Current report (22/2023), Orange Polska S.A. – Warsaw, Poland 14 December 2023

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 2024–2025, under which up to 1100 employees may benefit from voluntary departures.

On 14 December 2023, the Management Board of Orange Polska concluded negotiations with the Social Partners on the terms of a new Social Agreement that will be in force in 2024–2025. In parallel to negotiating the Social Agreement, Orange Polska completed negotiations on a Settlement for 2024 under the Act (dated 13 March 2003) on special rules on termination of employment for reasons not attributable to employees.

In particular, the Social Agreement for 2024–2025 sets the number of voluntary departures in the next two years at 1100 people and determines a financial package for employees leaving Orange Polska under the voluntary departure scheme. It also provides for potential basic salary rises (7% in 2024 and not less than 6% in 2025) 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 with the support of the 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 2024–2025 provides among others for activities for a friendly work environment and continuation of medical coverage. Orange Polska also committed to keep its training budget at current level in 2024-2025, which will support employees in upskilling and reskilling their competencies, in line with .Grow strategy.

The negotiated Settlement sets the number of employees to leave in 2024 at 590 and determines the terms of voluntary departures as well as the amount of severance pay and additional compensation for employees departing in 2024. 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.

Signing of new Social Agreement is a part of the implementation of the Company's strategy, which focuses on the long-term value creation particularly by improving operational efficiency. Management's preliminary estimate of the provision for employment termination resulting from the aforementioned agreement is at around PLN 130 million. The final calculation will be covered in the accounts of the fourth quarter of 2023, with no impact on EBITDAaL.