Current report (22/2021), Orange Polska S.A. – Warsaw, Poland 7 December 2021

Pursuant to Art. 17 clause 1 of the Regulations (eu) no 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Management Board of Orange Polska S.A. ("Orange Polska") announces the conclusion of the Social Agreement.

Orange Polska signed with trade unions the Social Agreement for the years 2022–2023, under which up to 1400 employees may benefit from voluntary departures.

On December 7, 2021, the Management Board of Orange Polska concluded negotiations with the Social Partners on the terms of a new Social Agreement that will remain in force in 2022–2023. In parallel to negotiating the Social Agreement, Orange Polska completed negotiations on a Settlement for 2022 under the Act on special rules on termination of employment for reasons not attributable to employees.

In particular, the Social Agreement for 2022–2023 sets the number of voluntary departures in the next two years at 1400 people and determines a financial package for employees leaving Orange Polska under the voluntary departure scheme. It also provides for potential basic salary rises (4% in 2022 and not less than 4% in 2023) and the amount of additional compensation for employees who will reach retirement age in the next four years, while specifying the position and role of internal mobility in supporting an allocation programme. To employees whose contracts are to be terminated by the employer, the Social Agreement provides opportunity to take advantage of the participation in the job-seeking support program on the market (outplacement). In addition, the Social Agreement for 2022–2023 provides for activities for a friendly work environment and continuation of medical coverage.

The negotiated Settlement sets the number of employees to leave in 2022 at 760 and determines the terms of voluntary departures as well as the amount of severance pay and additional compensation for employees departing in 2022. The Settlement also specifies the rules and selection criteria to be applied to people whose employment will be terminated by the employer for reasons not attributable to employees. The amount of compensation package per departing employee will depend on their corporate seniority calculated in accordance with the Intragroup Collective Labour Agreement for Orange Polska S.A. employees.

The Management Board of Orange Polska will conduct the relevant analysis, and the financial impact resulting from the aforementioned agreement will be covered in the accounts for the fourth quarter of 2021.