;
- Professional schools Data & Al IT Academy;
- Development tools Orange Learning, Coursera, e-learning, webinars;
- Time for development (Outlook booking on Fridays);
- Professional learning communities Data Freaks, Leader in Action.

In 2022, we once again (for the 12th time) received the Top Employer Polska, Top Employer Europe and Top Employer Global, as well as HR Best Quality certificates. They reflect our commitment to better working conditions and our focus on employee development, as well as implementation and constant enhancement of good human-capital practices.





Orange Polska has adopted the Diversity Management Policy, which was determined by Decision no. 36/16 of the President of the Management Board dated 19 September 2016. Our Diversity Management Policy aims to bolster the pursuit of our business objectives and support compliance with the values enshrined in the Code of Ethics. CSR goals and the obligations under the Diversity Charter, of which Orange Polska is a signatory. In addition, the Policy refers to the Global Diversity Management and Inclusion Policy in Orange.

The key diversity dimensions in Orange Polska identified in its Diversity Management Policy are as follows: gender, age, competence / expertise / experience / way of thinking, psychophysical skills, (dis)abilities, parental status. Other noted dimensions include: religion / beliefs, workplace location (HQ vs. region), type of employment, and nationality / ethnic origin.

Diversity Management Policy covers the following

- Creating a working environment open to diverse mindsets:
- Building a corporate culture which derives from diversity;
- Providing adequate conditions for employee development:
- Supporting involvement of all employees;
- Increasing the quality of human-capital management in the organisation.

The implementation of our Diversity Management Policy is supported by the Committee for Gender Equality and

Diversity in the Workplace. The quality of our diversity management has been confirmed by the Gender Equality European and International Standard (GEEIS) certificate.

The Diversity Management Policy aims to bolster the pursuit of our business objectives, address changes in the labour market and respond to the expectations of our employees. The policy also supports compliance with the values enshrined in the Code of Ethics, CSR goals and the obligations under the Diversity Charter, of which we are a signatory.

The Diversity Charter is an international initiative implemented in 26 European countries. The Charter is a written declaration, signed by organisations, companies and institutions that undertake to prohibit discrimination in the workplace and take measures to create and promote diversity, and express readiness to involve all employees and business and social partners in these activities. Organisations which decide to implement this tool work for cohesion and social equality.

Razem (Together)

Responding to the need to provide greater support for women in their development and access to managerial positions, while taking into account their professional and family commitments, we have launched the Razem (Together) programme. Razem is a programme addressed to all of Orange Polska's employees. It aims to show how important it is for our business to use the potential of each of us by creating sustainable teams, consisting of both women and men.



The programme mission is to ensure the equal role of men and women in Orange by:

- Supporting women in their professional and personal
- Raising awareness of, and the need for, functioning of sustainable teams:
- Promoting an equal-opportunities culture as a precondition for the achievement of business objectives.

These initiatives strengthen women's potential and courage to take new challenges, increase their career and promotion opportunities and contribute to a greater number of women in the fields of technology. We also take efforts to develop our collective awareness by showing the potential consequences of stereotypes and prejudice. We want to strengthen broad awareness of how important the role played by women is in business.

The goals of the Razem programme:

To strengthen the role of women in Orange Polska:

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- 40% women in managerial positions,
- 37% women in leadership positions,
- 50% women in succession by 2025,
- Equal wages.
- To increase the number of women in technologies:
 - 25% women in technologies by 2025.
- To ensure equality/diversity within teams:
 - At least one woman in each recruitment committee.
 - Both genders represented on short lists of candidates.
- To develop awareness and involvement in the programme of a greater number of men:
 - Increasing the number of men active in the programme.

Razem programme areas:

- Development programme for female leaders (Liderki Razem)
- Mentoring & coaching
- Recruitment consultancy

- Pay gap monitoring
- In all recruitments at least 1 woman in the committee + candidates of both genders on the
- Ambition: employment of 50% women at Let's Orange

COMPANY

Building mechanisms supporting various teams and eliminating the risk of gender discrimination; ordering activities.

Razem

MARKET

Orange as a company that cares about diverse teams; is aware, friendly to women; and encourages women to work in technologies.

- Włącz.One
- Women in Tech
- IT Women's Career Day
- Recruitment position in male & female form
- Kids in the world of technology

COMMUNITY

Creating an engaged community of women who take action can count on one another, and share their knowledge and experience.

- Women in Technology community (~200 members)
- Local leaders in 10 cities
- Newsletter, Plazza, inspirations



Case Study

Women Leaders Together

About the programme

Liderki Razem (Women

Leaders Together) is an in-house 12-month development programme dedicated to female leaders in Orange Polska.

Its purpose is to develop skills and provide knowledge and best practices in the field of management. In the programme we prepare our female leaders to take a bold step in their professional career. An important element of our efforts is to create a community of female leaders and stimulate them to develop their own business or social projects that could change Orange Polska and/or our environment. The programme ends with certification.

1st edition 2021/2022:

- 37 participants (female managers and experts);
- 8 female mentors and 8 male mentors;
- 9 coaches.

2st edition 2022/2023:

- 57 participants (female managers and experts);
- 12 female mentors and 7 male mentors;
- 12 coaches (9 female and 2 male).

Programme components

During the 12-month programme, the participants meet with both male and female experts in various areas, receiving information about corporate management trends and best practices, strategic mindset and leadership building. They also work on the development of their corporate and team management skills.

The programme resembles a post-graduate course and is complemented by coaching and mentoring. We use the concept of self-learning organisation and combine the business aspect (Macro & Micro) with the personal one (Me). We also apply the group coaching and mentoring methodology (Female CoDeV groups).

The programme sessions feature diverse topics, from economic trends and corporate management styles to the development of a personal financial strategy. Therefore, between sessions the participants are assigned both pre-tasks (as preparation) and post-tasks (to check the acquired knowledge or skills). The performance of tasks is facilitated by educational materials, i.e. recommended tutorials, lectures, videos and literature.

Each session consists of lectures by both male and female experts, who are renowned personalities of business and science. In addition, Members of the Management Board of Orange Polska also share their leadership experience with the participants.

How we work

The participants are divided into groups of several persons each, which are led by a certified coach and mentor (Orange Polska's level N+1 manager). The curriculum focuses on the key aspects of building the position of a strong leader: leadership, finance and branding. We meet on a monthly basis. Each session has three dimensions, namely related to the social and business context (Macro), the Company's activity (Micro) and the personal dimension (Me).

Furthermore, between sessions the participants are offered individual coaching, mentoring, peer mentoring and job shadowing. They can also attend interesting trainings and webinars.

Throughout the programme, the participants are assigned both individual and group tasks, some mandatory and some optional. Task scores determine whether the participant will receive a certificate.

How we will know we have succeeded

In addition to the personal and individual success of our participants, our objectives are as follows:

- To increase the number of women in managerial positions;
- To increase the number of women in successor lists;
- To enhance women's competencies and courage to seek promotion.

The Women Leaders Together programme is aligned with Orange Polska's .Grow strategy, contributing to the pursuit of our goal of 40% women in managerial positions and 37% women in leadership positions.



YES to Health

Orange Polska, as a socially responsible employer and the Diversity Charter Guardian, is committed to ensuring equal opportunities in recruitment and professional work as well as to preventing social exclusion of people with disabilities, in line with our motto: "We are the same at work". At Orange Polska, 2% of our employees are people with disabilities.

Our Yes to Health programme aims to create an open and friendly work environment, particularly for employees with disabilities. It is a part of the #dbamyosiebie (#TakeCareOfYourself) initiative and the Policy of Investing in Health Quality and Well-being of Employees of Orange Polska.

The programme involves a dedicated offer to our employees with disabilities, including financial support

(adaptation package), an extra medical package, additional workplace equipment and places in car parks.

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A major component of the programme is education regarding both legal aspects of employment of persons with disabilities and disability etiquette. An internal expert group has been established to offer consultation and advice to employees and support to managers in managing diverse teams. The YES to Health programme site has been created on the Company's intranet, which provides information on the key issues, such as rights of persons with disabilities, the scope of support offered by the employer, and etiquette. In addition, a dedicated guide has been developed for managers who have people with disabilities in their teams.

In 2022, after an evaluation survey among programme participants, we increased the amount of the financial package and introduced a number of other features.





Workplace

We strive to make our work model and workplace friendly to employees to ensure them proper working conditions and comfort.

SMILE work model

Hybrid work is one of the pillars of our new work model that we have called SMILE (Safe, Mobile, Integrated, Leading, Efficient). We have assumed the principle: three days at home, two days in the office. The office/home rhythm may change depending on the tasks performed by the team. We have also introduced an application for booking desks and parking places.

The purpose of our Smart Office programme, which is a part of SMILE, is to prepare Orange Polska's employees and offices for the new hybrid work model. The projects carried out in the Smart Office programme encompass five main areas:

- New office format: a new office function supporting teamwork, implementation of new standards, and office rearrangement to increase space for cooperation:
- Digital experience: solutions supporting efficient and flexible space planning for both individual and team work:
- Environmentally friendly office: locations with green certificates, access to eco-friendly means of transport and minimisation of the carbon footprint generated by our offices;
- Social responsibility: establishment of Campus Councils, mobilising local Orange communities, and co-operation with local municipalities;
- Efficiency: the optimal use of office space and re-use of work environment resources, including redundant office equipment.

Work-model changes have been supported by employee education. We have provided training and other development activities related to remote work and digital skills, as well as tools supporting teamwork and regular contact. Our employees have also been invited to webinars on remote work organisation, mental and physical conditioning, healthy lifestyle and management of one's family relations or emotions during a period of isolation.

In response to requests by our employees who complained about continuous online meetings, we have introduced a rule that meetings could not exceed an hour and suggested a common 'meeting-free hour' during the day.



Work environment

At Orange Polska, we ensure safe and friendly working conditions for our employees, promoting integration and making them feel better in their workplace. We have implemented a competitive package of initiatives to support health and well-being of our employees, creating conditions for development, increased creativity and commitment to the assigned tasks. This in turn enables the building of a valuable offer which supports employee recruitment and retention.

The goals set in the Policy for Investing in Health Quality and Well-being of Orange Polska's Employees are pursued through a comprehensive approach to:

- Physical well-being we provide comprehensive health care to our employees, support their physical activity (including operation of sports clubs), promote a healthy lifestyle and create a safe and friendly work environment;
- Mental well-being we educate employees in stressreduction techniques, take initiatives to support balance between professional and personal life, strive for healthy workplace relations, implement a culture of feedback and appreciation and provide psychological support in difficult situations;
- Social well-being we build a culture of co-operation in which all employees feel respected and can freely pursue their professional goals and life passions, and we support their involvement in social initiatives in the corporate volunteering programme.

Orange Polska's employees are eligible for the following benefits:

- Comprehensive medical services at PZU Zdrowie clinics, as well as partner medical facilities nationwide;
- Employee Retirement Plan;
- Company Social Benefits Fund, as a means of social welfare addressed to employees and retired employees in need:
- Central Housing Fund and Central Welfare Fund;
- Discounts by the Group's partners and for Orange products and services in the Offer for You programme;
- Sports, tourist and cultural events, as well as FitProfit cards;
- Tele- or remote work;
- Healthy lifestyle promotional initiatives: webinars, challenges and expert consultations;
- Psychological support by an internal team of psychologists and external specialists.

Both full-time and part-time employees are eligible for all the aforementioned benefits. Employees working under a fixed-term employment contract are eligible for health care and promotional offers but are not eligible for benefits that require long-term commitments, such as the Central Welfare Fund or the Employee Retirement Plan.



Following the outbreak of war in Ukraine, many of us lost the sense of security again. People's anxieties and concerns about their future and both their own and their relatives' life and health resurfaced. With great enthusiasm, our employees engaged in helping refugees from Ukraine and collections for those who stayed in that war-torn country. This all took a great toll on their mental and physical well-being. Therefore, we attached particular importance to offering psychological support to our employees. We provided the Mindset psychological support platform to Orange Polska's employees and outsourced workers. In addition to access to wellnesssupporting webinars, workshops and courses, they could use specialist consultation (with a psychologist, a business mentor, a legal advisor or a financial expert) and attend psychotherapy sessions.

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Taking care of the health and fitness of our employees, we also organised a free post-COVID health examination campaign, introduced short breaks in work for exercise and physiotherapist consultation, and provided access to an individual health coach, supporting the adoption of healthy habits. We launched For Health loans for health-related purposes within the Company Social Benefits Fund. We also took actions to support our employees with disabilities in our Yes to Health programme by increasing the adaptation package and providing additional workplace equipment according to the needs declared.

Occupational health and safety (OHS)

Both labour law and the Company's internal regulations provide for activities aimed to ensure safety at work, health protection and constant improvement in working conditions to all employees. We aim to incorporate OHS elements into all activities of Orange Polska and on all management levels in order to ensure safe working conditions, so that all our employees can actively perform their day-to-day duties in a friendly work environment.

Our approach to occupational health and safety is enshrined in work regulations and the occupational health and safety policy. Internal supervision over compliance with OHS rules and regulations is performed by a team of OHS specialists.

In all health-and-safety tasks resulting from the labour law, we place particular emphasis on the following:

- Constant updating of the occupational risk assessment, taking into account new threats related to dynamic changes in the Company, e.g. in the scope of tasks performed by employees;
- Ensuring compliance of new investments in terms of working conditions with the applicable legal

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requirements of health and safety and ergonomics, through the active participation of health-and-safety specialists in the process of modernisation and reconstruction of facilities, as well as their commissioning:

- Providing employees with constant access to information in the area of health and safety via the HR Portal, including: health-and-safety analysis, analysis of accidents at work, and advisory presentations related to preventive health care and occupational safety;
- Co-operation with social partners as part of the OHS Committee's activities: joint reviews of working conditions and formulating proposals for improving them:
- Ongoing monitoring of working conditions;
- Providing employees with preventive examinations and health-and-safety training.

A major element contributing to disease prevention among our employees is their easy access to medical services – not only regular medical checkups (related to occupational medicine), but also wider healthcare services, diagnostic tests and specialist consultation. We also promote sporting activity and healthy lifestyle of our employees.

At Orange Polska, occupational risks have been identified and assessed for all workplaces, and documented in risk assessment sheets, which provide information to employees about the risks associated with their work. Employees are informed of the technical, organisational and human measures applied by the employer to reduce these risks. Updates to the occupational risk assessment are mainly based on information obtained during OSH reviews, co-operation in setting working standards in sales outlets or the development of OSH manuals. Furthermore, an important aspect of risk assessment is the analysis of reported accidents and occupational diseases.

Orange Polska's employees are provided with medical care in PZU Zdrowie medical centres. In addition to occupational medicine services, they are also offered a free package of other medical benefits.

The Company's Health and Safety Committee consists of equal numbers of representatives of employees and the employer. The Committee meets at least four times a year. Its task is to review working conditions, periodically assess the state of health and safety at work, provide an opinion on the measures taken by the employer to prevent accidents at work and occupational diseases, formulate proposals for the improvement of working conditions and cooperate with the employer in the implementation of its obligations in the area of health and safety at work.

All employees working at Orange Polska have the obligation to complete mandatory initial health-and-safety training. In addition, certain groups of employees are required to complete periodic training, e.g. managers every five years and employees in blue-collar positions every three years or annually.

In 2022, our efforts in the occupational health and safety area focused on preparing safe return to offices following the peak of the COVID-19 pandemic. We resumed classroom training in first aid for our employees nationwide. We renegotiated and prolonged our contract with PZU Zdrowie, introducing an obligation that they find new ways to facilitate medical appointments and access to medical services. In addition, the process of referring our employees for medical checkups was agreed upon and launched. We resumed reviews of working conditions in our sales outlets. We amended our internal regulations to enable smooth takeover of TP Teltech's employees. We continued work on further digitisation of OHS processes as well as preparations for the introduction of new remote work regulations.





Remuneration and development

Remuneration

The Remuneration Policy regulates the main guidelines and principles for remuneration in Orange Polska, supporting the recruitment, retention and motivation of the best managers and professionals. Remuneration is determined in a manner ensuring balance and consistency across the Orange Group.

Our Remuneration Policy complies with labour law and corporate governance regulations. The terms of remuneration for Orange Polska's employees covered by the Intragroup Collective Labour Agreement are determined in co-operation with trade unions.

The remuneration system consists of the following components:

- Base salary this takes into account the market remuneration standards for various positions and individual competence and contribution of employees, as well as non-discrimination principles;
- Performance bonus the bonus system is dedicated to specialist sales positions and all managers, and its purpose is to motivate employees to achieve high performance by attaining the predefined and agreed goals which support the implementation of the Company's strategy;
- Discretionary bonuses;
- Benefits;
- Contribution to the Employee Retirement Plan in Orange Polska, the contribution is 7%.

Development and training

Orange Polska, as a technology company, focuses on employee development adapted to the challenges of the evolving world. Human development, especially in the area of specialist competencies, is the foundation of our .Grow strategy. In order to meet the new ambitions, we have defined the key competence areas which have the greatest influence on the achievement of our business objectives. These include: data management and artificial intelligence, virtualisation and cloud solutions, programming, cybersecurity, network technologies, digital sales and customer service, agile methodologies and project management, as well as ecology and corporate social responsibility. The employee development aims at both upskilling and reskilling. Our approach to development is based on the assumption that it is a long-term process,



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which involves a range of methods of different levels of complexity: training, online courses, educational platforms, films, knowledge sharing in the Experts for Experts programme, peer mentoring, and initiatives within educational communities.

Development of employees is based on a consistent model/process, a special tool, and a development offer in the form of long-term learning paths. In order to ensure a consistent model of competence management, a dedicated transformation project, SkillsUp, has been designed. It aims to provide the competencies required for the implementation of Orange Polska's strategy by using the potential of each of us and through apt investments in employee development. In 2022, about 800 users participated in the SkillsUp pilot project, after which the project was implemented in four selected teams. In 2023, SkillsUp will be implemented across further structures.

Development of managers is based on the leadership model which comprises 10 Leader-in-Action rules. We offer our managers dedicated development paths based on these rules. We also support the leaders community. The right identification of development goals and the right choice of development activities are supported by the feedback culture we build in the organisation and the relevant tools: managerial reviews, 360 Feedback and Pulse Meter (i.e. a quick monthly opinion poll on the achievement of objectives and atmosphere within teams).

In 2022, we launched the Leader.Grow programme, which supports managers in leading their teams by a cultural, technological and data-oriented change. Two programme modules have been completed thus far in the areas of key competencies (data and artificial intelligence, cloud solutions and cybersecurity) and, secondly, in building a culture of innovation and applying agile working tools and methodologies. The third and last module – in the area of customer digital experience – is scheduled for completion in 2023.

We also train outsourced staff in any knowledge specific to Orange Polska that is necessary to perform their duties.

Dialogue and involvement

Staff Regulations

The organisation and order of work in Orange Polska, as well as the rights and obligations of its employees are regulated by the Staff Regulations, which in particular address the following:

- work organisation and equipping employees with tools
- working time systems and schedules, as well as adopted working time settlement periods;
- date, place, time and frequency of remuneration
- list of tasks prohibited to young people and women;
- tasks and positions available to young people for the purpose of occupational training;
- obligations related to occupational health and safety and fire safety, including a procedure for informing employees about occupational risks;
- procedures for confirming arrival and presence at work, as well as justifying absence by employees.

The Staff Regulations and any amendments thereto are consulted by the employer with trade unions.

Social dialogue

We respect the right of employees to associate and we run continuous dialogue with trade unions (Social Partners). As part of this dialogue, we negotiate settlements, agreements or other documents with trade unions in Orange Polska S.A. There is also the Employee Council in the Company, which, pursuant to mandatory regulations, is consulted on matters related to the level, structure and intended changes of workforce, actions aimed at maintaining the workforce level and any significant changes in work organisation or employment terms.

The Intragroup Collective Labour Agreement is in force at Orange Polska S.A. It regulates, inter alia, the rules for concluding and terminating employment contracts, working hours, holiday entitlement, rules for remuneration and obtaining extra benefits connected with work, occupational safety and health issues, training, social care and health care.

Furthermore, the Management Board of Orange Polska S.A. concludes Social Agreements with our Social Partners. The current Social Agreement was concluded on December 7, 2021 for the years 2022-2023. In particular, it sets the number of voluntary departures, determines a financial

package for employees leaving the Company under the voluntary departure scheme, provides for potential base salary rises and additional compensation for employees reaching retirement age within the next four years, while specifying the position and role of internal mobility in supporting an allocation programme and offering participation in an outplacement programme. In addition, the Social Agreement for 2022–2023 provides initiatives for a friendly work environment and the continuation of medical coverage. Orange Polska S.A. also declared that in 2022-2023 it would maintain the training budget at the previous year's level.

Furthermore, the Settlement with the Social Partners was concluded on 19 October 2022, determining the detailed terms of collective redundancies and the procedures for the 2023 implementation of the Social Agreement for 2022–2023. The Settlement set the number of employees to leave Orange Polska S.A. in 2023 at 640 and determined the terms of voluntary departures and the amount of severance pay and additional compensation for employees departing in 2023. The Settlement also specified the principles and criteria to be applied by the employer in the process of selecting employees whose employment is to be terminated through no fault of the employee.

On December 1, 2022, TP Teltech sp. z o.o. merged with Orange Polska S.A. The employees who were transferred to Orange Polska S.A. under Article 231 of the Labour Code are covered by the Intragroup Collective Labour Agreement for the Employees of Orange Polska S.A. (subject to the applicable provisions, i.e. Article 2418 of the Labour Code).

Corporate volunteering

Orange Polska has the biggest employee volunteering programme in Poland, which has been running for 19 years. With an open heart, our employees share their knowledge, skills and experience, teaching children and senior citizens how to use the Internet safely and wisely. They also carry out their own projects for local communities with the support of the Orange Foundation.

In 2022, as part of the initiatives created to support Ukraine. Orange Foundation volunteers focused on helping people fleeing the war. They provided assistance at the border, on railway stations and in refugee accommodation centres. They also hosted people from Ukraine in their homes and organised support with grants from the Orange Foundation.

The Orange Foundation launched a special edition of its grant programme, in which its volunteers implemented 160



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humanitarian grants. In addition, financial aid was provided to all volunteers hosting Ukrainian families in their homes (a total of 75 such grants were provided).

After the initial wave of humanitarian aid, there came the stage of long-term assistance. The Orange Foundation financed 12 long-term projects carried out by its volunteers together with non-governmental organisations. The grants ranged from PLN 20,000 to 50,000 and were used to support initiatives linking refugees with the local communities in which they resettled. The projects financed by the Orange Foundation included courses and workshops for Ukrainian mothers (in sewing and accounting) to help them find a job in Poland; Polish language lessons; arts, cooking and dancing workshops for children; psychological and legal counsel; and many other initiatives.

Orange Polska's employee volunteer programme has been granted the Top Quality Corporate Volunteering Certificate, confirming its compliance with the Corporate Volunteering Charter. It means that we abide by the fundamental principles and protect the values of volunteering and that we support our employees in their social initiatives.

This has been confirmed through an audit by experts of the Certification Committee established by the Academy for the Development of Philanthropy in Poland. The audit included a review of survey results and documents as well as faceto-face conversations with the volunteering co-ordinator and several volunteers. In 2022 we received the certificate for the second time.

Corporate volunteering	2021	2022
Volunteers	1,958	3,030
Volunteers' working hours	15,000	23,200





Employee innovations

Orange Polska has launched internal innovation incubators – dedicated programmes to encourage employees to submit innovations, provide tools and support for innovation development and award and implement the best ideas.

Listening and Responding Clubs

Our Listening and Responding Clubs are a comprehensive platform for the implementation of innovations in the Company. We provide know-how and tools to our employees and guide them through the entire process from an original idea to its implementation. Each employee can initiate an improvement in a dedicated in-house application, find people willing to co-operate and successfully carry out the project from start to finish. An additional incentive is a company-wide competition to celebrate and reward the

best initiatives. Club members can also present their ideas to the Management Board. In 2022, 125 Listening and Responding Clubs were established involving almost 600 employees. Over seven years, 5,000 employees have been involved in the clubs. The improvements are concerned with various areas, including processes, technologies, robotisation, savings and customer-oriented solutions, but also work environment, innovation and environmental protection.

Wall of Ideas

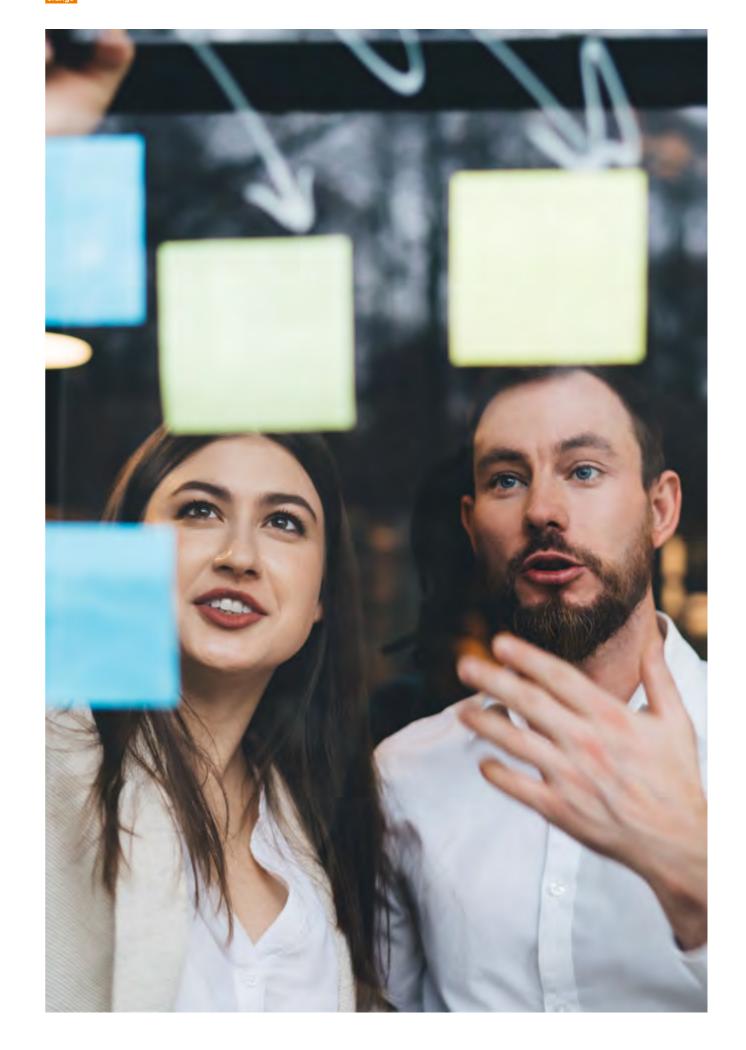
Another corporate incentive for employee innovations is the Wall of Ideas. This virtual wall is used for submitting ideas for innovations in two areas: customer experience and employee experience. Other employees then comment and vote 'yes' or 'no' on these ideas. Those ideas that score 100 or more (39% of all proposals on average) are then reviewed by business owners. Each newly submitted idea has the 'Active' status. This status is then updated to 'Under review' (by the business owner), 'In progress' (positively reviewed by the business owner and earmarked for implementation), 'Delivered' (implemented) or 'Archived' (not to be delivered, because its score was too low and/or the business owner decided so). On average, 20% of the ideas scoring 100 or more are ultimately implemented.

Furthermore, we continue to announce Topical Challenges on the Wall of Ideas. In 2022, we carried out three challenges, namely regarding Orange Flex service, prepaid services and energy-saving initiatives,. Last year we set a record for employee involvement: 363 employees submitted 655 ideas (up 3% year-on-year). These generated almost 14,000 interactions (nearly 12,100 votes and 1,900 comments) from 3,000 Orange Polska employees.

Hackathons

Hackathons are a new initiative for our employees, promoting innovation and co-operation as well as machine learning and data analysis competencies for the purpose of achieving a specific business objective. In April-May 2022, we organised the second hackathon: "Orange DataHack: more for more", using real-world data and analytical environment. A total of 219 people from 10 different functions participated. The participants worked in 47 teams for two weeks. Their task was to develop models and train them using machine learning in order to increase B2C mobile voice retention with an increase in value. Models for potential business use were delivered by 80% of the participating teams. In November, Orange Polska partnered in HackYeah - the biggest stationary hackathon in Europe. The 24-hour event took place in the Tauron Arena in Cracow, with 2,300 participants. The main goal was to promote the "Re" programme and find solutions related to circular economy.





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Digital inclusion has a particularly important social dimension today. This means dissemination of high-speed internet access on the one hand, and education and development of digital competencies on the other. We are active in both of these fields.

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Economic impact

Orange Polska is a company that operates under a global brand while being deeply rooted in the economy of our native Poland. It is also a stable and long-term investor. Our infrastructure is inextricably bound with Poland. In addition to our direct workforce of slightly over 9,000 people, Orange Polska's activity has indirectly created more than 40,000 jobs with its vendors, sub-suppliers and nationwide partners. We buy a large portion of services and equipment that we need in the Polish market.

Orange Polska is an important contributor to Poland's gross domestic product (GDP). This includes the products and services we sell, as well as our multi-billion investments, especially in modern fibre and mobile networks. The taxes paid by Orange Polska and our expenditure on salaries or purchases of goods and services from local suppliers are also important contributors to Poland's GDP growth. These funds circulate in the economy, enabling further entities to come up with their products and services.

GDP growth is directly impacted by investment in broadband internet access. According to the World Bank's economists, a 10% increase in broadband penetration would increase GDP growth by 0.3–1.5%. Accordingly, we estimate that the vast access to broadband provided by Orange Polska has contributed as much as 9% to Poland's GDP growth between 2004 and 2022 (based on OECD's estimates from before the pandemic).

Investments in network development

Orange Polska has very consciously participated in the transformation of Poland into an information society. We are also aware that further digitisation, based on the development of modern telecommunication networks, is a major driving factor for Poland's economic growth.

In 2022, Orange Polska spent PLN 1.72 billion on investments. Between 2016 and 2022, the Company's investments in Poland's digitisation totalled approximately PLN 14 billion. The internet has become one of the resources determining the economy's growth potential, and we understand that broad access to the internet stimulates rapid growth of the digital economy and faster economic growth more generally. Towards this end, we spent PLN 60 million on investments in fibre in 2022 alone.

There are currently more than 7 million households within the reach of Orange Polska's ultrafast fibre broadband, and the service is used by 1.2 million customers, who enjoy internet access at speeds of up to 1 Gbps. Since 2015, the Company has invested about PLN 4 billion in fibre rollout. Orange fibre footprint consists of both the network developed by the Company itself and lines made available through co-operation with several dozen other



companies operating FTTH networks. Meanwhile, fibre lines developed by Orange Polska are offered to other operators on a wholesale basis. Intensifying the co-operation between operators is a major component of the Company's .Grow strategy announced last year. It is our ambition to grow the number of wholesale fibre customers six times by the end of 2024. A further increase in our fibre footprint will rely mostly on partnerships with other entities, particularly the wholesale operator Światłowód Inwestycje. Importantly, Orange Polska has been rolling out its fibre network not only in big cities, but also in small towns and rural areas, putting our investments to work and creating new growth opportunities for local communities and businesses.

By the end of 2024, between seven and eight million households, i.e. over 50% of all Polish households, will be connectable with Orange fibre. This service reach will be expanded mainly through partnerships with other operators, particularly Światłowód Inwestycje (established in 2021). Orange Polska is the leader in providing broadband services outside big cities: 38% of high-speed fixed broadband lines in rural areas in Poland are operated by the Company.

We have already provided broadband internet access to 3,140 schools within the Nationwide Education Network (OSE). The access lines have been deployed pursuant to tender procedures held by the OSE operator, the Research and Academic Computer Network (NASK). Orange Polska connects schools both through its own investments and by building fast broadband networks within the framework of the Digital Poland Operational Programme (POPC). POPC is the largest public programme for broadband infrastructure development in the areas of coverage gaps and is co-financed by EU funds. In addition, temporary access lines (which do not guarantee the speed of 100 Mbps) have been installed in more than 100 schools.

Orange Polska participates in POPC having won subsequent competitions for co-financing; and since 2016, we have used fibre investment projects to work towards eliminating geographical differences in broadband internet access. The stated goal in our competition submission was to reach 395,000 households classified as coverage gaps in Poland's internet infrastructure. By the end of 2022, we had connected 383,000 households to broadband networks within POPC projects (adding 58,000 households in 2022 alone). Investments such as these have a huge impact, improving the quality of life in rural and semi-rural areas, stimulating development of local communities and increasing the competitiveness of the areas which have been devoid of the opportunities offered by digitisation. As a result, it is possible to overcome the barriers in access to education, e-services, remote work or other activities that exist for those not in or near major cities.

Value of the supply chain

The business activity of large corporations also benefits other companies, as they can grow, offer jobs and make investments. The great majority of goods and services which Orange Polska needs to operate are purchased in Poland. As many as 91% of our domestic suppliers are companies with full or majority Polish ownership.

In 2022 alone, purchases from Polish companies or Polish branches of foreign companies accounted for over 84% of Orange Polska's aggregate expenditure. The Company placed orders totalling over PLN 5.1 billion with almost 3,000 companies.

Our expenditure supports the economy and stimulates demand. Using input-output analysis, which describes the demand effects of purchases throughout the supply chain, we estimate that Orange Polska's expenditure generated aggregate growth in demand for goods and services of Polish companies and additional multiplier effects over of PLN 200 billion between 2005 and 2022.

Over a quarter (29%) of Orange Polska's purchases in Poland supply high-technology companies (according to the Eurostat classification), while a further 17% supply companies from knowledge-intensive industries (i.e. industries based on advanced knowledge). These totalled more than PLN 2.3 billion in 2022. 17% of Orange Polska's expenditure supplies Polish-based ICT companies, which are considered the key asset of any modern economy.





Digital inclusion

Socio-digital inclusion is a major component of Orange Polska's corporate social responsibility strategy.

Nowadays, in the information-society age, unequal access to the internet, lack of digital skills, as well as differences in awareness and motivation regarding use of digital services result in the differentiation of life opportunities of individuals in multiple dimensions: from education and work to consumption. This process has been intensified by the growing role of digital services in social and economic life. It is all the more important because social and economic inequalities (income disparities, educational inequalities, differences in cultural capital) themselves determine access to and use of new technologies. This is why we talk of social and digital exclusion together.

The groups most vulnerable to socio-digital exclusion include senior citizens, people with low education, residents of rural areas, people with disabilities, people experiencing homelessness crisis and school-age children. This is detailed in the report, *Socio-digital Exclusion in Poland: State of Affairs, Trends and Recommendations*, commissioned by the Orange Foundation and the Shipyard Foundation in 2021.

The conclusions of the Report served as a basis for planning our efforts for digital inclusion in the customer service area (towards elderly customers and customers with disabilities), as well as in the social area. We wanted such a way of thinking about socio-digital exclusion to be translated into practice in our social initiatives. The Orange Foundation has been carrying out digital education projects for over a decade, addressing its offer to schools and small communities, and through them to children, parents, educators, community leaders or residents of small towns and villages.

We reviewed our two main projects addressed to schools, MegaMission and #SuperCoders, with an eye to reaching regions with the highest socio-digital exclusion rate.

Thanks to a research team from the Shipyard Foundation, we developed the Index of Local Exclusion based on an analysis of almost 30 indicators describing the social, demographic and economic condition of local communities (local administrative units) in Poland and comprising four dimensions:

- Social exclusion: differences related to the severity of issues such as poverty, unemployment or low human capital;
- Economic exclusion: differences in the condition of the local economy, business activity and economic climate:
- Digital exclusion: local disparities in access to the telecommunication infrastructure and the opportunities it offers:
- Educational exclusion: differences in the education level of parents of school-age children (i.e. the main target group for the Orange Foundation's initiatives) and learning outcomes in primary schools.

This indicator overlaid on the map of Poland shows us where we should work with our educational programmes to have the greatest impact on those who need this help. The Index of Local Exclusion indicates that over 40% of communes in Poland are particularly at risk of exclusion (the communes with the highest value of the Index). Facilities in these areas gain additional opportunities in the educational programmes of the Orange Foundation.

Orange Foundation

The activity of the Orange Foundation, which pursues social goals on behalf of the Orange Polska Group, has been defined in its Strategy for 2021–2023. It provides for the pursuit of digital education and digital inclusion goals through long-term social programmes based on accurate identification of social needs and expectations. The Orange Foundation's key initiatives include MegaMission, #SuperCoders and Orange Studios, which are complemented by the corporate volunteering programme and activities for the safe use of new technologies by children and young people. The strategy is a follow-up of the long-term programmes implemented in previous years.

In 2022, in addition to its long-term strategic social initiatives in the digital education area, Orange Polska also worked to provide humanitarian aid for refugees from war-torn Ukraine.



In 2022, Orange Foundation received the Janusz Korczak Award for many years of activity towards digital education of children and youth and support for teachers.

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MegaMission

MegaMission is a nationwide educational programme for primary schools. It can be carried out during lessons, additional classes or in after-school clubs. It is addressed to kids of grades 1 to 3 and their teachers. We aim to enhance knowledge and digital competence of teachers and after-school educators and their pupils. We want children to be safe and conscious multimedia users, and we want their teachers to have access to proven materials which they can use to deliver modern classes. MegaMission provides a solid basis for wisely and safely navigating the world in which we can no longer function without technology. Due to the closure of schools and the need to support teachers, the programme was modified to include a number of additional webinars for teachers to assist them in coping with the remote education challenges.

Key indicators and goals of the MegaMission programme

MegaMission	2021	2022
Children trained in the programme	4,000	3,800
Teachers trained in the programme	150	190

#SuperCoders

#SuperCoders is a nationwide educational programme aimed at primary school students of grades 4 to 8. Its key element is learning the skill of programming in an innovative manner, as it takes place during science, mathematics, history, music or Polish language classes rather than IT classes. All teaching materials have been based on the Polish school curriculum. Young #SuperCoders develop teamwork skills, creativity and logical thinking. A separate path is available for children with special educational needs. The teachers participating in the programme are offered professional training and technical support by expert educators. In 2022, some materials were translated into Ukrainian.

Key indicators and goals of the #SuperCoders programme

#SuperCoders	2021	2022
Children trained in the programme	2,839	2,708
Teachers trained in the programme	280	280

Lesson:Enter

Lesson:Enter is a nationwide digital education programme that helps teachers enhance their digital skills. Over 75,000 teachers (15% of the attendees coming from each region of Poland) will be trained between 2020–2023. The programme prepares teachers to use digital tools and activating teaching methods. They learn how to use educational websites and portals, e-resources and various applications in a responsible and creative way, while observing safety precautions. Training includes a hands-on component, in which teachers create their own digital content for future use during their lessons.

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The programme is carried out in conjunction with the Information Society Development Foundation and Institute of Public Affairs. It is implemented in the regranting scheme by in-service teacher training centres in collaboration with local governments or non-governmental organisations. In 2022, we provided financial and technical support to 93 grant projects. Last year, the programme was joined by 1,603 schools, and 20,938 teachers began their training. In total, Lesson:Enter has been joined by 6,525 schools and provided training to 60,554 people, of which 65% were participants from rural or semi-urban areas or towns with population of less than 20,000.

The programme is co-financed by the European Regional Development Fund in the Digital Poland Operational Programme with almost PLN 50 million.

Orange Digital Center, Orange Studios and FabLabs

In order to facilitate access to information, knowledge and technology among local communities, we have developed Orange Studios. Orange Studios are digital education centres in small towns with populations of less than 40,000. Orange Polska has established the Studios and helps to manage them, providing free broadband access, while the Orange Foundation provides the education and development offer. The purpose of the Orange Studios programme is to enhance the local activity of small-town residents by creating a modern public space and supporting competence development. The leaders are provided with professional training and financial support to help them manage these modern and attractive meeting places. To date, we have established a total of 100 Orange Studios across the country. The Orange Studio leaders can use an online knowledgesharing platform, which features a portfolio of ready-toimplement projects and a gamification module that uses game mechanisms to build social skills and motivate residents to work for the benefit of their neighbourhoods. The initiatives carried out in Orange Studios are aimed at different groups, of which children are the largest.

In 2022, 16 Orange Studios were equipped with new

computer sets; in total, 50 Orange Studios have received new equipment over the last three years. In addition, we carried out an educational project concerning augmented reality. Ten Orange Studios feature a makerspace equipped with a 3D printer, a DIY electronics kit or a laser plotter. Orange Studios attracted 54,219 participants in 2022.

Furthermore, there are FabLabs (fabrication laboratories) in two cities, Warsaw and Gdańsk. These are open studios for people who want to learn how to use modern technologies in a creative way. FabLabs offer support from experienced educators, professional equipment and free workshops for adults, young people and children. In particular, FabLab in Gdańsk carried out the second edition of the iTech Woman project, supporting women in the labour market, while FabLab in Warsaw organised the first edition of the YouthLab project addressed to people aged 16–25 years in 2022. A total of 2,636 people attended free workshops and social projects in FabLabs last year.

The Orange Digital Center was established in October 2022. It brings together the non-formal education programmes of the Orange Foundation: Coding School, FabLabs powered by Orange and Orange Studios. The Coding School launched first courses in December 2022. Within 12 months it will train over 100,000 people in coding and competencies of the future. Priority in course enrolment is given to people who are currently in a difficult life situation.

Key indicators and goals of the Orange Studios programme

Orange Studios	2021	2022
Active Studios maintained	79	76
Population with access to Studios	711,000	684,000



Case Study

Orange Digital Center (ODC)

The Orange Digital Center was established in October 2022.

It brings together the non-formal education programmes of the Orange Foundation: Coding School, FabLabs powered by Orange and Orange Studios. These include free professional programming courses for young adults, open workshops in contemporary crafts, and multimedia studios in small towns and villages, where people of all ages can develop new competencies. The ODC project supports people in developing competencies of the future in order to increase their professional and social opportunities. It focuses on the groups which for various reasons may have more difficult access to such opportunities or are at risk of socio-digital exclusion.

Coding School is a project addressed to people aged 18–35 who want to gain new competencies in order to enter the labour market, increase their job opportunities or take on new professional challenges. Aimed at strengthening social competencies, it involves free professional programming courses accompanied by career guidance.

Annually, 105 people will attend one of three professional courses in programming in Java (333 hours), Python (280 hours) or UX (172 hours). The completion thereof will be confirmed with a certificate of competencies. A total of 70 people joined the courses in 2022.

In addition to elementary courses in programming, the project participants are offered technical consultation, meetings with IT market experts, as well as technology webinars, networking and motivational meetings. The Orange Foundation also provides individual career guidance, including tests of social competencies and emotional intelligence.

Furthermore, e-learning courses, available free of charge on the project website, have been developed. These provide information about different programming languages and teach their basics. The trainers explain topics and present practical tasks to solve in a simple and friendly manner.

The project partners are the Pomeranian Foundation for Economic Initiatives and the Targowa Creativity Centre.

FabLabs (fabrication laboratories) powered by Orange

are centres developed in Warsaw and Gdańsk together with our partner organisations. These are creative studios that invite people who want to acquire modern competencies, including contemporary crafts. We organise workshops for children, young people and adults, as well as projects dedicated to women or teenagers in a vulnerable situation. The studios are equipped with advanced technologies, such as 3D printers, laser plotters, CNC milling machines, electronic equipment or sewing machines, to enable people to gain new competencies in the do-it-yourself (DIY) approach. Furthermore, FabLabs promote sustainability, and many items are created in the less waste style.

The programme partners are Robisz.to and FabLab Gdańsk associations.

In 2023, Warsaw-based FabLab powered by Orange launched two projects addressed to women and young people:

- YouthLab addressed to people aged 16–25 years and aimed to enable them to start a career in creative or manufacturing industries. The young people participating in the project will get acquainted with the technologies available in the FabLab and develop their own portfolio. One of the paths will be carried out in Ukrainian language to include war refugees.
- Maker Woman addressed to women who want to gain new technical and digital skills, thus enhancing their position in the labour market. The project comprises several components: long-term courses (e.g. 3D modelling and printing), weekend courses (e.g. sewing and embroidery, CNC, electronics), one-day courses (e.g. fundamentals of vector graphics, laser plotter operation) and networking meetings. A total

of 600 people can participate in the project, including women who have arrived from Ukraine.

Orange Studios have also become a part of ODS. It is a nationwide social programme in which we have developed and supported multimedia studios in small towns and villages since 2012. It aims to provide residents with better access to technology and support them in developing the competencies of the future, as well as create a space for common activities. At present, there are 76 Orange Studios at libraries, cultural centres, schools and community clubs. We have equipped each Studio with computers, LCD screens, consoles, furniture and free internet

Furthermore, the Orange Foundation supports male and female leaders to manage Studios and adapt them to the local needs as well as promote the development of local communities. The leaders are offered free coaching, training and webinars in leadership, organisation of volunteering activities and development of digital skills. In addition, they participate in social gamification on a dedicated platform, where we provide them with inspiration, guides and ready-to-use scenarios for various activities.

Since 2020, we have been creating makerspaces in Orange Studios. These are mini-spaces for contemporary crafts, where people can attend workshops in the DIY style. We equip makerspaces with 3D printers, laser plotters and electronics or sewing workstations. Currently, there are 10 such spaces in Orange Studios. In addition, the residents of the districts where Orange Studios are located can attend Coding School courses.

The programme partner is the 5Medium Foundation.





Solutions for society

A surge in energy prices, climate challenges or traffic congestion are contemporary problems faced by cities worldwide. Although these issues are global, on the local level it is municipalities and municipal companies which are responsible for the environment and the residents' quality of life. This is where new technologies, particularly smart city solutions, come to help.

More than 100 cities and towns all over Poland are already transitioning into smart cities with Orange – to the benefit of people, municipal budgets and the environment alike. Thus, we are contributing to the development of cities where you can simply live a better life.

Energy savings: Smart Light

Street lighting accounts for as much as 19% of global energy consumption and up to 60% of municipal electricity bills. Savings can be achieved with integrated systems, such as Smart Light from Orange. In the first stage of modernisation, we replace mercury and sodium lamps with LED lighting, which cuts electricity bills by about 50%. Next, we implement Smart Light, which provides further savings of 20%. The system enables remote control of lighting intensity for clusters of lamps or even individual fittings. Another feature is lighting scenarios based on astronomical time, natural light intensity measurements or even location. In the latter case, lamps may shine brighter, for example, in the proximity of pedestrian crossings, while weaker in less frequented locations.

Smart Light from Orange has been already used by 17 municipalities in Poland.

Water savings: Smart Water

Water savings should become a crucial issue for municipalities: according to the World Bank, as much as 40% of treated water does not reach taps. This is where Smart Water from Orange comes in. The solution aims to reduce water 'disappearance' due to leaks, late detection of failures or theft. This is prevented by smart devices installed on water meters that transmit water flow data in real time. The key advantages of using Smart Water include: remote meter reading (without human interaction), daily flow statements, and water supply and sewerage network monitoring on a 24-hour basis. In addition, the system generates invoices with a single click, which facilitates billing by water utility companies.

Smart Water has been already used by 40 cities and towns in Poland.

Reduced pollution and convenient transport: Smart Rike

Transport is responsible for almost 30% of the EU's total CO₂ emissions, of which 72% comes from road transportation. In this context, a city bike service is much more than a convenient option for residents. As a constant component of transport mix, it improves the air quality and reduces traffic congestion. Smart Bike from Orange is a user-friendly public bike-sharing system based on the IoT technology. Bikers do not need to seek a docking station after a ride: bikes may be left anywhere within the predefined zone indicated in the app. In addition, the system generates a lot of information useful for the administrator. Bike location, number and time of rentals, distance covered or bike speed are available with a single click. Such data facilitate investment planning, as the information where new bike routes are most needed is presented to the city 'on a plate.'

In 2022, bikers using the Smart Bike systems in 27 cities covered the aggregate distance of almost 3.5 million kilometres.

Other Smart City solutions from Orange

The Smart City portfolio also includes:

- SMART Energy: A solution for photovoltaic installation and energy management, using a remote PV panel monitoring system, which provides information on energy production/consumption and panel performance.
- SMART Astro: A system for remote monitoring and set-up of the astronomical clocks used for street lighting management. Based on the current date, geographic coordinates and location, such clocks control the lighting hours of lamp posts according to astronomical sunset and sunrise times.
- SMART Crossing: A smart system for active control
 of pedestrian crossings. Built-in sensors detect
 a pedestrian at a distance of a dozen or so meters
 and activate sound and light warning signals, thus
 increasing the safety of all road users.
- SMART Waste Management & Bins: Smart bins that monitor waste level and enable communication via a GSM network.
- **SMART Charger:** A range of smart chargers made in Poland that comply with the Act on electromobility.
- SMART Gate & SMART Parking: Solutions that facilitate parking lot operation by automatic opening of gates/barriers for authorised vehicles (based on plate recognition) and parking availability management.
- SMART Sensor Air & Noise: Smart air/water quality and noise level sensors.

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Management of Smart City solutions within a city

Fragmented infrastructure and a multitude of management systems are a major challenge for a number of municipalities in Poland. One solution is the City Management Platform. With this Platform, cities can for the first time manage the complete environment of multiple municipal services in an integrated manner. A single system integrates all the services and technologies connected to it, creating a smart city. Owing to its broad functionalities. the solution can be customised to the unique needs of each municipality. An infinite number of devices of various manufacturers can be connected to and managed from the Platform without the need to log into other systems. It clearly presents in one place all the data from various systems (readings, alarms, reports and statistics). It also enables sending notices or warnings by SMS or email, so they are promptly received by the relevant services.

Smart City education

In 2022, we launched an in-house educational project addressed to self-government officials, Smart City Leadership Academy. Its purpose is to increase the awareness of the latest solutions for the development of smart cities.

For the first edition of the Smart City Leadership Academy we invited 60 people from 50 municipalities that are either developing their smart city strategies or implementing pilot solutions. A group of 12 experts and practitioners shared their knowledge and experience with the participants during 60 hours of lectures and workshops. We demonstrated how to choose and implement the optimal solutions for a particular municipality and how to obtain financing for them. The self-government representatives acquired new competencies to develop cities where you can live better lives.



ESG Leaders: Diamond Award in the Best Educational Programme category for the Smart City Leadership Academy; **Smart City Poland Award 2022** in the

Most Smart City category (towns with

a population of 30,000 or less), together with the Town of Duszniki Zdrój;

Smart City Forum 2022: First Prize in the Best
Provider of Smart City Solutions category;
Smart City Poland Award 2022 in the Most Smart City
category for the Smart City Szczecin project;
Smart City Poland Awards 2022: honorary mention in
the Municipal Infrastructure category for the Smart Light
system for street lighting management.

Orange Fab

In Orange Fab, we continued to work on the digital transformation of business in 2022. We also launched new projects, mainly related to 5G. Our activity aimed to both meet Orange Polska's internal needs and provide products and services to our customers. In the area of the digital transformation of business, we launched the development of a recommendation engine using NLP/NLU algorithms. We also commenced preparations to open new initiatives in this field (e.g. related to prediction algorithms that support offer customisation). In addition, we started to search for solutions that would increase customer commitment to digital self-service channels.

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After an acceleration period, we strengthened relations with a number of start-ups in various areas, including IoT, virtual reality training, and energy. We expanded these areas by including new elements, such as VR training for working at height. We also focused on developing new functionalities of the Smart Energy Controller. As a result, the device, which increases the efficiency of photovoltaic panels, will feature new reactive power management functions.

Furthermore, we are also looking for new solutions, particularly using the 5G technology and campus networks. We are working on a solution for manufacturing process visualisation ('digital twin'). We are also analysing drone-based solutions, focusing on the modernisation and enhancement of the 5G Lab drone demo. In addition, we have become actively involved in 5G Lab's activity, presenting and promoting 5G campus networks both among Orange Polska's employees and our customers.

We have put a lot of energy to promote Orange Fab start-ups outside Poland, intensifying collaboration within the Orange Group, which already benefits our start-ups. For example, three start-ups from Poland were invited to participate in the Viva Technology conference in Paris, which was an excellent opportunity for them to establish business relations. We are also continuing efforts related to the implementation of an AR/VR solution by a Polish start-up for the Orange Group.

We are constantly developing our start-up support system and searching for new solutions for co-operation within Orange Fab. We are continuing talks with Orange Ventures to increase the activity of this Fund in Poland. We are also expanding co-operation with other business support institutions. Together with our partners we are preparing for the release of EU funds under the new financial perspective.

Orange Fab's operating model is based on careful matching of start-ups with Orange Polska's business units at the very start of co-operation. Together with additional benefits offered to start-ups by Orange Fab, it contributes to highly efficient relationships and a high success rate.

Co-operation with partners

Orange Polska has worked with a number of social organisations and institutions for years. Our partnerships are based on long term and systematic co-operation. By supporting social organisations we learn how to help solving social issues in a better and more efficient manner.

Co-operation with non-governmental organisations

We support many NGOs every year. Some of them are our long-standing partners.

Responsible Business Forum – The organisation helps companies develop their social responsibility, builds business coalitions that focus on solving social issues, creates a community of socially responsible companies, and provides a forum where companies, the state administration, the academic community and nongovernmental organisations can share experience on CSR. Orange Polska is a partner of the Responsible Business Forum and the Guardian of the Diversity Charter in Poland.

Empowering Children Foundation – This Foundation has protected children against violence for over 30 years. It provides support and professional psychological and legal assistance to children and their guardians. It also teaches adults how to wisely and effectively respond to violence against children and what to do when they suspect child abuse. Orange Polska co-operates with the Foundation with respect to children's safety on the net and is the technology partner of the 116 111 helpline for children and young people.

Grow with Us Foundation – It supports children and families of heroes who died or were harmed while in service and builds respect for public services. The Grow with Us Foundation was established by 27 leading companies in Poland in recognition of the work and devotion of people who lost their lives or health while in public service. Orange Polska is one of the founding members.

ITHACA Foundation (Centre for Missing People) – The ITHACA Foundation helps with the search for missing people and offers support to their families. Orange Polska provides technical and financial support for the 116 000 missing children helpline.

Integration Foundation and Friends of Integration

Association – These non-governmental organisations have acted for people with disabilities for 28 years. The purpose of the Foundation is to create conditions facilitating the participation of people with disabilities in social life to the greatest extent possible. Orange Polska is a technology partner of the Foundation and supports the Friends of Integration Gala and the Person Without Barriers competition.

'The Visible' Foundation – This organisation has fought against digital and social exclusion since 2008. Orange Polska has co-operated with the Foundation with respect to website accessibility as well as education about accessibility standards and their dissemination in Poland.

National Institute for Silver Economy – Its mission is to gather knowledge and develop solutions in order to prepare both the economy and society for longevity, and in doing so it carries out various initiatives for senior citizens. Orange Polska works with the Institute towards the digital education of seniors.

Co-operation with government institutions

Orange Polska is a signatory to Poland's Declaration of Cooperation for the Safety of Children Online. The signatories of the Declaration include the Minister of Digitisation, the Minister of National Education, the Ombudsman for Children and representatives of state institutions, media, internet portals and telecommunication operators. This has led to the establishment of The Working Group on Child Safety and Youth on the Internet, which develops proposals and solutions to ensure safe internet access for the youngest users.

Orange Polska is also a signatory to the Pact for Accessibility Plus 2018–2025. The Pact commits its members to the objectives of the governmental Accessibility Plus programme to eliminate barriers in the lives of people with disabilities. The signatories of the document undertake to manage the idea of accessibility and equal treatment, and together strive to equalise opportunities and access for all citizens to the physical, social and cultural environment, alongside recreation, leisure, sport, health care, education, work, transport, information and means of communication.

Orange Polska has signed a declaration of the participants of the Ombudsman's Round Table to fight pathologies on the internet, including the limitations of pathological streaming and its destructive social and educational consequences. The members of the coalition are lawyers, scientists, representatives of public authorities, nongovernmental organisations, technology companies as well as Youtubers and journalists.



We know that elderly people are the group most vulnerable to digital exclusion. Research has shown that senior citizens do not use modern technologies because they see no need for it. We want to accompany their first steps in the digital world, offering the knowledge and skills necessary to navigate the web as well as the tools to facilitate it.

We have created a dedicated portal, www.orange.pl/ dlaseniora, where we have gathered our educational videos and other information about devices and services recommended for senior citizens. The website and educational videos have been viewed by 70,000 people.

In addition, senior citizens are invited to the My First Smartphone courses (offered both online and at POSs). During workshops we demonstrate how the internet can help in everyday life and how to use it safely. Nearly 2,500 senior citizens have attended our courses, learning how to access the internet on the phone, send an email, install an application or chat with relatives using a messenger app.

Key indicators of the educational programme for seniors

Workshops for seniors	2021	2022
Seniors trained online	750	2,224
Seniors trained in POSs	43	238

Safe use of new technologies

One of the most important issues for us is the safety of children and young people on the internet and preparing young people to use new media in a conscious way. These goals are pursued through educational activities of the Orange Foundation and the Group's services related to customer safety. We support education on children's online safety in schools and kindergartens all around Poland. The Orange Foundation, in co-operation with the Empowering Children Foundation, offers a range of educational tools and materials, such as e-learning and educational websites, online brochures and guides for pupils, parents and teachers. Adults (especially educators and specialists) can participate in conferences, seminars and workshops, as well as use an online interactive course for parents and guardians teaching them how to protect their children online.

The 'Protect your child's brain!' campaign, promoting screen rules for kids, was continued, and 'A Body Does Not Define You' awareness campaign was launched in 2022. The campaigns, to which the Orange Foundation was a partner, reached over 2,000,000 people.

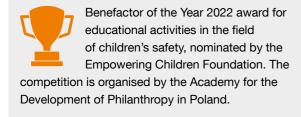




Furthermore, Orange Polska offers parental control services, such as the Safe Starter Pack or the Protect Kids on the Net application, which enhance the online safety of children by blocking improper content. All information and tips concerning the safe use of digital media by kids can be found at the dedicated website: www.orange.pl/ razemwsieci (Together on the net).

The Protect Kids on the Net service provides comprehensive online protection for children using smartphones and tablets, also on a Wi-Fi network. It can be used to filter website content, set screen-time limits for using applications or browsing websites, and verify the applications used. The Protect Kids on the Net application helps parents ensure the proper level of safety, while not completely restricting their children's freedom. In 2022, the service was used by 271,000 customers.

We also offer the Safe Starter Pack, which is based on website categorisation. All protections are installed at the network level; as a result, they cannot be removed, but do not slow down the device. The Safe Starter Pack blocks harmful content, including pornography, malware, spam, phishing sites, extreme or tasteless content, and websites paedophile in nature. In addition, it enables contact with the parent even if the child's account has been used up. The service was activated by almost 39,000 customers in 2022.



Key indicators and goals

Safe Use of New Technologies	2021	2022
Parents and guardians using the educational materials	255,868	137,760
Children involved in the educational initiatives	522,505	2,881,958
Schools participating in the initiatives	4,960	9,805

Sponsorship and donations

Sponsorship

Orange Polska has adopted a sponsorship policy. Our approach reflects the global sponsorship strategy of the Orange Group. In our strategic sponsorship area, which currently is music, we develop long-term, comprehensive, nationwide projects addressed to a large group of our existing or prospective customers. We sponsor various initiatives on a long-term rather than one-off basis. Key projects are subject to approval by the Management Board of Orange Polska. We have established the Sponsorship Committee to centralise project management of sponsorship opportunities in the Orange Polska Group.

Key sponsorship indicators

Three music festivals sponsored by Orange, namely Orange Warsaw Festival, Open'er Festival Powered by Orange and Kraków Live Festival, were held in 2022 after a year break.



Orange Warsaw Festival was recognised as the most accessible event in the Accessibility Leader vote. The competition is organised by the Culture Without Barriers

Foundation. The plebiscite aims to select event organisers from Warsaw who ensure that the largest number of people with special needs can participate in them on equal terms.



Sponsorship	2021*	2022
Music sponsorship: Orange Warsaw Festival		
Number of participants	17	50,000
Advertising value equivalent (in PLN million)	17	6.2
Number of publications	+	969
Music sponsorship: Open'er Festival Powered by Orange		
Number of participants	+	150,000
Advertising value equivalent (in PLN million)	+	2.1
Number of publications	17	8,477
Music sponsorship: Kraków Live Festival		
Number of participants	17	20,000
Advertising value equivalent (in PLN thousand)	1+	2.2
Number of publications	17	809

^{*} Events didn't take place due to pandemic





Grants

As part of its donation policy, Orange Polska has adopted formal rules for using the Donation Fund. These are specified in the relevant Decision of the Board Member in charge of Strategy and Corporate Affairs.

Orange Polska S.A. follows clear and transparent rules in making donations:

- Any donation requires analysis and recommendation;
- Any donation is subject to approval by the President of the Management Board of Orange Polska;
- Any donation is made under a written donation agreement;
- All donations are effected by transfers and registered in the accounting systems of Orange Polska;
- Each agreement includes a requirement to confirm that the donation has been used in line with its purpose.

Furthermore, Orange Polska provides, free of charge, dedicated fundraising numbers for charity SMS messaging. All the receipts are subsequently transferred to social causes, such as social campaigns and programmes, assistance to the victims of natural or man-made disasters, or initiatives saving human life and health.

For years, we have provided charity SMS messaging to a number of charity organisations, including Caritas Polska, Polsat Foundation, TVN Foundation, Great Orchestra of Christmas Charity and Work of the New Millennium Foundation. In 2022, fundraising numbers were launched for more than 15 organisations, which raised a total of over PLN 6.38 million.

Key grant indicators

Expenditure on aid to charitable institutions and social organisations in the areas of welfare, education, health, culture, sports, etc.

Grants	2021	2022
Total support granted (in PLN million)	11.6	9.9





Humanitarian aid

The war in Ukraine forced millions of people to escape across the Polish border. Access to information and an opportunity to stay in touch with their relatives became an important need for them. Therefore, from Orange Polska's perspective, ensuring network connectivity and distributing SIM cards with free service at the Polish-Ukrainian border were among the crucial humanitarian initiatives.

We immediately launched a dedicated offer of free calls to Ukraine and preferential roaming services. In order to ensure high connectivity and efficient broadband access, it became necessary to enhance and retrofit the mobile network. Therefore, as part of network sharing co-operation with T-Mobile, we installed six mobile base stations in border areas, increased capacity with additional equipment in other locations (a total of 16 base stations) and launched two new base stations. This enabled us to improve the availability of our services, first at border crossings and in reception centres, followed by railway stations and other information points - which required free Wi-Fi access. Finally, we upgraded service availability in facilities receiving refugees and providing them with initial assistance and accommodation. Responding to their needs, Orange Polska launched 25 hot spots in such locations.

Since the first days of the war, Orange Polska employees have been present at the border to distribute free SIM cards. We have also deployed volunteer teams to register

these cards. So far, we have distributed over 1 million free cards in reception points, at border crossings, on railway stations and in physical points of sale.

Access to information and high connectivity became crucial also for numerous non-governmental organisations and support centres established by local authorities. Handsets, SIM cards, routers, exchanges and infolines were in great demand, as they were needed to ensure efficient management of collections, transports, volunteers or accommodation arrangements. As the first step, we established co-operation with the Polish Humanitarian Action, providing support through technology, equipment and services for newly organised crisis management centres. We also collaborated with the Ukrainian House in launching a crisis management centre there. More than 50 entities (foundations, associations, crisis organisations, local authorities and more) have received a total of more than 8,000 SIM cards providing access to free services, over 1,000 handsets and 30 mobile routers. With our services we have helped to establish legal, social and psychological support centres.

Orange Polska employees also got involved in supporting Ukraine. We organised collections in our 14 biggest offices and sent 50 trucks (about 100 tonnes) of aid to Ukraine. This included clothing, food, cleaning agents, first-aid kits, power banks, shortwave radios, headlamps, drones, gas cookers, handsets with Cyrillic keyboards, power generators, etc. We have also sent aid for medical

personnel. With funds raised by our employees we have purchased 300 power banks and 6 power generators for life-saving medical equipment.

Furthermore, we made available our training centre in Serock, where we hosted over 700 Ukrainian citizens between February and October 2022. Together with local authorities we provided them with accommodation, food and psychological, educational and medical assistance. In our former office building in Żórawina we hosted 65 Ukrainian refugees between March and December 2022. Since October 2022, together with the Lena Grochowska Foundation, we have hosted over 80 refugees in our former office building in Łódź.

The Orange Foundation has supported the launch of an online school for Ukrainian children. It also carried out

an educational campaign about misinformation to raise awareness of the problem.

The global Orange Group Foundation has financially supported three aid projects:

- 116 111 helpline for children in the Ukrainian language: offering support by experts from the Empowering Children Foundation to children after war trauma. The helpline, supported by the Orange Foundation and using our services, has answered almost 2,000 calls to date;
- NGO volunteering programme: 12 major grants for projects covering 10,700 beneficiaries (direct and indirect) and 40 micro-grants totalling 3,211 participants;
- Ukrainian House run by the Our Choice Foundation: Polish lessons, attended by 590 people.







Key social commitments and their delivery

Key social commitments defined in the Orange Foundation strategy for 2021–2023 are as follows:

Commitments in the social area	Delivery in 2022	Annual Goal
Safe use of new technologies		
Parents and guardians using educational materials	137,760*	700,000
Children involved in educational initiatives	2,881,958*	500,000
Schools participating in educational initiatives	9,805	4,500
Educational programmes for schools (MegaMission, #SuperCoders)		
Children trained in the programmes	6,508	5,500
Teachers trained in the programmes	470	430
Schools participating in the programmes	330	290
Orange Studios		
Active Studios maintained (out of 100 established)	76	80
Population with access to the Studios	684,000	720,000

^{*} Considering social needs in the post-pandemic situation, our educational initiatives related to the online safety of children focused directly on minors rather than their adult guardians. A loss of interest in educational materials among adults could be seen during 2022, attributable to fatigue and mental burden caused by the current developments.

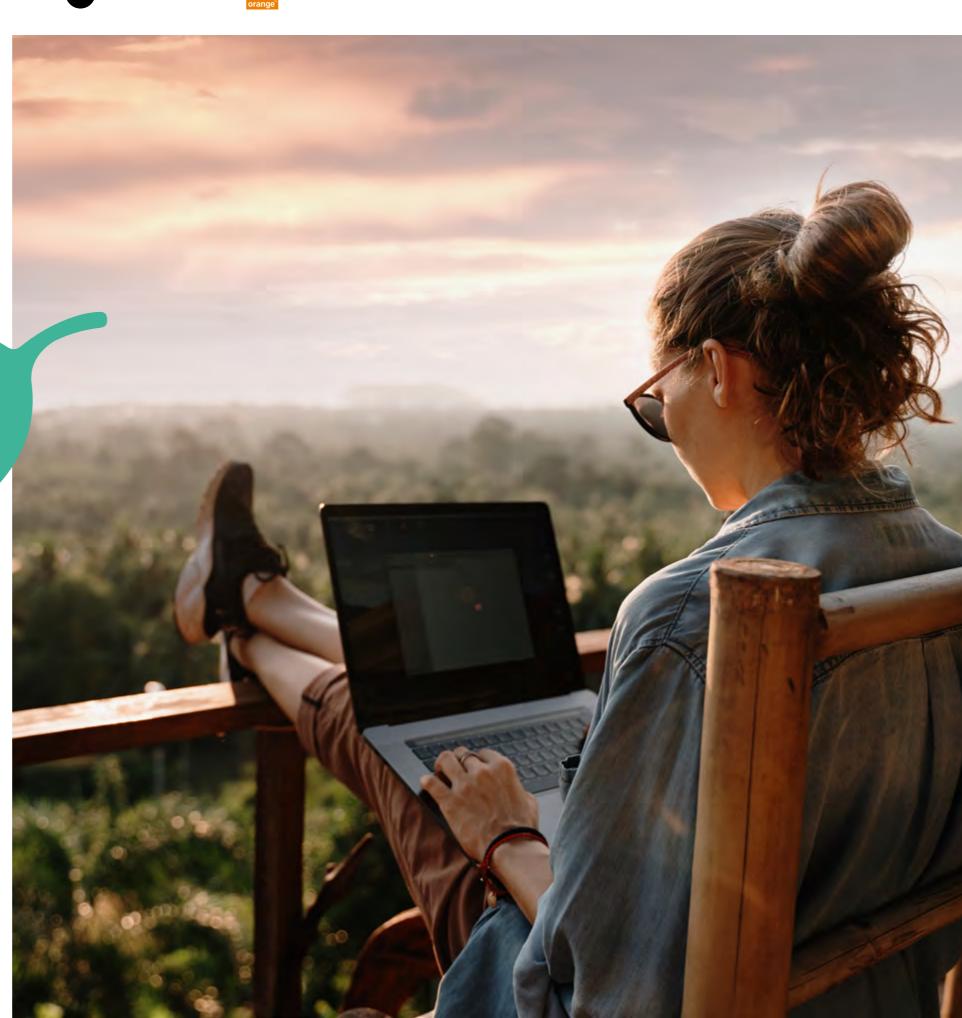




Net Zero by 2040

Climate and environment

In Orange, we believe that technological progress must be available to everyone, but it should not occur at the expense of the natural environment. We take responsibility for our impact on the climate.



Q&A with Jacek Hutyra

Chief Climate Officer



Q: Orange Polska has declared that it will achieve its 2025 climate goals ahead of the plan – what has made it possible?

The main source of our own emissions is electricity, especially that used to power our networks. And it is our determined efforts in this area that have enabled us to accelerate the reduction of our emissions.

First, our network teams have intensified energy optimisation. In fact, the constant increase in energy efficiency was the primary driver in reducing our climate impact until 2020. Overall, Orange Polska has cut its total energy consumption by about 18% since 2015, despite an approximately four-fold increase in the volume of data traffic on our networks in the same period. Although this will remain a very important area of our efforts, electricity consumption cannot continue to be reduced indefinitely: exponential growth in data transmission will outweigh efficiency gains in the coming years.

Therefore, the other key pillar of our efforts, that is energy mix transformation, becomes all the more important. In 2021, upon coming into force of the first long-term agreement for power purchase from new wind sources, renewable energy became a driving force behind our CO₂ emission reductions. Owing to our efforts, particularly of the Purchase Department, and an innovative approach to search for new renewable energy projects, we have already secured four PPA agreements and thus ensured that we will achieve the target share of renewable energy in our energy mix, initially set for 2025, already in 2023; this will also result in major reductions in CO₂ emissions: we will exceed a 65% reduction versus base year of 2015 three years ahead of the plan.

What has helped in reorganising and accelerating our efforts is the fact that all managers covered by a semi-annual bonus objective scheme have been accountable for a mandatory solidarity goal of emission reduction since the beginning of 2022. Similar goals have been also included in the long-term incentive programme for the key executives.

Most importantly, Orange Polska's climate actions are closely linked to its business activity - they are not an add-on or decoration. This is why they can have a long-term character and produce marked improvements. Energy is the crucial resource in the digital sector; it is both a major cost item and the largest source of emissions. Hence, our focus

Q: What else with be a priority in Orange Polska's climate actions in the coming years?

Naturally, we do not rest on our laurels or abandon our work on Scopes 1 and 2. There is still much to be done and we will use every opportunity to further improve our performance. However, as we have advanced in reducing our own emissions, we can now focus on another important, though not easy topic, that is value chain (Scope 3) emissions, especially by our suppliers and customers. This year, we have published estimates of total Scope 3 emissions for the first time. These emissions consist of two components, comparable in size.

The first component is emissions related to the generation of energy traded by Orange Energia. Although considerable in volume, they are not related to our core business activity. Hence, they are presented and approached separately. Nevertheless, they are also covered by our overarching objective of achieving net zero carbon for all emissions.

The second component is particularly important to us, as it is related to the very heart or our activity. These are emissions by our suppliers, customers and employees in connection with the Orange Polska's activity in the digital sector. We have identified three priorities on which we want to focus in order to achieve the Orange Group's Scope 3 emissions objective: an at least 14% reduction by 2025 versus 2018. These crucial issues include: energy consumption by customers for powering the devices required to use our services (especially fixed-line equipment: modems and set-top boxes), network infrastructure investments, and emissions related to the production of equipment sold or provided to our customers. Of course, we are not starting from scratch: it is worth mentioning in this context the excellent results of the refurbishment of customer premises equipment, which has been carried out by our Supply Chain function for years.



Furthermore, in April 2022 we launched the umbrella RE programme to reorganise and accelerate our efforts to extend the life cycle of mobile phones, reducing the emissions related to their production and use. The key elements of this programme include buy-back or recycling of handsets (depending on whether they are still working or not), equipment repairs and expansion of our refurbished phone offer.

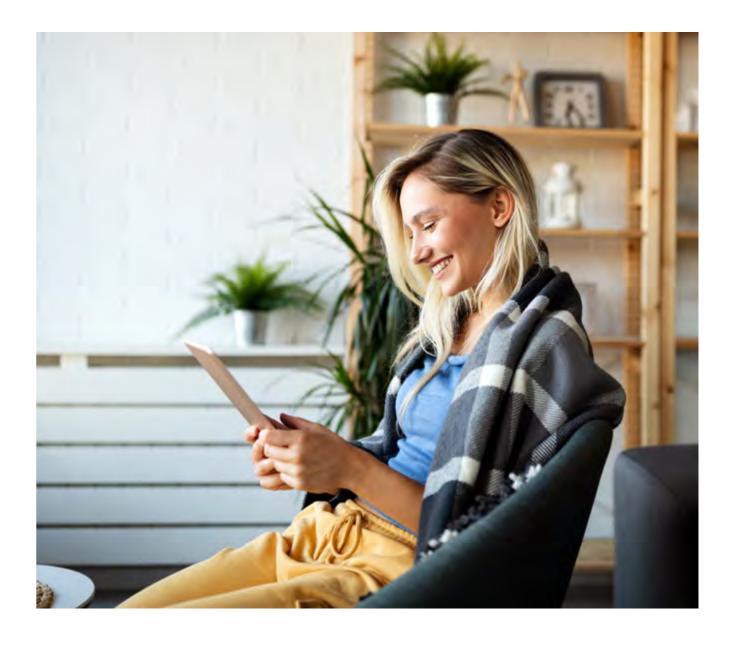
Finally, 2025 is obviously not the end of the road for us - it's net zero 2040 that is our overarching objective We're preparing our action plan for 2030, as Orange Group has recently announced its science-based mid-term goal for that perspective: at least -45% reduction of all emissions (scopes 1+2+3) in comparison to 2020.

Q: What are the biggest challenges to be faced by the Company in the near future?

The main systematic challenge faced by all energy-intensive sectors, the digital one among them, is the availability

of new renewable energy sources in Poland. What we all need is determined support for investments in new large solar facilities and onshore or offshore wind farms, as well as rapid improvement in the nationwide power grid.

Yet another very important issue is customers' education and commitment, on which we have already been working. Our responsibility as a telecom operator is to both address our own emissions and implement solutions to enable a reduction of emissions by customers who use our services. This is why we are working with our suppliers to increase the energy efficiency of our devices and implementing new energy-saving modes. Yet the final step is to be made by customers, who need to select such a mode and accept that the device start-up time will be a dozen or so seconds longer in return for considerable energy savings. The situation is similar with collecting used devices or selling refurbished phones: it is up to us to develop the relevant processes and offers, yet at the end it is customers who need to come and leave their phone in one of our outlets or decide to buy a refurbished device.







Orange Goes Green – three priority blocks on our way to 2025

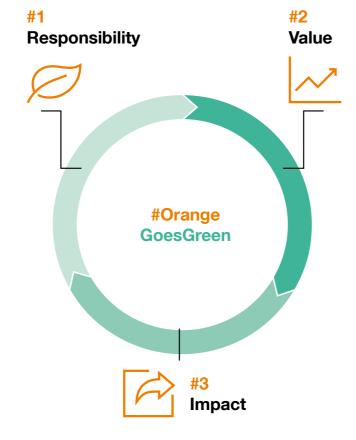
#1 Responsibility to reduce our ${\rm CO_2}$ emissions and the resources we consume

Our negative impact on the environment is primarily through greenhouse gas emissions – in particular from the energy used by us or by our suppliers and customers in connection with our operations. Achieving net zero carbon by 2040 for all emissions is our overarching climate and environmental goal.

In the first period, by 2025, we are focusing on reducing our own CO_2 emissions (Scopes 1 and 2 – direct and indirect own emissions). Our objective is to lower them by at least 65% compared to 2015.

This goal will be achieved with the following actions:

- Increasing the share of renewable energy in our energy mix to at least 60% by 2025, based on long-term procurement agreements directly with renewable energy producers (PPAs);
- Further improvement of the energy efficiency of our networks;
- Deployment of new, more energy-efficient technologies such as fibre and 5G;





- Continued optimisation of our real estate portfolio (including consolidating our staff in modern, more comfortable and more efficient office locations), and improving the energy and resource efficiency of the buildings we use;
- Further optimisation and electrification of our vehicle fleet.

Our entire value chain emissions are covered by our goal of net zero carbon by 2040, i.e. it includes emissions generated by suppliers, customers or employees in relation with Orange Polska's activities (which fall under Scope 3). We have estimated and announced Scope 3 emissions, and set a 2025 target in line with the science-based Orange Group's goal of at least a 14% reduction by 2025 in comparison to 2018. Accelerating actions on circular economy and eco-design, as well as ever-stronger co-operation with our suppliers and education of our customers will be important elements of our work.

While secondary to our key goal of achieving net zero emissions, optimising other resources consumed by Orange Polska (e.g. paper, plastic) is included in this priority and reflected in a variety of actions. These include simplification and digitisation of processes or revision and improvement of customer service practices (e.g. invoicing, delivery) combined with promoting options that are better for the environment and climate.

#2 Value for our customers and all stakeholders

The digital sector can and should be a part of solving the climate emergency. This does not exonerate us from our responsibility to reduce our emissions across the entire value chain (covered by priority #1 above), but should constitute an important part of our strategy. This is why we are undertaking the following actions:

 Developing and selling commercial services supporting our B2C and B2B customers' green challenges (and in particular solutions allowing them to reduce emissions or resource consumption);

- Dedicated green offers and communication to customers regarding the climate footprint of services and the possibility of reducing or neutralising that footprint;
- Introducing and reinforcing end-to-end management of green concerns in the experience of Orange Polska customers:
- Actions on circular economy (additionally supporting our ambition on Scope 3 emissions, as discussed in priority #1 above):
- Extending the life cycle of mobile phones, in particular through repair, collection (through buyback or recycling), and having refurbished devices on offer - managed under the umbrella of the RE programme launched in April 2022,
- Refurbishing CPEs (customer premises equipment: modems, TV set-top boxes, etc.),
- Using refurbished equipment on Orange Polska's network.

#3 Impact on the green and digital transformation of the Polish economy

As a large, responsible and reputable company on the Polish market, with millions of customers and thousands of employees and partners, we want to be an active part of the necessary transformation of the Polish economy, leveraging a variety of internal and external actions:

- Internal communication and education to inform and engage our employees;
- Communication, co-operation, education and engagement of our external stakeholders, and in particular customers and suppliers;
- Building Orange Polska's position as one of Poland's 'green leaders';
- Market and regulatory relations supporting positive change for climate and environment;
- Comprehensive, reliable and consistent financial and non-financial reporting, reflecting the best market practices:
- Consistently including climate and environmental angles in our decision-making and governance.





Case Study

Climate neutrality in practice

The global objective of the Orange Group is to become climate neutral (achieve net zero carbon) by 2040 with respect to all emissions (both its own and across the value chain). This commitment has been validated by the Science-Based Targets Initiative (SBTI) to be aligned with the objectives of the Paris Agreement (to limit global warming by the end of the 21st century to 1.5 degrees Celsius above pre-industrial levels). Orange Polska has adopted and consistently pursued the same goal.

Our goals

Our climate objective covers all emissions, both own (direct and indirect) and across the value chain (emissions by suppliers, customers and employees related to Orange Polska's activities). These are referred to as Scope 1, 2 and 3 emissions according to the GHG Protocol methodology.

Key sources of OPL emissions in particular scopes

Scope 1

Own direct emissions

- Fuel for vehicles
- Heating
- Leaks from cooling systems

Scope 2

Own indirect emissions

 Electricity Leaks from cooling systems

Scope 3

Indirect value chain emissions

- Suppliers (especially manufacture of infrastructure and customer premises equipment)
- Customers (especially energy consumption for equipment power supply)
- Orange Energia's emissions (determined/reported separately as a different sector of activity, but covered by the objective of net zero carbon by 2040)

#OrangeGoesGreen

What we do to achieve our climate goals

The Orange Group's target to be net zero carbon by 2040 will be achieved mainly through an actual reduction in emissions rather than offsetting or neutralisation (e.g. purchase of carbon credits or implementation of forestry projects). In line with Orange's policy, the great majority or about 90% of its target should be achieved by a reduction in emissions, while only 10% through the participation in sound and verified carbon sequestration projects.

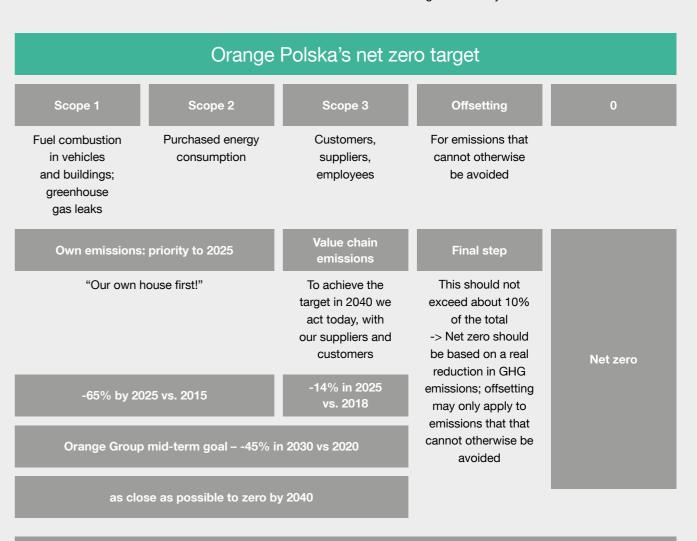
In the first stage, that is to 2025, Orange Polska focuses on the reduction of its own emissions (Scopes 1 and 2), which are under the Company's full control. Until 2020, the key element was energy optimisation, particularly in Orange networks, that is an improvement in the energy efficiency of the Company's activities. Since 2021, the transformation of the Company's energy mix through long-term power purchase agreements (PPAs) from new renewable sources has become the primary driver in reducing our emissions. Simultaneously, Orange Polska has continued to optimise the consumption of energy in all forms (electricity, fuels) both on its networks and in its properties (offices, sales outlets) or vehicles.

Current progress in the pursuit of Orange Polska's climate commitments

At the end of 2022, Orange Polska's own emissions were already by 38% lower than in 2015 (which is the base year for emissions in the Orange Group), and the reduction rate accelerated (the reduction stood at 20% at the end of 2020 and 27% at the end of 2021). Orange Polska's energy consumption has decreased by about 18% since 2015, despite a four-fold increase in the volume of data traffic on our networks over the same period. Simultaneously, the share of renewable energy sources in our energy mix grew from 0% to 12% between 2020 and 2022. And in 2023, it will greatly exceed the target share of at least 60%, initially intended to be achieved in 2025.

Further steps towards net zero carbon emissions

The confirmation that we have achieved the 2025 climate goals (at least 60% share of renewable energy sources in our energy mix and at least 60% reduction in our own emissions vs. 2015) ahead of the plan enables us to focus on emissions across the value chain (Scope 3 emissions). For the first time Orange Polska has published the complete estimates thereof and set the related priorities. These emissions are covered by the Orange Group's reduction target of 14% by 2025 versus 2018.





Disclosure of Climate-related Information in Accordance with the Recommendations of the Task **Force on Climate-related Financial Disclosures (TCFD)**

There is growing awareness of climate change among our customers, investors and other stakeholders, accompanied by increasing regulatory pressure related to climate neutrality goals adopted by the EU and its member states. Simultaneously, the roll-out of network infrastructure and the growing volume of data traffic are contributing to increased consumption of electricity in the telecommunications sector. As in Poland electricity is produced mainly from fossil fuels, this generates greenhouse gas emissions.

Should the initiatives to reduce our negative impact on the climate be unsuccessful, Orange Polska, as a socially responsible company, would be exposed to reputational losses. Furthermore, Orange Polska's failure to achieve the intended share of energy from renewable sources could result in higher than expected electricity costs and, consequently, have a negative impact on its financial performance.

Scope 1 and 2 Greenhouse Gas Emissions (Own **Emissions**)

Energy consumption, especially for network operation, is the main source of own emissions by telecommunications operators (Scopes 1 and 2 of the GHG Protocol - direct and indirect own emissions). Therefore, the initiatives regarding both the volume optimisation and the structure of origin of energy are of key importance for Orange Polska.

In order to improve its energy efficiency and reduce its negative impact on the climate, Orange Polska has carried out a number of initiatives that focus mainly on optimising energy consumption and increasing the share of energy from renewable sources in its energy mix.

Since 2014, Orange Polska has carried out comprehensive activities to reduce its energy consumption within the Energy Optimisation Programme. More than 230 initiatives have been implemented in various network areas so far, generating total energy savings of over 1.1 TWh between 2015 and 2022.



All initiatives carried out in the Programme have been divided into four areas:

- 1. FIX legacy decommissioning encompasses initiatives related to legacy fixed line technologies, that is PSTN or ATM. As part of these initiatives, customers are switched to newer and more energy-efficient technologies. In addition, older devices are optimised by increasing the 'density' of customer accesses on cards and disabling redundant
- 2. RAN network efficiency improvement involves a series of measures to reduce energy consumption in the mobile radio access network, while maintaining the best quality of services provided to customers. During the periods of low subscriber activity, e.g. at night, less radio resources are required to handle calls and data transfer, so some of them are temporarily switched off, thus

- reducing energy consumption.
- 3. Modernisation of the technical environment is to ensure the optimal conditions for the operation of telecommunications equipment through modern air conditioning systems, power supply solutions, heating systems, etc. The key initiatives include replacing of A/C systems with more effective ones and retrofitting of technical compartments with ventilation-based cooling systems (free cooling).
- 4. Big data energy. The available energy data are collected, processed and analysed using the Business Intelligence tool. As a result, it is possible to detect anomalies and optimise energy costs and consumption. An example is the cyclic selection of energy tariffs for each facility on Orange Polska's network on an individual basis.

Networks account for a great majority (over 90%) of energy consumption by Orange Polska, but we implement optimisation initiatives also in other areas of operations. In 2022, the Company continued to optimise its real estate portfolio, particularly by consolidation of teams and moving them to new, more energy-efficient locations. We also took measures to save energy used for real estate heating and cooling and to reduce energy consumption in sales outlets. Furthermore, we accelerated the electrification of our car fleet, while continuing its optimisation.

The Company continued to increase the share of energy from renewable sources in its energy mix by contracting renewable energy directly from its producers based on long-term Power Purchase Agreements (PPAs). The first such agreement was concluded in 2020, when the share of renewable energy in Orange Polska's energy mix was null. In 2021, upon launch of two wind farms constructed for Orange Polska, we achieved a 6% share of renewable energy on an annual basis. Further agreements increased the share of renewable energy to 12% in 2022. As a result, in subsequent years Orange Polska will achieve the climate goals set for 2025 (at least 60% share of energy from renewable sources in its energy mix) ahead of the plan.

Owing to the aforementioned energy saving initiatives, despite growing volume of data traffic on its networks, Orange Polska has achieved a 37% reduction (189,4 '000 tons) in its own emissions in 2022 versus 2015 (which is the base year for emissions in the Orange Group). Our emission reduction target is 65% by 2025 (versus 2015). It was

adopted by the Management Board of Orange Polska and announced in April 2021, together with the confirmation of our overarching climate commitment to achieve climate neutrality (Net Zero Carbon) by 2040 in terms of both our own emissions and our entire value chain (i.e. Scopes 1, 2 and 3 of the GHG Protocol). Orange Polska's climate goals are perfectly aligned with global, science-based Orange Group's objectives, that fall in line with Paris Agreement's target of limiting global warming by the end of the 21st century to below 1.5 degrees Centigrade.

Scope 3 Greenhouse Gas Emissions (Value Chain **Emissions**)

For the first time, Orange Polska has published estimates of total Scope 3 GHG emissions, that is emissions by suppliers, customers and employees in connection with the Company's activity. So far, in line with the Orange Group's global approach, only a fraction of the Scope 3 emissions related to business trips have been reported.

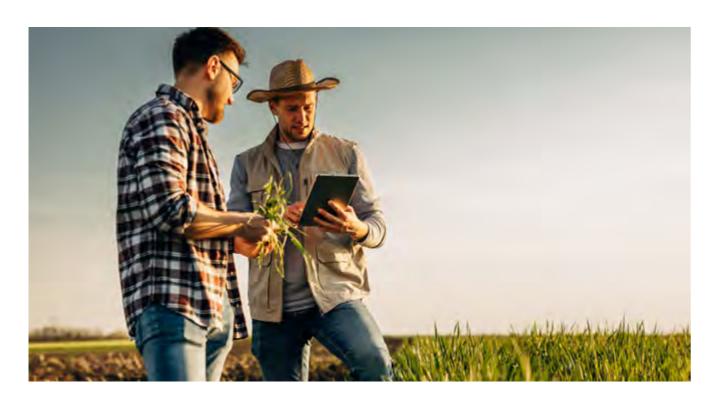
Scope 3 emissions, like those of Scope 1 and 2, have been estimated in line with the GHG Protocol guidelines. This process is co-ordinated by the Orange Group's headquarters in Paris based on local data from individual countries in order to ensure methodological consistency. Due to the complex methodology (particularly the need to gather data for a broad catalogue of entities in the value chain), Scope 3 emissions are currently determined with a year's delay. Consequently, this report presents the latest available data, which are for 2021. The methodology for determining Scope 3 emissions is under constant improvement by the Orange Group, particularly in terms of the maximisation of physical data input instead of financial estimates. The global, science-based Orange Group's objective is a 14% reduction in emissions by 2025 versus 2018 (assumed as the base year due to no reliable data for earlier periods).

Orange Polska's Scope 3 emissions (excluding Orange Energia, which is presented separately) totalled 619 thousand tonnes of CO₂e. The biggest sources of emissions included: purchased goods and services (particularly equipment provided to customers to enable them to use digital services), capital goods (particularly infrastructural investments) and use of Orange Polska's products and services by customers (particularly related energy consumption). Versus the base year 2018, when Scope 3 emissions totalled 687 thousand tonnes of CO₂e, we achieved a reduction of nearly 10% in 2021.

The Company has already acted to reduce these emissions in the priority areas, including circular economy, particularly by collecting and buying back used handsets and offering refurbished devices or repair services to customers. These elements are covered by the RE programme launched in April 2022, which aims to promote and accelerate circular economy solutions in order to reduce Scope 3 emissions. In addition, every year Orange Polska retrieves from customers, refurbishes and relaunches about 500,000 pieces of customer premises equipment (CPE; modems, set-top-boxes). The Company also implements energyefficient options in network equipment, promoting them among customers. Furthermore, Orange Polska participates in the international initiatives of the Orange Group regarding circular economy with respect to network infrastructure.

Emissions related to the activity of Orange Energia, a subsidiary involved mainly in electricity trading in Poland (in addition to offering photovoltaic systems and some other services), constitute a separate category of our Scope 3 emissions. According to the GHG Protocol, energy trading is part of Scope 3. However, in consultation with the Orange Group, Orange Energia's emissions are presented separately, as they are not related to the telecommunications and digital industry, which is the core area of activities for both Orange Polska and the Orange Group as a whole. Moreover, due to the very high dependence of the Polish power generation sector on fossil fuels (mainly coal), energy traded in the Polish market has a high carbon footprint, which translates into high emissions of Orange Energia. Consequently, adding these emissions to the emissions of Orange Polska from its core activities would obscure the presentation of data and hinder their analysis.

Orange Energia's emissions are also covered by Orange Polska's strategic climate objective of achieving Net Zero Carbon by 2040 for all emissions (Scopes 1, 2 and 3). In 2021, Orange Energia's emissions totalled 619 thousand tonnes of CO₂e. The increase versus 2018, when they stood at 107 thousand tonnes of CO₂e, is attributable to the development of this company (and multi-fold growth in the energy trading volume). It was partially offset by a decrease in the average emission coefficient for the traded energy as well as other measures taken by Orange Energia to reduce the carbon footprint of the energy it buys and resells. In particular, it buys guarantees of origin from renewable sources for a growing share of energy. At present, all energy resold to individual customers is zero-carbon, and the company is taking steps to extend its renewable energy offer to business customers.





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Organisation's Governance Around Climate-related Risks and **Opportunities**

In order to facilitate our climate impact management, in 2020 we created the position of Climate Officer, who is responsible for the co-ordination of Orange Polska's pursuit of environmental goals. His role is to develop our climate policy and monitor its implementation in close co-operation with the entire organisation. The Climate Officer reports directly to the Management Board Member in charge of Strategy and Corporate Affairs.

Environmental objectives have been incorporated into Orange Polska's business strategy, .Grow, and their implementation is reported to the Management Board on a quarterly basis. Orange Polska has launched a special programme, #OrangeGoesGreen, which is led by the Climate Officer and supervised by the President of the Management Board and the Management Board Member in charge of Strategy and Corporate Affairs.

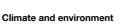
A dedicated team composed of representatives of different functions has been established. It currently manages 13 projects. Their implementation is a responsibility of the Directors in charge of Technology and Network

Purchases, Work Environment, Supply Chain Management, IT and Network Resource Management, Purchases, Terminal Development and Management, IT and Network Operational Resource Management, Business Marketing, Customer Experience Centre and Orange Energia. The team meets every two months and the pursuit of objectives is reported to the Management Board.

The Management Board has approved Orange Polska's environmental goals in a formal resolution and reviews the progress in their implementation at least twice a year.

The reduction of Scope 1 and 2 GHG emissions is included as an objective in the MBO evaluation scheme for the key managers responsible for this issue, particularly the relevant Management Board Members (President of the Management Board, Management Board Member in charge of Network and Technology and the Management Board Member in charge of Strategy and Corporate Affairs) and the persons reporting directly to them. It is also an element of the long-term incentive programme for all senior executives of the Company.

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Climate Risk Management

Orange Polska maintains a risk management framework to identify, assess and manage risks. This framework has been based on the ISO 31000:2018 standard. Eventbased risks are subject to assessment according to their likelihood and impact in terms of financial, reputational, business continuity and human loss. If risk consequences are, for example, both financial and reputational, the risk is assessed according to the most negative consequence.

The identified similar risks are grouped into clusters. The risk assessment process is managed by domain co-ordinators. The division of risks into the domains of operating risks, loss of information, business continuity, compliance, fraud and social risks ensures a uniform and objective approach to the assessment of risks of similar consequences (cause and effect analysis). Climate risks have been included in the social risk domain and constitute a separate cluster. The risk assessment and management, including identification of new and emerging factors, monitoring of risks and the effectiveness of controls, as well as reporting are a responsibility of the persons managing the relevant area and business functions, while the process is co-ordinated by the social risk domain owner.

The risks and the mitigation measures assigned to them constitute an input for the development of the Annual Internal Audit Plan. Indicative heat maps are used to report and evaluate risks. The results of assessment of top risks, including one climate risk, are reported to the Supervisory Board annually.

Reference to the Key Risks Related to the Company's **Environmental Impact**

Risk of loss of reputation due to negative climate impact

Unsuccessful implementation of Orange Polska's climate strategy may have an adverse impact on the Company's reputation and result in an increase in operating costs and loss of some investors and customers, as it could reduce investor interest in the Company and in the long run it could be reflected in lower customer satisfaction and loyalty. Therefore, it is necessary to reduce the environmental impact of the Company's activity, as well as the products and services it provides.

While 5G is more energy efficient than older technologies, continuously increasing data traffic volume will increase the overall electricity consumption and could, therefore, mean higher CO₂ emissions (as electricity use is the principal emission driver in the telecommunications industry). Increasing the share of renewable energy used by Orange Polska through long-term Power Purchase Agreements is crucial to reducing its emissions despite this growth.

As described in detail above, Orange Polska's objective is to achieve Net Zero Carbon for all emissions by 2040 and a significant GHG emission reduction by 2025, particularly in terms of own emissions. This objective can be achieved by purchase of green energy through long-term Power Purchase Agreements directly with producers and optimisation of the energy use, including but not limited to technology evolution and further deployment of more energyefficient solutions. These actions are supported by an open dialogue with stakeholders on Orange Polska's commitment to climate and the positive impact of the telecommunications industry on reducing emissions in other sectors.

It is a short-term risk.





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Analysis and determination of the level and nature of the importance of climate change

In 2021, the Company carried out a process aimed at the identification of risks and opportunities as well as determinants and components of developing action scenarios related to those risks (and opportunities) in the matrix layout with reference to local climate scenarios for Poland (positive, neutral, negative and very negative; scenario-based approach) as well as short, medium and

long term horizon (by 2025, 2050 and 2100, respectively; timeframe-based approach). A team composed of the representatives of the Company's management and various functions which were considered crucial in terms of the current or potential environmental impact was involved in the entire process. In 2022, a brief version of the process was completed (as there were no major changes in the input parameters) in order to confirm the earlier findings and conclusions.

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The process was divided into the following stages:

Stage 1.

Assessment of Orange Polska's exposure to climate change (in terms of the financial significance of such exposure) for different climate scenarios.

• Importance of negative climate factors to Orange Polska for different climate scenarios

Objective:

To identify the most important negative climate factors and opportunities which affect, depending on the climate scenario, the vulnerability and adaptive capacity in particular areas and value chains.

Outcome:

List of the most important negative climate factors and opportunities for Poland and Orange Polska throughout the value chain for different climate scenarios.

Importance of negative socio-economic factors to Poland (with respect to Orange Polska) for different climate scenarios

Objective:

To describe the most important negative socioeconomic factors and opportunities for Poland and the telecommunications industry.

Outcome:

climate change.

List of the most important socio-economic challenges and opportunities affecting the vulnerability to climate change in Poland and the telecommunications industry. Identification of the required information or detailed analyses of specific negative socio-economic factors or opportunities related to climate change in order to determine the overall vulnerability to

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Assessment of Orange Polska's sensitivity to climate change (in terms of the analysis of climate-related risks) for different climate scenarios.

 Analysis of Orange Polska's sensitivity to negative climate factors in the context of socio-economic changes for different climate scenarios

Objective:

To identify the most sensitive actions in the areas or sectors to be hit the most by negative climate and socio-economic factors.

Outcome:

List of the most sensitive actions or impacts of negative climate and socio-economic factors on the deterioration or relief of Orange Polska's objectives and actions.

Identification of the potential gaps in Orange Polska's knowledge on the impact of climate and socio-economic change on specific actions.

Stage 3.

Identification and classification of Orange Polska's adaptive capacity to climate change (in terms of the analysis of climate-related risks) for different climate scenarios.

 Analysis of Orange Polska's adaptive capacity to climate change in the context of climaterelated risks and opportunities for different climate scenarios

Objective:

To identify and classify the internal and external factors of adaptive capacity in order to select the most important factors for the assessment of the vulnerability to climate change in Poland and the telecommunications industry.

Outcome:

List of factors with the biggest impact on the adaptive capacity in the local area or the particular sector of the economy.



Stage 4.

Development of Orange Polska's action plan for adaptation to climate change (in terms of the analysis of climate-related risks) for different climate scenarios.

• Development of the Company's integrated vulnerability assessment and action plan

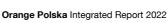
Objective:

To identify the inhibiting or supporting factors of processes.

Outcome:

List of hierarchical adaptation and capitalisation measures, potential conflicts, facilitating factors and common benefits as well as hampering barriers regarding the implementation of particular measures.

Action plan with hierarchical measures, including specific steps.



Methodology

The methodology regarding risk identification, valuation and mitigation measures for Orange Polska has been based on the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD), reports of the Intergovernmental Panel on Climate Change (IPCC) and taxonomy regulations of environmentally sustainable investments, related to the Regulation (EU) 2020/852 of the European Parliament and of the Council.

Risks were valued for four scenarios of temperature increase above pre-industrial levels (19th century), including two extreme scenarios presented at the Climate Summit in Paris in 2015, as well as for three periods: 2022–2025 (corresponding to Orange Polska's strategy), 2025–2050 (corresponding to the EU's target of climate neutrality by 2050) and 2050–2100 (corresponding to the projection at the Climate Summit in Paris).

Prof. Paweł Bogacz of the University of Science and Technology in Cracow has assisted in the application of the aforementioned methodology.

The analysis involved the development of four scenarios for Orange Polska:

- RCP2.6 positive scenario climate warming by 2100 of below 1.5°C above pre-industrial levels;
- RCP4.5 neutral scenario climate warming by 2100 of between 1.5 and 2°C above pre-industrial levels;
- RCP6 negative scenario climate warming by 2100 of between 2 and 3°C above pre-industrial levels;
- 4. RCP8.5 very negative scenario climate warming by 2100 of above 3°C above pre-industrial levels.

Based on the above, the following time horizons for risks have been adopted:

- Short term (by 2025);
- Medium term (by 2050);
- Long term (by 2100).

Environmental and climate-related risks, like other social risks, are subject to a standard review of risks on an annual basis. They are reported to the Management Board and Supervisory Board. As indicated above, top risks are subject to an additional oversight procedure, and may constitute an input for the development of the Annual Internal Audit Plan and the assessment by the Audit Committee. The risk of loss or reputation due to negative climate impact has been included in the top risk category. Risks related to the climate impact on Orange Polska have been linked to selected top risks as long-term materialisation factors.



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Reference to the Key Risks Related to the Climate Impact on the Company

The Orange Polska Group has analysed the impact of climate change on its financial statements and concluded that it did not affect the balance-sheet value of its assets and liabilities as at December 31, 2022. Short-term risks are related mainly to Orange Polska's negative environmental impact, while risks related to the climate impact on Orange Polska are considered mainly in the medium and long term horizon.

Climate change, that is natural disasters as well as other related emergencies, may lead to a significant reduction in the value of the Company's assets by their destruction or damage, resulting in both service interruptions and high costs of repairs. Extreme weather events related to the present climate change (floods, storms, heat waves) are increasing in frequency and severity, exacerbating catastrophes and increasing their costs. In the short-term perspective, rising sea levels due to melting of glaciers and ice sheets may more often affect onshore locations and facilities. While insurance coverage of claims may continue to be reduced, the damage caused by large-scale disasters might result in significant costs, a proportion of which may still burden the Company, thus affecting its financial standing and growth prospects.

Orange Polska's experts have identified the risks related to climate change that might significantly affect the Company. These risks have been assessed in terms of value and likelihood. Risk valuation has been based on discounted future cash flows for a period until 2100. Out of over a dozen potential risks identified in the process, four risks have been considered material due to the highest likelihood and the highest potential impact on the Company. They are described in the table below, together with individual climate factors and their effects.



Climate factor based on long-term prognoses for different temperature increase scenarios (by 2–4°C)	Risk (described below)	Risk resulting from the climate factor	Risk value = future cash flows resulting from:
Heat waves, torrential rainfall and storms, river floods	a)	Equipment damage caused by high temperatures, heat waves, floods or other extreme weather conditions	Costs of repairs of damaged property
Rising sea levels	a)	Equipment damage caused by rising sea levels	Costs of restoration and relocation of property
Temperature increase	b)	Increased demand for energy	Costs of additional energy consumption
Heat waves	b)	Blackout	Lost revenues and costs of fines and damages resulting from blackout
No specific climate factor	c)	Equipment shortages and delayed deliveries	Lost sales margins resulting from shortages and delayed deliveries
No specific climate factor	d)	Additional costs, charges and taxes resulting from legislation changes, fines, migration, skilled labour shortages or diseases	No valuation

a) Acute and chronic physical risks

Infrastructure damage or malfunctioning due to climate change

Climate change may result in infrastructure damage of malfunctioning, leading to failures. The key risks include increased temperatures (more frequent prolonged heat waves or higher daily temperatures), extreme weather events (e.g. storms, winds, lightning) and flooding of land (and infrastructure) due to acute or chronic climate change (torrential rainfall, river floods, transient or permanent sea level changes), which in extreme cases may lead to non-accessibility of certain areas. For the Company, such situations require changes in investment planning or parameters.

The main approach to the physical risk management is understanding, measurement, monitoring and mitigation of potential impacts for various climate/temperature scenarios over the short, medium and long term, accounting for the impact on financial issues and business continuity.

We have identified high-risk areas in Poland in order to account for climate-related risks in our investment decisions (planning of future facilities or relocation of the existing ones, design choices, additional protective or response measures). We review and monitor the potential impact of climate factors on our infrastructure, so that in justified cases we can implement new solutions in infrastructure design and construction (e.g. active equipment optimisation, placing equipment higher above the ground, mobile installations, insulation, cooling systems) or provide proper protection systems (e.g. pumps).

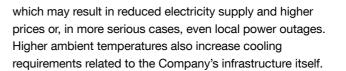
It is a medium-term and long-term risk.

b) Transition risks

Impact of climate change on energy supply, consumption and costs

Climate change, particularly rising temperatures and extreme weather events, are likely to have a considerable impact on energy supply, consumption and costs. This impact will increase as power supply and cooling systems deteriorate. This risk may be: (i) extreme event driven (acute), e.g. increased average daily temperature, heavy storm or rainfall, or (ii) long-term (chronic), e.g. increased frequency of heat waves or heavy storms. Both types of this risk would have a similar, significant impact on energy supply, consumption and costs for Orange Polska.

Furthermore, the Polish power grid is under growing strain (as more energy is needed for cooling and higher temperatures increase the likelihood of system failures),



Orange Polska's attitude to the management of this risk is based on updated business continuity scenarios for power outages or other power supply disturbances, providing for energy storage or other low-emission emergency power supply solutions (and taking into account both costs and reliability). In addition, the Company optimises the energy use in order to reduce demand (consumption). The Energy Optimisation Programme encompasses the energy use optimisation for non-technical real estate and evolution towards more energy-efficient technologies. We also focus on the technology of cooling systems, reducing electricity consumption and combining passive and active solutions. Furthermore, in order to ensure long-term access to the required amounts of energy, we secure renewable energy from suppliers (under Power Purchase Agreements), while supplementing it from our own sources (in the Solar-as-a-Service model).

It is a short-term, medium-term and long-term risk.

c) Supply chain disruption due to issues related to climate change

Supply chain disruption may result from issues related to climate change, particularly insufficient availability of crucial resources or interruptions in supply from unstable regions. Shortages may occur, especially with respect to some critical resources coming from the areas vulnerable

to extreme weather events (resulting in production downtime, transport route disruption, etc.) or socio-political disturbances (affecting resource extraction). There is only limited diversification of supply of some raw materials, which might pose a problem in the coming years in case of excessive dependence on suppliers from certain regions. It may hinder the provision of services by Orange Polska due to shortages or delayed deliveries of equipment, including infrastructure components, from outside Europe. Delays in equipment delivery may in turn cause potential problems with functioning of ICT systems. There is also a risk of reduced availability and/or higher prices of products from the current sources. This may necessitate transition to alternative technologies and involve high costs of modernisation.

In terms of risk management, we have identified the resources of key importance for business continuity, the availability of which may be potentially affected by disturbances related to climate change. To address potential interruptions in supply, we undertake a number of actions, including diversification of suppliers, securing the so-called 'backup suppliers', inventory building, search for alternative technologies and use of different transport routes. Issues related to the environmental and climate impact are accounted for in the process of supplier verification and assessment. We are also looking for solutions based on circular economy. We are co-operating with the Orange Group (including Buyln) in order to adopt adequate solutions on the international level.

It is a medium-term and long-term risk.







d) Regulatory and socio-economic effects of climate change

The social, demographic, economic and regulatory effects of climate change will become increasingly visible over time. In the short term, legal and regulatory changes addressing the need to adapt to climate change may be expected. Such changes may have a significant impact on the requirements for the biggest enterprises in terms of operating or financial costs. These requirements may be related to the mandatory reduction in emissions, use of renewable energy, environmental impact management, circular economy solutions, etc. In the long term, depending on the severity of the actual climate change scenario, demographic and socio-economic changes may be expected (particularly mass migrations affecting the customer structure, needs and purchase power or the macroeconomic environment in Poland).

At present, no individual or main risks have been identified in this area. However, the whole phenomenon of climaterelated socio-economic and regulatory evolution is dynamic and multidimensional. The impact of particular developments, especially related to future changes in legislation, has been reviewed by our experts. Initially, we are of opinion that this impact will be largely mitigated by the high standards and ambitious goals set by Orange Polska in its strategy. The areas of the potentially biggest impact on the Company's operations include: anticipated EU regulations regarding energy-efficiency of data centers; revision of packaging and waste management provisions; potential regulations regarding resilience and continuity of telecom services under extreme weather conditions; EU regulatory expectations resulting in higher costs of highemission materials, such as steel or concrete; growth in prices of electricity, especially based on fossil fuels; and

changes in the social structure and the economic and political situation.

Therefore, the legal and regulatory environment is constantly monitored by our dedicated team of experts for developments related to climate change. We regularly inform and engage key internal stakeholders in order to respond to ongoing changes in advance and in the best possible way. We also co-operate with external stakeholders (European, national and local authorities, and the business environment) in order to predict, prepare for and respond to changing regulations and standards. Furthermore, we monitor on a current basis the broader socio-economic and demographic changes in Poland and worldwide, which may have a significant impact on Orange Polska's standing and business operations.

It is a medium-term and long-term risk.

Opportunities Related to the Climate Policy

Orange Polska considers initiatives for the climate also as opportunities. These include the following:

- Development of the Smart City portfolio based on the Internet of Things (IoT) for municipalities and municipal companies, which provide for more efficient resource management, a reduction in electricity consumption and greenhouse gas emissions, and improved quality of life of people;
- Stabilisation of electricity costs owing to gradual transition to energy from renewable sources based on direct long-term power purchase agreements with producers (PPAs);
- Potential use of EU funds for projects aligned with the green and digital transformation.



Climate Strategy

Impact of climate-related risks and opportunities on the Company's strategy

Within the #OrangeGoesGreen approach we have developed a climate strategy at Orange Polska, of which the key goal is to become climate neutral and achieve Net Zero Carbon by 2040. Neutrality will cover both direct and indirect own greenhouse gas emissions (Scopes 1 and 2 of carbon footprint in terms of the GHG Protocol), as well as value chain emissions (Scope 3). Orange Polska's climate goals are perfectly aligned with global, science-based Orange Group's objectives, that fall in line with Paris Agreement's target of limiting global warming by the end of the 21st century to below 1.5 degrees Centigrade.

Our first period of action is to 2025 and during this period our actions focus on the three main priorities:

Priority 1: Responsibility for reducing our own CO₂ emissions and the resources we consume:

 Reducing our own CO₂ emissions in the Scopes 1 and 2 of carbon footprint in terms of the GHG Protocol (direct and indirect own emissions) by 65% compared to 2015.

This goal will be achieved primarily through the following:

- Increasing the share of renewable energy in our energy mix to at least 60% by 2025, based on direct longterm purchase agreements with renewable energy producers (PPAs);
- Work on further improvement of Orange Polska's own network energy efficiency;
- Deployment of new, much more energy efficient technologies, such as fibre and 5G;
- Reducing Scope 3 GHG emissions (emissions by suppliers, customers and employees related

- to Orange Polska's activities), including the implementation of eco-design;
- Optimising other resources consumed by Orange Polska.

Priority 2: Value for our customers and all stakeholders thanks to our climate action:

- Developing and selling commercial services supporting our B2C and B2B customers' green challenges (and in particular solutions allowing them to reduce emissions or resource consumption);
- Dedicated green offers and communication to customers regarding the climate footprint of services and the possibility of reducing or neutralising that footprint, as well as end-to-end management of green concerns in the experience of Orange Polska customers:
- Circular economy:
 - Collecting, buying back, recycling, repairing mobile phones,
 - Refurbishing CPE (modems, set-top boxes),
 - Using refurbished equipment on Orange Polska's network.

Priority 3: Impact on the green, digital transformation of the Polish economy:

- Internal communication and education to engage our employees;
- External communication and building Orange Polska's image as 'the green leader';
- Market and regulatory relations;
- Comprehensive, reliable and consistent financial and non-financial reporting;
- Consistently including climate and environmental dimensions in our decision-making.



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Key Climate and Environmental Commitments and Their Delivery

Metrics and targets

The key environmental targets defined in Orange Polska's strategy and harmonised with Orange Group's global climate goals (covered by the Engage 2025 strategy) are

science-based. We have confirmed with the Science-Based Targets Initiative that they are aligned with the objectives of the Paris Agreement (i.e. holding the increase in the global average temperature in the 21st century to 1.5°C above pre-industrial levels).

Commitments in the climate area by 2025	Delivery in 2021	Delivery in 2022
Reduction in Scope 1 and 2 GHG emissions by 65% (vs. 2015)	-27%	-37%
60% of electricity mix from renewable sources	6%	12%



Delivery in 2022

Responsibility

Scope 1 greenhouse gas emissions:

- Acceleration of the process of electrification of Orange Polska's car fleet and its further optimisation;
- Continued real estate portfolio optimisation and moving employees to a smaller number of office locations which are more energy and resource efficient:

Scope 2 greenhouse gas emissions:

 Conclusion of further two direct long-term purchase agreements with renewable energy producers (Corporate Power Purchase Agreements - cPPAs). Owing to four cPPAs concluded by Orange Polska, we will achieve our climate objectives for 2025 ahead of the plan. The share of energy from renewable sources in our energy mix increased from 0% in 2020 to 6% in 2021 and 12% in 2022. We reiterate the target of at least 60% by 2025;

- Over 1.1 TWh of energy savings owing to the Energy Optimisation Programme since 2015;
- Further optimisation of energy consumption (for heating, cooling and lighting) in real estate, including sales outlets.

Scope 3 greenhouse gas emissions:

- First complete estimation of Scope 3 GHG
- Launch of the RE programme (repair, refurbishment, reselling, recycling) to accelerate our circular economy efforts with respect to handsets;
- · Promotion of energy-saving modes in fixed
- Continued initiatives for collecting and refurbishing fixed network equipment.



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Value

- Promotion of circular economy initiatives (RE programme), particularly by gradually expanding the portfolio of refurbished handsets on sale and enhancing collection and buyout of used handsets;
- Refurbishing and relaunching over half a million of CPE devices (modems, set-top boxes) annually. About 60% of our customers receive a refurbished device when signing a service contract;
- Further digitisation in order to simplify, accelerate and increase the efficiency of processes, including a reduction in paper consumption. We encourage customers to opt for e-invoices, make a more responsible choice of accessories or get involved in environmental campaigns. Owing to involvement of our customers, about 11 hectares of perpetual, biodiverse forests have been planted, which provides an opportunity for educational activities, explaining the broader context of climate issues,

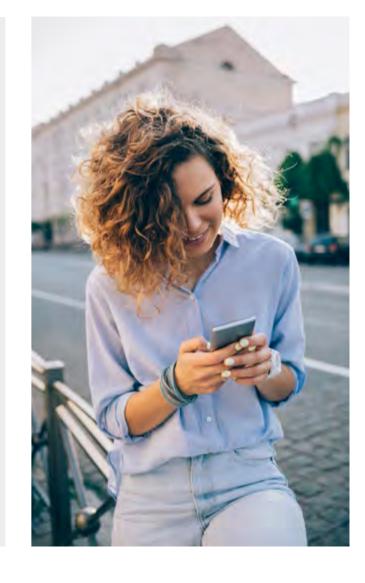
particularly the need to shift from fossil fuels and expand renewable sources of energy;

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- Incorporation of circular economy principles into our network (the OSCAR project): reuse of network equipment for internal purposes;
- Continuation of Orange Energia's nationwide photovoltaic offer. The company is the biggest independent electricity distributor in Poland. It purchases guarantees of origin from renewable sources for the entire volume of electricity sold to residential customers, which contributes to reducing Scope 3 carbon footprint for this portion of the energy traded;
- Expansion of the Smart City offer, enabling more efficient use of resources. Orange Polska's service portfolio includes, inter alia, smart utility readers, city lighting management systems or municipal bike-sharing platforms.

Impact

- The #OrangeGoesGreen climate strategy received an award of distinction in the leading global competition for the telecommunications and digital industry, World Communication Awards 2022 in London;
- Over 10,500 of our employees and outsourced workers have completed training in climate issues (a four-fold increase over twelve months), and 44 selected people were enrolled to a one-year post-graduate course in sustainable development, Green Academy, held by Collegium Civitas (Orange Polska is the partner to this course);
- Current analyses of the opportunities to make the best use of the EU funds for green and digital transformation both for us and our customers:
- Support for the Climate Knowledge Base started by Climate Purpose Lab, an initiative of a dozen or so leading climate NGOs and scientific institutions in Poland. This knowledge base, addressed to the media and influencers, provides free access to Polish language summaries and abstracts of the crucial international reports and studies on climate and its protection.







Taxonomy

These disclosures have been prepared on the basis of the following European regulations ("EU Taxonomy"):

- Regulation (EU) 2020/852 of the European
 Parliament and of the Council of 18 June 2020 on the
 establishment of a framework to facilitate sustainable
 investments and amending Regulation (EU) 2019/2088
 (hereinafter "Regulation 2020/852");
- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical screening criteria for determining the conditions under which a given economic activity qualifies as making a significant contribution to climate change mitigation or adaptation to climate change, as well as determining whether this economic activity does not cause significant damage to any of the other environmental objectives (hereinafter "Technical Criteria", "Criteria");
- Commission Delegated Regulation (EU) 2022/1214
 of 9 March 2022 amending Delegated Regulation
 (EU) 2021/2139 as regards business activities in
 certain energy sectors and Delegated Regulation (EU)
 2021/2178 as regards public disclosure of specific
 information in relation to these types of economic
 activities (hereinafter "Nuclear and Gas Regulation");

Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information on environmentally sustainable economic activities to be disclosed by companies subject to Art. 19a or 29a of Directive 2013/34/EU, and specifying the method of meeting this disclosure obligation (hereinafter "Regulation 2021/2178").

Pursuant to the Regulation 2020/852 and the Regulation 2021/2178, Orange Polska is required to publish key performance indicators such as the percentage of revenue, capital expenditures ("CAPEX") and operating expenses ("OPEX") resulting from products or services related to economic activities that qualify as environmentally sustainable.

The Technical Screening Criteria (hereinafter the "Criteria") specify sectors and economic activities that can make a significant contribution to climate change mitigation or adaptation, the criteria of significant contribution and the criteria of not causing significant damage to other environmental objectives (Do No Significant Harm; "DNSH"). The EU Taxonomy covers 13 sectors of activity

("eligible activities") and may be subject to change, i.e. the activities currently considered as eligible under the EU Taxonomy are likely to be updated by new sectors and types of activities.

As of now, the Criteria cover the sectors of activity responsible for the largest greenhouse gas emissions and with the highest potential to meet the environmental objectives.

Orange Polska analysed its activities in 2022 in terms of their eligibility in accordance with the EU Taxonomy and calculated the key performance indicators regarding the proportion of revenue (turnover), capital expenditures (CAPEX) and operating expenses (OPEX) related to these activities ("Performance indicators"). Due to the approach to eligible activities adopted by the European Commission, only a few areas of Orange Polska's operations have been covered by the EU Taxonomy, which results in a low level of disclosed performance indicators.

Most of Orange Polska's activities, including the provision of telecommunications services to individual and business customers and other telecommunications operators, are not currently covered by the scope of the eligible activities, and therefore, according to the EU Taxonomy, these activities do not qualify for recognition as sustainable. Orange Polska believes that its activities, not covered by the EU Taxonomy, make a positive contribution to the adaptation to or mitigation of the negative climate changes and as such contribute to the sustainable development by e.g. reduction of the need for transportation or real estate development to work, educate or entertain. The digital industry has specific opportunities related to its potential positive impact on other sectors by supporting their emissions management and reduction. In particular, IT solutions and products that run on our networks help companies and private individuals to reduce their CO₂ emissions. These include, for example, web and video conferencing, and also "smart" solutions such as smart cities and smart buildings. More information regarding our contribution to climate protection is in Climate and environment section and Solutions for society.

For the year 2021, Orange Polska reported its activity, which according to the EU Taxonomy, is considered as eligible.

In the disclosures for 2022, Orange Polska presents eligible activities and, additionally, aligned activities ("aligned activities"), i.e. eligible activities which meet: (i) the criteria of a significant contribution to climate change mitigation or adaptation, (ii) the criteria of not causing significant damage to other environmental objectives (Do No Significant Harm - "DNSH") as well as (iii) the minimum guarantees.

Orange Polska has commented on the eligibility, alignment and the key performance indicators related to its activities, because the system for identifying and classifying sustainable activities regulated in the EU Taxonomy requires interpretation and does not reflect all the actions taken by Orange Polska to reduce its environmental impact and actions taken to achieve the climatic objectives (see: Environmental and Climatic Area).

An example of an activity that is significant from the point of view of achieving the climatic objectives by Orange Polska, apart from telecommunications activity, which is not eligible according to the interpretation of the currently applicable EU Taxonomy, is the purchase of energy from renewable sources (wind and solar) for own needs under long-term contracts with suppliers (Power Purchase Agreements – PPAs) and in the Solar-as-a-Service model, in which photovoltaic installations are leased.

In the future, regulatory changes may result in additional types of information and communication services, besides the data processing services via data processing centres and data-driven solutions for reducing greenhouse gas emissions, currently defined as eligible, to be included in the EU Taxonomy, including services that are the main activities of telecommunications operators such as Orange Polska, which are important from the point of view of enabling other economic activities to reduce their greenhouse gas emissions.

The list of eligible and aligned activities was prepared on the basis of a review of Orange Polska's business activity portfolio and the criteria of alignment, conducted mainly by its finance, business and CSR teams.



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1. Identification of eligible activities under the EU Taxonomy

Orange Polska has reviewed its entire range of activities to determine which of them meet the criteria of activities included in the Criteria of the EU Taxonomy and can make a significant contribution to climate change adaptation or mitigation as defined in the EU Taxonomy.

Orange Polska's eligible activities that generate revenue are as follows:

Environmen- tal objective	Activity per EU Taxonomy	Description of activity per UE Taxonomy	Associated NACE code (EU classification of economic activities)	Description of Orange Polska's activity
Climate change mitigation	6.4 Operation of personal mobility devices, cycle logistics	Selling, purchasing, financing, leasing, renting and operation of personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity.	77.11.Z	Smart Bike offer – 4th generation bikes rental system (without docking stations)
	7.6 Installation, maintenance and repair of renewable energy technology systems	Installation, maintenance and repair of renewable energy technology systems on site.	43.21.Z	On site professional services of photovoltaic offer for individual and business customers
	8.1 Data processing, website management (hosting) and similar activities	Data storage, data manipulation, flow, control, display, switching, exchange, transmission or processing of data through data centers, including data processing at the network edge.	63.11.Z	Hosting and data processing services in data centers
	8.2 Data-driven solutions for reducing greenhouse gas emissions	Development or use of ICT (Information and Communication Technology) solutions for the collection, transmission, storage, modelling and use of data, if this activity is mainly used to provide data and analyses enabling the reduction of greenhouse gas emissions. Such ICT solutions may include, but are not limited to, the use of distributed technologies (i.e. distributed ledger technology), the Internet of Things, 5G and artificial intelligence.	63.11.Z	Intelligent services based on the Internet of Things (IoT)





The solutions taken into account for the activity 8.2, i.e. Data-driven solutions for reducing greenhouse gas emissions, refer to Internet of Things (IoT) services considered as services enabling other sectors of the economy to reduce their greenhouse gas emissions.

IoT-based services include solutions for controlling lighting, monitoring air quality, controlling logistic flows, reading water meters and supporting the development of smart cities. Connected infrastructure elements are able to transmit and analyse data. They enable companies and

local governments to improve operational efficiency and to reduce their environmental impact. Smart solutions make it possible to optimise the use of manufactured goods, effectively manage resources and, consequently, contribute to reducing greenhouse gas emissions.

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In addition to capital expenditures and operating expenses related to Orange Polska's activities generating revenue, the Company identifies individual capital expenditures (CAPEX) related to eligible or aligned activities not generating revenue:

Environmental objective	Activity per EU Taxonomy
Climate change mitigation	6.5 Transportation by motorcycles, passenger cars and light commercial vehicles.
	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and in car parks next to buildings.
	7.7 Acquisition and ownership of buildings.



2. Calculation of the Performance Indicators

Orange Polska has calculated the Performance Indicators in accordance with the provisions of the Regulation 2020/852 and Regulation 2021/2178, based on existing reporting processes, systems and assumptions (see: Methodology note in section 4 below).

Orange Polska has applied the methodology indicated in the above regulations to calculate the eligible portion of revenue, capital expenditures and operating expenses.

2.1. Share of revenue related to eligible activities in consolidated revenues

Share of revenue related to eligible activities has been calculated by dividing total revenue from eligible activities described in section 1 above by revenue specified in the consolidated income statement in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2022 and in the Note 6 to these consolidated financial statements (consolidated revenue).

	31 December 2022
Revenue from eligible activities	PLN 72 million
Consolidated revenue	PLN 12 488 million
Share of revenue related to eligible activities	0.6%

Share of revenue related to eligible activities is 0.6 %. It reflects the exclusion of telecommunications services from the scope of activities currently covered by the EU Taxonomy.

Orange Polska's eligible revenue in 2022, i.e. presented in the numerator of the performance indicator, includes revenue from hosting and data processing services in data centers, revenue from intelligent services based on the Internet of Things and revenue from photovoltaic services.

2.2. Share of capital expenditures related to eligible activities in total capital expenditures

Orange Polska's CAPEX ratio related to eligible activities has been calculated by dividing the sum of CAPEX related to eligible activities described in section 1 above by the total capital expenditures included in the consolidated financial statements of the Orange Polska Group for 2022, calculated according to the definition of the EU Taxonomy as an increase of:

• intangible assets (acquisition of intangible assets in

- Note 11. Other intangible assets in the consolidated financial statements of Orange Polska Group for the year ended December 31, 2022);
- fixed assets (acquisition of property, plant and equipment in Note 12. Property, plant and equipment in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2022);
- right-of-use assets (additions in Note 14.1. The Group as a lessee in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2022).

	31 December 2022
Capital expenditures related to eligible activities	PLN 114 million
Total capital expenditures	PLN 2,739 million
Capital expenditures ratio related to eligible activities	4.2%

Total capital expenditures as defined above (CAPEX) differ from eCapex ratio presented in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2022, mainly because eCapex does not include an increase of assets due to telecommunications licenses and the right-of-use assets, and is reduced by proceeds accrued on disposal of assets.

The capital expenditures ratio related to eligible activities is 4.2%. This corresponds to a small portion of eligible capital expenditures of Orange Polska. This is because the EU Taxonomy, in its current form, does not take into account all activities of the telecommunications sector undertaken to mitigate or adapt to climate changes.

The main investment activity of Orange Polska in 2022 focused on sustainable operations and defined as eligible according to the EU Taxonomy is development of the technical infrastructure of the data centers.

2.3. Share of eligible operating expenses in total operating expenses

In accordance with the Annex No. 1 to the Regulation 2021/2178, operating expenses taken into account in order to calculate Orange Polska's operating expenses ratio related to eligible activities, defined as eligible operating expenses in the numerator of the indicator and total operating expenses in the denominator, include:

- uncapitalized research and development costs,
- renovation works of buildings,



- short-term rental,
- maintenance and repair,
- any other direct expenses related to the ongoing maintenance of fixed assets by the entrepreneur or a third party to whom the activities necessary to ensure the continuity and efficiency of the operation of these assets are outsourced.

Pursuant to the definition of the Regulation 2021/2178, Orange Polska has not taken into account expenses for purchase of energy, particularly enabling operation of data centers, because these expenses are neither CAPEX nor OPEX according to the EU Taxonomy.

	31 December 2022
Operating expenses related to eligible activities	PLN 24 million
Total operating expenses	PLN 1 161 million
Operating expenses ratio related to eligible activities	2.1%

Operating expenses included in the ratio are included in costs of external purchases, other operating income and

expense, and labour expense in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2022 and do not contain a very large portion of operating expenses included in the consolidated operating income of the Orange Polska Group.

The low value of the indicator results from the fact that the EU Taxonomy, in its current form, does not take into account all activities of the telecommunications sector undertaken to mitigate or adapt to climate changes, including activities carried out by Orange Polska to reduce environmental impact and achieve climate goals (see description in section on Environmental and climatic area).

According to Orange Polska's interpretation, according to the current EU Taxonomy, Orange Polska cannot recognise the costs of energy purchased for its own needs, including operation of data centers, from renewable sources and costs related to the use of leased photovoltaic installations (Solar as a Service) as the costs related to the eligible activities, and therefore has not included these costs in the calculation of the operating expenses ratio.

Orange Polska's main eligible operating expenses in 2022, i.e. shown in the numerator of the performance indicator, include the costs of intelligent services based on the Internet of Things and the costs of photovoltaic services.

3. Determination of aligned activities in accordance with EU Taxonomy

As explained in the introduction to the European Taxonomy chapter, an aligned activity is an eligible activity that meets (i) the Criteria to determine whether the activity makes a significant contribution to climate change mitigation or adaptation, (ii) the criteria not to do significant harm (Do No Significant Harm; "DNSH") and (iii) is conducted in accordance with the minimum guarantees.

The assessment of alignment of activities with the criteria of a significant contribution and DNSH has been made by analysing the requirements in this regard for Orange Polska's eligible activities and assessment of fulfilment of these requirements by Orange Polska.

The assessment of alignment of activities as far as the minimum guarantees are concerned has been made by analysing the requirements in this regard and assessment of fulfilment of these requirements by Orange Polska.

Orange Polska meets the requirements of the minimum guarantees, i.e. it has and uses solutions and procedures to ensure that it conducts its business in accordance with the principles and recommendations set out in such documents as the Organization for Economic Co-operation and Development (OECD) guidelines for multinational enterprises and the United Nations guidelines on business and human rights, as well as the conventions and declarations on human rights and fundamental principles and rights at work defined in the EU Taxonomy.



Orange Polska undertakes and continuously develops activities aimed at, among others:

- protection of fundamental human rights, rights at workplace (as described in section on Human rights) and consumer rights;
- preventing and detecting fraud and corruption;
- compliance with tax regulations and proper tax risk management;
- compliance with applicable laws and regulations regarding fair competition.

Orange Polska has implemented, among others:

- Orange Polska's Code of Ethics;
- the process of identifying, monitoring and preventing social risks (Vigilance Plan), covering human rights, health and environmental issues;
- provisions in contracts with suppliers related to compliance with ethical principles in the supply chain in the area of anti-corruption activities and environmental and social obligations (i.e. Supplier Code of Conduct, CSR clause and Compliance clause, CSR questionnaire);
- Compliance Management Programme (Compliance Programme), the purpose of which is to counteract corruption in Orange Polska (as described in section on Counteracting corruption and bribery);
- tax strategy of Orange Polska;
- mandatory CSR and anti-corruption training for all employees to raise awareness of applicable standards, laws and regulations;
- system for reporting irregularities (whistleblowing system) regarding ethics, Compliance Management and Corporate Social Responsibility (CSR).

3.1. Share of revenue related to aligned activities to consolidated revenue

The share of Orange Polska's revenue related to aligned activities is determined by dividing the total revenue from aligned activities by consolidated revenue. Aligned revenue is determined by identifying aligned activities and assessment of fulfilment of the Criteria, DNSH and the minimum guarantees by these activities. Consolidated revenue is equal to consolidated revenue defined in section 2.2 above.

31 December 2022

Revenue from aligned activities	PLN 17 million
Consolidated revenue	PLN 12 488 million
Share of revenue related to aligned activities	0.1%



In 2022, revenue from aligned activities totalled PLN 17 million

Consolidated revenue in 2022 amounted to PLN 12 488 million.

Orange Polska's revenue from the activity 6.4 related to Smart Bike offer and from the activity 7.6 related to photovoltaic offer is aligned because these activities meet the criteria of significant contribution to climate change mitigation and DNSH, and Orange Polska activity is conducted in line with the minimum guarantees.

In case of the activity 8.1 Data processing, hosting and related activities, Orange Polska considers this activity as not aligned, as the data centers operated by Orange Polska do not comply with some Technical Screening Criteria, such as verification by an independent third party of implementation of the relevant practices listed in the European Code of Conduct on data center energy efficiency, and the criterion regarding the Global Warming Potential ("GWP") of refrigerants used in the data centers' air conditioning systems. The GWP of refrigerants used in data centers' cooling systems is not at the level required by the EU Taxonomy for the vast majority of air conditioning units currently available on the market.

As far as the activity 8.2 is concerned, i.e. Data-driven solutions for reducing greenhouse gas emissions, Orange Polska considers the Internet of Things, including IoT services offered by Orange Polska, to be a key element in optimising the management of resources, logistics processes and in particular mobility, which may result in reduction in greenhouse gas emissions. At the same time, Orange Polska assesses its IoT services as not aligned because Orange Polska did not perform life cycle analysis of IoT solutions and does not have access to external data (customers' data) related to the results caused by the implementation of solutions based on the Internet of Things, enabling the assessment of the reduction in greenhouse gas emissions. For these reasons, Orange Polska does not have the required calculations verified by an independent third party and is not able to meet the

requirements of the Criteria of the EU Taxonomy.

The share of revenue related to aligned activities is 0.1%. The non-material share of aligned activities in Orange Polska is due to the small share of eligible activities.

3.2 Share of investment expenditures related to aligned activities in total aligned activities

The share of CAPEX related to aligned activities in Orange Polska is determined by dividing the capital expenditures related to aligned activities by the total capital expenditures defined in section 2.2 above.

	31 December 2022
Capital expenditures related to aligned activities	PLN 1.3 million
Total capital expenditures	PLN 2 739 million
Capital expenditures ratio related to aligned activities	0.05 %

In 2022, the capital expenditures related to Orange Polska's aligned activities not generating revenue (individual CAPEX) amounts to PLN 1.3 million.

Total capital expenditures amount to PLN 2 739 million.

A portion of the capital expenditures related to the activity 6.5, Transportation of motorcycles, passenger cars and light commercial vehicles, related to electric vehicles, meets the Criteria and DNSH, and Orange Polska's operations are conducted in accordance with the minimum guarantees. As a result, this portion of CAPEX is considered as aligned. In order to reduce the impact of ${\rm CO_2}$ emissions related to transport on the environment, Orange Polska is executing an investment plan to replace the cars fleet with a fleet of electric vehicles.

Capital expenditures related to the activity 7.4, Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in car parks next to buildings), are considered aligned as they meet the Criteria and DNSH

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criterion, and Orange Polska's operations are conducted in accordance with the minimum guarantees.

Capital expenditures related to the activity 7.7, Acquisition and ownership of buildings, are considered as not aligned as they do not meet the Criteria.

The capital expenditures related to the activity 8.1, Data processing, hosting and related activities, relate in particular to development of the technical infrastructure of data centers and modernization of equipment in order to improve energy efficiency. It should be noted that these expenditures are not considered as aligned for the reasons described in point 3.1 concerning revenue from the activity 8.1.

The share of capital expenditures related to aligned activities is 0.05%. This reflects the small percentage of eligible activities in Orange Polska falling under the current scope of the EU Taxonomy as well as the reasons described above and in point 3.1.

3.3 Share of operating expenses related to aligned activities in total operating expenses

The share of Orange Polska's operating expenses related to aligned activities is determined by dividing the sum of operating expenses of aligned activities by the total operating expenses defined in point 2.3.

	31 December 2022
Operating expenses related to aligned activities	PLN 8.8 million
Total operating expenses	PLN 1 161 million
Operating expenses ratio related to aligned activities	0.8%

In 2022, operating expenses related to aligned activities amounted to PLN 8.8 million.

The total operating expenses of the Orange Polska Group amounted to PLN 1 161 million.

Orange Polska's operating expenses related to the activity 7.4, Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in car parks next to buildings), and the activity 7.6, Installation, maintenance and repair of renewable energy technologies, are considered to be aligned for the reasons described in section 3.1 above.

Operating expenses related to the activity 8.1, Data processing, hosting and related activities, and the activity 8.2, Data-driven solutions for reducing greenhouse gas emissions, are considered as not aligned for the reasons described in section 3.1 above.

The share of operating expenses related to the aligned activities is 0.8%.

Orange Polska does not disclose the tables related to nuclear and gas activities, which results from the Regulation on nuclear and gas energy, as these activities are not part of Orange Polska's operations. Therefore, the tables may present only zero values, which, in the opinion of Orange Polska, could negatively affect the transparency of information.

Nuclear and fossil gas related activities

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No





4. Methodology note

The method of calculation of the ratios (Performance Indicators), presented in sections 2 and 3 above, is based on the EU Taxonomy regulations. In case of more specificity needed, Orange Polska has taken the following assumptions:

4.1 Performance Indicators related to the share of revenue, eligible and aligned, in consolidated revenue

- Within the activity 6.4, related to Smart Bike offer, Orange Polska sells solutions including equipment and connectivity services. Revenue from connectivity services cannot be separated from revenue from the activity 6.4 and, as a result, is included in the eligible and aligned revenue.
- Under the activity 7.6, Installation, maintenance and repair of renewable energy technology systems, Orange Polska recognises the installation of photovoltaic installations in revenue together with revenue from the sale of equipment and connectivity services, as it is not possible to separate revenue from the sale of equipment and connectivity.
- As part of the activity 8.2, i.e. related to IoT services, Orange Polska sells ready-made, comprehensive

solutions including hardware, assembly and installation services, and connectivity services, along with access to a platform enabling the management of the full service environment: devices, connectivity and data. For this reason, it is not possible to separate revenue from equipment sales and connectivity, and this revenue is included in the eligible revenue.

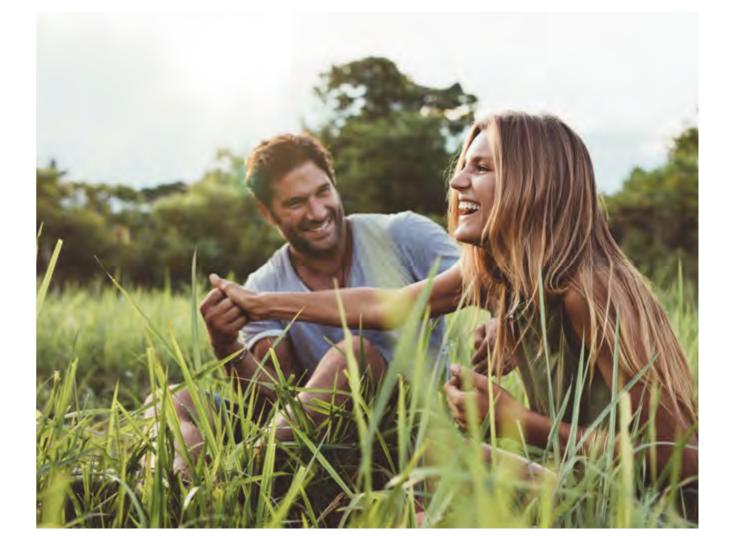
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4.2 Performance Indicators related to the share of investment expenditures, eligible and aligned, in the total investment expenditures

 Capital expenditures incurred within the activity 7.7, Acquisition and ownership of buildings, includes the increase of the right-of-use for new leases of offices and points of sale as well as an increase in the value of buildings purchased by Orange Polska.

Orange Polska did not include doubled values of revenue, CAPEX or OPEX in the performance indicators.

The share of operating expenses related to the aligned activities is 0.8%



5 Tables presenting Performance Indicators

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria					DNSH criteria ('Do No Significant Harm')											
Economic activities (1)	Code(s) (2)	Absolute turnover (3) [PLN mln]	Proportion of turnover (4) [%]	Climate change mitigation (5) [%]	Climate change adapta- tion (6) [%]	Water and marine re- sources (7) [%]	Cir- cular econo- my (8) [%]	Pol- lution (9) [%]	Biodiversity and ecosystems (10) [%]	Climate change miti- gation (11) [Y/N]	Climate change adap- tation (12) [Y/N]	Water and marine re- sources (13) [Y/N]	Circular econo- my (14) [Y/N]	Pol- lution (15) [Y/N]	Biodi- versity and ecosys- tems (16) [Y/N]	Mini- mum safe- guards (17) [Y/N]	Taxonomy- aligned proportion of turnover, year N (18) [%]	Taxonomy- aligned proportion of turnover, year N-1 (19) [%]	Category (en-abling activity) (20)	Cate- gory (transi- tional activi- ty) (21)
A.TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Tax	onomy-aligi	ned)																		
6.4. Operation of personal mobility devices, cycle logistics	77.11.Z	2.04	0.02%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Υ	Y	0.0%			
7.6 Installation, maintenance and repair of renewable energy technologies	43.21.Z	14.55	0.1%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Y	Υ	Y	Υ	0.1%		E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		16.59	0.1%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Y	Υ	0.1%			
A.2 Taxonomy-eligible but not environmentally	sustainable	e activities (r	not Taxonor	my-aligned	activities)															
8.1 Data processing, hosting and related activities	63.11.Z	31.00	0.2%																	
8.2 Data-driven solutions for GHG emissions reductions	63.11.Z	24.76	0.2%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		55.76	0.4%														0.0%			
Total (A.1+A.2)		72.36	0.6%														0.1%		14.55	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy non-eligible activities (B)		12 415.64	99.4%																	
Total (A+B)		12 488.00	100%																	

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria			DNSH criteria ('Do No Significant Harm')													
Economic activities (1)	Code(s) (2)		•	Climate change mitigation (5) [%]	Climate change adapta- tion (6) [%]	Water and marine resources (7) [%]	Cir- cular econ- s omy (8) [%]		ecosys-	change mitiga-	change adapta-	Water and marine resources (13) [Y/N]	Circular econo- my (14) [Y/N]	lution	Biodiver- sity and ecosys- tems (16) [Y/N]	Mini- mum safe- guards (17) [Y/N]	Taxonomy- aligned proportion of CapEx, year N (18) [%]	Taxonomy- aligned proportion of CapEx, year N-1 (19) [%]	Category (enabling activity) (20) [E]	
A.TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Tax	onomy-alig	ned)																		
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	77.11.Z	0.29	0.01%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Υ	Υ	0.01%			
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	77.11.Z	0.97	0.04%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Y	Υ	Υ	0.04%		E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.26	0.05%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Υ	Υ	0.05%			
A.2 Taxonomy-eligible but not environmentally	/ sustainabl	e activities (r	not Taxono	my-aligned	activities)															
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	77.11.Z	2.18	0.1%																	
7.7 Acquisition and ownership of buildings.	68.20.Z	35.61	1.3%																	
8.1. Data processing, hosting and related activities	63.11.Z	75.34	2.8%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		113.12	4.1%														0.00%			
Total (A.1+A.2)		114.38	4.2%														0.05%		0.97	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		2 624.98	96%																	
Total (A+B)		2 739.36	100%																	

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria			DNOUL	DNSH criteria (,Do No Significant Harm')												
				Substant	iai contribl	ition criteria	l			DNSH	riteria (,Do		ant Harm)					_	_
Economic activities (1)	Code(s) (2)	Absolute OpEx (3) [PLN mln]	Pro- portion of OpEx (4) [%]	Climate change mitiga- tion (5) [%]	Climate change adapta- tion (6) [%	Water and marine resourc- es (7) [%]	Cir- cular econo- my (8) [%]	Pol- lution (9) [%]	Biodiversity and ecosys tems (10) [%]	Climate change mitigation (11) [Y/N]		Water and marine re- sources (13) [Y/N]	Cir- cular econ- omy (14) [Y/N]	Pol- lution (15) [Y/N]	Biodiversity and ecosystems (16) [Y/N]	Mini- mum safe- guards (17) [Y/N]	Taxonomy- aligned proportion of OpEx, year N (18) [%]	Taxonomy- aligned proportion of OpEx, year N-1 (19) [%]	Cate- gory (en- abling activi- ty) (20) [E]	Cate-gory (transi-tional activi-ty) (21)
A.TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Tax	onomy-alig	ned)																		
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	77.11.Z	0.01	0.0%	100%	0%	n/a	n/a	n/a	n/a	n/a	Y	Υ	Y	Υ	Υ	Υ	0.0%		E	
7.6 Installation, maintenance and repair of renewable energy technologies	43.21.Z	8.75	0.8%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Υ	Υ	0.8%		E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		8.76	0.8%	100%	0%	n/a	n/a	n/a	n/a	n/a	Υ	Υ	Υ	Υ	Υ	Υ	0.8%			
A.2 Taxonomy-eligible but not environmentally	sustainabl	e activities	(not Taxor	nomy-align	ed activitie	s)														
8.1. Data processing, hosting and related activities	63.11.Z	4.99	0.4%																	
8.2 Data-driven solutions for GHG emissions reductions	63.11.Z	10.50	0.9%																	
OpEx of Taxonomy-eligible but not environ- mentally sustainable activities (not Taxonomy-aligned activities) (A.2)		15.49	1.3%														0.0%			
Total (A.1+A.2)		24.25	2.1%														0.8%		8.76	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)		136.96	98%																	
Total (A+B)		161.21	100%																	

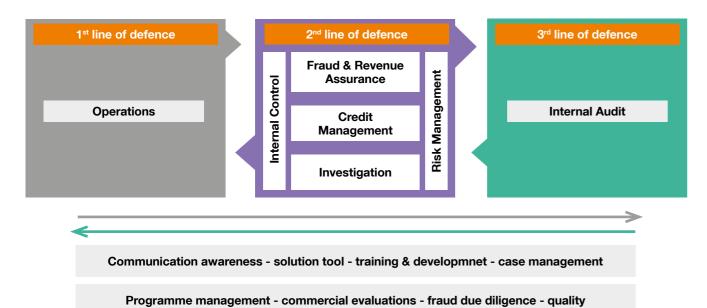


Risk management

Orange Polska is exposed to a range of external and internal risks of varying types which can impact the achievement of its objectives. Therefore, Orange Polska maintains a risk management framework to identify, assess and manage risks. This framework is based on the standards ISO 31000 and ISO 27005 (for Information Security Management System only). Leaders within the Group's individual business areas and functions are responsible for the assessment and management of risks, including the identification and escalation of new/emerging circumstances, and monitoring and reporting on both the risks themselves and the effectiveness of control measures. Events are considered in the context of their potential impact on the delivery of our business objectives.



Orange Polska's three lines of defence:



Appetite for risk

We assess event-based risks according to their likelihood and impact in terms of financial, reputational, businesscontinuity and human-resources loss. Last year additional consequences based on the 'Laws and Regulations' nature of the risk were recognised and adopted into the methodology. If the consequences are, for example, both financial and reputational, the risk is assessed according to the most negative consequence. When the negative impact of a risk is assessed as exceeding the acceptable level, mandatory mitigation measures are put in place to prevent or minimise losses. The effectiveness of such measures is verified on an ongoing basis, and they are adjusted as required. The risks, and the mitigation measures assigned to them, constitute an input for the development of the Annual Internal Audit Plan.

Risk clusters and domains

In addition, the identified similar risks are grouped into clusters to ensure consistent and effective risk management across the Orange Polska Group. The risk assessment process, illustrated in the figure on the next page, is managed by domain co-ordinators. The division of risks into the domains of operating risks, loss of information, business continuity, compliance, fraud and social risks ensures a uniform and objective approach to the assessment of risks of similar consequences (cause and effect analysis). The social risk cluster is associated with the Vigilance Plan, which includes all companies and contracting parties in the international Orange Group and covers risks related to human health, safety and security, environmental damage and serious violation of human rights or fundamental freedoms.



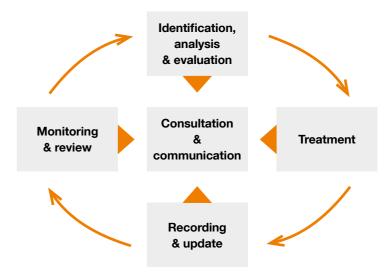


Risk management process

A list of TOP risks is developed through individual meetings with Board Members and Executive Directors, who indicate significant events that have the potential to jeopardise the Company's strategy. Based on the risks identified in this process, their owners continue with further assessment of the risk likelihood and impact, as well as assigning mitigation measures and appointing the managers responsible for the implementation thereof. The outcome

of the analysis of each TOP risk is subject to approval by the Board Member or Executive Director responsible for the particular area and, in case of potential financial loss, also by the Chief Financial Officer.

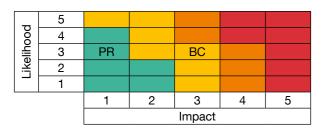
The risk management process in Orange Polska is shown in the diagram below.



Reporting

Indicative heat maps are used to report and evaluate risks.

Sample heat map



FN - financial:

HR - human resource;

LR - laws ®ulations;

PR - reutational;

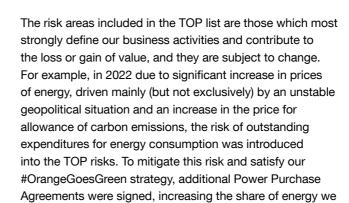
BC - business continuity.

This example presents a risk that has low reputational impact, but moderate impact in terms of business continuity. Therefore, the overall assessment of the risk would be medium.

The Audit Committee monitors the effectiveness of the risk management system. The report on the system design and operation is reviewed by the Audit Committee. The TOP risks are reviewed at the meetings of the Management Board and the Supervisory Board.

TOP risks

The TOP risks, which are set out in the table on pages 186-199, are clusters of event-based risks that could have a material impact on the business model, future performance, solvency or liquidity of the Group. In each case, the extent to which the Management Board can mitigate the risk is highlighted.



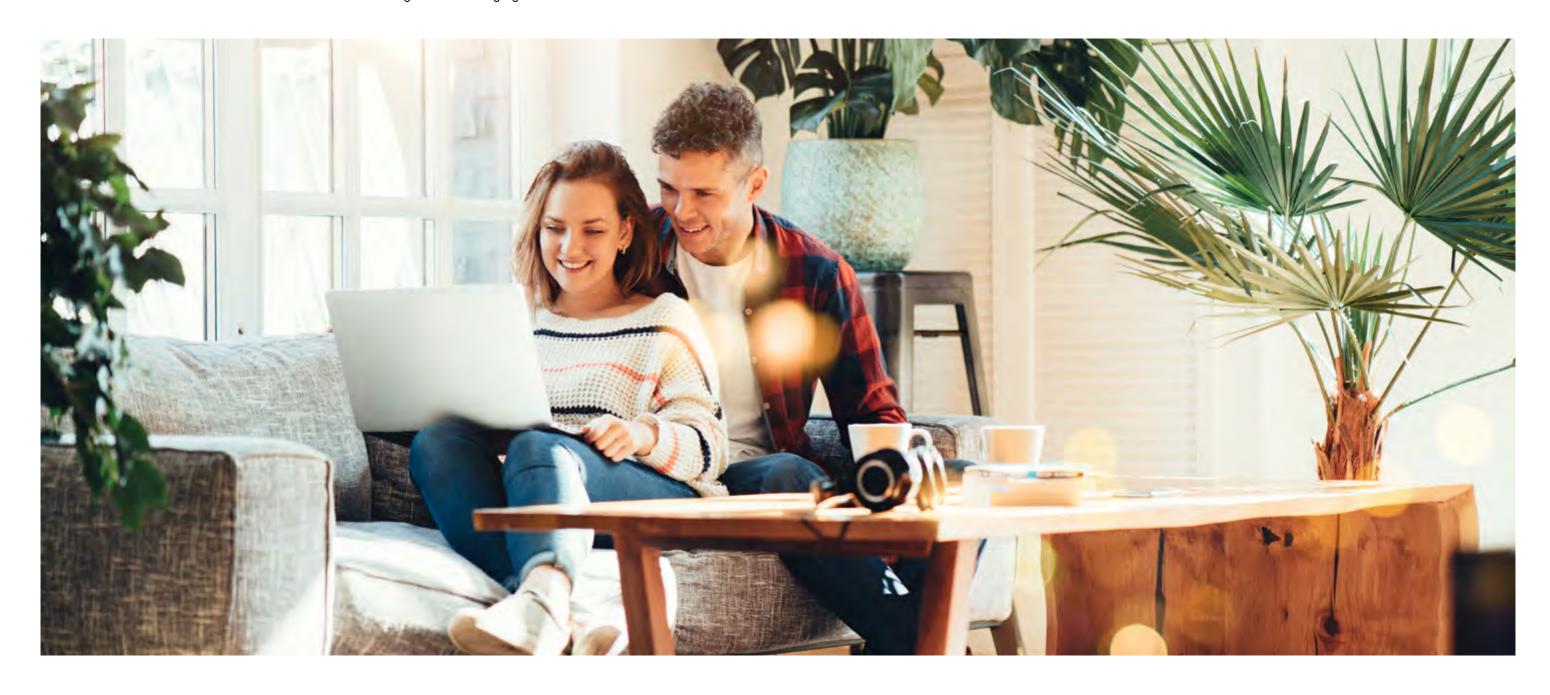
Vigilance Plan

We identify and monitor risks related to our impact on society and the natural environment. It is related to the Duty of Vigilance Plan, the French Law n°2017-399, adopted on 27 March 2017.

receive from renewable sources in the following years.

The company's Vigilance Plan must establish effective measures to identify risks and prevent severe impacts on human rights and the environment resulting from the company's own activities, and the activities of companies it controls directly or indirectly (i.e. subsidiaries as defined by French corporate law), as well as its subcontractors and suppliers with whom the company has an established commercial relationship, when the activities are linked to this relationship. Measures include risk mapping and tailored actions to mitigate risks or prevent them.

Orange Polska's Vigilance Plan was introduced in 2019 and covered risk related to human rights and fundamental freedoms, health and safety and the environment. The plan was approved by the Management Board and the Audit Committee of the Supervisory Board. The risks have been incorporated into Orange Polska's management system. The report on the implementation of the Vigilance Plan obligation is prepared jointly for the entire Orange Group.



Risk exposure

Each category's current exposure relative to the previous year is indicated by the arrow in the risk exposure column.



Increasing



Reducing



Risk area	Main business objective / Strategy reference	Risk exposure year-on-year change	Key risks, issues or areas of uncertainty	Potential impact	Management approach and mitigation measures		
War in Ukraine	Unmatched data connectivity for households and businesses.	→	 Attacks and cyberattacks on NATO countries' vital infrastructure. Decrease in network capacity due to increased traffic (voice & data) to and from the eastern part of Poland. 	The war in this neighbouring country may impact performance of Orange Polska and other telco operators in Poland as a result of direct and physical attacks or cyberattacks on infrastructure elements or applications. The rapid and huge increase in traffic generated near the eastern border by a great number of refugees may decrease network capacity and hinder provision of telco services in this part of the country.	Incident response teams in Orange Polska monitor the whole traffic, including cyber incidents, around the clock to react to each threat adequately. To assure seamless provision of telco services, Orange Polska adjusts its network parameters to increased traffic.		
Revenues and profits Orange Polska's failure to successfully implement its strategy could lead to a loss of market share and/or shrinking profits.	Unmatched data connectivity for households and businesses.	-	 Decrease in demand on telco services and products. Increased competition and pressure on services and prices. Increased competition in the convergent market. Failure to obtain the expected return on investment in fibre and loss of broadband market share. Disruption in global supply chain. Emergence of new types of fraud with new technologies. 	Due to an unstable market situation, driven mainly by increasing inflation (in particular energy prices) and the introduction of new tax and fiscal ordinance, existing and prospective customers may suffer lower disposable income or may be less likely to decide on long-term financial obligations. This may result in Orange Polska failing to achieve planned sales volumes or margins. The main markets in which Orange Polska operates are under growing competitive pressure resulting from the entrance of new players and a growing number of operators pursuing a fixed-mobile convergence strategy. This could be facilitated by more fibre networks being open for wholesale access, including those built with POPC projects and the recently announced FiberCo partnership. These market changes and trends could limit Orange Polska's ability to	In response, Orange Polska will focus on operational and cost transformations to make our business model more robust and efficient, and to deliver more flexibility in case of any market disruptions, such as a drop in sales or disruptions in supply chain. Due to the attractiveness of our offer, and our years of experience in providing products and convergent services, we believe that we have the necessary tools to differentiate our portfolio, keep it competitive and best fit customer demand. Orange Polska has chosen to consider more openness on the wholesale market, allowing other operators (e.g. T-Mobile) to sell retail services on its FTTH network, to boost network profitability. In order		



approach and mitigation measures

deliver convergence ambitions, as the market will be more crowded, and impact our value strategy, as stronger competitors could put pressure on retail market pricing. Market changes could also decrease return on investment from the Company's FTTH investments, as some demand could be utilised with new open access wholesale providers.

Due to the pandemic situation, manufacturers of electronic equipment saw growing inefficiency. The lead-time for provisioning respective devices has suddenly been postponed by as long as 180 days. Such a situation may result in a lack of electronic equipment in several business areas for Orange Polska's own purposes and those of its customers.

Moreover, with the growing complexity of technologies and networks and accelerated implementation of new applications and services, particularly related to interconnection and customer relationship management, new types of fraud which are more difficult to detect or combat could also emerge. This may result in a loss of revenues.

has chosen to consider more e wholesale market, allowing other T-Mobile) to sell retail services on its TTH network, to boost network profitability. In order to further expand our fibre footprint we have signed a FiberCo partnership, which will expand the fibre network to an additional 1.7m households by 2025. FiberCo will operate as a wholesale service provider only, providing access to its network on equal terms to Orange Polska and other interested operators. Additionally, Orange Polska is actively engaging other FTTH infrastructure providers to obtain more fibre coverage to keep advantage of scale over other ISPs.

Additionally, we are constantly investing in the quality of our sales channels and customer care service.

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Telecommunications services Increase in the number and duration of service interruptions.	Effortless and friendly customer experience. Unmatched data connectivity for households and businesses.	-	 Orange Polska's IT&N infrastructure outage. Energy blackouts. Exposure of Orange Polska to cyberattacks. Exponentially growing network traffic. Occurrence of human errors, acts of terrorism or sabotage. Increase in the number and severity of weather phenomena. Exposure to infection of field workers and engineers who fix network malfunctions. Decrease in quality or non-performance of services due to dependence on external partners. 	Such incidents could impact provisioning and quality of Orange Polska's services and influence the duration of service interruptions and/or schedule of their recovery. This may seriously damage the Company's reputation and result in revenue erosion, affecting its profits and market position.	This risk is mitigated by proper network and IT systems development planning, investments in the development of disaster recovery solutions, insurance schemes (covering cyber and terrorism risks) as well as implementation of business continuity and crisis management plans. Critical infrastructure is secured from possible limitation in energy supply. Climate change analyses are taken into account with a long-term perspective to adjust plans for infrastructure rollout with regards to rapidly intensifying weather phenomena through the next few decades. Orange Polska holds the ISO 22301 certificate for its Business Continuity Management System in the scope of provision of telecommunication, ICT and cybersecurity services.
Information security Breach of security of information, including personal data.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	•	Breach of security of information, including personal data.	Orange Polska's activities may trigger the loss, disclosure, unauthorised communication to the general public or third parties, or inappropriate modification of its customers' data. Such losses could arise from (i) implementation of new services or new applications, for example those related to billing and customer relationship management; (ii) launch of new initiatives, especially in the field of Artificial Intelligence and Machine Learning (iii) malicious acts (including cyberattacks), particularly aimed at theft of personal data; or (iv) potential negligence within Orange Polska or its external partners. For infringement of GDPR protection rules, administrative fines of up to 4% of annual global turnover may be imposed. Such incidents could have a considerable impact on the Group's reputation and a heavy impact on its liability, potentially including criminal liability, and hence have an adverse impact on Orange Polska's future financial performance. Like in the case of personal data, Orange Polska faces a risk of unauthorised disclosure, publication or communication to unauthorised entities of proprietary information constituting corporate secrets, particularly the details of intended initiatives, marketing campaigns, new offers or sales packages. The premature disclosure thereof could result in Orange Polska's failure to achieve its sales objectives and loss of its market share. The main causes of this risk include: (i) industrial (corporate) espionage, (ii) malicious acts (including cyberattacks), particularly aimed at theft of proprietary information, or (iii) potential negligence on behalf of the Group or its business partners.	Orange Polska holds the Information Security Management System certificate of compliance in line with ISO/IEC 27001 for the scope of services of telecommunications and ICT, hosting, collocation, cloud computing, cybersecurity and personal data processing in cloud computing. In addition, Orange Polska holds a certificate of compliance with the ISO/IEC 27018 Code of practice for protection of personally identifiable information (PII) in public clouds acting as PII processors. This covers personal data processing services in cloud computing via ICS (Integrated Computing Standard) and ICM (Integrated Computing Managed). Furthermore, the Company holds and maintains FIRST and Trusted Introducer certificates for CERT Orange Polska.
Financial risk Risks related to financial markets.	Acting in an effective and responsible manner.	•	 Increase of interest rates. Depreciation of the local currency. Further increase in the cost of energy. 	In 2022, the Polish Central Bank continued to increase the reference rate from 1.75% up to 6.75%. Since September 2022, tightening of the monetary policy has stopped as – according to the Bank Governor – it could jeopardise economic growth. Foreign exchange rate fluctuations affect Orange Polska's liabilities when denominated in foreign currencies or when they involve settlements with foreign operators. An increase in the price of energy may result in further significant growth of operating costs, leading to additional pressure on operating profitability.	Higher interest rates should not have any major impact on Orange Polska's debt service costs by mid-2024, as more than 90% of its debt is at a fixed interest rate. Potential depreciation of the Polish zloty should not have any major influence on Orange Polska's liabilities denominated in foreign currencies or settlements with foreign operators, also thanks to a high hedging ratio. Following the .Grow Strategy, Orange Polska will increase the share of renewable energy in its energy supply mix to significantly reduce carbon emissions, which translates to a decrease of total energy costs. Orange Polska is looking for short- and long-term contracts with renewable energy suppliers that do not include costs of emission allowances, which will allows it to reduce the budget risk in the coming years. In addition, we have available to us actions that can improve energy effectiveness and decrease its usage for our own purposes.





Corporate governance and regulatory, tax and legal environment

Regulatory obligations resulting from legislation changes and administrative decisions.

Acting in an effective and responsible manner.



- · Risks related to acquisition of new spectrum for high-tech telecommunications services (including 5G).
- Potential consequences of the US China dispute.
- Risk of imposing an obligation to withdraw certain types of network equipment
- Legislative process of the Electronic Communications Law (which will replace the current Telecommunications Law).
- Proceedings by UOKiK and the European Commission related to network sharing
- Financial corrections or compensation for delays in POPC investments.
- · Increased tax burden and fiscal pressure resulting from changes in legislation.
- Increase in remuneration for the use of third parties' land for the purpose of development and maintenance of Orange Polska's infrastructure.
- Reputational and financial losses resulting from involvement of Orange Polska's employees in corruption schemes.
- Termination of service provisioning due to inclusion of Orange Polska's partner(s) on the sanction list.

Orange Polska must comply with various regulatory obligations governing the provision of services and products, particularly related to obtaining and renewing licences. These regulatory obligations result from legislative changes and administrative decisions. Regulatory decisions and changes in the regulatory environment may have an adverse effect on Orange Polska.

Adjustments of operations to the provisions of the new Electronic Communications Law will be required in 2023. The new law (currently going through the legislative process) will replace the Telecommunications Law and will constitute a new legal framework for telecommunications operators.

Legislative work on the draft law amending the act on the national cybersecurity system is ongoing at the governmental level. This draft law includes, among others, the mechanism to define a given supplier as the high-risk vendor. Among the assessment criteria there is control over a given supplier by a non-EU, non-NATO state. The effects of the decision would include, among others, the obligation to withdraw given resources within 5/7 years, depending on their type. This is a direct result of actions aimed at high-risk vendors undertaken consequently and gradually by the US administration, followed by the recommendations issued by the EU institutions.

For telecom operators, such as Orange Polska, the imposition of such regulations could affect the range of telecommunications equipment suppliers available on the market, which may bring delays to, or increase costs of, implementation of the 5G network. New regulations could also entail other costs related to an obligation for withdrawal of products/ services/processes provided by a high-risk vendor.

There is a risk of failure to achieve the expected return on investment due to obligation to extend the scope of investment regarding POPC.

Despite Orange Polska's drive to strengthen its anti-corruption policy and respect all restrictions concerned with sanctions, infringements could occur due to the number of partners engaged, dynamic sanction lists' updates and complex processes performed. This could have an adverse impact, particularly on Orange Polska's reputation.

In 2022, there were a number of changes to the legal environment with respect to both general law and provisions specific to the telecom sector. The legislative process of the Electronic Communication Law began in 2020; work continues, and the new act should come into force in 2023. The legal and regulatory environment requires constant and diligent monitoring, as well as allocating resources to implement new regulations and prevent any non-compliance.

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Currently, no decisions have been issued in Poland regarding the risk of obligation to withdraw certain types of network equipment provided by suppliers defined as high risk-vendors, and the legal provisions introducing such solutions have not yet been enacted. Orange Polska tracks this area of possible regulation and will act to comply with any new obligations if they are put into force.

Orange Polska has implemented the Anti-Corruption Policy and Guidelines. These regulations contain detailed rules and standards as well as references to specific conditions and circumstances relating to the identification and mitigation of corruption risks. In addition, we have carried out a number of training and information campaigns to raise awareness of anti-corruption laws and rules among our employees. In 2019, a new anti-corruption training programme, "Zero tolerance for corruption", was implemented within Orange Polska. Training was targeted according to the exposure particular groups of employees had to these risks.

In order to comply with sanction lists, Orange Polska performs due diligence before a contract with a new partner is concluded, and constantly verifies existing partners with regards to any updates of sanction lists.

Exposure to electromagnetic fields

Exposure to electromagnetic fields (EMF) from radio equipment.

Unmatched data connectivity for households and businesses.

Acting in an effective and responsible manner.



- · Adverse effects of EMF on human health.
- · Decline in use of mobile telecommunications services.
- · Difficulties and additional expense in rolling out base stations and other wireless equipment.

There might be increased concerns in the future about the effects on human health of exposure to electromagnetic fields (EMF).

Based on the Government's assessment of the scientific evidence, since 1 January 2020 the Polish EMF limits have been consistent with the Council Recommendation 1999/519/EC. Consequently, they are currently similar to the limits adopted in most European countries. If in the future new scientific evidence gave rise to greater concern, this would likely result in a decline in use of mobile telecommunications services, difficulties and additional expense in rolling out base stations and other wireless equipment, and an increase in litigation.

The top management monitors compliance with regulatory requirements, emission limits and other legal requirements related to environmental protection. Furthermore, Orange Polska's Environmental Management System has been approved for compliance with ISO14001, which includes the provision of mobile services.





Climate, social, environmental and human rights risks

Consequences of failing to deliver on climate objectives

Orange Polska's failure to successfully implement its climate strategy could lead to negative impact on reputation, increases to operational costs and loss of some investors and customers.

Acting in an effective and responsible manner.



- · Reputational damage from real or perceived failure to deliver on our climate action ambitions and goals (and in particular emission-reduction goals).
- Insufficient regulatory support in the development of renewable energy in Poland.
- Low interest on the part of customers in adopting carbon neutral and/ or emission-reduction solutions
- Lack of a national Polish net zero emission strategy.

It is necessary to reduce the environmental impact of our activities and the products and services we provide. If we fail to keep pace with changes in stakeholders' expectations on reducing the environmental impact of our activities, we may lose our market share and the confidence of investors, customers and other stakeholders. Increasing regulatory pressure is expected in the near future in line with climate neutrality objectives introduced by the EU and its Member States.

While 5G is more energy efficient than older technologies, continuous increases to data-traffic volume will increase the overall electricity consumption and could, therefore, mean higher CO2 emissions (as electricity use is the principal emission driver in telco). Increasing the share of renewable energy used by Orange Polska through long-term Power Purchase Agreements is crucial to reducing the Group's emissions despite this growth.

Green is at the core of the Orange Group and Orange Polska business strategy. Orange Polska's objective is to achieve Net Zero Carbon by 2040 and significant GHG emissions reduction by 2025.

The appointment of the Climate Officer (in particular to set climate objectives, working closely with the Group's business strategy, and to implement and pilot relevant action plans for 2025) and developing a green strategy and action plan (#OrangeGoesGreen).

Open dialogue with stakeholders on OPL's engagement and actions as well as the positive impact of the telco industry on reducing emissions in other sectors.

Purchase of green energy through long-term Power Purchase Agreements directly with producers to reach 60% of such energy in our consumption mix in 2025.

Continued action to optimise the energy used, including but not limited to technology evolution and further deployment of more energy-efficient solutions (e.g. 5G vs 4G, fibre vs. copper).

Negative impact of climate change on the Company's operations

Acting in an effective and responsible manner.



- · Infrastructural damage or malfunc-
- Energy provision, usage and costs.
- Disruption of supply chains due to climate change-related issues.
- Regulatory and socio-economic impacts linked with climate change.

As a result of climate change, Orange Polska's infrastructure may be increasingly at risk of more frequent malfunction or damage due to acute or chronic climate change impacts (and, in particular, growing average and maximum temperatures or increasing frequency and intensity of extreme weather events).

Increased pressure on the national energy system, which may result in lower energy supply and higher pricing, and - in more serious cases even localised blackouts.

Increased cooling requirements of Orange Polska's infrastructure itself due to higher ambient temperatures.

Problems in provision of Orange Polska's services due to the lack of equipment or delayed deliveries of equipment.

Potential problems in functioning of IT&T systems due to delays in equipment deliveries.

Regulatory requirements regarding the biggest enterprises linked with climate change (mitigation or adaptation) that could impact financial performance.

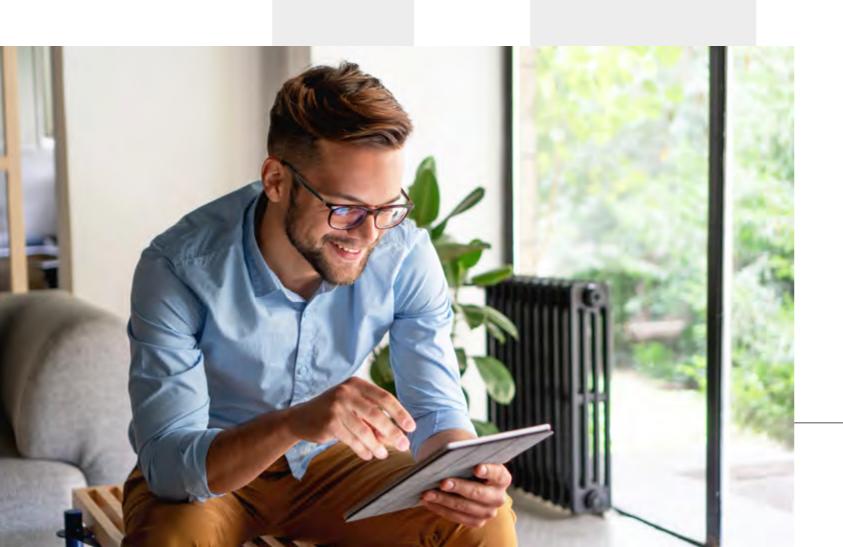
Demographic and socio-economic changes may be expected.

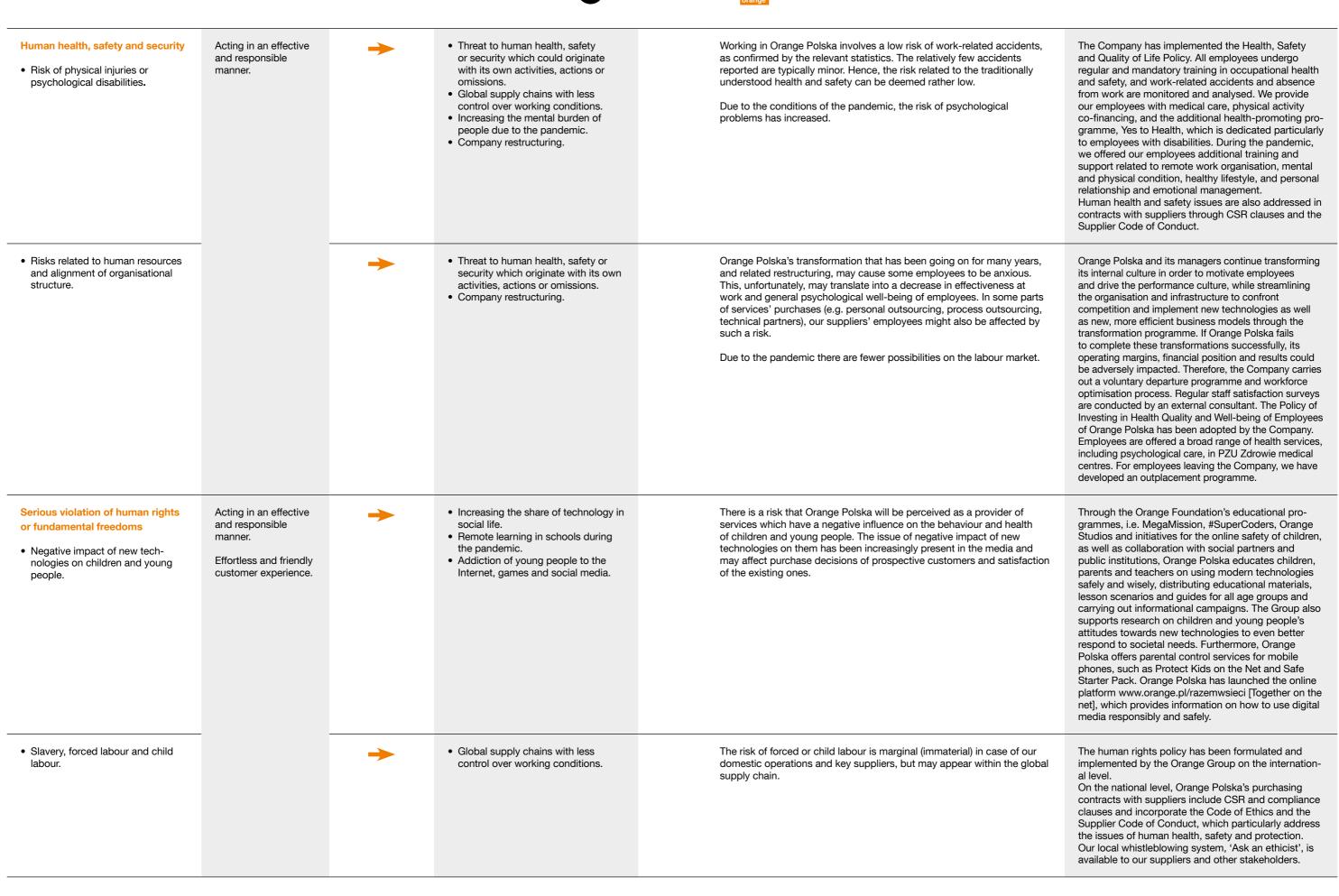
The main approach to managing this risk is to understand, measure, monitor and mitigate possible consequences under different climate scenarios in the short, medium and long term, taking into account financial impact and business continuity. Information on climate risks is captured in investment decisions (planning for future or relocating existing locations; design choices: additional protective or response measures). The impact of climate changes on infrastructure is analysed, which allows for its proper

Due to the importance of energy availability, continuity scenarios and procedures for power outages or other power supply disruptions are developed, with particular emphasis on energy storage and other low-carbon emergency power solutions. In order to reduce the demand (amount of consumption) of energy, an energy optimisation programme is implemented.

In addition, efforts are made to obtain renewable energy directly from suppliers based on long-term contracts (Power Purchase Agreements), supplemented by own sources (Solar as a Service).

Key resources for the continuity of the supply chain have been identified. In order to ensure their availability in response to potential supply disruptions, preventive measures are envisaged (e.g. diversification, supplier inventory, stocks, alternative technologies, backup transport routes). The environmental assessment was included in the verification and evaluation of suppliers. The Company introduces circular economy solutions as a possible independent source of resources. In addition, we constantly monitor the legal and regulatory situation from the perspective of climate change, analyse long-term socio-economic and demographic changes in Poland and engage our stakeholders in dialogue.





Risk of poor working conditions.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	→	Global supply chains with less control over working conditions.	The risk of poor working conditions in Orange Polska is considered low, but may appear within the supply chain. Due to the pandemic the risk concerning safe work conditions has increased.	The risk of poor working conditions in Orange Polska is considered low. The Company has introduced the Policy of Investing in Health Quality and Well-being of Employees of Orange Polska, which in particular provides for compliance with the occupational health and safety standards and development of friendly working environment. This risk can potentially appear on the level of providers of services to Orange Polska in such areas as personal outsourcing, process outsourcing or technical partners. Human health and safety issues are addressed in contracts with suppliers through a CSR clause as well as incorporation of the Supplier Code of Conduct and the Code of Ethics. Any irregularities in this area can be reported through our local whistleblowing system, 'Ask an ethicist', which is available to both our employees and suppliers.
Breach of freedom of expression		•	 Increasing the share of technology in social life. Availability of content and user tracking mechanisms on the internet. Social unrest and online disinformation. 	As a telecommunications operator, Orange is keen to ensure that human rights are respected, particularly when using information and communications technologies (ICT). Like all telecommunications operators, Orange must comply with government orders as defined by national security regulations and the law. This is a universal obligation which is laid out in each country's laws and regulations, as well as in licenses for telecommunications operations worldwide. It is important to guarantee transparency in terms of monitoring government requests related to human rights, and more specifically those related to the ICT sector.	Requirements related to sharing of personal and telecommunications data with authorised entities resulting from laws, internal regulations and guidelines of supervisory authorities, which were clearly stated, updated and identified in the Company. The Company has a set of policies / procedures for sharing data with authorised entities, which is approved by the management, published and made known to all employees and relevant external parties. All liabilities related to the disclosure of data to authorised entities have been defined, allocated and formalised. Information and data in the Company are classified by legal requirements, their value, criticality and sensitivity to unauthorised disclosure or modification. Users have access to information / data only to the extent that they have been authorised. In line with the access control policy, access to information is limited. Formal policies, procedures and safeguards have been established to protect the data and information being shared by all means of communication. The process of providing data to authorised entities is regularly monitored, reviewed and audited by both internal and external auditors.
• Discrimination		•	 Global supply chains with less control over working conditions. New legal regulations regarding accessibility requirements for customers with disabilities. Digital exclusion of the elderly. 	Issues related to discrimination against employees or customers are sensitive matters. They can not only be illegal and result in court penalties, but also have a negative impact on Orange Polska's image. This may affect the value of the brand as a socially responsible company.	The Diversity Management Policy (launched in 2016) aims to bolster the pursuit of our business objectives, address changes in the labour market and respond to the expectations of our employees. The policy also supports compliance with the values enshrined in the Code of Ethics, CSR goals and the obligations under the Diversity Charter, of which we are a signatory. The Company has the Data Ethics and Artificial Intelligence Committee, which also addresses the issue of non-discrimination in the design and use of new technologies. The key diversity dimensions in the Group are as follows: gender, age, competence / expertise / experience / way of thinking, psychophysical skills, (dis)abilities, and parental status. Other diagnosed dimensions include: religion / beliefs, workplace location (HQ vs. region), type of employment and nationality / ethnic origin. The Company will also implement programmes for customers with special needs, including facilities for older customers and customers with disabilities.

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Environmental damage

 Risk of loss of trust and reputation due to improper treatment of hazardous waste. Acting in an effective and responsible manner.



- Increasingly restrictive laws and requirements in the field of electronic waste.
- The Company's obligations to apply a circular policy.

The issues of environmental protection and the application of the principles of circular economy are becoming more and more important due to legal regulations and social expectations. Irregularities in the management of electro-waste and hazardous waste may expose the Company to court cases and negative social evaluation, and thus lower the value of the brand in the eyes of customers and investors.

For years, Orange Polska has carried out waste management in co-operation with trusted business partners, so this risk can be considered low. Orange Polska has adopted the Environmental Protection Policy, which identifies the negative impact of our processes on the environment and provides for categorisation and monitoring of waste, particularly hazardous. The Company monitors the processes which may affect the environment in compliance with environmental laws and regulations, and applies technological solutions to reduce its negative environmental impact.

Waste electronic and electrical equipment (WEEE), batteries and storage cells, cables and telegraph poles are disposed of under strict control in co-operation with waste disposal companies that take full responsibility for further waste management, document the subsequent stages of waste treatment and hold a waste management licence (following registration by the Chief Inspectorate for Environmental Protection).

Environmental issues are also addressed in contracts with suppliers through a CSR clause and the Supplier Code of Conduct.

• Risk of ineffective WEEE collection processes.



- Increasingly restrictive laws and requirements in the field of electronic waste.
- The Company's obligations to apply a circular policy.

In the case of Poland, complications include, on the one hand, low ecological awareness; on the other, the unwillingness to get rid of efficient-yet-worn equipment. In addition, there is quite a significant market for used telephones dominated by small players, who buy and sell used handsets.

In some part of services' purchases (e.g. personnel outsourcing, process outsourcing, technical partners), the suppliers' employees might also be affected by such a risk.

We fulfil our statutory obligations to collect old equipment at points of sale, free of charge, and to meet the required recycling levels for the given category of waste. Orange Polska manages the process of electronic equipment recycling and monitors its results. We co-operate with organisations offering waste treatment and recycling. In addition, we have a buy-back offer encouraging customers to dispose of unwanted equipment.

Customers can return used devices through our customer service centres or our dedicated online platform under a handset buy-back programme, which involves collecting used-but-working handsets in return for discount vouchers. In addition, the Company has implemented a programme of refurbishing and relaunching old electronic equipment.





Corporate governance

Orange Polska, as a company listed on the Warsaw Stock Exchange, applies corporate governance rules, maintaining Polish and international standards of proper governance, in particular the principles of the WSE Best Practice

Letter from the Chairman of the Supervisory Board



Dear Shareholders,

The second year of implementation of our .Grow strategy was marked by massive changes in the geopolitical and macroeconomic environment. The outbreak of war in Ukraine, the energy crisis and the highest inflation rate in many years resulted in the exceptional instability of business conditions. However, our strong operating and financial performance in 2022 confirms that Orange Polska has healthy foundations and the right strategy, which has passed the test even in such a difficult environment. The Supervisory Board applauds the efforts of Orange Polska's teams in the face of such unprecedented challenges. I am also glad that the Company is increasingly able to share the benefits of the successful implementation of its strategy with the shareholders in the form of dividends.

Last year was particularly testing for our strategy pillar related to corporate responsibility. On the one hand, it involved the Company's swift and firm response to the refugee crisis related to the war in Ukraine, ranging from dedicated telecommunication offers and hosting refugees in our facilities to a number of grassroots initiatives in which our employees committed their time and resources to provide humanitarian aid. On the other, it required coping with the energy crisis. Owing to newly signed contracts to

receive energy from wind farms, we will be able to both stabilise energy costs this year (following a massive surge last year) and significantly reduce CO_2 emissions. The Company has secured its strategic goal in this respect three years ahead of the plan.

Last year, the Supervisory Board and its Strategy
Committee analysed the competitive landscape in the
market. Upon the acquisition of UPC by Play, a new
major player emerged in the convergence market, in
which Orange Polska has long been the leader. It was
an expected development, which does not change the
Company's attitude towards the implementation of its
value strategy. In fact, the latter has become even more
necessary in the face of high cost inflation. Another topic
was the developments around the 5G spectrum auction.
In Orange Polska, we are glad that the consultation has
finally been launched and we expect a transparent auction
process. The C-band will enhance the mobile network
capacity and open new business opportunities.

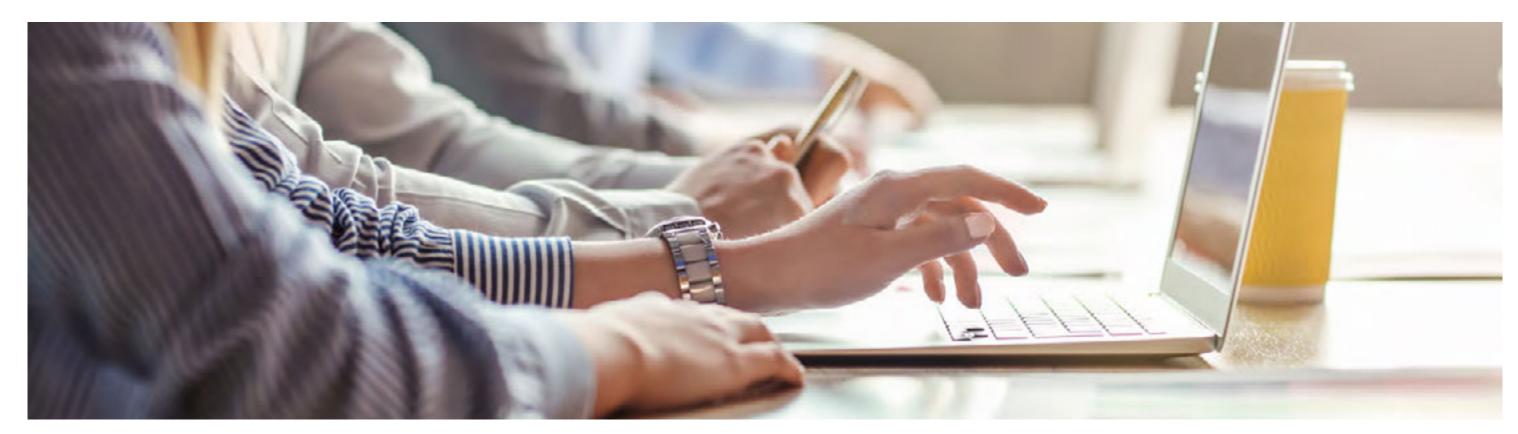
Like every year, the Supervisory Board was also involved in all other decisions of key significance for Orange Polska. We monitored the Management Board's governance in managing the business to ensure that these activities were lawful and compliant with legal provisions and internal standards and policies, as well as appropriate and efficient. At each meeting, the Supervisory Board discussed in detail the Company's current financial and operational results in comparison to the budget adopted at the beginning of the year. More details of the Supervisory Board's assessment of Orange Polska are presented further in this chapter. It

is worth noting that with respect to the assurance of the highest corporate governance standards the Supervisory Board instructed the Management Board to strengthen supervision of Orange Polska's subsidiaries.

The frequency of the Supervisory Board and its Committees' meetings mean that we are in close contact with the Management Board. In 2022, five meetings of the Supervisory Board and fifteen meetings of its Committees took place. The average participation rate was 94.4%. Both General Meetings that took place in 2022 enabled shareholders to participate in a fully remote way, which is in line with the best practice in this respect. Looking forward to 2023, in the opinion of the Supervisory Board, the key tasks for the Management Board include meeting the challenges in the .Grow strategy implementation in what continues to be a difficult macroeconomic environment, particularly under the inflationary pressure on operating costs; obtaining 5G spectrum; and the gradual development of a plan for the next strategic period.

While there are clear challenges, I am fully confident that we have adequate resources and assets to meet them – a task in which the management will be supported by the Supervisory Board. Operating in an attractive market, we are guided in our activities by long-term value creation for all our stakeholders.

Maciej Witucki
Chairman of the Supervisory Board



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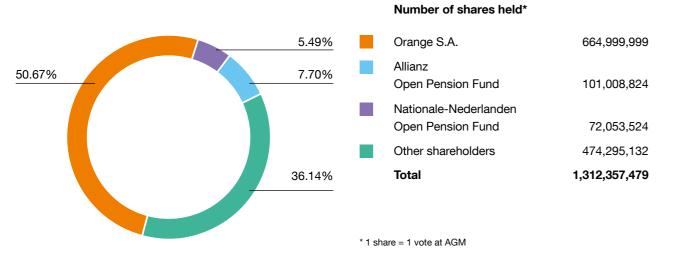


Our approach to corporate governance

Orange Polska, as a company listed on the Warsaw Stock Exchange (WSE), applies corporate governance rules, maintaining Polish and international standards of proper governance. In particular, such efforts are reflected in Best Practice, Diversity Charter, Integrated Reports or Orange Polska Code of Ethics. We are convinced that transparent corporate governance is the only right and innovative approach that fits the market environment and provides for the proper balance between the interests of all the stakeholders involved in the operations of Orange Polska.

▶ Read more about our compliance with WSE Best Practice in section Orange Polska on WSE, on page 105.

Orange Polska shareholders





Our investors include individual and institutional shareholders. We maintain an active dialogue with our investors through an extensive investor relations programme.

▶ Read more about Orange Polska Investor Relations in section Orange Polska on WSE, on page 105.

Role of shareholders

Orange Polska encourages shareholders to play an active role in the Company's corporate governance. Shareholders' consent is required for key decisions, including: the review and approval of the financial statements and Management Board Report on Activities; the review and approval of the Management Board's recommendations on dividend payments or coverage of losses; the review and approval of the Supervisory Board Report, including the Assessment of the Group's situation and, since 2021, approval of the remuneration report; the election of the Members of the Supervisory Board (and, if necessary, their dismissal); amendments to the Company's Articles of Association; increase and reduction of the share capital; and the buyback of shares.

At the Company's General Meetings, each share in Orange Polska entitles its owner to one vote. In addition to their participation in General Meetings, Members of the Company's Management Board engage in active dialogue with the Company's shareholders. To ensure that investors receive a balanced view of the Company's performance, Management Board Members – led by the President of the Management Board and the Chief Financial Officer – also make regular presentations to institutional investors and representatives of the domestic and international financial community.

Orange Polska's commitment to excel in corporate governance

Corporate governance in Orange Polska is designed to provide responsible management and supervision in order to achieve the Company's strategic goals and enhance its value. We have created a credible corporate governance framework, which consists of mechanisms that help achieve growth. Those mechanisms consist of structures, processes and controls which enable the Company to operate more efficiently and to mitigate risk. The ability of the Company to create value is ensured by having capable governing bodies with a proper division of duties and optimal representation of experience, skills and education. The sustainability of the Company is secured by the ability to allocate the created value in a fair and sustainable manner, as necessary to the Company's long-term success.

The Management Board provides the leadership necessary to steer the Company to its strategic goals. It introduces policies and rules for maintaining the internal cohesiveness of the organisation. All Members of the Management Board act as executives, while the Members of the Supervisory Board play an oversight role. These two roles are separate and strictly assigned to these governing bodies. The Supervisory Board consists of shareholders' representatives, elected at the General Meeting. In order to exercise its obligations the Supervisory Board may at any time examine any Company's documents, may demand from the Management Board and employees any reports and explanations and may check the financial standing of the Company. When necessary the Supervisory Board may commission a selected advisor to examine a specific matter concerning the Company's operations or its assets at the Company's expense. If a matter requires specialised knowledge or qualifications, an advisor to the Supervisory Board may also be appointed to prepare specific analyses

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In order to ensure quality decision-making, the Supervisory Board uses its committees as advisory bodies. The members of each committee are experts in their field of expertise who provide the Supervisory Board with advice on issues requiring more detailed analysis. The Audit Committee provides the Supervisory Board with wide expertise on finance, accounting and audit. The Remuneration Committee deals with general remuneration policy and recommends appointments of Management Board Members. The Strategy Committee is responsible for delivering recommendations on strategic plans and planning processes set up by the Management Board.

The aim of the corporate governance model described above is to properly distribute responsibilities within the Company and establish the roles of the key governing bodies, which in turn enhance the decision making process. Its structural elements, and the relationships between them, guarantee the transparency of key management decisions. Orange Polska is fully accountable to its stakeholders and is committed to communicating its progress towards its business goals and the fulfilment of its responsibilities. We do this to increase confidence in our Company among investors, customers, employees and the general public. We have paid the utmost attention to constructing a corporate governance system that promotes ethical, responsible and transparent practices. By introducing these rules we demonstrate the Company's commitment to the highest standards of governance and we ensure that these standards will continue to stand up to scrutiny by internal and external stakeholders.

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Corporate governance

Our governance structure

Orange Polska has three governing bodies:

General Meeting

Supervisory Board

Chairman

Supervisory Board Members

Audit Committee Remuneration Committee

Strategy Committee

Management Board

President

Management Board Members

Executive Directors

Organisational business units

The General Meeting

is responsible for the following duties (among others):

- review and approval of the financial statement and report on the Company's activity in the previous financial year;
- distribution of profits or coverage of losses;
- confirming the proper execution of duties by the Members of the Supervisory Board and the Management Board;
- amendments to the Articles of Association, including an increase or reduction of the share capital;
- merger or change of the legal form of the Company;
- appointment and removal of the Members of the Supervisory Board;
- determining the remuneration of the Members of the Supervisory Board;
- expressing an opinion on the annual report on the remuneration prepared by the Supervisory Board.
- ► Full details of the matters reserved for the General Meeting's decision making can be found on our website at www.orange-ir.pl/wp-content/uploads/2020/12/ Regulations_of_the_General_Meeting_2020.pdf and www.orange-ir.pl/wp-content/uploads/2020/12/ Regulations_of_the_Management_Board_2020.pdf





General Meeting at a glance

The Annual General Meeting is convened by the Management Board (or by the Supervisory Board if the Management Board fails to convene it within the period set out by the law) and it is held within six months after the end of each financial year. The General Meeting is valid regardless of the number of shares being represented. The agenda of the General Meeting is determined by the body that has convened it. Any matters to be resolved by the General Meeting should first be presented by the Management Board to the Supervisory Board for its opinion. The resolutions are adopted by a simple majority of the votes cast unless the Commercial Companies Code or the Articles of Association provide otherwise. Voting at the General Meeting is open. A secret ballot is used at elections or upon motions for removal of members of the Company's Boards or liquidators, or calling them to account for their actions, or in personal matters. A secret ballot is also used whenever requested by at least one of the shareholders or their representatives present at the General Meeting.

An Extraordinary General Meeting is convened by:

- the Management Board, upon its own initiative or upon a written motion of the Supervisory Board or shareholder(s) representing at least 5% of the share capital, in which case the Management Board includes on the agenda the matters indicated by the shareholders requesting the meeting;
- the Supervisory Board, if it is necessary in its opinion; or
- shareholders representing at least half of the share capital or at least half of total votes in the Company.

The Supervisory Board or shareholders representing at least 5% of the share capital may request that particular matters be included on the agenda of the next General Meeting.

The Supervisory Board

is responsible for supervision of the Company's activities (including the activities of its controlled subsidiaries) and represents the Company in concluding any agreements between Orange Polska and Members of the Management Board, or in the event of any disputes between the Company and Members of the Management Board. It is also obliged to ensure that the financial statements and reports on the Company's activities meet the requirements of the provisions of accountancy law.

The main duties of the Supervisory Board are:

- evaluation of the Management Board's report on the Company's activities and the financial statements for the preceding financial year;
- evaluation of motions of the Management Board regarding distribution of profits or covering of losses,
- submitting to the General Meeting an annual report for the preceding financial year (Supervisory Board's Report):
- appointing, dismissing and suspending for important reasons a Member of the Management Board or the entire Management Board as well as determining the terms of, and fixing, their remuneration;
- appointing an auditor to examine or inspect financial statements;

- stating an opinion on annual and long-term strategies and the annual budget;
- stating an opinion on incurring liabilities in excess of the equivalent of EURO 100,000,000 as well as on disposal of assets in excess of the equivalent of EURO 100,000,000;
- submitting a remuneration report to the General Meeting.
- ► Full details of the matters reserved for the Supervisory Board's decisions can be found on our website at www.orange-ir.pl/wp-content/wploads/2022/12/
 Articles-of-Association_2022.pdf and www.orange-ir.pl/wp-content/uploads/2020/12/Regulations of the <a href="https://general.google.googl





Supervisory Board at a glance

The Supervisory Board consists of between 9 and 16 Members. At least four Members of the Supervisory Board should be Independent Members. The Supervisory Board should hold meetings at least once a quarter. The Supervisory Board appoints and removes the Management Board President and other Members of the Management Board. The Supervisory Board adopts resolutions in an open vote with a simple majority of votes cast and in the presence of at least half of all Members of the Supervisory Board. The Supervisory Board elects from among its Members the Chairman, who convenes and chairs the meetings of the Supervisory Board. In case of a tied vote, the Chairman has the casting vote. The Supervisory Board has established three

committees which are its advisory bodies:

- Audit Committee
- Remuneration Committee
- Strategy Committee

Only a Member of the Supervisory Board can be a member of any of its committees. The Committees make decisions by an ordinary majority of votes. The Chairpersons of the Committees are appointed by the Supervisory Board. They manage the Committee's work, convene meetings and, in the case of a tied vote, they have the casting vote. The tasks and the principles of the operation of the Supervisory Board and its permanent committees are defined in the Regulations of the Supervisory Board, which are available on the Company's website.

The Management Board

manages Orange Polska's affairs, administers its assets and represents the Company towards third parties. It is responsible for any matters relating to the Company's affairs which under the Commercial Companies Code or the Company's Articles of Association do not fall within the competence of the General Meeting or the Supervisory Board. The Management Board implements resolutions of the General Meeting and the Supervisory Board as well as its own resolutions, and is responsible for their execution.

In particular, Management Board's resolutions are required in the following affairs of the Company:

- formulation of the Company's strategies and approval of multi-year plans for development of its individual activity areas;
- approval and update of the Company's budget;
- fixing amounts of investment outlays and their financing sources;
- contracting credit lines and other financial liabilities;
- formulation of personnel policies and rules of remuneration within the Company;
- adoption of annual financial statements and the Management Board's Reports on the Company's and the Group's activity;
- proposing to the General Meeting motions regarding the distribution of profits or the offsetting of losses;
- the Company's property transformation and public trading in the Company's securities;
- exercising owner's supervision over companies with Orange Polska's participation;

- · participation in other companies;
- concluding and implementing agreements between the Company and any trade unions acting within it;
- negotiation and settlement of labour disputes;
- rules for filling the posts of key management, including terms and conditions of employment and remuneration rates.
- ► Full details of the matters reserved for the Management Board's decisions can be found on our website at https://www.orange-ir.pl/wp-content/uploads/2022/12/
 Articles-of-Association 2022.pdf and https://www.orange-ir.pl/wp-content/uploads/2020/12/Regulations_of_the_Management_Board_2020.pdf









Executive Directors

are responsible for the management of specific functions within the Company. The task areas of their responsibilities

are described in the Organisational Regulations of Orange Polska.

Management Board at glance

The President of the Management Board acts as chairman and manages the activities of the Management Board. Board Members report to the President on the execution of their duties, while he monitors and evaluates the results of their work.

Members of the Management Board manage the Company's affairs directly, according to the division of duties defined in the Organisational Regulations of Orange Polska. Meetings of the Management Board are held on average twice a month on dates specified in working schedules. Participation of the Management Board Members in meetings is obligatory and each Management Board Member may place matters on the agenda of the meeting. Participation of other persons in meetings is at the discretion of the President of the Management Board, who presides at meetings. Resolutions of the Board are adopted by absolute majority of votes of all appointed Board Members. A resolution can also be adopted outside the meeting by circulation, by an absolute majority of votes, but only if all Members have been notified of the content of the draft resolution.





Regulating conflicts of interest

The Supervisory Board Members and the Management Board Members perform their functions acting in the best interest of Orange Polska. The prevention and proper management of conflicts of interest at all levels of the organisation is part of our corporate culture.

In order to ensure that the decisions of the Supervisory Board and the Management Board as the Company's key bodies are taken in an honest, transparent and impartial manner, we have defined the Orange Polska Conflicts of Interest Policy (hereinafter the "Policy") applicable to the Supervisory Board and Management Board Members.

The aim of the Policy is to implement best practices and provide Orange Polska with transparent decision-making processes by:

- providing Members of the Supervisory Board and the Management Board with information allowing to identify what a conflict of interest is;
- definition of the procedures by which persons should disclose actual and potential conflicts of interest;
- an indication of how to manage such cases.

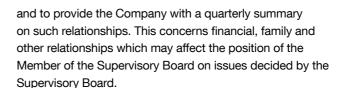
The method of managing conflicts of interest in Orange Polska follows the provisions of law, ethical and industry standards and best market practices, and takes into account the solutions applied by the Orange Group.

The content of the Policy complements the Code of Ethics and Anti-Corruption Policy and the Orange Polska Procedure for Supervising Transactions with Related Parties.

The Supervisory Board Members or the Management Board Members may refer to the Board Referee for Conflicts of Interest in order to obtain information or to clarify any doubts related to a potential or existing conflict of interest.

The function of the Board Referee is performed by the Chairman of the Supervisory Board of Orange Polska. The Board Referee, if he deems it appropriate, may request an opinion and recommendation from the Chief Compliance Officer of Orange Polska.

Each Member of the Supervisory Board should take appropriate action to prevent and resolve conflicts of interest and is obliged to promptly inform the Chairman about all conflicts of interest which have arisen or may arise. Also he/she is obliged to inform the Company immediately about the existence of their relationship with any shareholder who holds shares representing not less than 5% of all votes at the General Meeting of the Company,



Each Management Board Member is obliged to promptly inform the Company about all conflicts of interest which make impossible or limit his/her ability to perform any function of a Board Member.

Supervisory and Management Board Members are obliged to submit quarterly statements including additional information required by the laws and regulations related to the listing of shares on the regulated markets, with the aim of informing the Company about a potential conflict of interest.

A Member of the Supervisory Board or a Member of the Management Board in a situation of a conflict of interest does not participate in discussing a given matter at any level, in making any decisions, and if a vote is ordered, refrains from participating in it or casts a vote abstaining and requests to put that in the minutes.

In special matters the Board Referee, respectively in consultation with the Secretary of the Supervisory Board

of Orange Polska or the President of the Management Board of Orange Polska, can prepare a decision on how to manage the conflict of interest or states its absence in a given case.

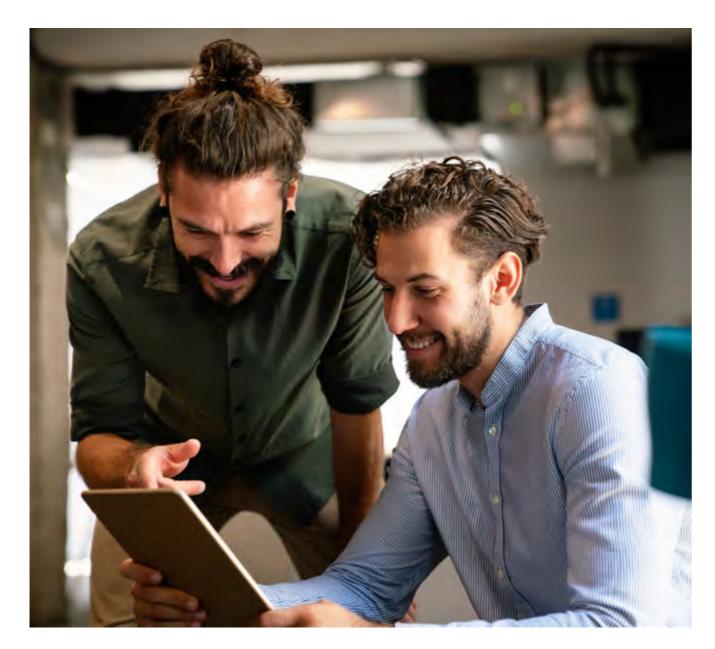
If an existing or potential conflict of interest has been reported by the Chairman or the Secretary of the Supervisory Board, or by the President of the Management Board, the relevant person is excluded from making decisions regarding the given matter, and his/her duties are taken over by other persons indicated as taking participation in the conflict of interest management process.

The Audit Committee reviews and provides an opinion to the Company's Management Board and/or the Supervisory Board on significant transactions with related parties as defined by the corporate rules.

Orange SA's nominees abstain from voting on transactions involving Orange SA or its subsidiaries on Supervisory Board's meetings and Audit Committee's meetings and when resolutions are adopted by circulation. Also other Members of the Supervisory Board performing functions in other companies which enter into transactions with the Company are not involved in making decisions on matters relating to such transactions.







Orange Polska governing bodies' activities in 2022

General Meeting activities in 2022

The Annual General Meeting took place on 22 April 2022 in Warsaw. The General Meeting, among other things:

- approved the Management Board's Report on the activity of Orange Polska Group and Orange Polska S.A. in the 2021 financial year;
- approved Orange Polska S.A.'s financial statements for
- approved the consolidated financial statements for 2021;
- granted approval of the performance of their duties by members of Orange Polska S.A.'s governing bodies in the 2021 financial year;

- adopted a resolution on distribution of Orange Polska S.A.'s net income for the 2021 financial year, pursuant to which Orange Polska S.A.'s profit of PLN 915,493,003.09 (disclosed in the Company's financial statements for 2021) was allocated as follows:
 - PLN 328,089,369.75 for a dividend;
 - PLN 18,309,860.06 to the reserve capital, which may be distributed as a dividend, and;
 - PLN 569,093,773.28 to the reserve capital.
- approved the Supervisory Board's Report for the 2021
- expressed a positive opinion on the annual report on remuneration prepared by the Supervisory Board.



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Supervisory Board activities in 2022

Supervisory Board Members (as of 31 December 2022)

Maciej Witucki	Chairman of the Supervisory Board
Ramon Fernandez	Deputy Chairman of the Supervisory Board (*)
Marc Ricau	Secretary of the Supervisory Board
Philippe Béguin	Board Member
Bénédicte David	Board Member
Bartosz Dobrzyński	Independent Board Member (since 22 April 2022)
John Russell Houlden	Independent Board Member and Chairman of the Audit Committee
Mari-Noëlle Jégo-Laveissière	Board Member (**)
Patrice Lambert-de Diesbach	Board Member
Monika Nachyła	Independent Board Member
Maria Pasło-Wiśniewska, PhD	Independent Board Member and Chairwoman of the Remuneration Committee
Wioletta Rosołowska	Independent Board Member
Jean-Michel Thibaud	Board Member
Jean-Marc Vignolles	Board Member and Chairman of the Strategy Committee

(*) Resigned from the Supervisory Board on 14 February 2023 (**) Deputy Chairwoman of the Supervisory Board since 14 February 2023 In 2022, Orange Polska had five independent members on the Supervisory Board, namely: Bartosz Dobrzyński, John Russell Houlden, Monika Nachyła, Maria Pasło-Wiśniewska PhD and Wioletta Rosołowska.



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Profiles of Supervisory Board Members



Maciej Witucki

Responsibilities: Chairman of the Supervisory Board

Appointment to the Board: September 2013

Qualifications: He is a graduated of the Poznan University of Technology. He held post-graduate studies in the field of industrial systems management in Ecole Central Paris (France). He specialized in logistics and decision-supporting systems.

Key career experience: He joined Orange Group in 2006: in the years 2006 – 2013 he was the President of the Management Board while on 19 September 2013 he assumed

the position of the Chairman of the Supervisory Board at Orange Polska. From January 2016 to February 2019 he was the President of the Management Board at Work Service S.A. He is a member of the supervisory boards at UNIQUA, TISE and Krynica Vitamin. From 2010 to 2017 he was the President of the Polish and French Chamber of Industry and Commerce (CCIFP). He is President of the Polish Confederation Lewiatan – the leading Polish employers' organization since June 2019.



Mari-Noëlle Jégo-Laveissière

Responsibilities: Deputy Chairwoman of the Supervisory Board

Appointment to the Board: October 2020, Deputy Chairwoman of the Supervisory Board since February 2023

Qualifications: She obtained an engineering degree from Ecole des Mines de Paris. She is a post-graduate in quantum chemistry with a doctor's degree from the University of Paris XI-Waterloo University and Ecole Normale Supérieure.

Key career experience: She holds the position of Orange Deputy CEO in charge of Europe since September 1st 2020. She joined the Orange Group Executive Committee in 2014, as Deputy CEO in charge of Technology and Global Innovation. She held various executive positions in the Group since she joined the France Telecom Group in 1996. She is a Board Member of Orange Foundation and Valeo, a member of the Médecins du Monde Foundation and President of the School Council of Telecom ParisTech.



Marc Ricau

Responsibilities: Secretary of the Supervisory Board, Member of the Audit and Remuneration Committees

Appointment to the Board: November 2012

Qualifications: He is graduate of IEP (Science Po Paris) & ENSPTT School and has a master degree in statistical and software techniques.

Key career experience: He has been working in France Telecom Orange group since 1986. He took different positions during his professional career in telecommunications area,

mainly in commercial areas and customer services but also in finance and network management. Marc joined Orange AMEA in 2009, as Country and Partnerships Vice-President for the zone and was a member of several boards of subsidiaries in Africa until early 2013. In November 2012, Marc joined the Orange Europe Division as Vice-President of Poland Operations. In July 2015, he was appointed member of the Board of Directors of Orange Slovensko s.a. Marc is currently responsible for the support of Operations in Poland and in Slovakia within the Europe Division.



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John Russell Houlden

Responsibilities: Independent Member of the Supervisory Board, Chairman of the Audit Committee

Appointment to the Board: April 2014

Qualifications: He has a first class honours degree from Warwick Business School and has completed executive programmes at INSEAD, Stanford and London Business School. He is a Fellow of the Chartered Institute of Management Accountants, a Chartered Global Management Accountant and a Fellow of the Association of Corporate Treasurers. His contributions have been recognised with various awards, including NW Finance Director

of the Year in 2013 and 2014, Joint Winner of "Excellence in Reporting" in the Building Public Trust Awards 2015 and Winner of "Communicating Integrated Thinking" in the Finance For The Future Awards 2016.

Key career experience: He gained extensive experience in accounting and audit in a variety of financial roles in Spicer & Oppenheim (now part of Deloitte), ICI and BT. Next, he served as Finance Director of Lovells (2002 to 2008), Chief Financial Officer of Telecom New Zealand (2008 to 2010) and Chief Financial Officer of the United Utilities Group (2010 to 2020). From 2011 to 2013 he was a member of the UK Government's Ecosystem Markets Task Force and from 2014 to 2020 he was also the Chairman of the Financial Reporting Committee of the '100 Group' (which represents he collective views of FTSE 100 companies to the IASB, ESMA and other regulatory bodies). From 2020 to 2022 he was the Chairman of the Audit Committee of Babcock International Group (a FTSE 250 company). He is currently an Operating Partner of Corsair Infrastructure and a Non-Executive Director of Kelda Holdings and Yorkshire Water.



Maria Pasło-Wiśniewska

Responsibilities: Independent Member of the Supervisory Board, Chairwomen of the Remuneration Committee, Member of the Audit and Strategy Committees

Appointment to the Board: April 2015

Qualifications: She is a Ph.D. in sociology, economist, graduated from the University of Economics in Poznan and the Kellogg School of Management at the Northwestern University in Chicago.

Key career experience: As the President of the Management Board of Pekao SA in 1998-2003, she conducted the merger of four banks of the Pekao Group, followed by privatization and restructuring. Between 2008 and 2012 she was the President of the Management Board of the Corporation of European Pharmaceutical Distributors NV in Amsterdam. She also served a number of other functions including the chairmanship of supervisory boards of Allianz Bank Poland SA (2008-2011) and DOZ SA (2008-2012), as well as non-executive Board membership at UAB NFG (2010-2012). In 2005-2007 she was a member of the Sejm (the lower house of the Polish Parliament). Reasercher and lecturer at the Faculty of Artes Liberales at the University of Warsaw.

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Jean-Marc Vignolles

Responsibilities: Member of the Supervisory Board, Chairman of the Strategy Committee

Appointment to the Board: April 2018.

Qualifications: He received his Agrégation d'anglais certification in 1977 and graduated from Institut d'Etudes Politiques (Paris) in 1976 and from Ecole Normale Supérieure in 1973.

Key career experience: He was appointed Chief Operating Officer for Europe, as from May 2018 and a Member of Orange Group Management Committee until April 2020. In March 2016, he was appointed Deputy General Manager and Chief Operating Officer (COO) of Orange Middle East and Africa (OMEA) Holding company, monitoring the operational

performance of Orange subsidiaries within the MEA region. He has been Member of the Board of Directors of several companies of Orange Group in various countries in Europe, Middle East and Africa. From 2007 to 2015, Jean-Marc Vignolles was Chief Executive Officer of Orange Spain, which, under his leadership and following the acquisition of Jazztel in 2015, grew to number two position on the Spanish market.



Philippe Béguin

Responsibilities: Member of the Supervisory Board, Member of the Strategy Committee

Appointment to the Board: June 2021

Qualifications: Philippe Béguin is a graduate from Ecole Normale Supérieure and Ecole Nationale Supérieure des Télécommunications.

Key career experience: He is Senior Vice President Group regulatory affairs at Orange since 1 January 2021. He started his career in 1997 as project manager for the deployment of Internet networks within France Telecom – Orange. He then managed the Information

System department for IP and ATM networks. He then joined the wholesale division where he was first Marketing Director, and became Director of THD networks, in charge of defining and marketing Orange's wholesale FttH offers and managing Orange's public initiative networks. In 2017, he joined the Regulatory Affairs Department in charge of regulation in France.



Bénédicte David

Responsibilities: Member of the Supervisory Board, Member of the Strategy and Remuneration Committees

Appointment to the Board: June 2021

Qualifications: She graduated from the French school « Ecole Normale Supérieure – ENS » (Paris) with a specialization in Physics. She also holds a Master's degree in telecommunications at ParisTech College (Paris) as well as an executive certificate in business management at CEDEP executive management school (Fontainebleau, France).

Key career experience: She works in Orange Wholesale and International Network division in charge of wholesale line of business for all international Orange Affiliates in Europe (except Orange France) and Middle East & Africa. She joined the Orange Group in 1989 and dedicated her entire career in accompanying the key evolutions of the company. She occupied multiple senior management positions at Orange France, than in Orange Group Innovation division, including the launch of Innovation Centers dedicated to Middle East & Africa Orange affiliates. She then moved up in 2015 to Orange Middle East & Africa zone (OMEA) as Head of Strategy & Customer experience, and then in 2016, as Head of the West and Central Africa Zone in charge of 6 OMEA affiliates.





Responsibilities: Independent Member of the Supervisory Board, Member of the Strategy and Remuneration Committees

Appointment to the Board: April 2022.

Qualifications: Educated at Warsaw University (journalism, MBA) and IESE Barcelona (Advanced Management Program).

Key career experience: He started a professional career as a journalist in the mid 90-ties before moving to marketing roles. Spent over 20 years in the telecommunication sector with the

most notable position as a head of consumer propositions at Orange (2001-2008) and later as CMO, member of the Management Board of Play (2008-2018). During its tenure Play, starting from scratch, became one of the leading operators in the mobile market. After leaving Play he was involved in advising various companies and startups in the fields of business models and marketing.



Patrice Lambert-de Diesbach

Responsibilities: Member of the Supervisory Board, Member of the Strategy Committee

Appointment to the Board: July 2016

Qualifications: He is a graduate of SFAF (French Society of Financial Analysts), Conservatoire National des Arts et Métiers (Finance), IEP Paris (Sciences Po) and from Université Paris X Nanterre (Economics, Econometrics).

Key career experience: Since 2011, he is Head of Investor Relations and Financial Communications at Orange. Prior to this he was Head of Investor Relations and Financial

Communications at Carrefour. He previously worked as the Head of Research at CM-CIC Securities after spending 18 years as a financial analyst covering a wide range of industrial sectors for several stock broking firms, including CM-CIC Securities, Exane BNP Paribas, UBS Warburg, Deutsche Bank and HSBC James Capel. He is Board Member & Strategic Committee Member at Orange Belgium, and Board Member at CLIFF (French Society of Investor Relations).



Monika Nachyła

Responsibilities: Independent Member of the Supervisory Board, Member of the Audit and Strategy Committees

Appointment to the Board: April 2019

Qualifications: She is a graduate of the Warsaw School of Economics. She holds also post-graduate diplomas in social psychology and agriculture.

Key career experience: From 2000 to 2011, she has been active in the private equity sector. From 2013 to 2015, she served as the Vice President of BGŻ Management Board

responsible for the strategy and development as well the bank's strategic agribusiness division. Since May 2017, she is a Partner at Abris Capital Partners, private equity fund manager investing in Central Europe, where she has been responsible for investor relations, public relations, ESG and supervision of selected portfolio companies. She is also a member of the Abris Management Committee. She acted as a non-executive director of multiple supervisory boards (BGŻ BNP Paribas, Allianz Polska, Euler Hermes Polska, Mykogen), focusing on monitoring of the key performance indicators (KPI), shareholders value creation and senior management coaching. At present, she serves as a member of the Supervisory Board of Graal and the Chairwoman of the Supervisory Board of Velvet Care.

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Wioletta Rosołowska

Responsibilities: Independent Member of the Supervisory Board, Member of the Strategy

Appointment to the Board: June 2021

Qualifications: She honoured her leadership skills at Business Schools in INSEAD Alumni and Harvard Business School. Among different Executive Studies she accomplished International Director Program at Insead with certification in Corporate Governance.

Key career experience: She was CEO for L'Oréal Germany, Austria and Switzerland during the time frame of April 1, 2019 to end of April 2023. In January 2023, her responsibilities were extended as part of creation of the new cluster organization L'Oréal DACH: Since then, she acts on behalf of the company in her roles as Country General Manger of L'Oréal Deutschland and L'Oréal Österreich as well as Vice President of Board of Directors L'Oréal Suisse SA. Before joining L'Oréal, Wioletta Rosołowska had been working at Tchibo GmbH for 20 years. The last six years she was responsible as Executive Board Member for Central Eastern Europe. She was also Supervisory Board Member (2007-2013), being responsible for the FMCG part of the business, retail and E-Commerce in eleven countries in Eastern and Central Europe. Wioletta Rosołowska's expertise was called upon as the Supervisory Board Member of Bank Pekao S.A. (2012-2016) and as an Independent Board Member of Wizz Air Holdings (2016 – 2018). She is a Member of the worldwide business executives organization YPO Gold (since 2001) and Program Council Member of United Nations Global Compact – the world's largest initiative for corporate social responsibility and sustainable development.



Jean-Michel Thibaud

Responsibilities: Member of the Supervisory Board, Member of the Audit Committee

Appointment to the Board: April 2019

Qualifications: He is a graduate from Centrale-Supélec engineer school and from Sciences Po Paris.

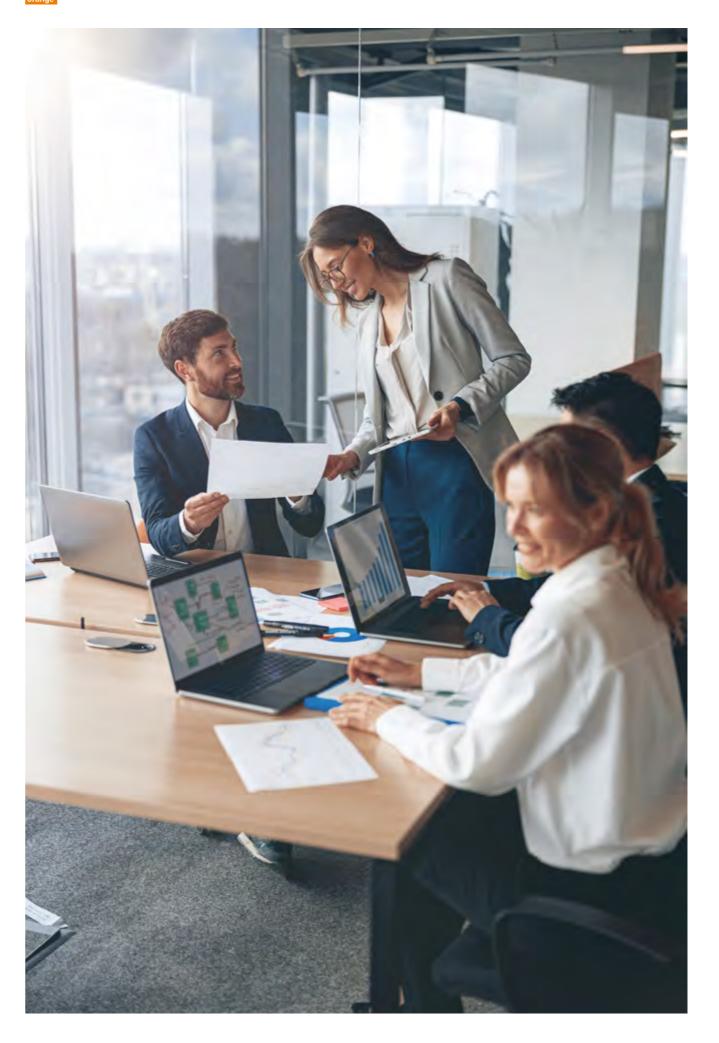
Key career experience: He has been appointed Interim Executive Director, Group Finance, Performance and Development with effect from April 3, 2023. Until this date, he was Deputy Finance Director of the Orange Group in charge of controlling. He joined Orange in 2001

as manager then head of project finance, and became the Orange Group Treasurer in 2008 until 2012, covering debt raising (bonds, corporate, project, structured finance), relationship with rating agencies, and equity capital markets as well as cash management and customer financing. Between 2013 and 2019, he acted as CFO and Senior VP, Strategy, Transformation & General Services at Orange Business Services.



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Criteria for independent Supervisory Board Members

The independent members of Orange Polska Supervisory Board must satisfy the following conditions:

- not to belong, or have belonged to the senior management for the previous 5 years, and not to be or have been either a member of the Management Board of the Company or its affiliated entity;
- not to be, or have been for the previous three years an employee of the Company, or its associated, subsidiary or affiliated entity and not to be bound by any similar agreement with such entities:
- not to receive, or have received, significant additional remuneration from the Company, or its affiliated entity apart from a fee received as a member of the Supervisory Board, including as a member of the Audit Committee;
- not to exercise supervision over the Company within the meaning of the Accounting Act or to represent in any way a shareholder, persons or entities exercising control over the Company;
- 5. not to have, or have had within the previous year, a significant business relationship with the Company or its affiliated entity, either directly or as an owner, partner, shareholder, director, member of the Supervisory Board or other supervisory or controlling body or senior employee, including as a member of the Management Board or other governing body of an entity having such a relationship. Business relationships include the situation of a significant supplier of goods or services (including financial, legal, advisory or consulting services), of a significant customer, and of organisations that receive significant contributions from the Company or its Group;
- 6. not to be, or have been within the previous three years:
 - a) an owner, partner (including a general partner) or a shareholder of a current or former audit firm conducting an audit of financial statements of the Company or its affiliated entity, or
 - a member of the supervisory board or other supervisory or controlling body of a current or former audit firm conducting an audit of a financial statements of the Company, or
 - an employee or person belonging to senior management, including a member of the management board or other governing

- body of a current or former audit firm conducting an audit of financial statements of the Company or its affiliated entity, or
- d) another person whose services were used or supervised by a current or former audit firm or statutory auditor acting on behalf of a current or former audit firm;
- 7. not to be a member of a management board or other governing body in a company in which a member of the Management Board of the Company is a member of the supervisory board or other supervisory or controlling body, and not to have other significant links with members of the Management Board of the Company through involvement in other companies or bodies;
- 8. not to be a member of the Supervisory Board of the Company for more than 12 years;
- not to be a close family member of a member of the Management Board of the Company or of persons referred to in points 1–8, in particular not to be a spouse, cohabitant, relative or in-law in a straight line, and in the collateral line to the fourth degree, of a member of the Management Board or of persons referred to in points 1–8;
- not to remain in adoption, custody or guardianship with a member of the Management Board of the Company or with persons referred to in points 1–8.

Additional remuneration, referred to in point 3 above:

- a) covers in particular any participation in a share option or any other performance-related pay scheme;
- does not cover the receipt of fixed amounts
 of compensation under a retirement plan
 including deferred compensation for prior
 service with the Company, provided that such
 compensation is not contingent in any way on
 continued service with the Company.

A relationship with a shareholder precluding the independence of a member of the Supervisory Board within the meaning of point 2 above is also an actual and significant relationship with any shareholder who holds at least 5% of the total vote in the Company.

Each candidate for a member of the Supervisory Board submits a declaration that he or she meets or does not meet the above criteria of independence. After his or her appointment, such a declaration is submitted quarterly.



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On April 22, 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.

Ramon Fernandez resigned from the Supervisory Board on 14 February 2023. Mr Ramon Fernandez resignation was a result of his publicly announced decision to take up a new professional challenge outside the Orange Group. At the same time, the Supervisory Board decided to entrust the duties of Deputy Chairman of the Supervisory Board of Orange Polska to Mrs. Mari-Noëlle Jégo-Laveissière.

Rules for appointing a Supervisory Board Member and the term of office

Members of the Orange Polska Supervisory Board should have the relevant education, professional and practical experience and high moral standing. They should also be able to devote the time required to properly perform their role on the Supervisory Board.

Members of the Supervisory Board are appointed by the General Meeting. Each shareholder has a right to put forward potential candidates to be Supervisory Board Members, and the eventual Members are appointed at the General Meeting by a simple majority of votes cast.

In case the mandate of a Member of the Supervisory Board expires for reasons other than

end of the term of office or dismissal from the Supervisory Board, the rest of the Members of the Supervisory Board may appoint, by a majority of two-thirds of the votes cast, a new Member of the Supervisory Board.

The mandate of any such newly appointed Member expires on the date of the next General Meeting held not earlier than five weeks after the appointment. The term of office of Supervisory Board Members is three years. Mandates of the Supervisory Board Members expire on the day of the Annual General Meeting approving financial statements for the second full accounting year of their term in office (also as a result of death, resignation or dismissal).



Supervisory Board skills matrix

Name	Finance/Audit/ Accounting/Risks	Executive Management	Legal/ Compilance/ Governance/ Ethics	Information and Tecgnology	HR and Human Issues	Sales and Marketing	CSR and Sustainble Growth	Rules and Regulatory Environment	M&A and Investor Relations	Production/ Supply Chain
Maciej Witucki		•	•	•		•	•	•	•	
Ramon Fernandez	•	•	•						•	•
Marc Ricau	•	•	•	•		•	•			
Philippe Béguin		•	•	•		•		•		
Bénédicte David	•	•		•	•	•	•			
Bartosz Dobrzyński		•				•			•	•
John Russell Houlden	•	•	•	•			•	•	•	
Mari-Noëlle Jégo-Laveissière		•	•	•		•	•			•
Patrice Lambert-de Diesbach	•	•			•		•		•	
Monika Nachyła	•	•	•		•	•	•	•	•	
Maria Pasło-Wiśniewska, PhD	•	•	•		•		•	•	•	
Wioletta Rosołowska		•	•		•	•	•			
Jean-Michel Thibaud	•	•	•	•					•	
Jean-Marc Vignolles		•		•	•	•			•	

[▶] Profiles of the Supervisory Board Members can be found on our website at www.orange-ir.pl/corporate-governance/.



Supervisory Board diversity

We are convinced that diversity of a company's Governing bodies is beneficial to the company's development. That is why we make sure that our Supervisory Board consists of people who are diverse in terms of age, sex, education and professional experience. Because they come from different environments and have a diversity of knowledge and skills, they can look from different perspectives at the management of the Company and its efficient functioning in its markets.

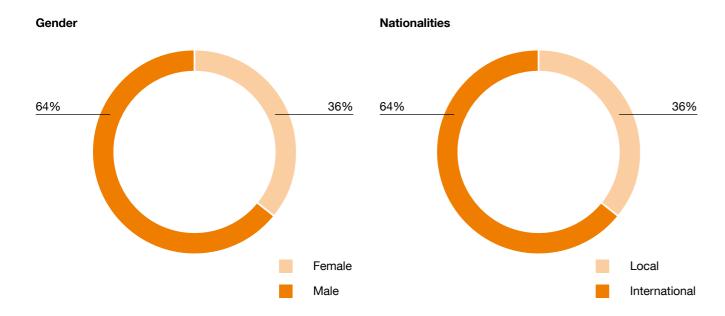
Since 2016, the Company has had a **diversity management** policy – a single, comprehensive document outlining diversity policy for various areas of management.

In addition, following the Best Practices of Listed Companies 2021 issued by the Warsaw Stock Exchange, on 22 April 2022 the Annual General Meeting adopted the diversity management policy for Members of the Supervisory Board.

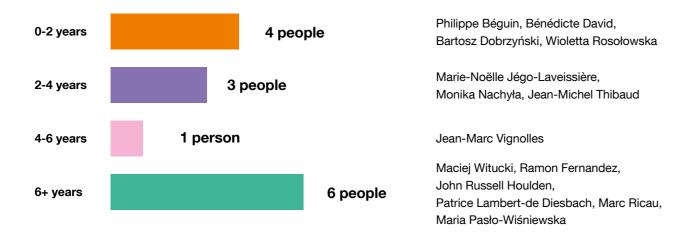
The purpose of the Policy is to:

- determine the standards that must be met for positions in the Supervisory Board to be occupied by persons with appropriate qualifications, substantive knowledge, skills, professional experience, predispositions and reputation appropriate to perform such function;
- implement solutions for equal treatment and diversity in relation to the Supervisory Board of Orange Polska.

Supervisory Board



Length of tenure







Age profile 100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0% 50.0% 14.3% 21.4% 14.3% 51-55 years 56-60 years 61-65 years 65+ 7 people 2 people 3 people 2 people

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On the Supervisory Board's agenda for 2022

Throughout 2022, the Supervisory Board mainly focused on the following issues:

1. Competitive landscape on the Polish telecom market

The Polish market continues to be competitive, with the main battlefield moving from singular offers to packages of services. One important development in 2022 was the finalisation of the acquisition of UPC (the largest cable company) by Play, which had previously been a mobile-only operator. As a result, a significant new convergent operator emerged. This will further intensify competition in the market's pursuit of convergent strategy, an area in which Orange Polska has been the leader for many years now. The Supervisory Board and the Strategy Committee analysed the potential impact of this situation on Orange Polska's business. The conclusion was that the Company's operations are well prepared and it is essential to continue to implement our value strategy, so crucial in this inflationary environment. The fact that we achieved strong commercial and operational results last year confirmed this approach.

2. Developments around 5G auction

The Supervisory Board has closely monitored developments around the process of launching the auction for 5G frequencies and the corresponding legal environment, mainly cybersecurity law. The new draft of this law was published by the government in October 2022 and it no longer included provisions regarding the so called #PL5G project. Its unexpected inclusion in the previous draft version (published October 2021) was a reason for concern regarding its legal and governance framework. The Supervisory Board was very pleased that the 5G auction consultation process finally started in December 2022 despite the fact that the proceeding of the cybersecurity law had not been finalised. We hope for an efficient and transparent process. Dedicated 5G spectrum is necessary to improve mobile network capacity and to unlock new business potential.

3. Merger with TP Teltech subsidiary and strengthening of governance over other subsidiaries

In 2022 Orange Polska decided to merge with its 100% owned subsidiary TP Teltech. This allowed us to streamline the operational efficiency of the Orange Polska Group by simplifying our management and business processes and integrating the merging companies. In October, an extraordinary General Meeting was convened to approve this merger.

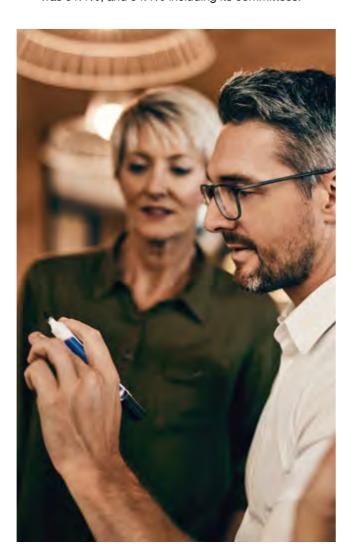
The Supervisory Board also asked management to strengthen governance, enhancing supervision over its subsidiaries. In particular this was aimed at the implementation of coherent ESG strategies, supporting communication between the subsidiaries and Orange Polska's management, as well as improving the monitoring of various business risks.

4. Monitoring of operating and financial results and budget realisation

Supervisory Board constantly monitored Orange Polska's commercial and financial results and the realisation of the 2022 budget. This was especially important in the light of the challenges related to the impact of surging energy costs and outbreak of the war in Ukraine. In addition, an unprecedented spike in energy prices catalysed the Company's efforts towards increasing the amount of energy from renewable sources in our energy mix. As a result, the majority of energy consumption from 2023 will come from wind farms, with a positive impact on costs.

The Supervisory Board met 5 times in 2022.

The attendance at the Supervisory Board's meetings was 91.4%, and 94.4% including its committees.



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Supervisory Board attendance register 2022

	SUPERVISORY BOARD	AUDIT COMMITTEE	STRATEGY COMMITTEE	REMUNERATION COMMITTEE
Maciej Witucki	5/ <mark>5</mark>			
Ramon Fernandez	3/5			
Marc Ricau	5/ <mark>5</mark>	5/ 5		5/5
Philippe Béguin	5/ 5		4/4	
Bénédicte David	5/ <mark>5</mark>		4/4	3/3
Bartosz Dobrzyński	3/3		3/3	3/3
John Russell Houlden	5/ <mark>5</mark>	5/ 5		
Marie-Noëlle Jégo-Laveissière	5/ <mark>5</mark>			
Michał Kleiber	2/2		1/1	2/2
Patrice Lambert-de Diesbach	4/ 5		4/4	
Monika Nachyła	5/ <mark>5</mark>	5/ 5	4/4	
Maria Pasło-Wiśniewska	5/ <mark>5</mark>	5/ 5	4/4	5/5
Wioletta Rosołowska	3/5		2/4	
Jean-Michel Thibaud	4/5	5/ <mark>5</mark>		
Jean-Marc Vignolles	5/ 5		4/4	2/2

Actual number of meetings attended



Maximum number of scheduled meetings which the directors could have attended

The Supervisory Board regularly monitored the execution of its resolutions and recommendations, analysing the information presented by the Management Board.

The Supervisory Board formulated a number of recommendations, remarks and motions to the Management Board, referring to different aspects of the Company's operations.

The Supervisory Board used in its operations opinions of its Committees (the Audit Committee, the Remuneration Committee and the Strategy Committee), wherever applicable.

During discussing specific matters at the meeting, the Chairpersons of the committees presented appropriate

recommendations and proposals for decisions to the Supervisory Board. In addition, the Supervisory Board regularly received the minutes from the committees' meetings.

The committees of the Supervisory Board received relevant and reliable information and reports from the Management Board on time, enabling them to carry out their tasks in 2022.

The tasks and the principles of the operation of the Supervisory Board and its permanent committees are defined in the Regulations of the Supervisory Board, which are available on the Company's website www.orange-ir.pl/ corporate-governance/.

Assessment of Orange Polska Group's standing

This section contains the Supervisory Board's assessment of the Orange Polska Group's standing on a consolidated basis in 2022 in accordance with the recommendation no. 2.11.3. of the Best Practice for GPW Listed Companies 2021, introduced by the Warsaw Stock Exchange. The assessment is based on the 2021 financial results of the Group (the Company and its subsidiaries) as well as on the information obtained by the Supervisory Board in conducting its statutory tasks.

The Supervisory Board, through the work of its committees and all its Members (including independent Members), was actively engaged in the process of evaluating of the most important initiatives, having in mind the interest of all the Group's stakeholders, including shareholders. In addition, it maintained oversight of the Group's operational and financial goals through management reporting at its quarterly meetings, and was able, through the Audit Committee, to oversee the accuracy of financial reporting and the functioning of the internal control, risk management and compliance systems and the internal audit function.

Orange Polska Group's operational review

The Group's key goals in 2022 were:

- Further development of key value drivers, including convergence, mobile, fibre and ICT, also taking into account possible changes in the competitive landscape following acquisition of UPC by Play;
- To take measures in an attempt to pass high inflationary pressures to customers to protect profitability;
- To weather risks related to an unprecedented rise in energy prices through new Power Purchase Agreements (PPA), among other methods;
- To assess risks related to the war in Ukraine and take on necessary mitigating actions;
- Acquisition of 5G spectrum;
- Pursue transformation of corporate culture to be more agile and cost effective as well as implement a new post-pandemic workplace model;
- Fulfilment of published financial forecasts and expectations regarding revenue growth and EBITDAaL.

2022 was the second year of implementation of the .Grow strategy announced in 2021. It was marked by cumulation of exceptional headwinds, such as war in Ukraine, the widespread energy crisis and double-digit inflation. Against this difficult backdrop the Company managed to fulfil all its strategic goals, which was a remarkable achievement in the opinion of the Supervisory Board. This can be seen as



evidence of the strong fundamentals at the heart of Orange Polska's business.

The key challenge of 2022 was to mitigate the impact of an unprecedented energy crisis. Energy prices spiked mainly as a result of the war in Ukraine and resulting sanctions imposed on Russia. The Company managed to mitigate this impact through strong growth of its core business and by adapting its cost base. In addition, by signing new Power Purchase Agreements (PPA), it secured a majority of its energy costs for the years ahead. This also led to a major reduction in CO_o emissions, thereby fulfilling a strategic goal in this domain three years ahead of the

The Group delivered on all its financial goals and maintained strong commercial momentum. The latter is especially important taking into consideration the emergence of a significant new competitor in convergent offers after Play finalised acquisition of the largest cable company, UPC. Our fibre customer base increased by another 24% owing to high demand and expanding fibre reach. Fibre from Orange is already available for nearly 50% of households in Poland. The Company intensified its more for more value strategy in almost all key areas in B2C and B2B. This is absolutely essential to at least partly mitigate the impact of high inflation, in particular because the prices of telecom services in Poland are significantly below those in other European countries.

The Company made further progress in digitisation, which is one of the key tools for increasing internal efficiency and



responding better to customer needs. We are also now seeing the first tangible benefits of the Company's cloud partnership with Google. The aim is to manage a majority of customer interactions through machine learning and Al, which will allow improved personalisation of offers. Sales through digital channels increased by another 20% in 2022. The two main drivers are digital offer Flex and the My Orange application, which is constantly improved to boost its usefulness for customers.

One of key topics for the Supervisory Board in 2022 was, again, the situation regarding the auction for 5G C-Band spectrum and cybersecurity regulations. The new version of the cybersecurity law no longer included provisions regarding the so called #PL5G project. Its unexpected inclusion in the previous draft version (published October 2021) was the reason for a concern regarding its legal and governance framework. The Supervisory Board was very pleased that the 5G auction's long-awaited consultation process finally started in December 2022. The proposed set up has predictable bidding rules and demanding investment commitments. The Company submitted its position in the consultation process in January. We hope the process will be conducted in the timeframe announced by the regulator.

Orange Polska is in the mid-point of its strategy cycle. In the opinion of the Supervisory Board, the results of the past two years prove that the Company is well on track to meet its goals, despite a particularly demanding and challenging external environment.

Financial standing of the Group

The Management Board kept the Supervisory Board informed of the financial results. The Audit Committee of the Supervisory Board supervised the reliability of financial reporting on an ongoing basis and presented its opinions to the Supervisory Board before publication of the results for individual reporting periods.

The Group met all its financial goals for 2022, delivering strong results across the board despite a particularly challenging external environment. It grew revenues, profits and return on capital employed while preserving a solid cash generation and a safe balance sheet. Initial expectations for the year were outperformed.

In the opinion of the Supervisory Board, EBITDAaL growth of close to 4% is a particularly remarkable achievement. It was delivered despite a spike in energy costs of more than PLN 200 million, resulting from the widespread energy crisis. This reveals the strength of the Company's business model. Strong revenue performance was a key enabler. All three engines of core business delivered solid growth: services for consumers, businesses and wholesale activities. This growth filtered through to profits thanks to high operating leverage, as the cost base growth was limited due to optimisation initiatives.

Total revenues increased 4.7% in 2022, which was much more than initially anticipated mainly owing to very strong performance of ICT services, resulting from wide and





well-diversified portfolio of products and the continued demand for digitisation. Core telecom services (including convergence, mobile and fixed broadband), which are essential to margin generation, were up 6.3%, almost as much as in the previous year. This was an outcome of the successful combination of strong growth of customer volumes and improving average revenue that they generate (ARPO). Last year was particularly strong for the Group's wholesale operations (excluding legacy services), as it benefits from good demand for infrastructure rental to other operators.

Net profit for 2022 exceeded PLN 700 million and, excluding the impact of transactions related to Światłowód Inwestycje in 2021, it was on the highest level in a decade. It was owing to growing EBITDAaL and falling depreciation.

Organic cash flow amounted to more than PLN 800 million, marking another year of strong cash generation. Capex was kept at broadly flat levels versus 2021 and reflected refocus from fibre to mobile, as planned in the .Grow strategy. Net debt and the financial leverage were further slightly reduced despite payment of the dividend and 2.1 GHz spectrum renewal. The financial leverage of 1.3x illustrates strong balance sheet structure, an important asset in the current turbulent environment. It is important to note that the cost of debt was only 3.3%, resilient in the face of significant interest rate increases owing to effective hedging.

In 2022, the Company returned to dividend payments, which was positively assessed by the Supervisory Board. Orange Polska is in the position to share the benefits of its growth with its shareholders. For 2023 the Management recommended a 40% increase of the dividend to PLN 0.35 per share.

The financial results of the past two years show that the Company is performing exactly as it has committed and is fully on track to meet its mid-term goals.

Conclusions and recommendations for 2023

Orange Polska has passed the midpoint of its .Grow strategic plan for 2021-2024. The results of the past two years confirm that it is the right strategy for turbulent times. The Company is on track to meet its goals. 2023 looks set to be another challenging year, taking into consideration an expected slowdown of the Polish economy and double-digit inflation affecting operating costs. The Supervisory Board is convinced that the Group has put in place the right measures to bring the most of its assets and values.

The Supervisory Board shares the Management Board's opinion that in 2023 the Group should focus its operations on the following key aspects in particular:

- Persistent execution of commercial value strategy in all key areas to at least partly reflect higher operating costs in output prices;
- Continued cost transformation to navigate through inflationary challenges, including releasing further benefits of digitisation and automation of business processes:
- Further development of key value drivers including convergence, mobile, fibre, ICT and wholesale;
- Acquisition of 5G spectrum;
- Pursue transformation of corporate culture to be more agile and cost effective;
- Further push of the #OrangeGoesGreen agenda on both environment and social fronts;
- Fulfilment of published financial forecasts regarding revenue, EBITDAaL and eCapex performance;
- Gradual preparation of foundations for the new strategic period beyond 2024.

Assessment of the Group's internal control, risk management and compliance systems and internal audit function

The Supervisory Board is responsible for reviewing the effectiveness of the Group's system of internal control and risk management designed and established by the Management Board, as well as the system for ensuring compliance with standards or applicable practices, and the internal audit function.

This system facilitates management of the risk of failure to achieve business objectives and provides reasonable assurance against material misstatement or loss (risk management does not mean the full elimination of risk, but provides for better risk identification and the implementation of adequate measures as needed). The relevant processes are designed to give reasonable assurance that the risks significant to the Group are identified and addressed in the Company, but such assurances can never be absolute.

The Company continuously monitors the evolution of the control environment. It ensures that all significant changes are sufficiently controlled and any identified deficiencies in the internal control system are addressed with action plans. On a quarterly basis, the internal control system is monitored in a self-assessment tool implemented by the Company and, in addition, senior managers certify the effectiveness of internal controls. On a yearly basis, the

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controls are subject to testing by the internal control team, internal and external auditors, and the results are reported to the Audit Committee.

The key elements of the system of internal control, including risk management, were presented in the Management Board's Report on the Activity of the Group for 2021, published on 16 February 2022.

In 2022, the Company again completed a comprehensive assessment of its processes of internal control over financial reporting. Main deficiencies both in design and in effectiveness of internal control have been identified and corrected, or appropriate action points have been launched. As a result of the assessment, the Management concluded that there were no weaknesses that would materially impact the internal controls and financial reporting at 31 December 2022

Both the internal and external auditors report to the Management Board and also to the Audit Committee on control deficiencies which they identified during their audit. Their recommendations are implemented.

The most important risks are updated annually by the Management Board and presented to the Supervisory

Matters related to compliance are being reported to the Audit Committee of the Supervisory Board in the following areas: ethics, general compliance with laws and regulations, combating telecommunications and financial fraud, security and anti-corruption measures related with Anti-Corruption Policy that puts forward zero-tolerance rule towards corruption. The Compliance function carries out activities ensuring adjustment of Company's internal regulations and mechanisms to, among others, the Group's requirements in the scope of current anti-corruption regulations.



Orange Polska anti-corruption policy, complemented with detailed internal regulations, defines the required standards for employees' conduct. On the basis of relevant provisions of the policy, potential consequences are determined in cases of violation of anti-corruption procedures The Compliance Management function conducts cyclic reviews of corruption risks, also taking into account control mechanisms and appropriate preventive measures.

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The Company also has a conflict of interest policy in place, showing how to avoid situations that may turn into inappropriate behaviour leading, for example, to corruption.

Under the due diligence process, verification of current and future business partners is conducted with regard to threats related to corruption, fraud, non-compliance with economic sanctions, money laundering and financing of terrorism.

Orange Polska's employees and stakeholders may use dedicated channels to report their concerns or to ask for advice if they suspect a conflict of interest, bribery or any infringement of internal regulations of the Group or of other regulations of the law. Persons reporting irregularities can do so without fear of negative consequences.

Dedicated training sessions taking into account the exposure of individual areas of Orange Polska to the risk of corruption and communication activities aim to constantly increase knowledge and build employee awareness. The Company also conducts regular reviews in this area, makes necessary improvements and monitors the correctness of payments made.

Activities of the Compliance Management function, the results of planned inspections, as well as the results of inspections initiated by notification of irregularities (whistleblowing) are monitored on the basis of reports submitted periodically. Applied actions and mechanisms ensure the effectiveness of the Compliance function and maintenance of the Group's anti-corruption standards.

The Supervisory Board is presented on an annual basis also with information on the implementation and effectiveness of the compliance programme related to the fight against corruption, including the risk map as well as the corresponding action plan for the coming year.

The Internal Audit function, which reports directly to the President of the Management Board, ensures objective and independent assessment of the adequacy, effectiveness and quality of the Group's internal controls. The Internal Audit works in accordance with a charter approved by the Audit Committee, which also reviews annual internal audit programme and analyses Orange Polska's Internal Audit reports.



Assessment of the Company's compliance with the corporate governance principles and the manner of compliance with the related disclosure obligations

This section contains the Supervisory Board assessment of the Company's performance of its obligations concerning compliance with the corporate governance principles as defined in the Exchange Rules, and with the regulations on current and periodic reports published by issuers of securities in accordance with recommendation no. 2.11.4 of the Best Practice for GPW Listed Companies 2021.

Orange Polska as an issuer of shares admitted to trading on a regulated market is obliged to follow the rules of the Best Practice for GPW Listed Companies. Orange Polska accomplished its information duties concerning compliance with the corporate governance principles defined in the GPW Regulations and the regulations on current and periodic reports published by issuers of securities.

The publication of current reports regarding the application of detailed Corporate Governance rules is governed by the Resolution of the WSE Board no. 692/2021 dated 1 July 2021. According to the WSE regulations when a given rule is not applied in a consistent way or is broken incidentally, the Company is obliged to publish a report on its web site in the analogical way as it is applied for the publication of current reports. Reports concerning the application

of detailed rules of the corporate governance are passed by means of EBI (Electronic Basis of Information). The Decree of the Minister of Finance of 29 March 2018 defines which information should be provided in the declaration on the application of the Corporate Governance, constituting a separate part of the Management Board's Report on the activity of the Company.

The Supervisory Board analysed the declaration about the application of Corporate Governance included in the Management Board's Report on the activity of Orange Polska S.A. and the Orange Polska Group in 2022. This declaration defines in a detailed way the issues concerning Corporate Governance and contains the information from the Decree of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state.

In the above-mentioned declaration, the Management Board stated that in 2022 the Company complied with the corporate governance Best Practice referred to above except for the principle 2.2 in its part regarding diversity in the composition of the Management Board.

Furthermore, pursuant to the Diversity Management Policy applicable to the Management Board adopted by the Supervisory Board on 3 November 2021, with regard to gender diversity, in the process of appointment of the Members of the Management Board of Orange Polska the Supervisory Board will strive to achieve the minimum participation of women of at least 30%. As of December





31, 2022, the participation of women in the Supervisory Board and the Management Board was 36% and 25%, respectively.

According to the principle 1.1 of the Best Practice, Orange Polska runs a website in Polish and English, on which the Company publishes all documents and information required by law and best practice, including information on the Company's application of principles and recommendations contained in the Best Practice for GPW Listed Companies. In the Supervisory Board's opinion, the information provided by Orange Polska is in line with the requirements and honestly follows the rules of the Corporate Governance, and the Company duly fulfils its disclosure obligations relating to the application of Corporate Governance principles set out in the Warsaw Stock Exchange Rules and regulations on current and periodic information.

Assessment of the rationality of the sponsorship and social policy

This section contains the Supervisory Board assessment of the compliance and rationality of the Group's policy of supporting culture, sports, charities, media, social organisations and others in 2022 with recommendation no. 2.11.5 of the Best Practice for GPW Listed Companies 2021

The Supervisory Board analysed the amounts expensed by the Orange Polska Group in support of culture, sports, charities, the media, social organisations, trade unions, etc. in 2022.

The Supervisory Board states that the sponsorship strategy led by the Company and focused in 2022 on music as the main area supporting the brand brought the appropriate financial and marketing efficiency. According to the adopted strategy, in the strategic sponsorship area Orange Polska creates complex long-term projects across the whole of Poland. The projects, in which Orange Polska acts as the titular or main sponsor, address the largest possible group of its customers (present and potential).

The Supervisory Board appreciates the social activity led by Orange Polska in both forms – one led by the Donations' Fund and the other led by the Orange Foundation (created by the Company). Through its original programmes, the Orange Foundation acts for modern education of children and youth, online safety, community building using new technologies, and social and digital inclusion.

Audit Committee activities in 2022

The role of the Audit Committee is to review the integrity of the financial information reported externally, the independence and objectivity of the Orange Polska Group's external auditors, the nature and scope of the audit and the auditors' work as well as internal audit, internal control and risk management systems and significant transactions with related parties, and to advise the Supervisory Board on these issues as appropriate.

Letter from the Chairman of the Audit Committee



Dear Shareholders,

I am pleased to attach the report on the activities of the Audit Committee over the past 12 months.

The Audit Committee
was closely involved in
the assessment of the
impact on, and response
of the Group to, the
outbreak of the war in

Ukraine. This historic event, combined with other factors, resulted in rapid changes to the global economy, including significant inflation, increases to energy prices and reduced access to energy supplies, increases of interest rates, broken supply chains, and worsening conditions regarding the environment and the prospects for mitigating climate changes and their impact on the planet. The Audit Committee monitored the process for identification of risks and the assessment of their impact on the Group, as well as actions undertaken by the Management Board in response to those risks and proper related disclosures in the financial statements.

Since one of the main responsibilities of the Audit Committee is to ensure proper financial reporting by the Company and the Group, the Audit Committee reviewed all significant accounting interpretations, judgements and estimates proposed by Management. The Audit Committee also reviewed the impairment analysis results.

In 2022, the Audit Committee also investigated the Group's operations from the perspective of ESG (Environment, Social and Governance) standards and anticipated reporting requirements under new regulations, while also considering that ESG is of key importance to investors. The Audit Committee plans to focus more on that area in 2023 and subsequent years.

The Audit Committee participated in the review of internal control and compliance, and risk management. In particular, the Audit Committee worked to ensure the independence of both the external auditor and the internal audit team. The Committee had private meetings with the external auditor, KPMG, and the Company's Internal Audit Director to give them the opportunity to discuss any issues which may have arisen in their interactions with Management.

Further, the Audit Committee closely monitored the auditor's assignment and work, and developed an enhanced set of Audit Quality Indicators.

Last, but not least, the Independent Directors on the Audit Committee reviewed and, when necessary, challenged the terms of significant transactions with related parties – importantly including the majority shareholder, Orange S.A. Further details of the activities of the Audit Committee are presented below.

Russ Houlden

Chairman of the Audit Committee







Audit Committee members in 2022

John Russell Houlden	Chairman (Independent Board Member)
Monika Nachyła	(Independent Board Member)
Maria Pasło-Wiśniewska, PhD	(Independent Board Member)
Marc Ricau	
Jean-Michel Thibaud	

The Audit Committee is chaired by Mr. John Russell Houlden, an Independent Member of the Supervisory Board. He has relevant experience and qualifications in finance, accounting and audit. Other Independent Members of the Committee are Maria Pasło-Wiśniewska PhD and Monika Nachyła.

Main responsibilities of the Committee

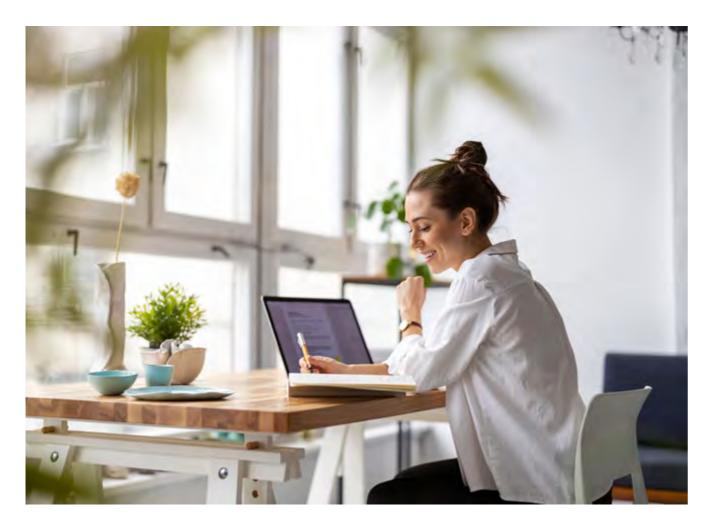
The key functions of the Audit Committee are specified in its Terms of Reference attached to the Regulations of the Supervisory Board and include but are not limited to (i) monitoring the integrity of the financial information reported externally, (ii) reviewing the Group's internal control and risk management systems, (iii) reviewing plans for internal audit and their reports, (iv) reviewing and giving opinions on significant transactions with related parties, (v) recommending the selection and re-appointment of the audit firm, (vi) monitoring the independence and objectivity of the Company's external auditors, the nature and scope of the audit and monitoring the auditors' work, (vii) giving the Supervisory Board recommendations to ensure the faithful representation and relevance of the financial reporting process and information published by the Company and the Group.

The Committee must consist of at least three members, the majority of whom, including the Chairman, are independent of the Company. The Audit Committee must meet (physically or virtually) at least on a quarterly basis before the publication of the financial statements.

The Audit Committee held six scheduled meetings in 2022. The meetings were generally attended by the Chief Executive Officer, Chief Financial Officer as well as Internal Audit Director. Other Members of the Management Board, Executive Directors and other managers and invited guests attended the meetings when appropriate.

The meetings were generally attended by representatives of the Company's external auditor, KPMG.





Our approach to monitoring the financial reporting process

As required by law, the Audit Committee monitored the process of financial reporting. The goal of the Audit Committee was to assess and provide advice to the Supervisory Board on whether the financial statements as well as the Management report on the Company's operations, taken as a whole, secured faithful representation and relevance of the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

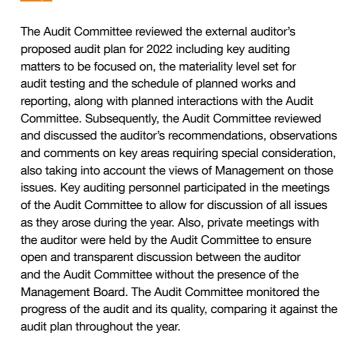
The Audit Committee reviewed the quarterly and annual financial statements. The Committee reviewed also the Orange Polska Group's strategic plan as well as budgets. The aim of the review was to ensure that the key messages being followed in the annual and periodic reports were aligned with the Company's position, performance and strategy and that the narrative sections of the reports were consistent with the financial statements. In order to assess that the reports and the financial statements secured faithful representation and relevance of the information, the Audit Committee also reviewed reports on financial performance of the Company, accounting policies and procedures, accounting estimates and judgments, one-off items as well as market guidance and the Orange

Polska Group's performance against the budget and other information with the aim of assessing the Company's position and performance. The Audit Committee was satisfied that all the key events and issues which had been reported by the Management Board during the year, both good and bad, had been adequately referenced or reflected within the annual report.

The external auditor regularly participated in the meetings of the Audit Committee and gave its view on issues significant from an accounting perspective as they arose during the year. Subsequently, the auditor presented, and the Audit Committee reviewed and where appropriate discussed with the auditor, the additional report prepared as required by the Regulation (EU) No 537/2014 of the European Parliament and of the Council.

Our approach to monitoring the performance of the external auditor

The Audit Committee is responsible for the relationship with the external auditor. This role involves examining the effectiveness of the audit process as well as the independence of the auditor. The year 2022 marked the second year of KPMG's tenure as auditor of the Orange Polska Group.



In order to assess the auditor's performance and independence, as well as the more general relationship between them and the Company, feedback on the auditor is collected from all members of the Audit Committee, the Management Board, key members of the senior management team and those who have regular contact with the auditor. The first feedback on the new auditor was collated and presented to the Audit Committee in April 2022. The Audit Committee regularly asked the auditor for its feedback on the co-operation with the Company. The feedback was generally positive and the Audit Committee concluded that the co-operation was good, finding no major issues requiring special attention.

To enhance the process of monitoring of the audit, the Audit Committee, auditor and Management agreed to



a set of Audit Quality Indicators (AQIs) and implemented them as an additional tool of audit-quality monitoring. Also, the Audit Committee asked KPMG to share the findings of the Polish Agency for Audit Supervision (PANA) issued as a result of their assessment of the quality of selected past audits by KPMG. The Audit Committee discussed the findings of PANA with KPMG, described in the 2021 report. The findings of PANA included in their report issued in November 2022 were presented by KPMG to the Audit Committee in January 2023.

In summary, the Audit Committee concluded that the overall external audit process and services were effective and met the Group's high audit quality requirements.

Our approach to assessing the independence of the external auditor

There are several aspects to auditor independence that the Audit Committee monitors to ensure the external auditor remains independent of the Company.

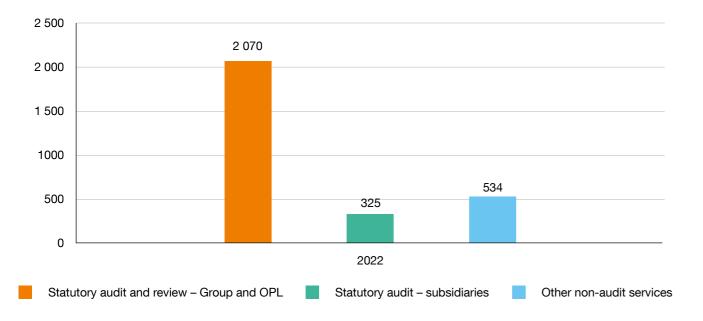
First, in assessing the independence of the auditor from the Company, the Audit Committee takes into account the information and assurances provided by the auditor. The Audit Committee received the auditor's statement on independence made in accordance with the Polish Act on Auditors of 11 May 2017 (Polish Audit Act) and the Regulation (EU) No 537/2014 of the European Parliament and of the Council (Audit Regulation).

Second, the Audit Committee reviews the proportion of the value of non-audit services rendered by the auditor or its affiliated entities and the audit fees. As required by law, the Company has a Policy on the provision of authorised non-audit services by the audit firm and its affiliated entities. Following the Policy, all authorised non-audit services should be approved in advance by the Audit Committee, taking into account their potential influence on the independence of the auditor.

According to the relevant law as well as the Policy, authorised non-audit services are subject to a fee cap of no more than 70% of the average annual statutory audit fee for the three consecutive financial years preceding the year in which the cap will apply. The 70% rule has been applicable since 17 June 2016 under the Audit Regulation. Management provides the Audit Committee with information on the value of non-audit services compared to the average statutory audit fee, presenting data for the previous three years. For the first year of KPMG's assignment the level of the auditor's services fees was also monitored by Management and reported to the Audit Committee. Non-audit services provided by KPMG were 23% of the audit fee in 2022.



KPMG costs to the OPL Group



Third, the feedback questionnaire referred to in the previous section included questions relating to the independence of the audit firm and individuals in the audit staff. There was no case of any threat to the auditor's independence observed and reported by the respondents.

Taking into account all aspects described above, the Audit Committee was satisfied with the auditor's independence.

Significant issues considered by the Audit Committee in relation to the financial statements and how these were addressed

In relation to the Group's financial statements, the Audit Committee focused on the following areas:

- Processes for risk management including identification and valuation of new or increased risks, monitoring of risks, impact of risks on financial reporting (disclosures and valuations), which included, but was not limited to, risks resulting from or related to the war in Ukraine, inflation, increases of energy prices and interest rates;
- Controls over projects, investments and contracts' profitability throughout their implementation;
- Controls over subsidiaries;
- Liquidity of the Group;
- Impairment testing;
- Review of the Economic Useful Life of assets;
- Definition of segments in the Group;
- Approach to immaterial prior period errors;
- Valuation of key risks including tax-related risks;
- Review of any other accounting approaches, judgements and estimates related to key transactions;
- Disclosures on claims and litigation in the financial statements;

- Disclosure on impact of the war on the Group's financial statements;
- New types of transactions, such as virtual and physical PPAs (Power Purchase Agreements) entered into in order to hedge against energy price increases;
- Monitoring the results of the joint venture established by the Company in 2021 to expand fibre network development and wholesale of services based on fibre, including impact on the Company's and the Group's financial statements;
- Monitoring ESG activities and their reporting including current and planned increase of the scope of ESG reporting and assurance in the area of the EU taxonomy related to sustainability activities, assessment of the impact of climate change on the Group, and the Group's activities to adapt to and to mitigate the risks of climate change and environment deterioration:
- Monitoring of auditor's quality and development of Audit Quality Indicators;
- Electronic financial reporting with extended scope of tagging (marking) according to the EU taxonomy in the consolidated financial statements;
- Communication with KNF (the Polish regulator of financial markets) on auditors' quality monitoring and financial reporting of the Group.

Internal control over financial reporting

Management implements internal controls at various levels of the organisation. The scope of these controls includes, but is not limited to, transactional level controls, line managers' or corporate reviews, trend analysis, reconciliation controls and entity level controls.



The Company continuously monitors the evolution of the control environment. It ensures that all significant changes are sufficiently controlled and any identified deficiencies in the internal control over financial reporting system are addressed with action plans. On a quarterly basis, the system is monitored in a self-assessment tool implemented by the Company and, in addition, senior managers certify the effectiveness of the internal controls over financial reporting in their areas of responsibility. On a yearly basis, the controls are subject to testing by the internal control team, internal and external auditors, and the results are reported to the Audit Committee.

The Audit Committee received reports from Management on the internal control over financial reporting system, and monitored the appropriateness of the "control culture" as well as the way risks were identified, managed and disclosed. The Committee also reviewed reports from Management on implementation of actions in response to comments on internal controls from the internal and external auditors. In addition, the Audit Committee received assurance from Management after completion of a yearly comprehensive assessment of the Orange Polska Group's internal controls over financial reporting. All deficiencies identified were corrected or appropriate action points have been adopted. Management concluded that there were no weaknesses that would materially impact internal control over financial reporting in the year ended 31 December 2022 and the Audit Committee was satisfied that Management's conclusion was reasonable in light of the reports it had received.

In December 2022, the Internal Audit of the Company issued a report on the assessment of the overall internal control system in Orange Polska (based on the COSO

framework) with the conclusion that the system provides reasonable assurance that the Company's objectives could be achieved, that reporting (internal and external, financial and non-financial) is reliable and that the Company operates in accordance with applicable laws.

Internal audit function and assessing the effectiveness of the Internal Audit function

The Internal Audit function provides the Audit Committee, the Management Board and senior management with independent and objective assurance and advice on governance, risk management and internal control. It assists the organisation in reaching its objectives by systematically and methodically evaluating its processes, risk management and internal control system.

In addition to reviewing the effectiveness of these areas and reporting on aspects of the Orange Polska Group's compliance with them, Internal Audit makes recommendations to address any key issues and improve processes. Once any recommendations are agreed with Management, Internal Audit monitors their implementation and reports to the Audit Committee on progress made at every meeting.

Internal Audit considers all of Orange Polska Group's activities, and reports to the Audit Committee and to the Management Board President. The Director of Internal Audit attends all scheduled meetings of the Audit Committee, and also has the power to raise any matters with the members of the Committee without the presence of Management.







Internal Audit responsibilities are clearly defined and approved as stated in the internal audit charter which is reviewed and approved annually by the Audit Committee. The Internal Audit function acts in conformity with the Standards for the professional practice of Internal Auditing and the Code of Ethics issued by the Institute of Internal Auditors (IIA). Internal Audit plans are drawn up annually and take account of risk assessment, changing business needs and issues raised by Management, follow-up on prior audit findings and cyclical review planning. The approach also builds reserved hours into the plan for adhoc, specially requested audits, and for urgent audit issues that arise throughout the year. The annual plan of Internal Audit is submitted for review and opinion by the Audit Committee. Progress against the annual Internal Audit plan is monitored and regularly reported to the Audit Committee.

In the course of its work, the Internal Audit function also liaises with the statutory auditor, discussing relevant aspects of their respective activities and assisting them in internal control testing, which ultimately supports the assurance provided to the Audit Committee and Management.

The effectiveness of the Internal Audit is monitored using the quality assurance and improvement programme which comprises internal assessment activities and annual external assessment by IFACI – l'Institut Francais de l'Audit et du Controle Internes (the French Chapter of the IIA). Following the assessment carried out in 2022, Orange Polska's Internal Audit renewed its IIA certification from IFACI.

The Audit Committee reviews the annual plan of Internal Audit, its budget and progress reports. The Committee

monitors the periodic reporting on internal audit actions and findings and responsiveness of Management to Internal Audit recommendations. In addition, the Committee meets privately with the Director of Internal Audit and reviews the independence of the Internal Audit process.

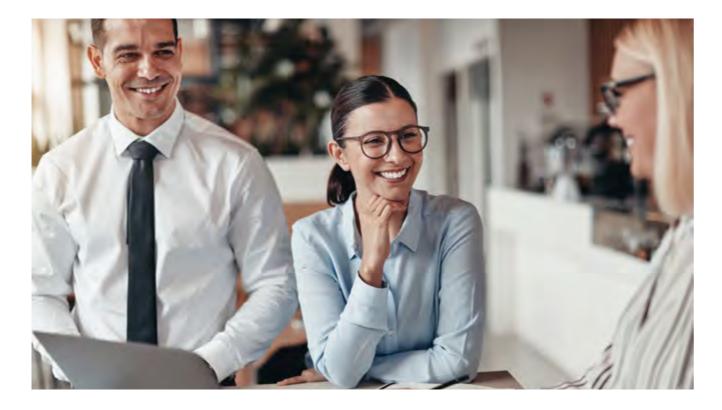
Risk management

The Audit Committee monitors the effectiveness of the risk management system. An update report on the system's design and operation was reviewed by the Audit Committee.

Risks are identified within all relevant business units. The risks which are perceived by Members of the Management Board or by Executive Directors as most significant for Orange Polska's operations are qualified as top risks. In addition to top risks, emerging risks which may become top risks in the longer term are also identified. Review of top risks along with emerging risks and their update is reported to and assessed by the Supervisory Board once a year. All risks are grouped into clusters (risks of similar nature) to ensure consistent and effective risk management across all business units in Orange Polska.

The Supervisory Board received a report on top and emerging risks.

The top risk analysis is taken into account in the preparation of the annual Internal Audit plan. The plan addresses different aspects of top risks. The plan is submitted to the President of the Management Board for his approval and then to the Audit Committee for its review.







Compliance

Matters related to the implementation of the Compliance Management Programme are reported to the Audit Committee in the following areas: ethics, general compliance with laws and regulations, anti-fraud, non-telco fraud, security and anti-corruption. As part of its periodic reports, the Compliance Management area informs the Audit Committee about activities carried out, including, among others, the corruption risk map, due diligence on new contracting partners, communication and training activities and results of inspections initiated by notification of irregularities through dedicated channels. Orange Polska actively cooperates with the Compliance areas within the international Orange Group, sharing good practice and maintaining the Orange Group's anti-corruption standards.

► Read more in section Ethic and Compliance Management, on page 276.

Whistleblowing

The Audit Committee reviews the summary of cases reported through the whistleblowing system.

Orange Polska is closely monitoring the upcoming changes to the legal regulations applicable to whistleblowing and will adapt its internal procedures to the new requirements.

► Read more in section Ethic and Compliance Management, on page 276.

Monitoring changes in the legal environment and changes in accounting standards

Relevant changes in the legal environment, together with updates to accounting standards and recommendations from regulatory bodies, were considered by the Audit Committee, as well as the question of how the Orange Polska Group approached and implemented them. The Audit Committee in particular looked also into the Company's implementation of the European Single Electronic Format, the climate related financial disclosures, and planned changes to the tax environment.

Other areas of interest

The Audit Committee reviewed and issued opinions on significant transactions with related parties, in line with internal regulations and best practices of corporate governance. Orange SA's nominees are excluded from voting at Supervisory Board meetings and Audit Committee meetings on transactions involving Orange SA or its subsidiaries. The Committee reviewed other matters of interest, including, but not limited to, revenue assurance, hedging, insurance, tax and M&A transactions. Also the Audit Committee issued opinions on other matters referred to the Committee by the Supervisory Board and/or the Management Board, including financing and granting bank guarantees to Orange Polska's subsidiaries. The Audit Committee also worked with management to develop an improved approach to the supervision of Orange Polska's subsidiaries.

Strategy Committee activities in 2022

The Committee gives its opinions and recommendations to the Supervisory Board on the strategic plans set out by the Management Board, as well as any further suggestions to strategic plans made by the Supervisory Board, in particular concerning key strategic directions.

Letter from the Chairman of the Strategy Committee



Dear Shareholders.

By many measures 2022 was a very different year from anything in the history of Orange Polska. It brought dynamic economic and geopolitical changes to the whole world – and to Poland in particular. Just when we expected a continuation

of post-pandemic recovery, the inflationary pressure, energy crises and war in Ukraine challenged the global balance and the perception of stability among businesses and consumers.

I am exceptionally proud of Orange Polska and, in particular, its employees. The people of Orange Polska came together to secure the Company's results and to provide support to those affected by the war in Ukraine. It has made a real difference in the lives of so many.

Orange Polska was able to successfully navigate these uncertain times and despite strong headwinds continued the execution of the .Grow strategy with great results. The Strategy Committee was bolstering Management through discussions on key strategic development areas, such as

digital transformation and vision for the next level of B2B and ICT services, as well as new openings for wholesale operations.

Also among the top priority areas discussed during our meetings was Orange Polska's Human Capital strategy, placing a special focus on our recruitment approach, development of competencies, talent management and our remuneration policy under a dynamic, rapidly changing macroeconomic situation.

Alongside all of these challenges, the Committee also devoted considerable attention to the energy crisis.

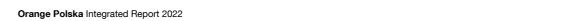
This included looking at Orange Polska's own energy consumption optimisation and our transformation towards renewable sources, as well as repositioning the resale activities conducted by the Company's subsidiary – Orange Energia.

The past year has been a challenging but rewarding one for the Company. Orange Polska remains committed to delivering value to our shareholders and successfully navigating any economic and political uncertainties that may arise in the future.

Thank you for your continued support.

Jean-Marc Vignolles
Chairman of the Strategy Committee





Strategy Committee at a glance

The Strategy Committee should meet at least twice a year. The Committee gives its opinions and recommendations to the Supervisory Board on the strategic plans set out by the Management Board, as well as any further suggestions to strategic plans made by the Supervisory Board, in particular concerning key strategic directions. The Strategy Committee may also provide recommendations to the Supervisory Board regarding Management's planning processes. The Committee is consulted on all strategic projects related to the development of the Orange Polska Group, the monitoring of the evolution of industrial partnerships within the Orange Polska Group and projects involving

strategic agreements for the Orange Polska Group. It then reports and makes recommendations on each of these projects to the Supervisory Board. 243

In particular, the Committee is invited to consider projects such as:

- strategic agreements, alliances, and technological and industrial co-operation agreements, including aspects of the strategic partnership between the Orange Group and the Orange Polska Group;
- significant acquisitions and sales of assets.

Strategy Committee members in 2022

Jean-Marc Vignolles	Chairman
Philippe Béguin	
Bénédicte David	
Bartosz Dobrzyński	(Independent Board Member - since 22 April 2022)
Patrice Lambert-de Diesbach	
Monika Nachyła	(Independent Board Member)
Maria Pasło-Wiśniewska, PhD	(Independent Board Member)
Wioletta Rosołowska	(Independent Board Member)

Mr. Maciej Witucki, Chairman of the Supervisory Board, and Mr. John Russell Houlden, Independent Board Member and Chairman of the Audit Committee, participate in the meetings of the Strategy Committee on a permanent basis. Supervisory Board members and Orange Polska Management Board actively participated in the works of the Committee, whenever appropriate.

In 2022 the Strategy Committee held four meetings.

Issues on the Strategy Committee's agenda for 2022

OPL's approach to digital

Digital is the new normal in Poland as customer behaviour and needs have changed. Digital was recognised in the .Grow strategy as a key strategic lever for future development of Orange Polska. The Committee reviewed the establishment of a Digitization unit with ambitious targets: in 2024, 25% of sales and 75% of all customer contacts will be made through digital channels.

B2B and ICT strategy

Orange Polska, a leader of the B2B market, is reinventing itself even as it reconfirms the directions set in our .Grow strategy: we will continue on a path guided by value creation and the exploration of emerging sources of growth. The B2B space today is the domain of companies with E2E offering, building synergies on customer relation level. The Committee discussed macro challenges which have accumulated in recent months and how they impact B2B operations.

Overview of OPL's wholesale business

The telecommunications market in Poland is still very diversified: among nationwide operators there are hundreds of smaller entities, with the total number of players exceeding 4,000. There is growing coverage by wholesale-only fibre operators but also an increasing interest in the sharing of fibre infrastructure by integrated players,

which is changing the dynamics of wholesale market.

The Committee analysed how Orange Polska's wholesale strategy reflects recent market trends.

Reshaping Orange Energy

2021 was a year of extraordinary energy price increase with a negative impact on the whole energy market and OE. Changes implemented in 2021 (offer construction & hedging strategy) significantly decreased the risk profile of OE business and allowed it to achieve positive results in 1H2022. The Committee discussed Orange Energy's transformation plan and the outlook for future opportunities and risks.

Green energy transformation

Climate responsibility is a key element of the .Grow strategy. Orange Polska is halfway towards our 2025 targets for both renewable energy and emission reduction. While PPA contracts are key for climate goals, efficiency remains crucial and our programme of energy optimisation continues. The Committee analysed the Company's achievements to date and plans for further actions.

Human Capital strategy

The Committee reviewed Orange Polska's Human Capital strategy regarding the development of recruitment and competencies, along with talent management and our remuneration policy, while keeping in mind the dynamically changing macroeconomic situation.



Orange Polska Integrated Report 2022



Remuneration Committee activities in 2022

The Remuneration Committee is tasked with advising the Supervisory Board and Management Board on general remuneration policy within the Orange Polska Capital Group and making recommendations on appointments to the Management Board.

Letter from the Chairwoman of the Remuneration Committee



Dear Shareholders.

To start with a formal matter, I would like to inform you that in April 2022 the composition of the Remuneration Committee changed – Mr. Jean-Marc Vignolles and Mr. Michał Kleiber left the Committee and Ms. Bénédicte David and Mr. Bartosz Dobrzyński joined the Committee.

Jean-Marc and Michał, thank you very much for your contribution to our work; Bénédicte and Bartosz, welcome to the Committee.

In 2022, Orange Polska continued its strategic plan .Grow, implementing digitalisation and transformation processes in the Company to face a challenging future.

Despite unfavourable external conditions – in particular the pandemic, the war in Ukraine, the crisis on the energy market and rising inflation – the Company operated efficiently and delivered the expected business results.

The ongoing process of cultural change in Orange Polska enabled its management team and employees to act flexibly and quickly to respond to the needs of the market.

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The Company puts the growth of value for customers at the heart of its strategy – access to the Company's network as well as good standards of services. Being more digital, using artificial intelligence, machine learning, cloud technology, etc., the Company is more and more customer friendly. This is evidenced by the high position of Orange Polska in the NPS rankings.

All this is possible thanks to our diligence regarding the new competencies of employees. The long-term development programmes at various levels of expertise, professional schools (Data & Al Chapter Professional School, IT Academy, Cybersecurity), the #Client programme, PM in Action and other programmes help people and the Company to adapt to a rapidly changing environment and remain agile and focused on the business. Aware of the benefits of diversity, special training has been offered to Orange women to facilitate careers that match their aspirations and potential.

Through our #OrangeGoesGreen strategy, Orange Polska contributes to the protection of climate, which should result in a significant reduction of CO₂ emissions. The importance of this strategy is emphasised by including 2022 green goals in the MBO bonus system for all the Management Board Members.



To support realisation of Orange Polska's strategy, the Remuneration Committee recommended the reappointment of three Management Board Members for the next term of office, those being Members in charge of Finance, Human Capital, and Carriers Market and Real Estate Sales.

Additionally, following the Polish law and the Best Practice of Warsaw Stock Exchange, the Committee gave its positive recommendations on the Diversity policy applicable to the Supervisory Board.

All recommendations of the Remuneration Committee were accepted respectively by the Supervisory Board and the General Meeting of Shareholders.

The Committee, working consistently according to the adopted plan, analysed among others: the ability of incentive systems to face the Company's challenges; control and management of labour costs in an environment of high inflation; and the equality of remuneration policy with regard to women and men.

In 2022 the Committee prepared three mandatory reports: Report on the Remuneration of the Members of the

Management Board and Supervisory Board of Orange Polska S.A. in 2021; Remuneration Committee's Annual Report for 2021; and Realisation of Remuneration Policy as part of the Management Board's Report on Orange Polska Activity in 2021.

Presenting this Report let me say a huge thank you to all members of the Committee, to our Human Capital colleagues, supporting the Committee in the performance of our tasks, and to all employees of Orange Polska for their work towards 2022 business results.

Finally, and importantly, allow me to express my special gratitude to all employees of Orange Polska for their empathy and spontaneous generosity in helping refugees from war-torn Ukraine. It has been a great test of our humanity, and one which our staff passed brilliantly.

Please find below all the details about the activity of the Remuneration Committee in 2022.

Maria Pasło-Wiśniewska Chairwoman of the Remuneration Committee







Remuneration Committee members in 2022

Maria Pasło-Wiśniewska, PhD	Chairwoman (Independent Board Member)
Prof. Michał Kleiber	(Independent Board Member – until 22 April 2022)
Marc Ricau	
Jean-Marc Vignolles	(until 22 April 2022)
Bénédicte David	(since 22 April 2022)
Bartosz Dobrzyński	(Independent Board Member - since 22 April 2022)

The Secretary of the Committee was Jacek Kowalski, Management Board Member in charge of Human Capital.

Main responsibilities of the Committee

The Remuneration Committee should meet at least four times a year. The task of the Committee is to advise the Supervisory Board and Management Board on the general remuneration policy of the Orange Polska Group and to make recommendations on appointments to the Management Board.

The Committee's detailed tasks include:

- determining the conditions of employment and remuneration of the Members of the Management Board;
- considering proposals made by the President or the Supervisory Board concerning new appointments to the Management Board, taking part in the final stage of the process and making the appropriate recommendation to the Supervisory Board about the candidates;
- considering proposals made by the President

or the Supervisory Board regarding resignation of any Member(s) of the Management Board and making, if necessary, a relevant recommendation to the Supervisory Board; 247

- giving recommendations to the Supervisory Board regarding the amounts of bonuses for the Members of the Management Board;
- providing an opinion on the remuneration policy for most senior executives and on the general remuneration policy for the wider Orange Polska Group. In both cases this must take into account the relative market position of the Orange Polska Group's terms of engagement and remuneration levels;
- producing a report for the Supervisory
 Board on the activity of the Committee and
 assessment of the remuneration policy of the
 Orange Polska Group.

On the Remuneration Committee's agenda for 2022

The Remuneration Committee had five meetings in 2022, and took several sets of actions as outlined below. All Members of the Remuneration Committee attended all meetings of the Committee.

The Remuneration Committee's recommendations to the Supervisory Board:

- reappointments and employment conditions for the next term of office, starting from June 21, 2022: the Management Board Member in charge of Finance, the Management Board Member in charge of Human Capital and the Management Board Member in charge of Carriers Market and Real Estate Sales;
- Stretch Bonus for the CEO for 2021;
- conditions of Stretch Bonus for the CEO for 2022:
- Stretch Bonus cascade a new element of the reward system – for MBM in 2022;
- evaluation of the MBM bonuses for 2021;
- targets and bonus conditions for MBM for 2022;
- terms of participation of the MBM of Orange Polska in the Orange S.A. Group Long Term Incentive Plan for 2022–2024;
- success indicators in the second Series of Polish LTI Incentive Program in the years 2022–2024;
- update of the LTI Incentive Programme Regulations;
- the Remuneration Committee's Annual Report for 2021;
- the Diversity policy applicable to the Supervisory Board.

The Remuneration Committee issued opinions on:

- the Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2021;
- the Remuneration Policy of the Company in 2021.

The Remuneration Committee positively acknowledged:

- Orange Polska's ongoing strategic plan .Grow;
- the analysis of OPL labour costs under the conditions of high inflation;
- the method of employing employees and types of cooperation with IT service providers;
- Orange Group LTIP;
- HC Dashboard a periodic report on matters of Human Capital;
- benefits granted to the Management Board Members under Orange Polska's internal regulations;
- report on realisation of agreement with Orange Global International Mobility SA;
- the results of Together 2021 Orange Group's employee shareholding scheme;
- continuation of the LTI 2023–2025 local OPL program (wave 3):
- implementation of the environmental strategy for reduction of CO₂ emissions;

 process of buying back used electronic equipment (computers, laptops and tablets) by the Management Board Members on the same terms as applied to all employees in Orange Polska.

Significant issues considered by the Remuneration Committee in 2022:

- review of all incentive and employee engagement systems: reward and recognition, diversity and wellbeing, and social barometer follow-up;
- review of the remuneration policy applicable to both managers and the Orange Polska Capital Group;
- analysis of the equality policy in terms of remuneration and comparison of the remuneration of women and men in Orange Polska;
- changes in Orange Polska's organisation caused by COVID-19, with sanitary rules and the continuation of hybrid work;
- Orange Polska's succession plan for MBM and Executive Directors.

The Remuneration Committee operated in accordance with its working plan for 2022 approved by all the Remuneration Committee's Members.







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 marketcompetitive 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.

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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:

- 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 nonpecuniary 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:

- 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);



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- 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);
- 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:

- 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;
- V. 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):

- 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 CO_2 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 fulfilment of the predefined conditions, will be paid in 2023.





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

		1. Fixed remuneration (PLN '000)*					2. Variable remuneration (PLN '000)¹				Proportion	Variable remuneration	
Full name	Base salary	Benefits*	Benefits for relatives	Compensation and severance pay	Other pay- ments (inclu- ding 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	Total remuneration for 2022 (PLN '000')	between fixed and variable remuneration granted in 2022 (%)	for 2021 paid in 2022 (without advance on the MBO bonus paid in December 2021) (PLN '000')
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 Nowohoński	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.



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		2. Va	riable remuner (PLN '000)¹	ration			Variable remuneration for 2021
	1. Fixed remunera- tion (PLN '000')*	Excluding annual Stretch Bonus granted for 2022	Annual, granted for 2022 (Stretch Bonus)	Total variable remunera- tion	Total remu- neration (PLN '000')	Proportion between fixed and variable remunera- tion (%)	tion for 2021 paid in 2022 (without advance on the MBO bonus paid in Decem- ber 2021) (PLN '000')
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/

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.

^{*} 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.

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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 buyout 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.

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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

LTI 2021-2023

Full name	Number of purchased phantom shares	Value of share-based payments recognised as the Company's costs for 12 months ended on 31 Decem- ber 2022 (PLN '000)*
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

LTI 2022-2024

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Full name	Number of purchased phantom shares	Value of share-based payments recognised as the Company's costs for 12 months ended on 31 Decem- ber 2022 (PLN '000)*
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

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
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 b) Indicator weight	a) Organic Cash-Flow ¹ b) 40%	a) Organic Cash-Flow ¹ b) 50%	a) Organic Cash-Flow ¹ b) 50%
a) Financial indicator b) Indicator weight	a) Total Shareholder Return ² b) 40%	a) Total Shareholder Return² b) 30%	a) Total Shareholder Return ² b) 30%
a) Financial indicator b) Indicator weight	a) CSR ³ b) 20%	a) CSR ⁴ b) 20%	a) CSR ⁴ 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 Telecos 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.



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

		Disposable shares awar- ded in LTIP			
Full name	LTIP 2019–2021	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024	2019–2021 and settled in 2022 (number)
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 Nowohoński	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

- "	LTIP 2020-2022	LTIP 2021-2023	LTIP 2022-2024
Full name	For 12 months to 31 December 2022	For 12 months to 31 December	For 12 months to 31 December 2022
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 Nowohoński	22	24	13

i. Remuneration of the Members of the Supervisory Board

by Orange Polska S.A. (in PLN'000)

The remuneration of 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.



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Table 5. Remuneration of 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
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-Wiśniewska 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.





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.

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 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).



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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 Jaworski³	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

- 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).

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.





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 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 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).



Management Board activities in 2022

Management Board composition (as of 31 December 2022)

- 1. Julien Ducarroz President of the Board
- 2. Jolanta Dudek Vice President of the Board
- 3. Bożena Leśniewska Vice President of the Board
- 4. Witold Drożdż Board Member
- 5. Piotr Jaworski Board Member
- 6. Jacek Kowalski Board Member
- 7. Jacek Kunicki Board Member
- Maciej Nowohoński Board Member

Executive structure

President of the Board Julien Ducarroz

Vice-President
of the Management
Board in charge
of Consumer
Market

Jolanta Dudek

Vice-President
of the Management
Board in charge
of Business Market
Bożena Leśniewska

Management Board Member in charge of Strategy and Corporate Affairs Witold Drożdż Management Board Member in charge of Network and Technology Piotr Jaworski

Management Board Member in charge of Human Capital Jacek Kowalski

Management Board Member in charge of Finance Jacek Kunicki

Management Board Member in charge of Carriers Market and Real Estate Sales

Executive Director in charge of IT Bertrand Grezes-Besset

Maciej Nowohoński

Executive
Director in charge
of Transformation
and Effectiveness

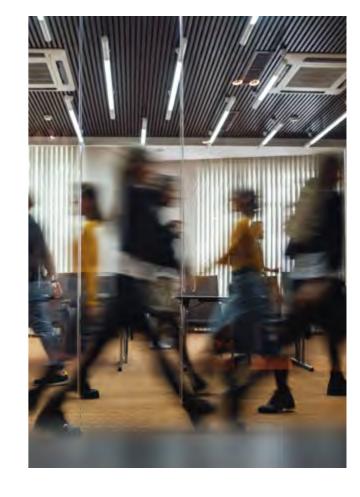
Olga Złotnicka

Executive
Director in charge
of Digitalisation
Artur Stankiewicz

Management Board Members' term of office

The term of office of each Member of the Management Board is three years. The President and other members of the Management Board are appointed and removed by the Supervisory Board. The resolutions of the Supervisory Board regarding the appointment or re-appointment of the President or other Members of the Management Board are adopted by a simple majority of the votes cast. The mandates of Management Board Members expire at the latest on the date of the Annual General Meeting which approves the financial statements for the second full financial year of his/her service as a Member of the Management Board.

Members of the Management Board may be at any time removed or suspended for important reasons by the Supervisory Board before the expiration of their term of office.





Changes in the Management Board and Executive Directors structure

There were no changes in the composition of the Management Board in 2022

In July 2022 Olga Złotnicka replaced Magdalena Hauptman as Executive Director in charge of Transformation and Effectiveness.

Management Board diversity

Orange Polska follows a policy of appointing persons with appropriate competence, professional experience and education to the Company's boards.

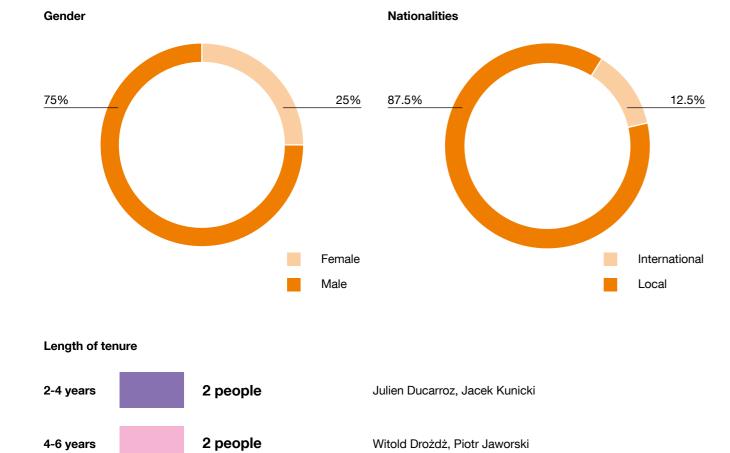
In 2021, the Supervisory Board adopted the Diversity management policy for Members of the Management Board.

In the process of recruitment of the Members of the Management Board of Orange Polska, the Supervisory Board:

- shall be guided by the transparency of the candidate selection rules and criteria;
- shall make decisions on the appointment of the Management Board Members based on the adequate knowledge, skills, education, competence and professional experience of candidates;
- shall ensure that the composition of the Management Board is diverse in terms of gender, age, expertise, education and professional experience;
- with regard to gender diversity, shall strive to achieve the minimum participation of women of at least 30%.

Management Board diversity

6+ years



4 people

Jolanta Dudek, Bożena Leśniewska,

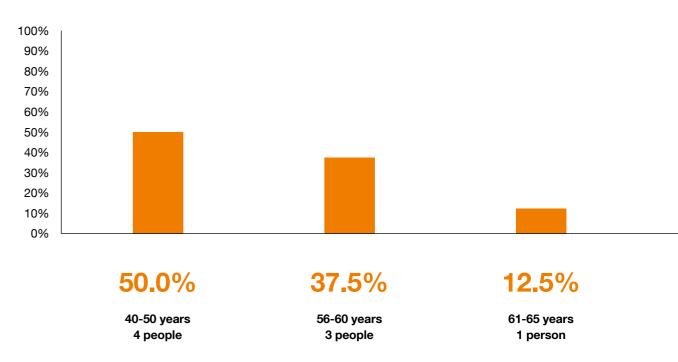
Jacek Kowalski, Maciej Nowohoński





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Age profile



Profiles of Management Board Members



Julien Ducarroz

Responsibilities: CEO and President of the Management Board

Appointment to the Board: September 2020

Qualifications: He is a graduate of the Swiss Federal Institute of Technology of Lausanne and Zurich.

Career experience: Julien Ducarroz has extensive experience in the telecom industry, with more than 10 years in executive positions, gained in different countries and in many different areas, including strategy and commercial functions. He joined the Orange Group in 2002 in its International Division, then continued as a business-intelligence and value-based

marketing manager in Orange Group Marketing in London (2003–2004). Subsequently he became Deputy Chief Marketing Officer in Orange Nederland (2006–2007). In 2007, he joined Orange Romania as a strategy director, and from May 2009 to May 2016, he managed sales, marketing and marketing communication as Chief Commercial Officer. Between 2016 and 2020, he was the CEO of Orange Moldova, where his achievements included the launch of convergent services with the acquisition of main cable operators, cultural transformation to implement entrepreneurial mind-set and adoption of agile ways of working across the organisation and preparation for the entry of mobile financial services.



Jolanta Dudek

Responsibilities: Vice President of the Board in charge of Consumer Market

Appointment to the Board: October 2015

Qualifications: She is a graduate of the Faculty of Philology at the University of Silesia, European Economy Management, French Ecole des Hautes Etudes Commerciales, the Warsaw School of Economics (SGH), the Academy of Leadership Psychology, Warsaw University of Technology Business School. She is also an experienced Lead Auditor of Quality Management System ISO 2002 and Customer Operations Performance Center (COPC®) Coordinator.

Career experience: She began her career in telecommunications at PTK Centertel in 2000, holding management positions related to mass customer care and taking part in the development of customer service for the Idea mobile network. Between 2004 and 2013, she served as Director of Business Customer Service for the Orange network. In October 2010, she was appointed Director of Mobile Business Customer Service in Orange Customer Service. From 2013, she served as CEO of Orange Customer Service (till 2016) and Executive Director in charge of Customer Care in Orange Polska (till 2015). In 2015–2021, she was a Member of the Management Board of Orange Polska responsible for the Customer Experience area. From July 1, 2021, as the Vice President of the Company, she manages the division covering the structures of the consumer market and relations with individual customers.









Bożena Leśniewska

Responsibilities: Vice President of the Management Board in charge of Business Market

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Appointment to the Board: October 2015

Qualifications: She is a graduate of the Advanced Management Programme at INSEAD, the Academy of Mentoring, the Academy of Leadership Psychology at Warsaw University of Technology Business School and the Jagiellonian University. She is also an active mentor and co-author of Europe's first studies designed for women.

Career experience: She has more than 20 years' experience in the telecommunications sector. From 1996 she was responsible for the sales market in Polkomtel S.A., initially as

Sales Director, then Regional Director, Mass Customers Department Director and Deputy Director of the Business Customers Department. In 2006, she joined the Orange Polska team in PTK Centertel as Deputy Branch Director of Sales for Business Market, then Branch Director of Business Market Sales. From 2008 she was Branch Director for Business Customers, then Sales Director for both PTK Centertel and Orange Polska. In November 2013, she became Executive Director in charge of Sales in Orange Polska, and two years later she was appointed the Management Board Member in charge of Sales and Commercial Digitisation. Since January 2017, as Vice President of the Management Board of Orange Polska, she has been responsible for the business market as well as Integrated Solutions and BlueSoft.



Witold Drożdż

Responsibilities: Management Board Member in charge of Strategy and Corporate Affairs

Appointment to the Board: November 2018

Qualifications: He is a graduate of Law and International Relations at the University of Warsaw and has completed the Stanford Executive Program at Stanford University.

Career experience: He has been working at Orange Polska since 2012, initially as Executive Director for Corporate Affairs. From 2010 to 2012, he was the Vice President of the Management Board and then acting President of the Management Board for PGE

Energia Jądrowa S.A. Between 2007 and 2010, he served as Deputy Minister of the Interior and Administration, responsible for the development of information society and public records, as well as Chairman of the government Committee Digital Poland, and a member of the government Committee for Energy Security and the inter-ministerial Committee for Digital TV and Radio Broadcasting. He sits on the Orange Foundation Board and Employers of Poland Board.





Piotr Jaworski

Responsibilities: Management Board Member in charge of Network and Technology

Appointment to the Board: November 2018

Qualifications: He graduated from electronic engineering in the Warsaw University of Technology and holds MBA qualifications from the University of Gdańsk and the University of Strathclyde in Glasgow.

Career experience: Piotr Jaworski has been working at Orange Polska (former Telekomunikacja Polska) since 1991, initially as the Technical Manager in the

Telecommunications Plant in Białystok, then, in the Company's Headquarters, as Director of the Business Customer Relations Department and Regional Executive Director (for South and Central Regions). Between 2007 and 2013, he was the Technical Customer Service Director. Then, until 2016, he worked as the Service Delivery and Maintenance Director, responsible for technical processes of service provision and maintenance (for both Orange customers and alternative operators), network investments (including VHBB FTTH rollout) and active network maintenance. He has been the leader of several projects in customer experience development.

He has been involved in charity work for years. He is a member of the Orange Network Experts Committee. Between 2007 and 2020, he was a member of the Orange Polska Ethics Committee. He is also the Chairman of the Supervisory Board of NetWorkS! and a Member of the Supervisory Board of Światłowód Inwestycje. Between 2008–2022, he was the Chairman of the Supervisory Board of TP Teltech.



Jacek Kowalski

Responsibilities: Management Board Member in charge of Human Capital

Appointment to the Board: January 2011

Qualifications: He is a graduate of the Faculty of History at the University of Warsaw and undertook postgraduate studies in Local Government and Non-Governmental Organisations Management, also at the University of Warsaw. He has the Trainer of Trainers Certificate – TERM Programme 1995-96 from Sheffield International College.

Career experience: Previously, from 2009 he was the Executive Director in charge of Human Resources at Telekomunikacja Polska (now Orange Polska) and Competencies Management

and Employees Development Director. He started his career in Orange as a Manager of Training and HRBP for Sales at PTK Centertel. Before he started working at Orange, he was a Director and a Board Member in Infor Training (an INFOR Media Group Company) in charge of Development, Training and Entrepreneurship for B2B market. He has additional experience in educational institutions: as a private school teacher, project manager, certified trainer, trainings and educational materials architect, and publisher. He also worked as a Director of the National In-service Teacher Training Centre, responsible for the implementation of training programmes supporting the development of education in Poland and Poland's accession to the EU.

He is the Chairman of the Supervisory Board for the Employee Pension Fund at Orange Polska and a member of the Advisory Board of the Polish Human Resources Management Association, as well as a Member of the Supervisory Board of Integrated Solutions and the Orange Foundation.

He is a member of the Human Explorers, an informal group that is focused on sharing good HR practices, and also Pro Bono Leaders initiative.





Jacek Kunicki

Responsibilities: Management Board Member in charge of Finance

Appointment to the Board: July 2020

Qualifications: He graduated from the Higher School of Management in Warsaw and holds an MBA from the Oxford Brookes University.

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Career experience: He has worked in Orange Polska since 2003 holding a number of managerial positions of growing responsibility within the finance area; in particular, he was the Director of Investor Relations from 2010 to 2014 and Orange Polska Group Chief Controller from 2014 to 2020, where he played a critical role in the success of the .One

strategy turnaround and in the pivot to commercial value strategy. Since March 31, 2020 he has held the position of Orange Polska'a Chief Financial Officer.

Jacek Kunicki is a Member of the Supervisory Boards of BlueSoft, Integrated Solutions, Światłowód Inwestycje and NetWorkS! (Orange Polska Group companies) and a Member of the Supervisory Board of the Polish Association of Listed Companies (SEG). Between 2020–2022, he was a Member of the Supervisory Board of TP Teltech.

Before joining Orange, Jacek worked in the finance team of a telecom Energis Polska.



Maciej Nowohoński

Responsibilities: Management Board Member in charge of the Wholesale Market and Real Estate Sales

Appointment to the Board: March 2014

Qualifications: He is a graduate of Foreign Trade at the Poznań University of Economics and the Business School – Hogeschool van Arnhem en Nijmegen in the Netherlands.

Career experience: He has been associated with Orange Polska since 2003. He has held various roles with increasing responsibilities, including the function of the Management Board Member for Finance of the Orange Polska Group in 2014–2020. In 2020 and 2021,

he was responsible for the creation and launch of the wholesale operator, Fiber Optic Investments. Earlier, in 2010–2011, Maciej also held the position of a Member of the Management Board at Emitel, while in 2011–2013, he was a Member of the Management Board for Finance at PTK Centertel. Since January 2020, he has been responsible in the Management Board of Orange Polska for the market of operators' clients and the sale of real estate. Maciej is the Chairman of the Supervisory Board of Swiatłowód Inwestycje. Before joining the Orange team, he worked, among others, for Arthur Andersen and Andersen Business Consulting.







Profiles of Executive Directors



Bertrand Grezes-Besset

Responsibilities: Since February 2021, he has worked as Executive Director in charge of IT.

Qualifications: He graduated in France from Ecole Polytechnique in fundamental physics and from Telecom Paristech.

Career experience: He has almost 30 years of professional experience in the telecommunications and IT industry, on various functions from CIO to Business Unit manager and startup entrepreneur. He worked on the implementation of innovation projects in several countries around Middle East, Africa and Europe.

He joined Orange Polska in 2018 as an advisor to the CEO on technology innovation.

Since 2019, he has managed the ICT offer portfolio comprising integration services, cybersecurity, cloud and software development. His missions included management of Integrated Solutions and BlueSoft.

He was nominated as a President of the Supervisory Board to BlueSoft in 2021.



Artur Stankiewicz

Responsibilities: Since July 2021 he has worked as Executive Director in charge of Digitalisation.

Qualifications: He graduated with honours in control engineering from the Faculty of Electrical Engineering of the Warsaw University of Technology and holds MBA qualifications from Université du Québec à Montréal and from the Advanced Management Program at INSEAD.

Career experience: He started his professional career in 2001 at Polkomtel S.A., in B2B Sales. From 2007, he managed B2B Sales in Orange Polska, first as the Direct Sales

Director and then, in 2014–2017, for Sales and Marketing in the SOHO and SME Business Segments. He created Orange Polska's convergent FTTH offer for small and medium-sized enterprises. He also managed the transformation of sales structures towards increasing the value and quality of customer service. Then he took on the position of Consumer Market Marketing Director (2017–2021). One of his achievements was the creation and development of the Orange Flex offer – the first fully digital telecommunications service on the Polish market. He was also responsible for the preparation and successful implementation of the 'more for more' targeted strategy to increase the margin and value generated by customers. Both initiatives have had a significant positive impact on EBITDA trends and the customer base. In 2010–2017 he was a Member of the Supervisory Board of Orange Retail S.A.





Olga Złotnicka



Responsibilities: Since July 2022 she has held the position of Executive Director for Transformation and Effectiveness.

Qualifications: She graduated from Warsaw School of Economics, Advanced Management Program at INSEAD and the Leadership Academy for Poland; she is an active mentor with a second degree certificate (according to Orange Polska's programme).

Work experience: She began her work in Orange Polska in 2002 in the marketing team for B2C offers. She occupied different positions in marketing, including Postpaid Offers and Database Management Director (2013–2015) and Voice Offers Director (2015–2017). In June

2017, she took the position of the Supply Chain Management Director, while successfully leading the following projects: implementation of SAP, transformation of stock management, logistics and delivery (15% of savings on the cost budget per year) and launching digitalization of paper flow.

Since 2008, she has performed managerial roles in Orange Polska, managing large teams of people within the structure and various projects, and enjoying a very good feedback from teams and co-workers.

Currently, as Executive Director for Transformation and Efficiency, she is responsible for the supply chain, purchases, Orange.Grow transformation programme, as well as the coordination of the project management process.







Ethics and compliance management

Ethics management

Ethics in Orange Polska

At Orange Polska, we abide by ethical standards in our daily business activity. These ethical standards and values guide our people in their mutual relations, both personal and business, helping them to both pursue the Company's business objectives and build the best possible relationships with the wider environment in which we operate. Through these standards Orange Polska actively counteracts corruption, breach of law and unfair market practices.

The values, standards and principles that govern us are enshrined in the Orange Polska Code of Ethics. It represents the commitment of the Company and its employees to act in line with the highest standards in relations with our colleagues, partners, customers and the business environment. The Orange Polska Code of Ethics shares the same standards as adopted by other companies within the Orange Group. All new joiners must become acquainted with our Code of Ethics and comply with it.

Role of the Orange Polska Ethics Committee

The Orange Polska Ethics Committee is an advisory body which acts as the guardian of ethical standards in the Company. It analyses any accusation of non-ethical behaviour that might arise from day to day. Another task of the Committee is to increase employees' knowledge and awareness of ethical standards through training.

If they suspect a breach of ethics, Orange Polska employees can easily contact the Ethics Committee by sending an email to a dedicated box ('Ask an ethician') or contacting the Chairman of the Ethics Committee in writing or in person. It is also possible to send a letter or email directly to the Chairman of the Audit Committee or contact the Orange Group through a form on the dedicated website orange.integrityline.org. All enquiries are treated with strict confidentiality.

Activity of the Ethics Committee in 2022

Regular activities

The Ethics Committee:

- Investigated guestions / issues communicated to the Committee by all available channels;
- Met with the heads of business units from which reports were received in order to better understand the issue and formulate further recommendations;
- Prepared opinions and recommendations which were subsequently presented to the managers supervising the business units affected by irregularities;

 Collaborated with the Internal Audit Director and Director in charge of Security and Compliance.

Key activities of the Ethics Committee in 2022:

- Preparing and implementing a whistleblowing procedure and a policy for addressing irregularities and protecting whistleblowers in accordance with the relevant EU Directive and Polish regulations;
- Preparing and implementing the new Orange Polska Code of Ethics. The underlying assumptions of the Code of Ethics have not changed. The key changes aimed to ensure its compliance with the new regulations on ethics and compliance management. In addition, the new version includes provisions related to Orange Polska's new values and mission as well as the Company's commitments to the environment and climate as major stakeholders;
- Organising the 10th Day of Ethics and Compliance in Orange Polska, which included a webinar for employees and broad communications about ethics and compliance standards and principles within the Company;
- Developing Orange Polska's Open and Ethical Communication Policy.

Overview of the reports and questions communicated to the Ethics Committee

In 2022, the Ethics Committee received 97 reports. The most common matters raised were related to sales and customer relations, human relations and conflict of interest.

Compliance management

Compliance Management Programme of Orange Polska

Integrity and compliance are Orange's fundamental values, which have contributed to the Group's high reputation. The adoption of the Compliance Management Programme by Orange Polska confirms our willingness to operate in compliance with laws, regulations and market practices in an ethical and transparent manner.

We follow the highest standards not only with respect to the quality and innovativeness of our services, but also in relations with our business partners and customers and between our employees. We aim to ensure an effective system for non-compliance risk management, threat identification and monitoring, and implementation of corrective actions. We actively prevent corruption and influence peddling, conflict of interest, fraud and any other situations involving our employees or business partners that could have negative consequences for Orange Polska.

Anti-Corruption Policy and Guidelines

One of the key elements of our Compliance Management Programme is the Anti-Corruption Policy based on a zerotolerance approach towards any forms of corruption in all our activities. It determines the rules of conduct and indicates prohibited behaviours which can be considered corruption or influence peddling. All our employees and all business partners of Orange Polska (co-operating companies, vendors, subcontractors, consultants and agents acting on our behalf) need to comply with anti-corruption standards. The correct application of the Anti-Corruption Policy is supported by internal regulations. In particular, the Anti-Corruption Guidelines of Orange Polska determine the policy concerning gifts and invitations, defining categories of benefits received or offered and a procedure for reporting them.

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The Compliance function carries out initiatives aimed at building awareness of the applicable rules among employees. By attending training and workshops, our teams can better understand the phenomenon of corruption and respond properly in problematic situations.

Orange Polska has been mapping and regularly updating corruption risks. All Orange Polska's business units have been subject to corruption risk analysis. Increased corruption risk has been identified in 18% of the Company's areas of activity. Appropriate control mechanisms and mitigating actions have been implemented in all of these

Verification of business partners

To prevent potential risks of corruption, non-compliance with economic sanctions, money laundering, terrorism financing and fraud, Orange Polska applies due diligence procedures in relations with its business partners. It enables us to 'get to know' our partners, control potential risks and make informed decisions prior to establishing business relationship with a prospective partner.

Whistleblowing

All employees, outsourced workers and stakeholders can report any observed violations of applicable laws or internal regulations, procedures or processes and other irregularities related to Orange Polska's activities via the whistleblowing system. Orange Polska ensures the adequate protection of whistleblowers. All notifications, also anonymous, are treated confidentially and verified with due diligence.

The whistleblowing system supports Orange Polska's activities, especially related to ethics, compliance and CSR, reducing the risk of reputational and financial losses.

Corporate governance Orange Polska Integrated Report 2022

Main procedures and policies

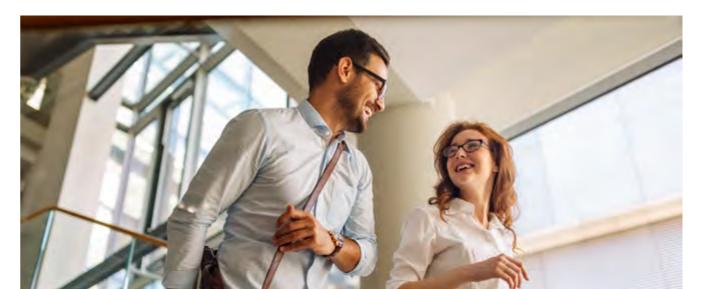
Ethics and compliance

- Code of Ethics
- Supplier Code of Conduct
- Sales Agents' Code of Responsibility
- Corporate Social Responsibility Policy
- Compliance Management Programme
- Anti-Corruption Policy
- Anti-Corruption Guidelines
- Policy on Economic Sanctions
- · Conflict of Interest Policy
- Due Diligence Procedure (iDDFix)
- Anti-Money Laundering and Counter-Terrorism Financing Policy
- Anti-Fraud Policy

Governance

- Information Security Policy
- Personal Data Security Policy
- Policy on the provision of authorised non-audit services by the audit firm conducting the audit
- Audit Firm Selection Policy
- Remuneration Policy for Members of the Management Board and the Supervisory Board
- Procurement Policy
- Business Continuity and Crisis Management Policy
- Risk Management Policy





Customers

- Privacy Policy
- Complaint Policy
- EU Roaming Fair Usage Policy
- Credit Verification Policy
- Service standards for elderly customers and customers with disabilities
- Responsible Communication Rules
- Social Responsibility Strategy
- Code of Ethics

Human relations

- Intragroup Collective Labour Agreement
- Social Agreement
- Staff Regulations
- Remuneration Policy
- Bonus Regulations
- Diversity Management Policy
- Global agreement on workplace gender equality in the Orange Group
- Policy for Investing in Health Quality and Well-being
- Code of Ethics
- Occupational Safety and Health Policy
- Global Orange Group agreement on occupational safety and health in the Orange Group
- Remote Work Regulations
- Recruitment Policy

Social issues

- Social Responsibility Strategy
- Donation Policy
- Sponsorship Policy
- Statute of the Orange Foundation
- Orange Foundation Grant Policy
- Corporate Volunteering Competition Rules

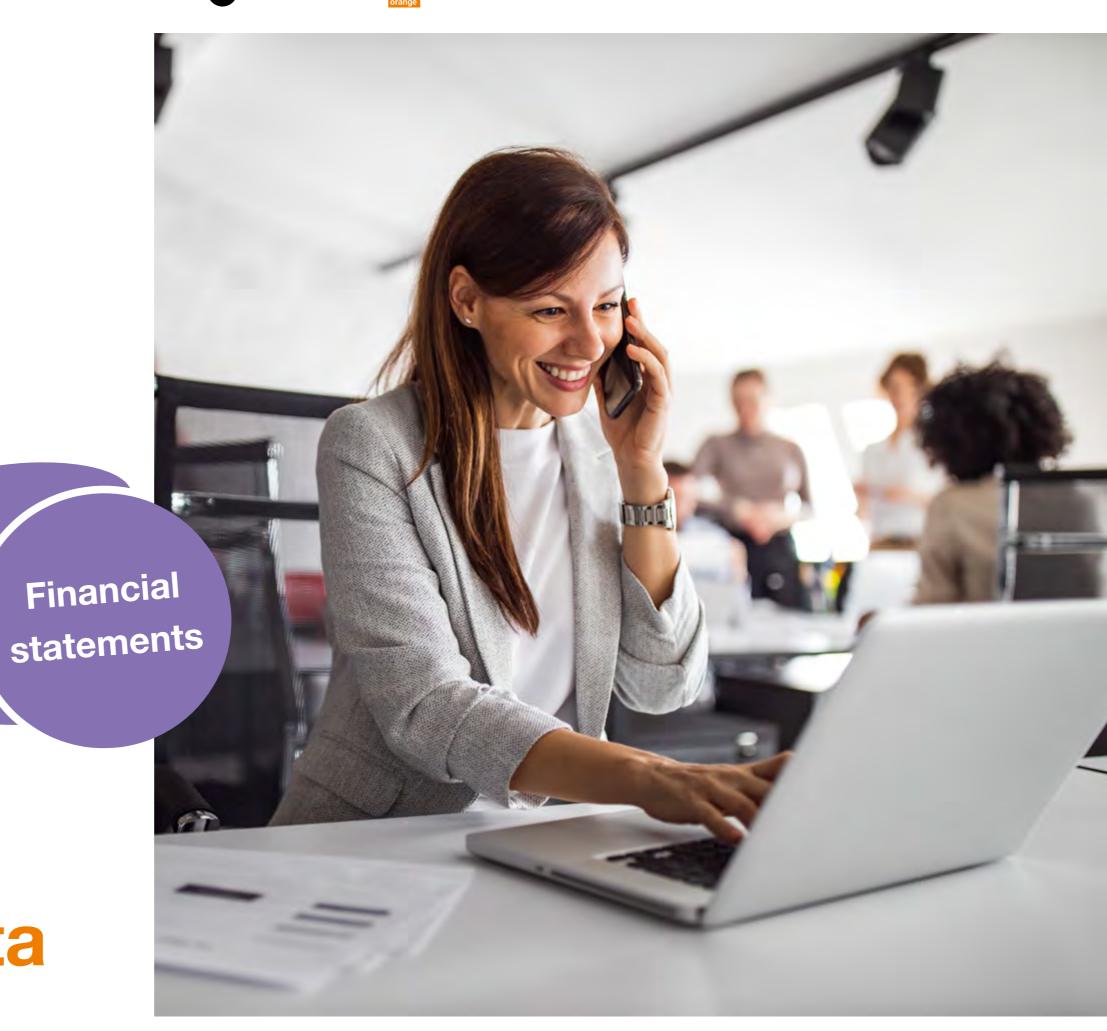
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Environmental issues

- Corporate Social Responsibility Policy
- Environmental Policy
- Climate Policy

Respect for human rights

- Human Rights Policy
- Orange Group's Statement on modern slavery and forced labour
- Corporate Social Responsibility Policy
- Diversity Management Policy
- Vigilance Plan
- Code of Ethics
- Supplier Code of Conduct



Selected financial data

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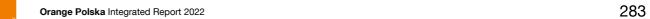
Orange Polska Group selected financial information for the year ended 31 December 2022

As published on 15 February 2023

The full report on Consolidated full year 2022 results is available on our website https://www.orange-ir.pl/results-center/

Consolidated income statement

		1	2 months ended
(in PLN millions, except for earnings per share)	Note	31 December 2022	31 December 2021
Revenue	6	12,488	11,928
External purchases	7.1	(7,435)	(6,786)
Labour expense	7.2	(1,422)	(1,421)
Other operating expense	7.3	(549)	(571)
Other operating income	7.3	601	358
Impairment of receivables and contract assets	20	(74)	(67)
Gain on the loss of control of Światłowód Inwestycje	4	-	1,543
Gains on disposal of assets	8	107	52
Employment termination expense	17	-	(119)
Depreciation and impairment of right-of-use assets	14.1	(495)	(509)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	11,12	(2,046)	(2,221)
Share of profit/(loss) of joint venture	13	(14)	24
Operating income		1,161	2,211
Interest income	20	94	34
Interest expense on lease liabilities	20	(95)	(53)
Other interest expense and financial charges	20	(191)	(200)
Discounting expense	20	(80)	(66)
Foreign exchange gains/(losses)	20	(22)	4
Finance costs, net		(294)	(281)
Income tax	28.1	(143)	(258)
Net income		724	1,672
Net income attributable to owners of Orange Polska S.A.		724	1,672
Net income attributable to non-controlling interests			_
Earnings per share (in PLN) (basic and diluted)	35.4	0.55	1.27
Weighted average number of shares (in millions)	29.1	1,312	1,312



Consolidated statement of comprehensive income

		12 mont	hs ended
(in PLN millions)	Note	31 December 2022	31 December 2021
Net income		724	1,672
Items that will not be reclassified to profit or loss			
Actuarial gains on post-employment benefits	19	4	8
Income tax relating to items not to be reclassified		(1)	(2)
Items that may be reclassified subsequently to profit or loss			
Gains on cash flow hedges	25	451	376
Losses on receivables at fair value through other comprehensive income		(3)	(6)
Income tax relating to items that may be reclassified		(85)	(69)
Share of other comprehensive income of joint venture, net of tax		84	22
Other comprehensive income, net of tax		450	329
Total comprehensive income		1,174	2,001
Total comprehensive income attributable to owners of Orange Polska S.A.		1,174	2,001
Total comprehensive income attributable to non-controlling interests		-	-



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Consolidated statement of financial position

		At	At
(in PLN millions)	Note	31 December 2022	31 December
ASSETS		2022	2021
Goodwill	10	2,296	2,285
Other intangible assets	11	4,056	3,984
Property, plant and equipment	12	9,693	9,728
Right-of-use assets	14.1	2,741	2,834
Investment in joint venture	13	1,335	1,333
Trade receivables	15.1	452	354
Contract assets	15.2	88	89
Contract costs	15.3	154	127
Derivatives	25	699	273
Other assets	16.2	321	432
Deferred tax assets	28.2	424	581
Total non-current assets		22,259	22,020
Inventories	16.1	300	281
Trade receivables	15.1	2,015	1,853
Contract assets	15.2	104	95
Contract costs	15.3	424	397
Derivatives	25	29	3
Income tax receivables		-	31
Other assets	16.2	529	450
Prepaid expenses		80	94
Cash and cash equivalents	24	1,026	933
Total current assets		4,507	4,137
TOTAL ASSETS		26,766	26,157

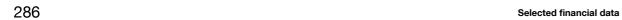




Consolidated statement of financial position

(in PLN millions)	Note	At 31 December 2022	At 31 December 2021
EQUITY AND LIABILITIES			
Share capital	29.1	3,937	3,937
Share premium		832	832
Other reserves		635	191
Retained earnings		8,047	7,649
Equity attributable to owners of Orange Polska S.A.		13,451	12,609
Non-controlling interests		2	2
Total equity		13,453	12,611
Trade payables	18.1	82	99
Lease liabilities	23, 27.6	2,234	2,302
Loans from related party	22	4,191	4,938
Other financial liabilities at amortised cost		40	28
Derivatives	25	-	3
Provisions	17	510	739
Contract liabilities	15.4	942	993
Employee benefits	19	48	73
Other liabilities	18.2	21	18
Total non-current liabilities		8,068	9,193
Trade payables	18.1	2,499	2,400
Lease liabilities	23, 27.6	542	528
Loans from related party	22	778	12
Other financial liabilities at amortised cost		10	33
Derivatives	25	23	2
Provisions	17	261	258
Contract liabilities	15.4	648	607
Employee benefits	19	190	171
Income tax liabilities		33	2
Other liabilities	18.2	261	340
Total current liabilities		5,245	4,353
TOTAL EQUITY AND LIABILITIES		26,766	26,157

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Consolidated statement of changes in equity	es in equit	>.									
				J	Other reserves						
(in PLN millions)	Share capital	Share	Cash flow hedge reserve	Actuarial gains/(losses) on post-employ- ment benefits	Losses on receivables at fair value through other comprehensive income	Deferred tax	Share of other reserves of joint venture	Retained	Equity attributable to owners of OPL S.A.	Non- controlling interests	Total zequity
Balance at 1 January 2022	3,937	832	269	(54)	(9)	(40)	22	7,649	12,609	2	12,611
Net income		1		1	'	1		724	724		724
Other comprehensive income	ı	1	451	4	(3)	(98)	84	'	450	1	450
Total comprehensive income for the 12 months ended 31 December 2022		ı	451	4	(3)	(88)	84	724	1,174	'	1,174
Dividend (transactions with the owners, see Note 29.2)	ı	ı	'	1	ı	1	1	(328)	(328)	ı	(328)
Share-based payments (transactions with the owner, see Note 29.3)	1	ı	ı	1	ı	1	1	2	2	ı	2
Transfer to inventories	ı	ı	(8)	ı	ı	2	ı	1	(9)	1	(9)
Balance at 31 December 2022	3,937	832	712	(20)	(6)	(124)	106	8,047	13,451	2	13,453
Balance at 1 January 2021	3,937	832	(88)	(62)	1	28	1	5,951	10,597	2	10,599
Net income	ı	1	1	ı	ı	I	ı	1,672	1,672	1	1,672
Other comprehensive income	ı	ı	376	80	(9)	(71)	22	'	329	I	329
Total comprehensive income for the 12 months ended 31 December 2021	ı	ı	376	- ∞	(9)	(71)	55	1,672	2,001	ı	2,001
Share-based payments (transactions with the owner, see Note 29.3)	'	ı	ı	1	ı	1	1	26	26	ı	26
Transfer to inventories	ı	1	(18)	ı	1	8	ı	•	(15)	1	(15)
Balance at 31 December 2021	3,937	832	269	(54)	(9)	(40)	22	7,649	12,609	2	12,611

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Consolidated statement of cash flows

		12 mont	hs ended
(in PLN millions)	Note	31 December 2022	31 December 2021
OPERATING ACTIVITIES			
Net income		724	1,672
Adjustments to reconcile net income to cash from operating activities			
Gains on loss of control and disposal of assets	4,8	(107)	(1,595)
Depreciation, amortisation and impairment of property, plant and equipment, intangible assets and right-of-use assets	11,12,14.1	2,541	2,730
Share of (profit)/loss of joint venture	13	14	(24)
Finance costs, net	20	294	281
Income tax	28.1	143	258
Change in provisions and allowances	15, 16.1, 17, 19.1	(85)	(7)
Operating foreign exchange and derivatives (gains)/losses, net		(3)	3
Change in working capital			
Increase in inventories, gross		(7)	(51)
(Increase)/decrease in trade receivables, gross	15.1	(268)	75
Increase in contract assets, gross	15.2	(6)	(28)
Increase in contract costs	15.3	(54)	(50)
Increase in trade payables		79	100
Increase/(decrease) in contract liabilities	15.4	(13)	86
Increase in prepaid expenses and other assets		(10)	(104)
Increase in other payables		51	99
Interest received		90	30
Interest paid and interest rate effect paid on derivatives, net		(382)	(342)
Exchange rate and other effect received on derivatives, net		7	4
Income tax paid		(68)	(36)
Net cash provided by operating activities		2,940	3,101

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Consolidated statement of cash flows

		12 mont	hs ended
(in PLN millions)		31 December 2022	31 December 2021
INVESTING ACTIVITIES			
Payments for purchases of property, plant and equipment and intangible assets	11,12	(2,242)	(1,995)
Investment grants received, net	18.2	5	109
Investment grants paid to property, plant and equipment and intangible assets suppliers	18.2	(82)	(204)
Exchange rate effect received on derivatives economically hedging capital expenditures, net		5	7
Proceeds from sale of property, plant and equipment and intangible assets		275	196
Proceeds from loss of control of Światłowód Inwestycje, net of cash and transaction costs	4	36	872
Income tax received/(paid) in relation to loss of control of Światłowód Inwestycje	4	53	(122)
VAT paid in relation to loss of control of Światłowód Inwestycje	4	-	(157)
Cash paid for subsidiaries, net of cash acquired	4	(50)	(22)
Receipts from loan to joint venture and other financial instruments, net	4	1	160
Net cash used in investing activities		(1,999)	(1,156)
FINANCING ACTIVITIES			
Proceeds from long-term debt	23	19	26
Repayment of long-term loans from related party	23	-	(101)
Repayment of lease liabilities	23	(511)	(481)
Repayment of revolving credit line and other debt, net	23	(30)	(906)
Exchange rate effect received on derivatives hedging debt, net	23	-	91
Dividend paid		(328)	-
Net cash used in financing activities		(850)	(1,371)
Net change in cash and cash equivalents		91	574
Effect of exchange rate changes and other impacts on cash and cash equivalents		2	1
Cash and cash equivalents at the beginning of the period	24	933	358
Cash and cash equivalents at the end of the period	24	1,026	933

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Segment information and performance measures

The Group reports a single operating segment as decisions about resources to be allocated and assessment of performance are made on a consolidated basis. Group performance is currently evaluated by the Management Board based on revenue, EBITDAaL, net income, eCapex (economic capital expenditures), organic cash flows, net financial debt and net financial debt to EBITDAaL ratio based on cumulative EBITDAaL for the last four quarters.

Since the calculation of EBITDAaL, eCapex, organic cash flows, and net financial debt is not defined by IFRS, these performance measures may not be comparable to similar indicators used by other entities. The methodology adopted by the Group is presented below.

EBITDAaL is the key measure of operating profitability used by the Management Board and corresponds to operating income before gains/losses on disposal of assets, depreciation, amortisation and impairment of property, plant and equipment and intangible assets, impairment of the rights of perpetual usufruct of land historically recognised as property, plant and equipment and subsequently reclassified to right-of-use assets and share of profits/losses of joint ventures and associates, decreased by interest expense on lease liabilities and adjusted for the impact of deconsolidation of subsidiaries, costs related to acquisition, disposal and integration of businesses, employment termination programs, restructuring costs, elimination of margin (unrealised profit) earned on asset related transactions with joint ventures and associates accounted for using the equity method, significant claims, litigation and other risks as well as other significant nonrecurring items.

eCapex (economic capital expenditures) is the key measure of resources allocation used by the Management Board and represents acquisitions of property, plant and equipment and intangible assets excluding telecommunications licences, decreased by the proceeds accrued on disposal of these assets as well as on disposal of the rights of perpetual usufruct of land historically recognised as property, plant and equipment and subsequently reclassified to right-of-use assets ("proceeds accrued on disposal of assets"). eCapex does not include acquisitions of right-of-use assets.

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Organic cash flows are the key measure of cash flow generation used by the Management Board and correspond to net cash provided by operating activities decreased by payments for purchases of property, plant and equipment and intangible assets and repayment of lease liabilities, increased/decreased by impact of net exchange rate effect received/paid on derivatives economically hedging capital expenditures and lease liabilities and proceeds from sale of property, plant and equipment and intangible assets and adjusted for the payments for acquisition of telecommunications licences, payments for costs related to acquisition, disposal and integration of businesses not included in purchase price and payments relating to significant claims, litigation and other risks. Cash flows arising from obtaining or losing control of subsidiaries or other businesses, including significant tax cash flows specifically identified with these transactions, are classified as investing activities and by definition are not included in organic cash flows.

Net financial debt and net financial debt to EBITDAaL ratio are the key measures of indebtedness and liquidity used by the Management Board. The calculation of net financial debt is presented in Note 21.

Basic financial data of the operating segment is presented below:

(in PLN millions)	12 month	12 months ended		
	31 December 2022	31 December 2021		
Revenue	12,488	11,928		
EBITDAaL	3,078	2,963		
Net income	724	1,672		
eCapex	1,719	1,737		
Organic cash flows	822	867		

	At 31 December 2022	At 31 December 2021
Net financial debt (in PLN millions, see Note 21)	4,000	4,076
Net financial debt/EBITDAaL ratio	1.3	1.4



of subsidiaries

Organic cash flows

Calculation of performance measures of the operating segment is presented below:

(in DIAL well-and)	12 months ended		
(in PLN millions)	31 December 2022	31 December 2021	
Operating income	1,161	2,211	
Less gain on the loss of control of Światłowód Inwestycje	-	(1,543)	
Less gains on disposal of assets	(107)	(52)	
Add-back of depreciation, amortisation and impairment of property, plant and equipment and intangible assets ⁽¹⁾	2,046	2,255	
Less share of profit/Add share of loss of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture	57	(9)	
Less interest expense on lease liabilities	(95)	(53)	
Adjustment for the impact of employment termination programs	(1)	129	
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries	17	25	
EBITDAaL	3,078	2,963	

⁽¹⁾ Includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets (PLN 34 million in 2021).

a =	12 months ended		
(in PLN millions)	31 December 2022	31 December 2021	
Acquisitions of property, plant and equipment and intangible assets	2,314	2,011	
Less proceeds accrued on disposal of assets	(243)	(274)	
Adjustment for acquisition of telecommunications licence (see Note 11)	(352)	-	
еСарех	1,719	1,737	

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3

	12 months ended		
(in PLN millions)	31 December 2022	31 December 2021	
Net cash provided by operating activities	2,940	3,101	
Payments for purchases of property, plant and equipment and intangible assets	(2,242)	(1,995)	
Exchange rate effect received on derivatives economically hedging capital expenditures, net	5	7	
Proceeds from sale of property, plant and equipment and intangible assets	275	196	
Repayment of lease liabilities	(511)	(481)	
Adjustment for payment for acquisition of telecommunications licence (see Note 11)	352	-	
Adjustment for payment for costs related to acquisition, disposal and integration	3	39	









About our report

Our approach to reporting

Orange Polska has reported in accordance with the GRI Standards for the period 1 January to 31 December 2022. Orange Polska is pleased to present its seventh integrated annual report. The report is published every year. The previous integrated report was published in June 2022. We continue our commitment to communicating with our shareholders and other stakeholders in a way that combines the financial and non-financial aspects of our business. It presents our business model, our value creation story, the economic and social context of our operations, how we implement our strategy, how we are governed and how we influence the environment.

In order to provide complete and comprehensible scope of information, we engage our Management and Supervisory Board members into a dialogue during the process of collecting information and drafting the report. We hope that by reporting in this way we can demonstrate to our investors, as well as, other stakeholders the wider context of our business activities, and explain our responsible approach to doing business. We create value not only in financial terms, but in other forms such as trust, reputation, job satisfaction, customer loyalty and good relations with local communities. We encourage you to read the report and share your opinions by sending us your feedback to investors@orange.com.

Scope and boundaries

The content of this report addresses key developments and material matters for the period 1 January to 31 December 2022.

The Report covers the operations of Orange Polska Group. The Orange Polska Group is comprised of the following companies: Orange Polska S.A., Integrated Solutions sp. z o.o., BlueSoft sp. z o.o., Craftware sp. z o.o., Essembli sp. z o.o., Telefony Podlaskie S.A., Orange Retail S.A., Orange Energia sp. z o.o., Orange Szkolenia sp. z o.o., Pracownicze Towarzystwo Emerytalne Orange Polska S.A., Fundacja Orange [Orange Foundation] and Telekomunikacja Polska sp. z o.o. In 2022, new companies were added: Interkam sp. z o.o., Interkar sp. z o.o. and Telewizja Światłowodowa Kaszebe sp. z o.o. (As of December 31, 2022).

It provides insight into our business model, our strategic priorities, and the external and internal environment in which we operate: all factors which determine our strategy. It provides both qualitative commentary and quantitative performance measures. The report content is driven by materiality, and it sets out to address the most important topics for different groups of our stakeholders.

The report also includes information on the indirect impact of Orange Polska in the value chain-building relationships with suppliers, public administration, business and social partners.

We refer to our impact on the economy, local communities and the environment. For the purposes of this report we have included selected financial data and our most material social and environmental information.

The content and the layout of this report are based on the International Integrated Reporting Council (IIRC) and Global Reporting Initiative (Standard, version 2021) guidelines, ISO 26000 and the Global Compact Principles. The report also reflects the directions in EU legislation on disclosures of non-financial, climate impact and diversity information and refers to the Sustainable Development Goals. In this year's Report we also refer to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Taxonomy.

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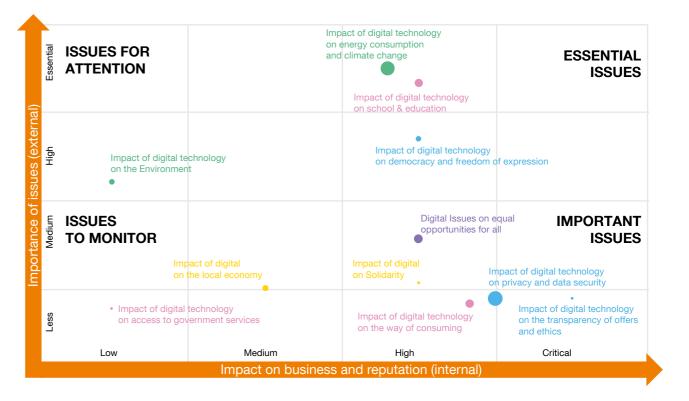
Analysis and materiality matrix

Process of defining the key aspects of reporting for Orange has involved the following:

- Analysis of surveys of public opinion and residential and business customers regarding important issues for a responsible telecom operator as well as media publications concerning the Company;
- Analysis of employee satisfaction surveys;
- Analysis of the key indicators of Orange Polska's social impact;
- Orange Group's non-financial reporting standards;
 Review of challenges facing the telecommunications industry in Poland and worldwide as well as activities of other telecoms in this respect;
- Dialogue with stakeholders around Orange Polska's CSR strategy
- Dedicated dialogue with stakeholders on service accessibility, diversity management and circular economy;

- Requirements of the Directive 2014/95/EU regarding disclosure of non-financial and diversity information and the supplement on reporting climate-related information (2019/C 209/01);
- Stakeholder feedback on our last year's report;
- Supervisory Board recommendation regarding report's improvement;
- Stakeholders' dialogue "How to be responsible in the digital world post-COVID";
- Sustainable Development Goals;
- ESG reporting standards;
- Recommendations of the Task Force on Climaterelated Financial Disclosures (TCFD) and Taxonomy.

The report also takes into account the changing social environment and challenges related to the economic and climate crisis as well as the humanitarian crisis related to the war in Ukraine.



Responsible employer in a digital world

Digital security & freedom

Digital inclusion in country

Digital inclusion in everyday life

Environment, Health and Digital sobriety

Materiality issues

Significant issues identified by stakeholders	Our answer	Reference
Impact of digital technology on energy consumption and climate change	Climate policy	pp. 146-147
Impact of digital technology on school & education	Digital education	pp. 128-130
Impact of digital technology on democracy and freedom of expression	Compliance with regulations	pp. 276-279
Impact of digital technology on privacy and data security	Data protection and security	p. 84
Impact of digital technology on the transparency of offers and ethics	Our offer and services	pp. 78-83
Digital Issues on equal opportunities for all	Accessible	p. 82
Impact of digital on Solidarity	Digital integration	pp. 126- 131
Impact of digital technology on the way of consuming	Customer service	pp. 78-81





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GRI Index Table

GRI Standard Title	Disclosure Number	"Disclosure Name"	Reference
GRI 2: General	Disclosures 20	021	
	2-1	Organizational details	p. 7-8
	2-2	Entities included in the organization's sustainability reporting	p. 294
	2-3	Reporting period, frequency and contact point	p. 294
	2-4	Restatements of information	No changes
	2-5	External assurance	pp. 318-320
	2-6	Activities, value chain, and other business relationships	pp. 8, 276-279
	2-7	Employees	Attachment A. Social Data
	2-8	Workers who are not employees	Attachment A. Social Data
	2-9	Governance structure and composition	pp. 206, 267
	2-10	Nomination and selection of the highest governance body	pp. 206-209, 214
	2-11	Chair of the highest governance body	pp. 202-203
	2-12	Role of the highest governance body in overseeing the management of impacts	pp. 207-209
	2-13	Delegation of responsibility for managing impacts	pp. 153, 208-209
	2-14	Role of the highest governance body in sustainability reporting	
-	report has been e Audit Committ	reviewed by the Management and Supervisory Board Memb	ers, and validated by the
	2-15	Conflicts of interest	pp. 210-211
	2-16	Communication of critical concerns	pp. 220-221
	2-17	Collective knowledge of the highest governance body	pp. 216-217
		Evaluation of the performance of the highest governance	
	2-18	body	pp. 222-223
	2-18		pp. 222-223 pp. 248-266
		body	
	2-19	body Remuneration policies	pp. 248-266
	2-19 2-20	body Remuneration policies Process to determine remuneration	pp. 248-266 pp. 248-266
	2-19 2-20 2-21	body Remuneration policies Process to determine remuneration Annual total compensation ratio	pp. 248-266 pp. 248-266 p. 8
	2-19 2-20 2-21 2-22	body Remuneration policies Process to determine remuneration Annual total compensation ratio Statement on sustainable development strategy	pp. 248-266 pp. 248-266 p. 8 pp. 54-55
	2-19 2-20 2-21 2-22 2-23	body Remuneration policies Process to determine remuneration Annual total compensation ratio Statement on sustainable development strategy Policy commitments	pp. 248-266 pp. 248-266 p. 8 pp. 54-55 pp. 54-55, 89-92
	2-19 2-20 2-21 2-22 2-23 2-24	body Remuneration policies Process to determine remuneration Annual total compensation ratio Statement on sustainable development strategy Policy commitments Embedding policy commitments	pp. 248-266 pp. 248-266 p. 8 pp. 54-55 pp. 54-55, 89-92 pp. 89-92

In 2022, the appeal proceedings against the fine imposed by UKE in 2018 in the amount of PLN 9.1 million for sending marketing SMS without customer consents to use automatic calling systems were completed. Orange Polska paid the fine. The non-compliance lasted five months at the turn of 2015 and 2016. On 8 March 2022, UOKiK issued a commitment decision (without imposing a fine) regarding practices violating collective interests of consumers in the provision of certain additional services by Orange Polska alleging, among others, insufficient information for consumers in activating the service, lack of information on a durable medium and insufficient replies to customer complaints.



GRI Standard Title	Disclosure Number	"Disclosure Name"	Reference		
GRI 2: General	GRI 2: General Disclosures 2021				
	2-28	Membership associations			
Commerce, Pol Responsible Bu Multimedia Tecl importance for	ish Chamber of usiness Forum, hnologies, Asso the Company. 1	poloyers of the Republic of Poland, "Lewiatan" Confederation, Information Technology and Telecommunications, French-Pologies Scentre Club, Foundation for the Development of Rapiciation of Stock-Exchange Issuers. Membership of these orgonal The Company's representatives sit on their boards and the Cost, and participates in additional projects.	olish Chamber of Commerce, diocommunications and anisations is of strategic		
Group level), Glo Inbound Service TeleManagemer European Intern	obal Settlements es Forum (IISF), nt Forum (TM Fo et Exchange As	an Telecommunications Network Operators' Association (ETNOs Carrier Group (GSCG), International Cable Protection Commit International Telecommunication Union (ITU), RIPE Network Coorum), Forum of Incident Response and Security Teams (FIRST) sociation (Euro-IX). These are industry organisations and the Cond participation in various projects. "	tee (ICPC), International ordination Centre (RIPE NCC), , GSM Association (GSMA),		
	2-29	Approach to stakeholder engagement	pp. 38, 295-296		
	2-30	Collective bargaining agreements	p. 120		
GRI 3: Materia	Topics 2021				
	3-1	Process to determine material topics	p. 295-296		
	3-2	List of material topics	p. 296		
	3-3	Management of material topics	pp. 54-55, 296, 310		
Significant topic		Towards climate neutrality			
ENVIRONMEN- TAL GRI 2016	300				
Materials	301				
	301-1	Materials used by weight or volume	Attachment B. Environmental Data		
	301-3	Reclaimed products and their packaging materials	pp. 146-147, 163, Attachment B. Environmental Data		
Energy	302				
	302-1	Energy consumption within the organisation by fuel types used	p. 151 Attachment B. Environmental Data		
	302-4	Reduction of energy consumption	pp. 150-152, 162		
	302-5	Reductions in energy requirements of products and services	pp. 150-152		
Water	303				
	303-1	Water withdrawal by source	Indicator reported partially. Attachment B. Environmental Data,		
water or use rur	nning water. The	mployees' living purposes. We have no technical systems wherefore, this indicator is irrelevant to us in business and is reporting deadlines and the necessity to collect data from various processity.	orted to a limited extent only.		

well as taking into account water demand fluctuations in different seasons, a methodology of estimating the annual water consumption based on data for three selected months (February, May and September) has been applied.



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GRI Standard Title	Disclosure Number	"Disclosure Name"	Reference
Emissions	305		
	305-1	Direct (Scope 1) GHG emissions	Attachment B. Environmental Data
	305-2	Indirect (Scope 2) GHG emissions	Attachment B. Environmental Data
	305-3	Other indirect (Scope 3) GHG emissions.	Attachment B. Environmental Data
	305-5	Reduction of GHG emissions	pp.150-152, 155
Effluents and Waste 2020	306		
	306-3	Waste generated	Attachment B. Environmental Data
	Custom indicator	Electrical and electronic equipment	Attachment B. Environmental Data
Significant topic		Digital and caring employer	
SOCIAL	400		
Employment	401		
	401-1	New employee hires and employee turnover	Attachment A. Social Data
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pp. 116-118
Occupational Health and Safety GRI 2018	403		
	403-1	Occupational health and safety management system	pp. 117-118
	403-2	Hazard identification, risk assessment, and incident investigation	pp. 117-118
	403-3	Occupational health services	pp. 117-118
	403-4	Worker participation, consultation, and communication on occupational health and safety	pp. 117-118
	403-5	Worker training on occupational health and safety	p. 117-118
	403-6	Promotion of worker health	pp. 115-117
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 117-118
	403-8	Workers covered by an occupational health and safety management system	pp. 117-118
	403-9	Work-related injuries	Attachment A. Social Data

The main work-related injuries include: non-specific injuries of the limbs, head and neck, limb sprains, fractures, and thermal and chemical burns. Work particularly hazardous to the life or health of employees includes: work at heights, and work related to the maintenance or repairs of power equipment over 230V. These hazards have been determined based on the assessment of risk and potential outcome of accidents at work. To eliminate hazards and minimise risks, training in occupational health and safety is conducted on a regular (annual) basis, and any post-inspection or post-accident recommendations are implemented.

No accidents related to this type of work were reported in 2022. There were no serious accidents, either.

GRI Standard	Disclosure	"Disclosure Name"	Reference
Title	Number		Reference
	403-10	Work-related ill health	No identified
Training and Education	404		
	404-1	Average hours of training per year per employee	Attachment A. Social Data
	404-2	Programs for upgrading employee skills and transition assistance programmes	p. 119
	404-3	Percentage of employees receiving regular performance and career development reviews by gender and employ- ment category	Indicator reported partially. Attachment A. Social Data
	Custom indicator	Employees trained in CSR principles	Attachment A. Social Data
Significant topic		Diversity managment	
Diversity and Equal Opportunity	405		
	405-1	Composition of the organisation's governance bodies and workforce by gender, age and other diversity categories	pp. 218-219, 268-269, 297-298 Attachment A. Social Data
	405-2	Ratio of basic salary and remuneration of women to men by position	Attachment A. Social Data
	Custom indicator	Women in technological areas	pp. 112-113, Attachment A. Social Data
Non-discrimi- nation	406		
	406-1	Incidents of discrimination and corrective actions taken	
attitudes of emp mobbing and di have the character	oloyees that cou iscrimination we eteristics of disc	received two reports classified as reports of irregularities, de- ald bear signs of mobbing. As a result of the explanatory proc ere not confirmed, but it was confirmed that the actions descrimination and mobbing. Based on the conclusions of the pro- d corrective actions were taken towards the employees indicated	ceedings, the allegations of ribed in the notifications might occedings, recommendations
Child Labor	408		
	408-1	Operations and suppliers at significant risk for incidents of child labor and corrective actions taken	No such risk was identified.
Forced or Compulsory Labor	409		
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor and corrective actions taken	No such risk was identified.
Human Rights Assessment	412		
	412-2	Employee training on human rights policies or procedures	Attachment A. Social Data







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In case of a telecommunications company, issues related to the safe use of services mean not only the utmost care for meeting security requirements, but also reliable information on the devices and technologies used. In response to inquiries regarding potential negative influence of radio waves emitted by telecommunication devices and other devices that use new technologies, we have prepared a global Orange portal on radio waves, which explains in simple terms how mobile telephony works. It includes sections presenting latest scientific reports and recommendations for use of mobile devices to reduce exposure to radio waves. The content of portal has been also translated to Polish and it is available at www.ondesradio.orange.com/pl

Significant topic		Digital inclusion
Public Policy	415	
	415-1	Total monetary value of financial and in-kind contribu- tions to political parties, politicians or related institutions by country

In line with Chapter 7 of the Orange Polska Anti-corruption Guidelines, Orange prohibits all kinds of contributions from the Company (cash, valuable items, goods or services, loans, loan securities) made directly or indirectly to political parties. In the period from 1 January to 31 December 2022, no financial and no in-kind contributions were granted to political parties, politicians or related institutions by country.

	Custom indicator	Digital education	pp. 128-131
Significant topic		Customer care	
Customer Health and Safety	416		
	416-1	Assessment of the health and safety impacts of product and service categories	pp. 83-84
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents
Organisation h	as not identified	d any incidents of non-compliance with regulations and volunt	ary codes

larketing and	4
abeling	4

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417-1 labeling

"All products in Orange Polska's portfolio have the relevant labelling, namely:

- name and address of the manufacturer and operation manual in Polish;
- CE marking pursuant to the Regulation of the Minister of Infrastructure of 15 April 2004 on the assessment of compliance
 of telecommunication terminal devices to be connected to public network terminating segments and radio devices with the
 essential requirements and on marking thereof;

Requirements for product and service information and

- the 'basket' icon pursuant to the Act of 29 July 2005 on waste electrical and electronic equipment;
- Declaration of Conformity (DoC) pursuant to the Regulation of the Minister of Transport and Construction of 3 February 2006;
- Specific Absorption Rate (SAR) information pursuant to the Regulation of the Minister of Transport and Construction of 3
 February 2006.

GRI Standard Title	Disclosure Number	"Disclosure Name"	Reference				
	417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents				
Organisation ha	Organisation has not identified any incidents of non-compliance with regulations and voluntary codes						
	417-3	Incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications					
In 2022, appeal proceedings were continued against the fine imposed by UKE in 2018 in the amount of PLN 11 million for non-execution of UKE's decision of 2015. The decision changed the rules for synchronising Orange Polska's platform for handling orders of regulated services (IT System Interface) with UKE's tool – Location and Information Platform with Central Database (PLI CBD). No incidents of non-compliance resulting in a warning or with voluntary codes were identified.							
Customer Privacy	418						
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data					

In 2022, the President of the Personal Data Protection Office (UODO) initiated 27 new sets of administrative proceedings and sent further inquiries regarding 46 cases from previous years. The proceedings concern customers' complaints or reports of personal data breach filed with UODO. In his 14 decisions regarding the Company issued in 2022, the President of UODO confirmed proper processing of personal data by Orange Polska S.A. He also stated that Orange Polska S.A. took actions to minimise the risk of breach of personal data and that the Company complied with the principles set out in the personal data protection regulations, which made it possible to avoid potential fees for breach of privacy. At each stage of data collecting and processing, we ensure that customers are informed about the purpose and scope of data processing, as well as their rights to access and rectify their personal data. The Company is still pending the decision of the President of UODO in 42 sets of proceedings. No fines were imposed on the Company for breach of personal data protection regulations in 2022. A total of 533 alleged breaches of personal data were reported to the President of UODO in 2022.

Significant topic		Management standards	
ECONOMIC	200		
Market Presence	202		
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Attachment A. Social Data
Indirect Economic Impacts	203		
	203-1	Infrastructure investments and services supported	pp. 18-21, 126-128
Anti-corrup- tion	205		
	205-1	Operations assessed for risks related to corruption	
•		or risks related to corruption, and in case of operations that are e, mergers and acquisition, real estate sales) additional proce	•
	205-2	Communication and training about anti-corruption policies and procedures	Attachment A. Social Data
	205-3	Confirmed incidents of corruption and actions taken	No incidents
Organisation ha	as not identified	d any incidents of corruption, including:	

- incidents in which employees were dismissed or disciplined for corruption;
- incidents when contracts with business partners were terminated or not renewed due to violations related to corruption



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Social Data

GRI	Description of the indicator	2020	2021	2022
	Employment			
	Total workforce (persons)	10,967	10,144	9,466
	Gender			
	men	6,776	6,289	5,851
	women	4,191	3,855	3,615
	% of women in the workforce	38.2%	38%	38.2%
GRI 2-7 GRI 2-8	Age			
	up to 30 years of age	822	733	667
	31-50 years of age	7,481	6,748	6,050
	over 50 years of age	2,664	2,663	2,749
	Regular employees (active full-time positions)	10,952	10,125	9,445
	men	6,770	6,282	5,839
ODI 0.7	women	4,182	3,843	3,606
GRI 2-7	Employees on open-ended contracts	10,583	10,125 6,282	9,335
	men	6,593	6,194	5,801
	women	3,990	3,716	3,534
	Employees on fixed-term contracts	384	234	131
	men	183	95	50
	women	201	139	81
	Full-time employees	10,912	10,087	9,413
	men	6,763	6,271	5,823
	women	4,149	3,816	3,590
	Part-time employees	55	57	53
	men	13	18	28
	women	42	39	25
	Outsourced employees (full-time positions)*	2,534	2,219	2,376
	Gender			
	men			39.1%
CDI O O	women		10,144 6,289 3,855 38% 733 6,748 2,663 10,125 6,282 3,843 9,910 6,194 3,716 234 95 139 10,087 6,271 3,816 57 18 39 2,219	60.9%
GMI 2-8	Age			
	up to 30 years of age			24.2%
Total workforce (persons) 10,967			57.5%	
	over 50 years of age			18.3%



GRI	Description of the indicator	2020	2021	2022		
	Employment					
	Employees in managerial positions	1,339	1,275	1,149		
	men	896	836	744		
	women	443	439	405		
	% of women in managerial positions	33.1%	34.4%	35.2%		
	% of women in leaders position (managers of managers)		28.3%	32.0%		
	% managers up to 30 years of age	1.7%	1.5%	1.4%		
	% managers 31-50 years of age	77.5%	75.5%	73.6%		
	% managers over 50 years of age	20.8%	23.1%	25%		
	Supervisory Board					
	% of woman	22.4%	28.6%	33.3%		
	% members up to 30 years of age	-	-	-		
GRI 405-1	% members 31-50 years of age	44.9%	47.6%	47.5%		
	% members over 50 years of age	55.1%	52.4%	52.5%		
	Managment Board					
	% of woman	18.2%	17.4%	17.4%		
	% members up to 30 years of age	-	-	-		
	% members 31-50 years of age	76.7%	65.2%	73.9%		
	% members over 50 years of age	23.3%	34.8%	26.1%		
	Women in technology					
	% of women in IT & Network positions		12%	12%		
	People with disabilities					
	% of employees with disabilities	2%	1.9%	1.9%		
	* applies mainly to the call center for the customer service area, telesales	and customer mark	et service - operato	rs.		
	Ratio of basic salary of women to men by employee position (men's salary = 100%) *					
	general	81%	80.2%	82.2%		
	non-managerial positions	81.7%	80.5%	82.1%		
	managerial positions	85.8%	83.3%	84.6%		
GRI 405-2	* Only for Orange Polska.					
	Ratio of salary of women to men within the same pay grades (men's salary = 100%) *	97%	96%	96.1%		
	* In order to better account for differences in salaries between men and w individual pay grades. This shows a lower gender pay gap. It means tha result from a different structure of positions, as more women hold low-w positions (network engineers, IT specialists) are held chiefly by men. On	t the differences be vage positions (call	tween men's and wo center and outlet sta	omen's salaries		

Orange Polska Integrated Report 2022 305

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GRI	Description of the indicator	2020	2021	2022			
	Employment						
	Development and education*						
	Total employees trained (in '000)	11.2	10.3	9.4			
	Total hours of training (in '000)	272.6	256.1	216			
GRI 404-1	Number of training hours per employee per year	24.3	24.7	23			
	Gender						
	men	23.3	25.3	22.6			
	women	25.9	24.1	23.7			
	Position						
	managers	30.7	29.4	32.6			
	non-managers	23.6	24.2	21.8			
	* The education data for the Orange Polska Group cover the following en Foundation, Orange Szkolenia, Orange Energia. Data by the status of the	_	_	Solutions, Orange			
	Human rights and ethics training						
	Total hours of ethics training of employees (in '000)	0.2	0.2	0.2			
	Total employees of trained (in '000)	0.1	0.3	0.3			
ODI 410 0	Total hours of ethics training of partners* (in '000)	0.03	0.4	0.4			
GRI 412-2	Total parrners of trained (in '000)	0.03	0.7	0.7			
	CSR training						
	Total hours of CSR training of employees (in '000)		8.7	1.4			
	Total employees of trained (in '000)		5.8	0.9			
	Anti-bribery and corruption training (on a cumulative b	asis)					
ODI 005 0	Total hours of compliance training of employees (in '000)	8.2	8.4	9.2			
GRI 205-2	Total hours of compliance training of partners (in '000)*	6.1	6.6	7.9			
	* Persons employed by our Contractor, working for the benefit of Orange Polska						
	Professional mobility						
	Total number of new employee hires	311	423	572			
	Gender						
	men	195	261	288			
	men - rate of new employee hires			4.7%			
	women	116	162	284			
ODI 404 4	women - rate of new employee hires			7.6%			
GRI 401-1	Age						
	up to 30 years of age	131	196	280			
	rate of new employee hires			43.5%			
	31-50 years of age	158	205	266			
	rate of new employee hires			4.3%			
	over 50 years of age	22	22	26			
	rate of new employee hires			0.9%			



GRI	Description of the indicator	2020	2021	2022			
	Employment						
	Professional mobility						
	Departures, total	1,218	1,056	973			
	Departures, excluding voluntary	375	345	490			
	Gender						
	men	260	224	309			
	women	115	121	181			
	Age						
	up to 30 years of age	77	75	119			
	31-50 years of age	261	233	323			
GRI 401-1	over 50 years of age	37	37	48			
GNI 401-1	Turnover*	2.4%	3.1%	3.2%			
	Gender						
	men	2.8%	3.3%	3.2%			
	women	1.8%	2.9%	3.1%			
	Age						
	up to 30 years of age	4.4%	9.1%	13.3%			
	31-50 years of age	2.5%	3.1%	3.7%			
	over 50 years of age	1.2%	1.4%	0.3%			
	* Rate of turnover, excluding voluntary departures (for reasons unrelated to the employee) and departures at the employer's initiative, as well as intra-group transfers. In 2022, the rotation calculation methodology was changed. The indicator is calculated for employees employed for an indefinite period. Only for Orange Polska.						
	Occupational health and safety*						
	Number of accidents	26	13	12			
	Rate of recordable work-related injuries**			0,64			
	fatal accidents	0	0	0			
	serious accidents	1	0	0			
	other accidents	25	13	12			
GRI 403-9	* Only for Orange Polska, ** Rate of fatalities as a cresult of work-related = Number of fatalities as a result of work-related injury (12) /Number of hours worked (18735971) x 1,000,000						
	Number of accidents *	31	17	14			
	Rate of recordable work-related injuries**			0,69			
	fatal accidents	0	0	0			
	serious accidents	1	0	0			
	other accidents	30	17	14			
	* For Orange Group ** Rate of fatalities as acresult of work-related = Number of fatalities as a re	esult (14) /Number of	hours worked (2035	9165) x 1,000,000			





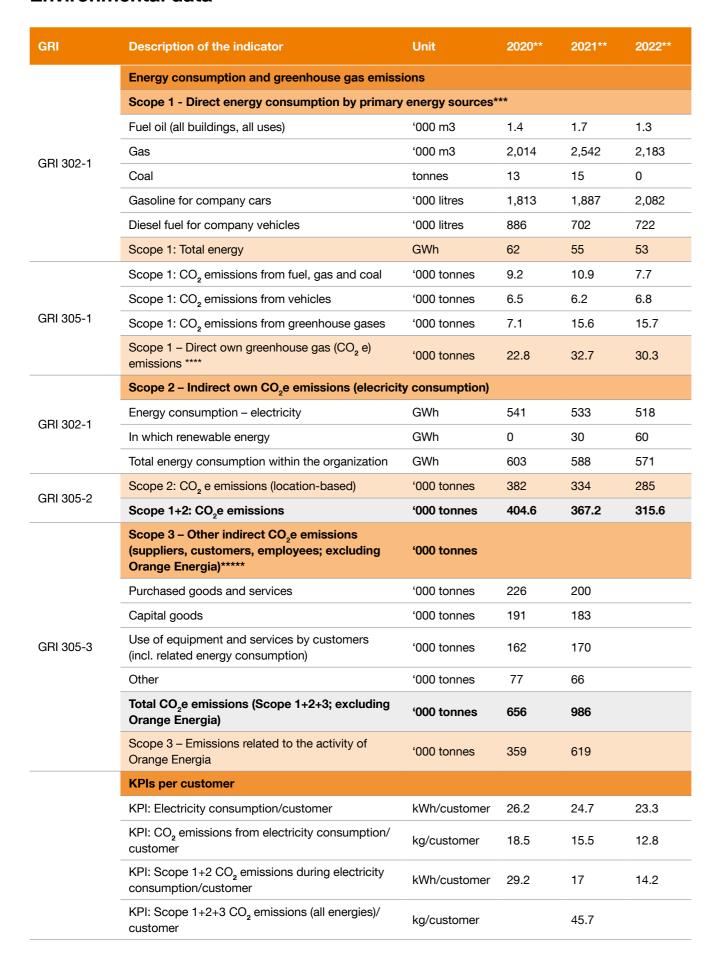
GRI	Description of the indicator	2020	2021	2022	
	Employment				
	Employee assessment				
	% of regularly evaluated employees*	97%	97%	97%	
GRI 404-3	Gender				
	men	97.4%	97.4%	97.4%	
	women	96.2%	96.2%	96.2%	
	Age				
	up to 30 years of age	90.8%	90.8%	90.8%	
	31-50 years of age	96.9%	96.9%	96.9%	
	over 50 years of age	98.4%	98.4%	98.4%	
001.404.0	% of employees with individual development plans **	52.1%	54%	44%	
GRI 404-3	% of regularly evaluated outsourced employees	43.8%	43.8%	43.8%	
	% of outsourced employees with individual development plans	25.4%	30.9%	23%	
	 * The assessment of employees and managers is based on 360 Feedback is to take place in the first quarter of 2023). The 360 Feedback process Integrated Solutions, Orange Energia and Orange Foundation. The processor conversations is carried out annually. Only front-line employees (response of development conversations in line with the COPC standard. ** Only for Orange Polska 	covers the following ess of preparing dev	entities: Orange Pols elopment plans base	ska S.A., ed on development	
	Wages*				
	Average basic salary (in PLN)	8,070	8,535	9,005	
GRI 202-1	Ratio of wages at the lowest positions to the legal minimum wage	115%	107%	106%	
GNI 202-1	men	115%	107%	106%	
	women	115%	107%	106%	
	 Only for Orange Polska. We do not include external employees because we pay outsource employees for effectively worked hours, which is not directly comparable to the monthly basic salary of a full-time employee. 				
	Working conditions				
	% of employees eligible for health care	100%	100%	100%	
	% of employees covered by the Employee Retirement Plan*	84.1%	84%	86,70%	
	* Employees of Orange Polska, Telefony Podlaskie, Orange Szkolenia, Pra Fundacja Orange [Orange Foundation] and Integrated Solutions sp. z o. Retirement Plan.	-		-	
	Social dialogue				
GRI102-41	% of employees in trade unions	31.1%	28.1%	28.8%	
	% of employees covered by the Collective Labour Agreement	94%	92.1%	90.9%	

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All indicators for the Orange Polska Group unless indicated otherwise dated on 31 December 2022. The company does not use a territorial division of employees, therefore the aspect of division into regions was not taken into account. In the reporting, age ranges were used in accordance with the method adopted in the company (up to 30 years old, 31-50 years old, over 50 years old).









Orange Polska Integrated Report 2022

GRI	Description of the indicator	Unit	2020**	2021**	2022**
GRI 301-1	Materials				
GRI 301-1	Paper	'000 tonnes	0.4	0.4	0.3
GRI 303-1	Water				
GNI 303-1	Water consumption	'000 m3	215	204.3	177.8
	Waste management: ******				
	Internal WEEE (network & tertiary)	tonnes	38.5	8.1	816
	Wooden poles	tonnes	9.2	28.3	38.9
	Cables	tonnes	20.2	290.5	331.5
GRI 306-3	Batteries	tonnes	3,670	433	826
	Paper / Cardboard	tonnes	41.2	25.6	29.6
	Other hazardous waste (including PCB)	tonnes	2.9	2.2	13
	Other non-hazardous waste	tonnes	4,911	1,169	848
	Total waste	tonnes	8,693	1,957	2,903
	Electrical and electronic equipment				
	Collected and recycled handsets	'000	33.6	37.8	61.2
	Refurbished and relaunched handsets	'000	11.5	12.6	15.9
	Refurbished and relaunched multimedia (broadband) devices	'000	503	655	437
	Electromagnetic field emissions				
	Compliance with the relevant standards		yes	yes	yes

- * The presented environmental indicators are the same for the Group and Orange Polska, as the latter owns the buildings and network infrastructure which constitute the basis for determining energy consumption and greenhouse gas emissions. Emissions generated by business trips (gasoline and diesel combustion) are determined for the Orange Polska Group, whereas other indicators, i.e. EMF emissions and handset recycling/refurbishment, are specific to Orange Polska S.A. only. 2015 is the base year for the calculations.
- The presented full-year figures consist of actual data for Q1, Q2 and Q3 and estimates for Q4. Environmental data are based on reporting to the Orange Group's global database. Electricity consumption in Orange Polska's buildings is determined on the basis of records in the electricity database (BEE), which contains readouts of individual electricity meters. Greenhouse gas (GHG) emissions are calculated according to the GHG Protocol. For electricity, GHG emissions are calculated using emission factors derived from International Energy Agency (IEA). There are no biogenic GHG emissions in the
- We do not buy renewable fuels for use in our systems. According to the Orange Group's decision, data on municipal heat consumption in hot water and steam will be reported as from 2023. Before, these data were collected but not disclosed in reports due to the need for the unification of the reporting system across the Orange Group. As we have no reliable system for collecting data in this domain, currently we are not able to report the relevant data. We do not resell electricity, thermal energy, cooling energy or steam in the external market. We resell green electrical energy to Orange Energia under
- **** Scope 1 (direct) GHG emissions are defined as emissions from sources (resources, processes) that are owned or controlled by the organisation. For Orange Polska, these include fuel combustion emissions related to buildings, systems and vehicles as well as the impact of refrigeration and fire suppression agents (fugitive emissions) expressed in terms of CO₂e. The CO₂ equivalent calculation has accounted for the following gases: HCFC-22, R-407C, R-407D, R-407F, R-410A, R-417A, R-419A and R-422D.
- ****** In 2023, Orange Polska, similarly to the entire Orange Group, begin to fully report GHG emissions in the Scope 3 (i.e. the entire value chain emissions by suppliers, customers and employees). So far, in line with the Orange Group's methodology, only emissions related to business trips have been reported, which are only a fraction of the total Scope 3. Due to the complex methodology for determining Scope 3 emissions, data are currently available with a year's delay (i.e. as of the publication date of the report for 2022, the latest available data are for 2021). Emissions resulting from the activity of Orange Energia, a subsidiary of Orange Polska S.A. involved in electricity trading, are reported separately. According to the GHG Protocol, energy trading is part of Scope 3. However, from the point of view of Orange, energy trading is not its core activity and applies to a different sector of the economy, so in accordance with the Orange Group's approach the related emissions are reported as a separate line.
- ****** Waste is generated during liquidation of fixed assets or in the course of investments/repairs. The increase in waste in 2022 is attributable to the completed works related to the network modernisation as well as a change in the approach of Orange Polska, which, upon assuming the obligations of the waste producer, is now responsible for the liquidation of networks and property assets. "

GRI v Orange Polska CSR Strategy



Social and digital development

Digital inclusion in everyday life	 Impact of digital technology on the way of working and training Impact of digital technology on the way of consuming (goods, culture, services, best deals) Impact of digital technology on the way we access to medical care Impact of digital technology on school & education Impact of digital technology on access to government services
Digital inclusion in country	 Impact of digital technology on employment Impact of digital technology on local economy Impact of digital technology on solidarity



Clean environment

Environment, health and digital sobriety

- Impact of digital technology on energy consumption and climate change
- Impact of digital technology on the environment (pollution, rare resources, biodiversity, etc.)
- Impact of digital on Health (waves...)



Safe network

Digital security & freedom

- Impact of digital technology on privacy and data security
- Impact of digital technology on democracy and freedom of expression
- Impact of digital technology on the transparency of offers and ethics
- Digital Issues on safe & responsible use of Internet

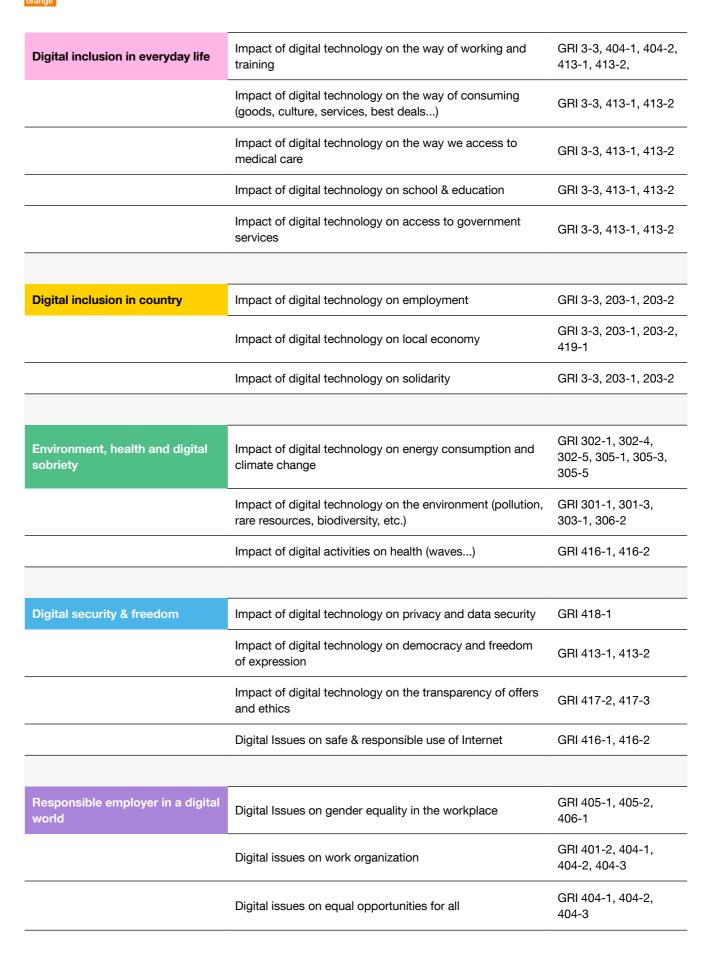


Engaged team

Responsible employer in a digital world

- Digital Issues on gender equality in the workplace
- Digital issues on work organization
- Digital Issues on equal opportunities for All





ESG Indicators

Code	Name	Туре	Definition	Unit	Reference
Environme	ental				
Climate Ch	ange				
E-M1	GHG Emissions	Quantitative	Direct and indirect emissions (scope 1,2 and 3(resulting from company activities	tCO₂eq	Attachment B. Environmental Data
E-M2	Energy Consumption	Quantitative	Energy consumed (purchased and self-generated) within an organisation	MWh	Attachment B. Environmental Data, pp.
E-M3	Climate Risks & Opportunities	Qualitative	Approach for identifting and managing its GHG emissions.	_	pp. 155-160
E-S1	Emissions Intensity	Quantitative	Ratio CO ₂ emissions per unit of economic activity	tCO₂eq	Attachment B. Environmental Data
E-S2	Emissions Managment	Qualitative	Process and organisation follows to manage and mitigate GHG emissions.	-	pp. 146-147
Natural res	ources				
E-S3	Water Consumption	Quantitative	Total volume od water consumed by the organisation.	m³	Attachment B. Environmental Data
E-S4	Water Managment	Qualitative	Process a company has impemented to optimise its water consumption.	-	
E-S5	Biodiversity impact	Qualitative	Any negative impact on biodiversity and process for managing and mitigating it.	-	pp. 146-147
Waste and	Polution				
E-S6	Waste Managment	Quantitative & Qualitative	Total amount of hazardous and non-hazardous waste generat- ed. Set od activities to monitor, manage and reduce waste produces by an organisation	#	pp. 89-90 Attachment B. Environmental Data
Social					
Diversity					
S-M1	Board Diversity	Quantitative	Proportion of board members by gender and by age group	%	pp. 218-219, 262-263 Attachment A. Social Data
S-M2	Gender Pay Gap	Quantitative	Difference between the average gross renumeration of men and women within an organisation	%	Attachment A. Social Data



Orange Polska Integrated Report 2022

Code	Name	Туре	Definition	Unit	Reference
Working Co	onditions				
S-M3	Employee Turnover	Quantitative	Proportion of employees that have left an organisation during the fiscal year	%	Attachment A. Social Data
S-M4	Freedom of Association and Collective Bargaining	Quantitative	Proportion of active workforce covered by collective bargan- ing agreements	%	p. 120
S-S1	Employee Helath and Safety	Quantitative & Qualitative	Set of activities a procedures a company has implemented to prevent accidents and injuries in the workplace	#	p. 117, Attachment A Social Data
Human Rig	hts				
S-M5	Human Rights Policy	Qualitative	Whether the company has a human rights policy in place and destription	-	pp. 36-37
S-M6	Human Rights Due Diligence	Qualitative	Set of activities to identify, mitigate and act upon actual and potential risks of human rights	-	pp. 36-37, 192-199
Governand	e				
Corporate (goverance				
G-M1	Board Composition		Information on characteristics of the company's highest governance bodies	-	pp. 206-209
Business In	ntegrity				
G-M2	Business Ethics Standards	Qualitative	Whether the company has a business ethics policy in place and destription	-	pp. 276-279
G-M3	Anti-coruption Policy	Qualitative	Whether the company has an anti-coruption policy in place and destription	-	p. 277
G-M4	Whiste-blower Mechanism	Qualitative	Whether the company has a whistle-blower procedure in place and destription	-	p. 277
Privacy & D	ata Security				
G-S1	Sata security Policy	Qualitative	Whether the company has a cyber and data security policy in place and description	_	p. 84

Task Force on Climate-related Financial Disclosures (TCFD)

Thematic areas	Description	Reference
Governance	Disclose the company's governance around climate-related risks and opportunities	p.153
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.	pp. 150-152, 161
Risk Management	Disclose how the company identifies, assesses, and manages climate-related risks.	pp. 154-160
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	pp. 162-163 Attachment B. Environmental Data

Taxonomy

Thematic areas	Reference
Our approach	pp. 164-165
Analysis of activities qualified by the Taxonomy as eligible	p.166-167
Calculation of key performance indicators	pp. 168-169
Determination of aligned activities in accordance with EU Taxonomy	pp. 170- 172
Methodology note	p. 173
Tables presenting Performance Indicators	pp. 174-179





Sustainable Development Goals

Sustainable Development Goals	Reference	Sustainable Development Goals	Reference	
1 KENEC 1 KENECTHEN 1 Y T T T T	pp. 128,138	10 MES MEROMOSIA	pp. 128, 135	
3 DORREZINONE LIAMOSCITAL —///	pp. 115,117-118	11 IZONANONAZIONE INVESTIGACIONE INV	pp. 132-133	
4 DORRALAMOSŠ	pp. 128-130	12 GOOWERAMA FROMENCIA GOO	pp. 82-84	
5 sowes:	p.112-114	13 COMMAND WINDOWS REPORTS	pp. 142-179	
8 WERSOT SOUTHWARD TO TOURN PRICE A	pp.108-123, 126-127	16 POROL. STANDER PRICE. STANDER PRICE.	pp. 139-140	
9 NORMACY, ARCSC. NETASTRIANTIBA.	pp. 122-123, 133	17 PARTNERSTINA MADZEZ CZCÓW	pp.134-135	



Methodological note

for non-financial indicators

Workforce data

The workforce data presented in this Report have been collected using the HR-Info system, which accounts for variables such as employee's gender or position. The data fed to HR-Info are based on the data contained in the HR systems of the member companies of Orange Polska and are reported in line with the Orange Group's standards.

managers (employed under employment contracts as at the end of the reported period) The management rate refers to middle to top managers employed under employment contracts. Employees are classified as "managers" on the basis of their employment groups, according to their competence profile, in line with the Orange Group's standards.

accidents at work

This rate corresponds to the number of occurrences that were classified as accidents at work during the reported period. Under Polish regulations, this is ultimately determined by the date of the employer's decision to recognise an occurrence as a work-related accident rather than the date of accident itself.

Environmental data

Environmental data are based on reporting to the ENABLON database. Orange Polska reported about 100 environmental indicators on a quarterly basis.

energy

Electricity consumption is determined on the basis of the actual data from the Electrical Energy Database, where they are recorded from invoices, for each meter separately. The data for Q4 2021, however, have not been received by the publication date of this Report. Therefore, electricity consumption for the period has been estimated as the mean daily consumption times the number of missing days in particular months.

Fuel consumption refers to the total consumption of all fuels (heating oil, diesel oil, petrol and heavy fuel oil), excluding motor vehicles.

Indicators adopted for calculating energy in GWh are set by the Group and are subject to independent verification at Group level.

transpor

The CO₂ emissions from "short haul" air travel of the GHG Protocol (180 g CO₂/km passenger) were used for all flights (short-, mediumand long-haul).

CO₂ emissions

For electricity consumption, the emissions are calculated according to the GHG Protocol (2009) with the most recent update (2012).

Emission factors for fuels (gas, fuel oil, coal, petrol, diesel oil and LPG) are derived from the GHG Protocol (2007). Emission calculations are conducted at the global level using emission factors derived from IAE (International Energy Agency), in its updated version of January 2017. emissions from refrigerants

Reporting of refrigerant emissions, which are included in Scope 1 emissions, is not yet exhaustive; even though this emissions item is negligible (Carbon 4 study on Bilan Carbone), the Group is working to improve monitoring of these emissions.

electronic and electrical waste collection

The "E-waste collected from customers" corresponds to the total amount of handsets, desktop telephones and multimedia devices delivered to sale outlets, sent by mail or collected by service providers. This also accounts for waste mobile phones of Orange Polska's employees as well as batteries and chargers collected. This indicator is not used in the Group companies which do not have the relevant channel for e-waste collection and recycling.

The rate is calculated by dividing the number of mobile handsets collected by the number of mobile handsets sold by Orange through controlled channels.





4G/LTE – fourth generation of mobile technology, sometimes called LTE (Long Term Evolution)

5G – fifth generation of mobile technology, which is the successor to the 4G mobile network standard

ARPO - Average Revenues per Offer

AUPU - Average Usage per User

BSA - Bitstream Access Offer

CATV - Cable Television

Churn rate – The number of customers who disconnect from a network divided by the weighted average number of customers in a given period

Convergent services – Revenues from B2C convergent offers (excluding equipment sales). A convergent offer is defined as an offer combining at least a broadband access (xDSL, FTTH or wireless for fixed) and a mobile voice contract (excluding MVNOs) with a financial benefit. Convergent services revenues do not include incoming and visitor roaming revenues

Core telecom services – Convergence, mobile-only and broadband-only services

EBITDAaL – EBITDA after leases, key measure of operating profitability used by management (for definition please refer to the Notes 3 to IFRS Consolidated Financial Statements of the Orange Polska Group)

eCapex – Economic Capex, key measure of resources allocation used by management (for definition please refer to the Notes 3 to IFRS Consolidated Financial Statements of the Orange Polska Group)

FBB - Fixed Broadband

FTE - Full time equivalent

Fibre – fixed broadband access network based on FTTH (Fibre To The Home) /DLA (Drop Line Agnostic) technology which provides the end user with speed of above 100Mbps Fixed broadband-only services – Revenues from fixed broadband offers (excluding B2C convergent offers and equipment sales) including TV and VoIP services

HHC (Households connectable) in fibre technology

 Households where broadband access service based on fibre technology can be rendered

Home Zone (or Office Zone for business customers)

 area within range of predefined base stations which cover the particular location (home/office)

ICT - Information and Communication Technologies

ILD - International Calls

IP TV - TV over Internet Protocol

LLU - Local Loop Unbundling

M2M - Machine to Machine, telemetry

Mobile-only services – Revenue from mobile offers (excluding consumer market convergent offers) and Machine to Machine (M2M) connectivity. Mobile only services revenue does not include equipment sales, incoming and visitor roaming revenue

MTR – Mobile Termination Rates

MVNO - Mobile Virtual Network Operator

Net gearing – net gearing after hedging ratio = net debt after hedging / (net debt after hedging + shareholders' equity)

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Organic Cash Flow – Organic Cash Flow- key measure of cash generation used by management (for definition please refer to the Notes 3 to IFRS Consolidated Financial Statements of the Orange Polska Group)

PPA - Power purchase agreement

RAN agreement – agreement on reciprocal use of radio access networks

ROCE – Return on capital employed = EBIT (ex. Extraordinary items) / (Shareholder's Equity + Average net debt)

SIMO - mobile SIM-only offers without devices

SMP – Significant Market Power

Total capitalization equity - Shareholder Equity/Long-term

Debt + Shareholder Equity

UKE – Urząd Komunikacji Elektronicznej (Office

of Electronic Communications)

UOKiK – Urząd Ochrony Konkurencji i Konsumentów (Office for Competition and Consumer Protection)

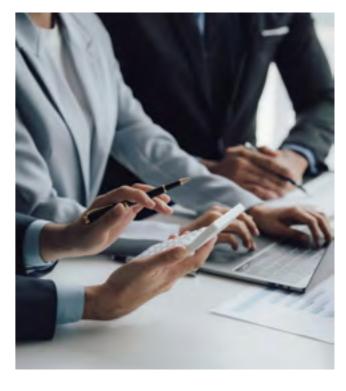
USO – Universal Service Obligation

VDSL - Very high bit-rate Digital Subscriber Line

VoIP - Voice over Internet Protocol

Wireless for fixed – LTE broadband access offers dedicated to use within the Home/Office Zone, consisting of a fixed router (Home Zone) plus large or unlimited data packages, which are a substitute for fixed broadband and are provided by all mobile operators in Poland, including Orange Polska

WLR - Wholesale Line Rental







Orange Polska Integrated Report 2022



Independent Limited Assurance Report on Selected **Sustainability Parameters**

To the Management Board of Orange Polska S.A.

Scope of the Service

We were engaged by the Management Board of Orange Polska S.A. with its registered office in Warsaw, Aleje Jerozolimskie 160 Street (the "Company"), to report on selected sustainability parameters (disclosures) presented in the Company's Integrated Report for the fiscal year ended 31 December 2022 (the "Report"). We were engaged to report in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected sustainability parameters included in the Report are not calculated and presented, in all material respects, in accordance with the criteria contained in the GRI Standards issued by Global Reporting Initiative (the "GRI Standards"). Included in the scope of our assessment were the following parameters:

- General disclosures: 2-7; 2-9; 2-26; 2-28;
- Topic specific disclosures: 202-1; 205-3; 302-1; 302-4; 303-1; 305-1; 305-2; 305-5; 306-3; 401-1; 403-1; 403-3; 403-4; 403-6; 403-9; 404-1; 404-2; 405-1; 406-1; 416-2; 417-2; 417-3.

(hereinafter, "Parameters")

The scope of our service excluded other parameters and other information contained in the Report.

Management Board's Responsibilities

The Company's Management Board is responsible for the preparation of the Report, including the calculation and presentation of the Parameters therein, in all material respects, in accordance with the criteria contained in the GRI Standards. This responsibility includes designing, implementing and maintaining such internal controls as management determines are necessary to enable the preparation of the Report in accordance with the criteria contained in the GRI Standards and the calculation and presentation of the Parameters that are free from material misstatement whether due to fraud or error.

The Company's Management Board is also responsible for ensuring that staff involved with the preparation of the Report and calculation and presentation of the Parameters are properly trained and that appropriate information systems are applied that are properly updated.

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KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp.k., a Polish limited partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

12th Commercial Division of the National

Responsibilities of the Practitioner

Our responsibility is to examine the Parameters calculated and presented by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board ("IAASB"). That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Parameters are calculated and presented in accordance with the criteria contained in the GRI Standards, in all material respects, as the basis for our limited assurance conclusion.

This firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagement", developed by IAASB, which requires the firm 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 other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Procedures Performed

The procedures selected depend on our judgment and understanding of the underlying subject matter and other engagement circumstances, and our assessment of the risk of a material misstatement of the Parameters. In obtaining an understanding of the Report and the Parameters therein, and other engagement circumstances, we have considered the process used to prepare the Report and to calculate and present the Parameters 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 the Company's process of internal control over the preparation of the Report and calculation and presentation of the Parameters.

Our engagement also included assessing the appropriateness of the subject matter and the suitability of the criteria used by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included in particular:

- Based on interviews with selected members of the Company's management responsible for the design, implementation and maintenance of its system of internal control and for the preparation of the Report, obtaining an understanding of the system of internal control enabling the preparation of the Report and the calculation and presentation of the Parameters;
- Based on interviews with individuals responsible for the calculation and presentation of the Parameters, obtaining an understanding of the methods of collecting source data and of the assumptions used in calculating the Parameters;
- Comparing the data and information used in the calculation and presentation of the Parameters to relevant underlying documents, reports or other sources of information provided by the Company;
- Checking the correctness of the calculation of the Parameters to the criteria contained in the GRI Standards, and also checking the mathematical correctness of the calculation of the Parameters of a numerical (quantitative) nature.

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KPMG

Criteria

The applicable criteria against which the Parameters were evaluated are included in the GRI Standards.

Conclusion

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

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

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Parameters included in the Report, are not calculated and presented, in all material respects, in accordance with the criteria contained in the GRI Standards.

KPMG Adrisony Spothe 2 ogreninane adpained indrasion & K.

Warszawa, 18 August 2023

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