



Integrated Report 2023

Orange Polska



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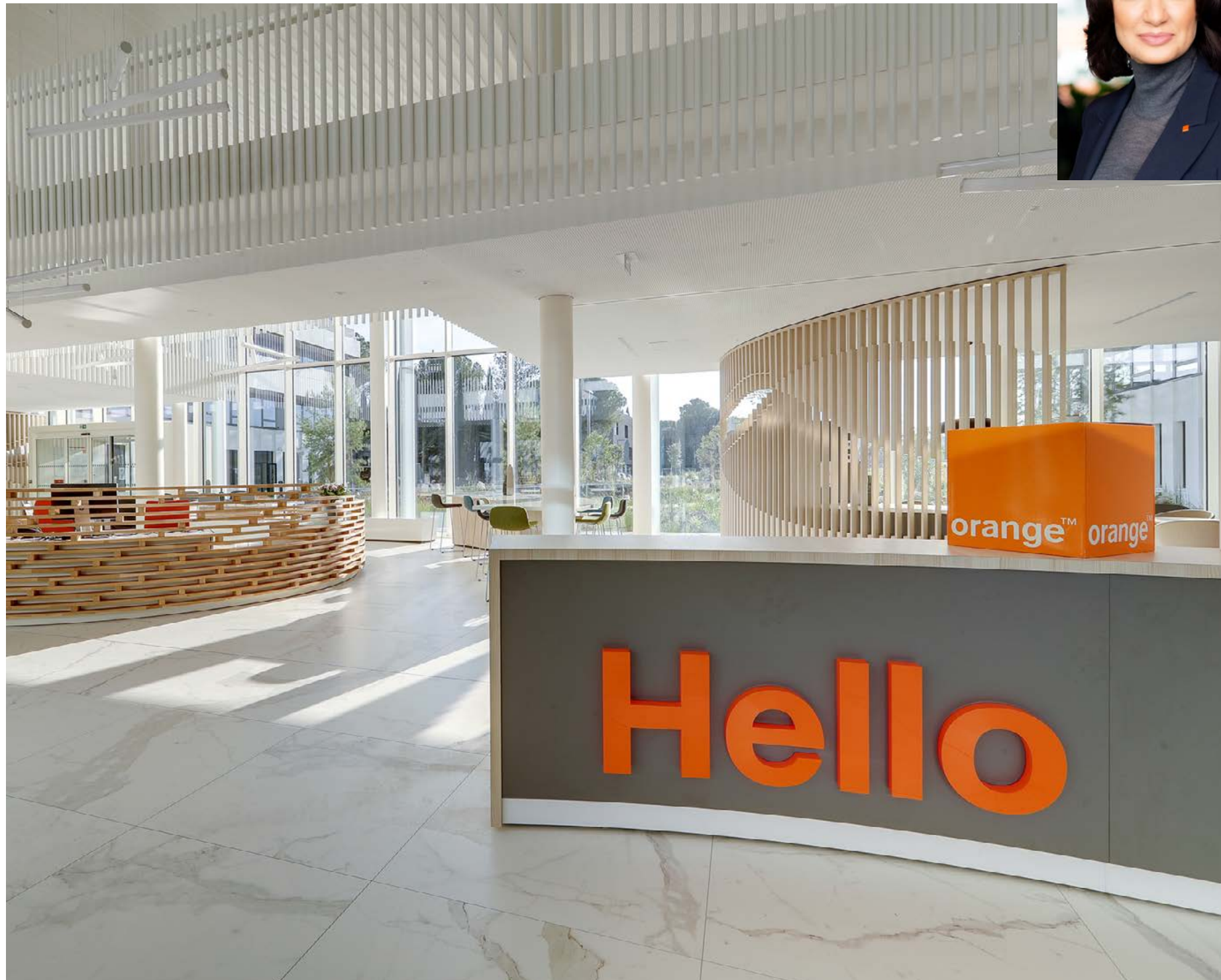
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About our Group

Message from our CEO



Dear Stakeholders,

Welcome to another edition of Orange Polska's integrated annual report, in which we present both the financial and non-financial results of our business activities in 2023. Combining all these aspects into one document allows us to show you our performance in a wider context, and discuss how we create value for our various stakeholders at the same time as building a more sustainable business for the long term.

In 2023 our business has, once again, demonstrated its strong fundamentals. We delivered on our annual objectives and made a real progress in all pillars of our .Grow strategy. It was achieved in a demanding macroeconomic environment of very high inflation and close to zero GDP growth. Moreover this was combined with intensive market competition especially in fibre and convergence. I encourage you to look into the report for details.

On becoming CEO of Orange Polska, I was very pleased to see that values of a sustainable and responsible approach – values that take into account our impact on the environment and society – are so high among the Company's priorities; they are, in fact, written into our DNA. I am strongly convinced that true economic development must combine financial and non-financial aspects of business.

Last year was a particular year for the pillar of our strategy related to responsibility. Reduction of our CO₂ emissions significantly accelerated, as we benefitted from a portfolio of contracts for renewable energy. Versus reference year 2015, they were lower by 79%. We have met our 2025 strategic goal two years in advance. We have also increased our focus on scope 3 CO₂ emissions. As part of our busy social agenda, in 2023 we completed our three-year flagship social programme called Lesson:Enter, in which more than 80,000 Polish teachers mainly from small towns and villages enhanced their digital skills. We have continued our education programmes for children and seniors aimed at reducing their socio-digital exclusion.

Looking forward, we are pleased that the economic environment is gradually improving with inflation falling to low single digits. We also hope that unblocked EU funds will stimulate business activity in Poland and our future project pipeline. 2024 will be the last year of implementation of the .Grow strategy. We are determined to reach all its objectives and we use this time to work on a new strategic plan, which I am sure will be a platform for us to further increase value for all our stakeholders.

Liudmila Climoc

President and CEO of Orange Polska

Our company

	number of shares held	% share in the capital
ORANGE S.A.	664,999,999	50.67%
Allianz Polska OFE and Allianz Polska DFE pension funds*	106,592,183	8.12%
Nationale-Nederlanden Open Pension Fund*	73,924,979	5.63%
Other shareholders	466,840,318	35.58%
Total	1,312,357,479	100%

Orange Polska is a leading telecommunication provider in Poland, operating in all segments of the Polish telecom market, and a leading player in the ICT 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 a unique end-to-end solutions combining connectivity and IT and integration services.

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 of 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 turnaround. The .Grow strategy is an evolutionary step to

Orange Polska shareholders*



- Orange S.A.
- Allianz Polska OFE, Allianz Polska DFE Pension Funds
- Nationale-Nederlanden Open Pension Fund
- Other shareholders

* Information on April 19, 2024

stimulate and accelerate sales and profit growth, while laying the foundation for growth beyond 2024. Despite numerous headwinds, coming mainly from the macro environment, and intensifying competition, Orange is perfectly on track with all its financial and operational ambitions. 2024 is the final year of implementation of our .Grow strategy.

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

#OrangeGoesGreen
Safe digital inclusion
People and diversity



Orange People

Next level of ICT acceleration...
...enhanced by 5G as a catalyst for new business

Digital transformation
Simplification & efficiency

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 agile and effective way
- I communicate in an open & effective way

Positive



- I collaborate
- I appreciate the work of others
- I share passion and I care about the world around

Bold



- I challenge the status quo & propose improvements
- I experiment and take appropriate risks
- I look for innovation

Orange Polska in 2023 in numbers


Revenues
PLN 12.97 bn
+3.9% yoy


Cash dividend
PLN 0.48 per share
+37% yoy to be paid in 2024
from 2023 profits


64%
yoy CO₂ reduction


**5.8k children & almost
23k teachers**
in digital education programmes


EBITDAaL
PLN 3.18 bn
+3.3% yoy


Market cap at year end
PLN 10.7 bn
+23% yoy


74% renewable
electricity
as % of total electricity
consumption


9,368 employees
in FTEs incl. NetWorks


Net income
PLN 818 mn
+13% yoy


ROCE* **7.6%**
+110 p.p. yoy


eCAPEX
PLN 1.56 bn
-10% yoy


Net debt to EBITDAaL
1.1x
-0.2x yoy


Organic Cash Flow
PLN 1.17 bn
+43% yoy


almost **5.5 mn**
phishing attempts blocked by our
CyberShield

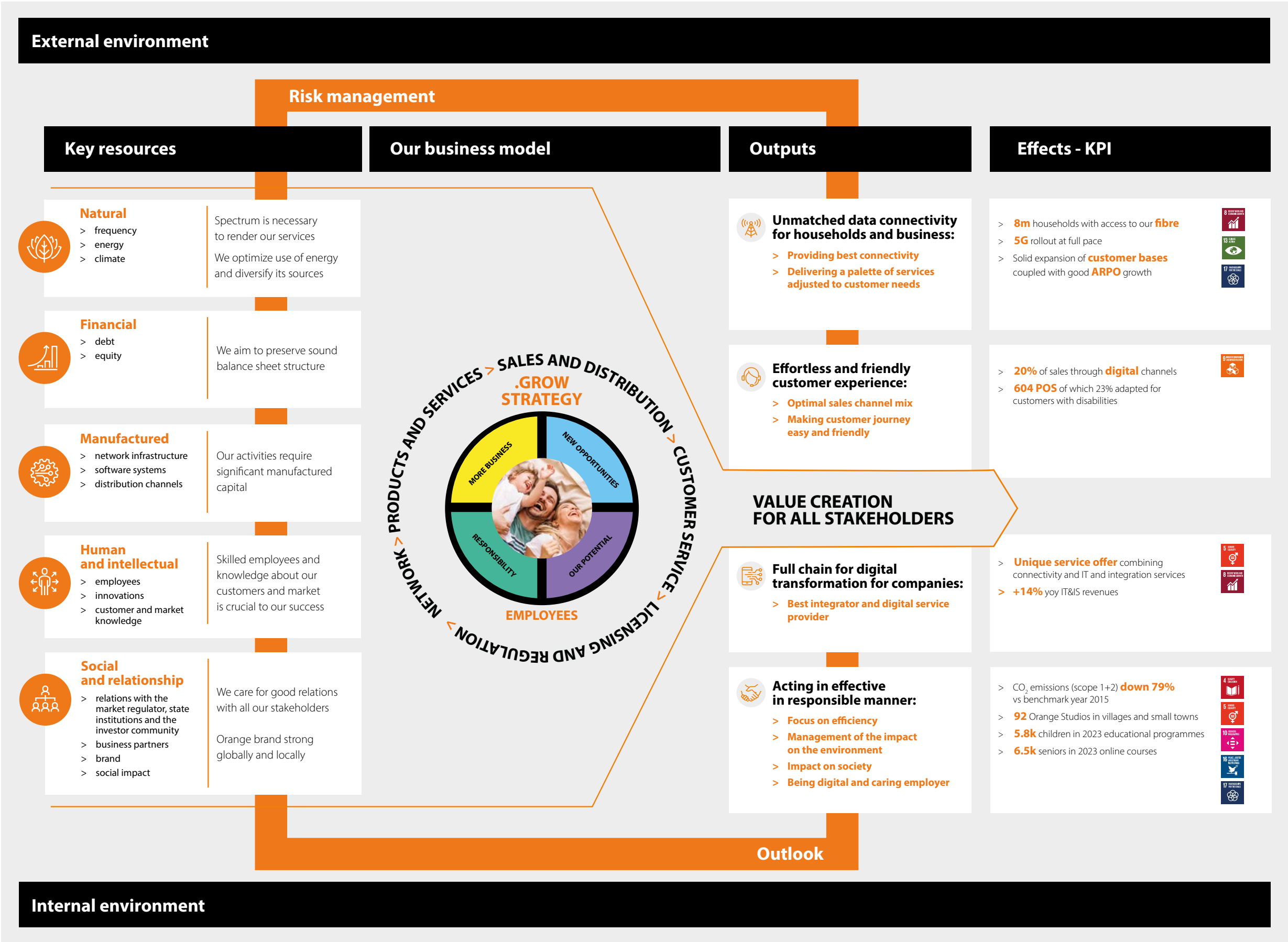
 Convergent customers (B2C) in '000	 Mobile accesses (SIM cards) in '000	 Fixed broadband access (retail) in '000	 TV customers in '000	 Fixed voice lines (retail) in '000
1,700 (+4.6% yoy)	17,628 0.0% yoy o/w mobile handsets 8,941 (+2.5% yoy) o/w pre-paid 4,485 (-11% yoy)	2,821 (+0.6% yoy) o/w fibre 1,349 (+15% yoy)	945 (-1.0% yoy) o/w IPTV customers 886 (+7.9% yoy)	2,428 (-5.6% yoy)

* pre-tax ROCE

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.

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.



Key resources

Natural

Spectrum

Orange Polska is Poland’s leading telecommunication provider, operating in all segments of the Polish telecom market and holding licences for blocks of spectrum in 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2600 MHz and 3500 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.

Climate

Electricity is the backbone for the functioning of the digital sector, especially operation of telecommunications networks. Poland’s power generation is mainly 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 seems 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 2015. 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.

Financial

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 external funding needs have been 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. Our entire debt is denominated in the local currency and is insensitive to currency fluctuations. 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, over the previous decade we were making 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 increasing share of digital channels. We have more than 600 points of sale all over Poland, of which more than 20% have been 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 2023, Orange Polska Group had 9,368 employees, while outsourced staff numbered 2,533.

Innovation

We have created Orange Innovation Poland to support research and development of new technologies and innovations. It is part of the Orange International Innovation Centers, which includes over a dozen research and development (R&D) centres and laboratories. Orange Innovation Poland co-operates with external partners, including EU partnership, 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. 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.

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 a highly 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 an 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 2023 (by PBS Research Agency), Orange was the first choice brand for Polish consumers with respect to Mobile voice (27%), Mobile broadband (24%), Fixed broadband (25%), Packages (24%) and Fibre (27%).

We are optimistic about technology, while making it accessible to as many people as possible. The new signature “Orange is here”, introduced in April 2024, forcefully expresses Orange's commitment to being a trusted player, present for its customers at every stage of their journey and in all circumstances. It also expresses the Group's determination to offer its customers ever more adapted and innovative solutions, offering real added value at the best price. The new signature encapsulates the relationship we want to have with our customers – to be more simple and more close to their everyday lives.

We act responsibly, taking care of the development of circular economy services in the field of customer devices, telephones, modems and 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 and further use (renovation – renewal), and 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 a 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 a 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 more than 3,000 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 Code of Conduct for Suppliers, 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 as well as residents of small towns and rural areas and 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 the 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 provide 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 order to continue to assure the best customer experience we need to continuously optimise our effective use of spectrum. In 2023, we started to switch off 3G technology in 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 we 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 7300 stations enabled such 5G service for Orange Polska’s customers at the end of 2023, ensuring almost 60% population coverage.

At the end of last year we acquired a 100 MHz frequency block in the 3400–3800 MHz band (C-band). In the beginning of 2024, upon receiving radio licences, we launched the first base stations operating in this frequency. The new bandwidth has almost doubled our spectrum resources that we use to provide mobile services in various technologies. Owing to its characteristics, it is a capacity band, which, above all, will

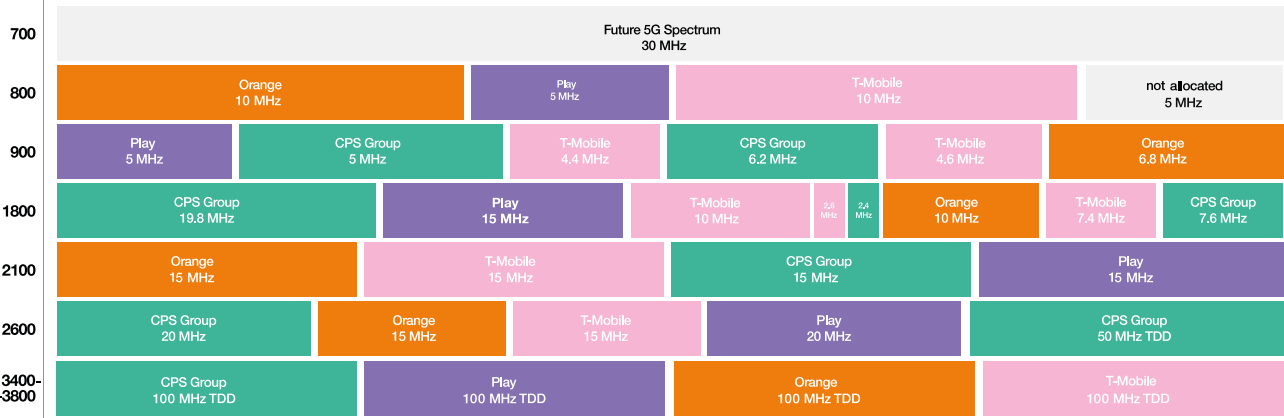
enable us to increase markedly the capacity of our network and manage more effectively the ever growing data transfer, ensuring the best connectivity to our customers. But due to the fact that this is the first spectrum allocated fully to 5G, it is also a coverage layer which in short term should enable 25% of Polish population to be within the range of enhanced Orange mobile broadband services.

Future 5G spectrum

The primary spectrum for the 5G technology includes the already allocated 3400–3800 MHz band (C-band), which will greatly relieve mobile networks in urban areas (capacity band). The next one to be allocated is the 700 MHz band, which will significantly enhance the service quality in semi-urban and rural areas (coverage band). The consultation process on this spectrum allocation is expected to begin this year. New low band allocation will allow Orange to increase significantly the coverage of 5G services and service quality in rural areas. It is crucial for the distribution of this band to investigate the existing and potential interference due to the different use thereof outside the European Union. The negative impact from the Ukrainian side may be particularly significant, as this band is still used there for TV broadcast purposes.

Allocation of other future 5G bands, including mmWave spectrum (e.g. 26–28 GHz), has been the subject of recent public consultation, but taking into account the unreadiness (and a delay of readiness) of the overall environment (particularly devices) and focus of investments in the C-band and 700 MHz, there is no pressure for distribution of this spectrum in less than 2–3 years from now.

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



Details of telecommunications licences are as follows

(in PLN millions)	Acquisition date	Years to expiration ⁽²⁾	Net book value	
			At 31 December 2023	At 31 December 2022
800 MHz	2016	7.1	1,448	1,662
900 MHz	2014	5.6	132	156
1800 MHz	1997	3.7	-	-
1800 MHz ⁽¹⁾	2013	4.0	64	80
2100 MHz	2022	14.0	328	352
2600 MHz	2016	7.1	56	63
3600-3700 MHz	2023	14.9	549	-
Total telecommunications licences			2,577	2,303

⁽¹⁾ Licence held under agreement with T-Mobile Polska S.A.

⁽²⁾ Remaining useful life in years as at December 31, 2023.

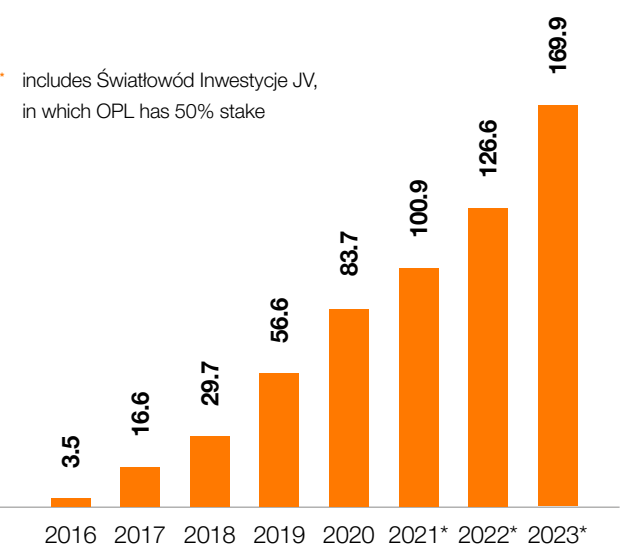
Network

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 15,640 km of fibre in backbone, 94,506 km of fibre in aggregation network and more than 344,157 km of access copper network. The access network is predominantly built in copper technologies: fibre accounts for around 169,934 km (incl. Światłowod Inwestycje JV, in which Orange Polska has 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 2023, additional 100 base stations were connected via fibre. At the end of the year, about 63% 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).

Chart: Length of fibre access network (in '000 km)



To ensure the best connectivity and optimal resource allocation, we take the specifics of local markets into account. At the end of 2023, almost 8.0 million households, or over 50% of all households in Poland, were within the reach of our fibre services. Until the end of 2020, we increased our footprint mainly by expanding our own network, whereas since 2021 we have been more reliant on partnerships, while our own network rollout has been limited to projects implemented within the Digital Poland Operational Programme. One of our key partnerships is that

with Światłowod Inwestycje (in which Orange Polska has 50% stake), which will build fibre network mainly in low or mid competition areas for ca 1.7 million households in the next few years. At the end of 2023, we used the infrastructure of 59 operators (including Światłowod Inwestycje) for over 4.2 million households.

Orange Polska’s mobile network services are broadcast from over 12,300 base stations with over 99% of them offering 4G LTE broadband data, covering 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 has continued a comprehensive radio network modernisation project. The project involves replacement of active equipment on base stations with devices that meet the predefined technological standards and are highly energy-efficient. As a result, the modernised base stations enable the provision of 5G services in the Dynamic Spectrum Sharing (DSS) mode, support 4x4 MIMO technology on the 1800 MHz/2100 MHz bands and enable the 4G activation on the 900 MHz band. In the future they will also enable the provision of 5G services on other bands which are currently held by the Company. Until the end of 2023, the Company was offering 5G services only basing on the DSS functionality; after the successful completion of the C-band auction, we initiated 5G services in this dedicated band in January 2024.

In line with the auction commitments, Orange Polska should launch at least 3,800 base stations within 48 months after the delivery of the licence. In addition to quantitative commitments, the licence decision imposes also a number of coverage and quality requirements regarding data transmission capacity targets for the certain percentage of Poland’s area and households, as well as selected national and regional roads and railway lines. Different network capacity and coverage requirements have been set for specific periods (of one to seven years). These obligations are exclusive of communes (gminas) in the direct vicinity of the border with Russia, Belarus and Ukraine due to restrictive international co-ordination requirements. Like with other technologies, we intend to share the 5G network with T-Mobile, which will enable the significant optimisation of the use of network resources and increase the efficiency of the network operation. Our plans for 2024 assume that Orange Polska’s customers will be able to use around 3,000 locations with C-band by the end of the year.

We are also awaiting allocation of 700 MHz, plans of which have been announced by the Regulator (for more details see the Licences and regulations section above).

Network reliability and resilience requires the constant upgrade of self-healing network mechanisms and continuous quality monitoring. We are capable of monitoring 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.

Network security as our top priority

Cybersecurity remains a top priority for us. For over 25 years, within our structures we have had a team dedicated to the security of internet users in Poland: CERT Orange Polska. Our experts have been supported in their daily efforts by an in-house solution developed by this team, CyberShield. Nowadays, it is an integral component of our network, and it is supplied from multiple sources and supported by artificial intelligence. It has become an indispensable element of security in Poland’s cyberworld and has proven very effective, protecting millions of internet users annually against loss of data or money.

We want also Polish companies to easily exploit the opportunities offered by digitisation. Yet, this requires adequate security. We ensure such security to users at all levels: terminals, networks, infrastructure, applications and data processing.

We have been consistently educating about and raising awareness of this issue. For over a decade, we have encouraged our customers to make use of the experience of our experts in ensuring corporate cybersecurity. In 2023, we received the Trusted Brand Award in the Digital Walls category as a company offering the best set of corporate cybersecurity services and solutions. The award has been granted by Polish entrepreneurs in the nationwide voting held by Kantar Polska.

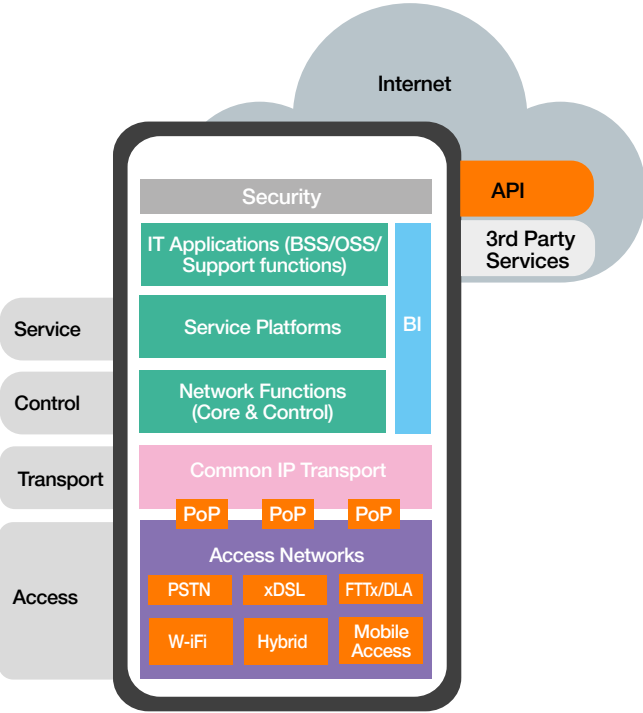
Internet users can always count on the assistance and support of CERT Orange Polska’s experts. Any suspicious messages can be sent by email to cert.opl@orange.com or by SMS to 508 700 900. It only takes a moment, but it can speed up blocking of confirmed phishing websites and help protect other internet users.

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 Gbps technology. In our efforts to provide customers with the best network 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 (over 12,000 shared sites), which enabled the fast introduction of 4G/5G DSS and optimisation of operating costs and capital expenditures.

Network architecture



Products and services

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. Our success as a business depends on delivering value to all our customers, enabling them to fulfil their needs and aspirations. This translates into 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 the 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 its segments. We are constantly looking for innovations in our product portfolio and the right balance between features and price. Our commercial activity primarily focuses on



delivering a package of mobile and fixed services, which we define as convergence. By addressing the household's 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. A few 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 telecommunications 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 households, like energy resale. On the business market, a good example of differentiation strategy is our development of competences in ICT, which in a lot of cases helps us to win business in our core telecom services. Our commercial strategy for the past few years has been more focused on value than before. Eyeing cost inflation pressure we have been implementing our 'more for more' strategy, increasing service prices in return for more benefits for customers. We aim to keep the right balance between growth of customer bases and average revenue they generate (ARPO). 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.

In addition, our sales tactics have been evolving as a consequence of recent changes in the competitive landscape. Over the past two years competitive struggle has been increasingly moving away from sales of mobile or fixed line only services towards convergence. This integrated approach to provision of telecommunications services had been pioneered by Orange Polska. Currently, all major mobile operators follow convergent strategies. Wholesale partnerships for fibre infrastructure have been a significant factor stimulating this process. They largely even out the differences among operators in their fibre service reach. It increases competition for retail customers, especially that some players attempt to win the market with aggressive marketing strategies. It also contributes to much more localised competition in the fixed line market (compared to the mobile market, where competition tends naturally to be nationwide), the intensity of which largely depends on the number of operators offering their services in the given location. This requires us to be more agile and innovative in marketing strategies. We often run promotions or special campaigns dedicated only to specific regions or cities where we observe the more demanding competitive environment.

Digitisation 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 & chatbot which allows customers to get support on simple topics, e.g. it provides information about payments, allows them 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 the moderators.

In 2023, the popularity of the My Orange application continued to grow. We already have 2.6 million users of the application, which is 13% more than in 2022.

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 growth of online sales, traditional points of sale still retain their importance. POSs accounted for almost half of total sales in 2023, 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 store, 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 – to increase the share of digital channels, primarily our voicebot & 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 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 an ongoing, dedicated digital programme, which was launched in 2020.

Keeping leadership in providing digital support requires constant improvements in digital channels functionalities and systems. In 2022, Orange B2B launched My Business Orange, an online platform created for Orange business customers. 2023 activities were focused on the extensive rollout and migration of customers to this new primary CRM from previously used sales and customer care legacy solutions.

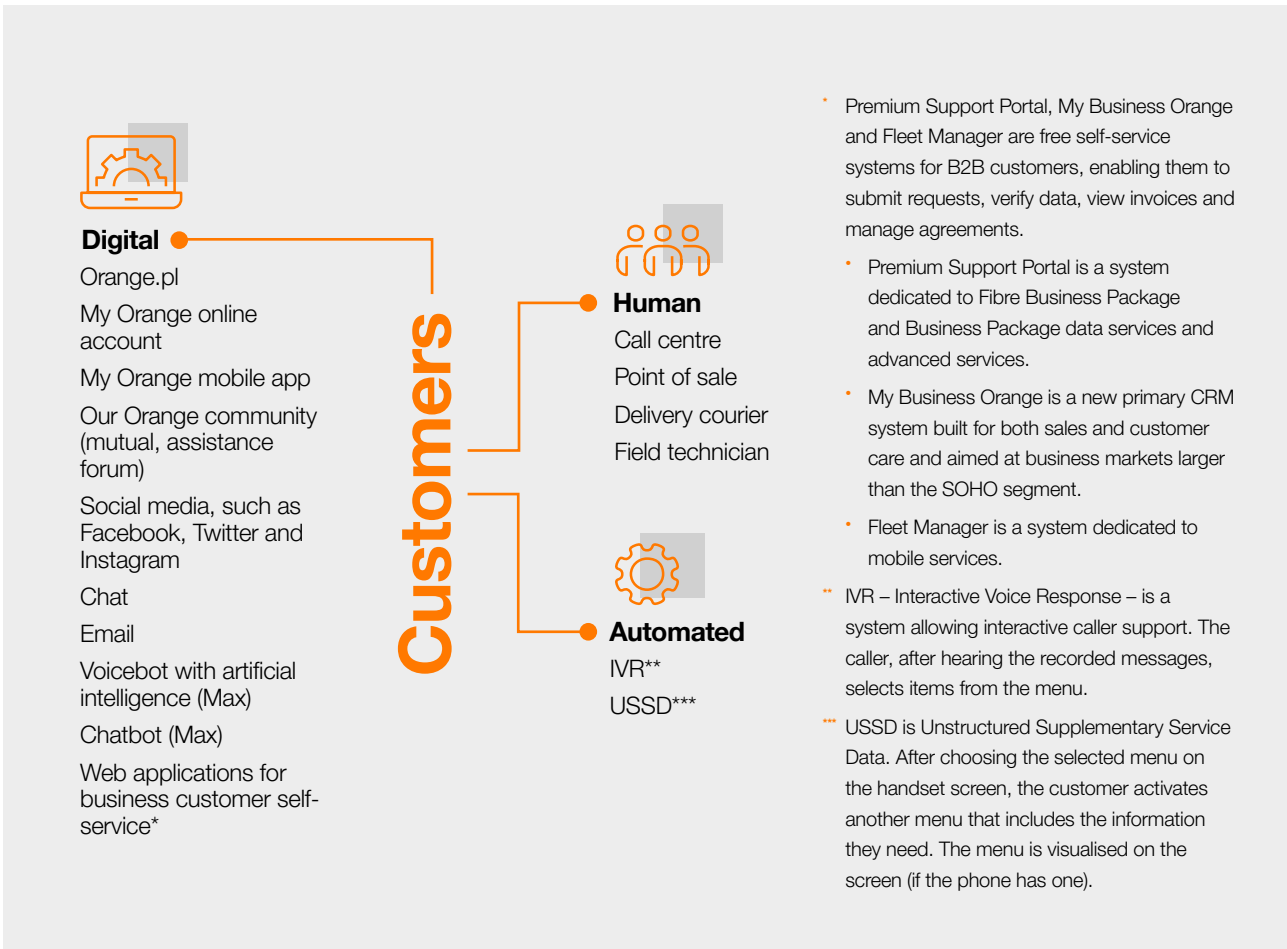
Artificial intelligence (AI) and robotisation have played a major role in the development of our customer service channels. Since 2019, our customers have been supported by Max, the AI voice of Orange. Max answers all calls to our service infolines and supports outbound campaigns concerning service purchase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

As for improving traditional channels of service, our priority was further standardization 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. The COPC experience and practices have improved both B2C and B2B customer care operations, but COPC certification is currently continued only for the mass market.

Implementing data-driven customer experience

We design customer-experience actions based on customer behaviour analysis using advanced statistical tools. 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.



Customised service

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

- Senior citizens (over 65 years old);
- 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. In 2023, we reviewed customer service standard for seniors, focusing on easiness to deal with MAX and accessibility of call centres advisors.

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
- Buty new services and renew agreemtns
- 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
- Buty new services and renew agreements
- Customer care (complaints, technical issues, payments)

POS

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

Social media

- Obtain product and services information
- Share experience
- Demand informatoin
- Customer support (not assosicated 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 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. OPL, as other

beneficiaries of public funds, is also providing wholesale access to its fibre network built within the EU-subsidised 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. In 2023, the maximum rate for voice call termination on a mobile network (MTR) decreased to 0.4 euro cents per minute. MTR further decreased to 0.2 euro cents per minute from January 1, 2024.

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 the European and national level.

Recent trends in the regulatory environment

In 2023, the legal environment continued instability and high dynamics of change. Changes resulted both from the adaptation of Polish law to European Union law and from national initiatives. Frequent, wide-ranging 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.

Regulatory policy concentrated around amendments to domestic regulations and supervision of EU regulations. The regulation resulted in UKE’s decision implementing IP interconnection for termination of calls in OPL’s network. The Polish NRA also focused on new rules of regulation of access to the wholesale broadband network by reviewing partially regulated BSA and LLU markets, but also access to networks of beneficiaries of EU funds. New reporting obligations were implemented in terms of network elements, coverage of fixed and mobile networks, services and investment plans. At the same time, the implementation of EU regulations is constantly monitored particularly in areas of roaming and open internet regulations.

One of the most important regulatory developments in the telecommunications sector – the implementation of the European Electronic Communications Code – was withdrawn from the Parliamentary works in 2023. Finalisation of works on the new Electronic Communications Law (PKE) and its entry into force is expected in 2024. The current Act – the Telecommunications Law – has been in force for

almost two decades. A number of new important solutions is expected to be introduced, opening a next 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.

Draft law on amending the Act on the national cybersecurity system was also withdrawn from the Parliament. This draft law included, inter alia, the assessment scheme of so-called ‘high-risk vendors’, creation of a National Security Network and some operational amendments regarding security of networks. A new draft, the scope of which is expected to be tailored to the NIS2 directive implementation, will be presented in 2024.

National legislative acts of significant relevance for telecommunications and digital sector that were adopted in 2023 covered such areas as consumer protection, labour law, EU funds, energy and construction law, among others.

Acts of significant relevance at the EU level include those on cybersecurity, data governance and telco investments (Gigabit Infrastructure Act). Intensive work continued on a new act related to AI.



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. 2023, similar to 2022, was another challenging year for Polish, European but also global economy. Uncertainty, affecting social and business environment, was still present on the market, as geopolitical tensions continued together with the ongoing war in Ukraine. In 2024, positive signs are being observed on the Polish market, however it is still surrounded by turbulent and challenging global macroeconomy. Despite exceptional headwinds related to the external environment, the telecommunications sector remained stable, and we believe that telecommunications services will remain essential for both residential and business customers.

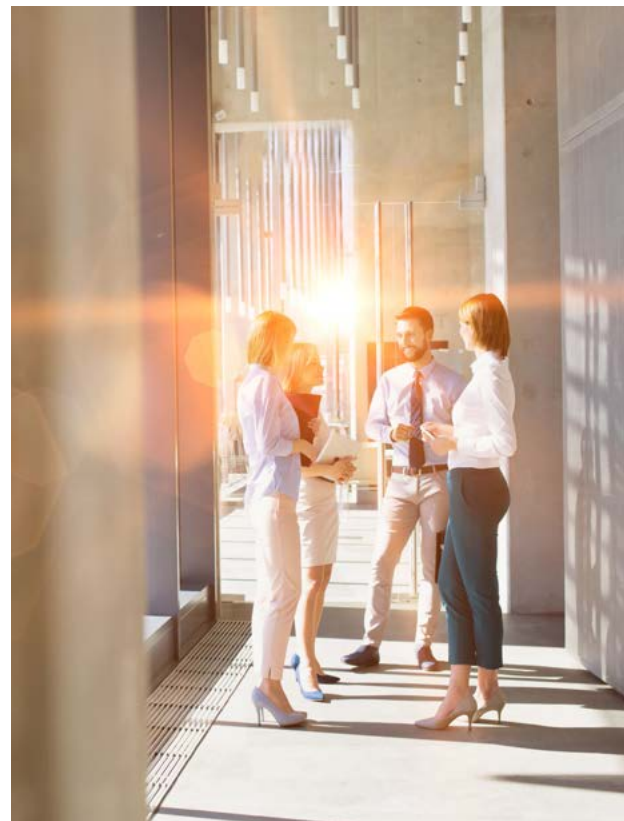
GDP growth

The unprecedented disturbances in the global economy, mainly resulting from Russia's aggression on Ukraine, negatively affected the Polish economy in 2022 and 2023. GDP growth dynamic slowed down in 2023 to 0.2% from 5.6% in 2022. High inflation negatively influenced households' disposable income and affected their level of consumption, while investments were affected by high interest rates and weaker demand both domestically and abroad. With the major negative impact in the first quarter of 2023, the Polish economy improved steadily during 2023.

The sum of internal market factors implies far better economic growth prospects compared to 2023. State intervention increased in 2023, both in terms of fiscal policy (i.e. social policy, 'Anti-inflation Shields', frozen electricity prices, etc.) and the National Bank of Poland's monetary policy (i.e. interest rate cuts). Nevertheless, the challenges resulting from a high inflation rate, legislation changes related, inter alia, to the influx of EU funds, or a rapid increase in the minimum wage will continue to impose a significant burden on enterprises. Current market consensus expects the Polish economy to grow in 2024 by ca. 3% yoy.

Inflation

Average annual CPI in Poland reached 11.4% in 2023, slightly less than in 2022, when it reached 25-year high



level of 14.4%. However its level was steadily decreasing towards the year-end: from 18.4% peak in February to 6.2% in December. According to current market consensus, CPI in 2024 should come at around 4–5%. As a matter of fact, it reached only 1.9% year-on-year in March 2024, which was the lowest CPI inflation read in Poland in almost five years. However, it is expected to increase again in the remainder of the year driven up, inter alia, by an increase of VAT for food, higher energy and gas tariffs, and a lower comparable base for fuel prices.

Disposable income

The average monthly disposable income per person amounted to PLN 2,678 in 2023 and grew by strong 19% year-on-year (versus growth of 9% in 2022). It has been continuously growing year after year in the past two decades. It represents the money available to households for spending on goods or services and for savings growth.

Unemployment and labour costs

The unemployment rate in Poland at the end of 2023 was 5.1%, relatively stable in comparison to 5.2% at the end of 2022. The Polish labour market again appeared resilient to external shocks – first the COVID-19, then the war in Ukraine, geopolitical tensions and inflationary pressure.

Expected economy revival in 2024, with European funds inflow, will support labour demand on the market. The increase in demand will meet with limited workforce supply due to already existing shortages in some industries 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, with estimated level of ca. 5.0% in 2024.

Interest rates

The rising inflation rate has led to a sudden surge in interest rates in Poland in 2022. In 2023, the inflation rate in Poland reached its peak in the first quarter (18.4% in February), then it began to fall in subsequent quarters. Responding to these developments, the Monetary Policy Council decided to cut interest rates twice in 2023, in September and October, by 100 bps, to 5.75%. Inflation is expected to further subside in 2024 to mid-single digit levels. The market expects a modest cut of interest rates in 2024 and more substantial one in 2025. Currently, over 50% of our debt is effectively based on a fixed interest rate until mid-2026, so higher interest rates should have no major impact on our interest expense until then; especially that further interest rate cuts are expected in the wake of receding inflation.

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 2023, the Polish zloty gained 7% against the euro and 11% against the US dollar. Any potential depreciation of the Polish zloty 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 high penetration in most segments. 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 digital transformation of Polish enterprises. The telecommunications market is also evolving in terms of technology. Fibre has become the leading fixed broadband technology and we are already in the rollout process of 5G mobile network as the C-band auction has been finally conducted on the Polish market in 4Q 2023. 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.

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 have 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. The market landscape changed significantly in 2019 thanks to mobile operators increasing tariffs in a 'more for more' formula. Convergence became the leading formula to compete for household customers. This triggered acceleration in market consolidation mainly between fixed and mobile players. Fibre coverage also started to play an increasingly important role in the market players' strategies. A need to invest, high inflation and relatively low prices of telecom services build expectations that the market participants will continue to focus on value generation. Notably, the Polish market is characterized by 24-month loyalty contracts, which make it difficult for telecoms to pass inflation to their customers in the short term.

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

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

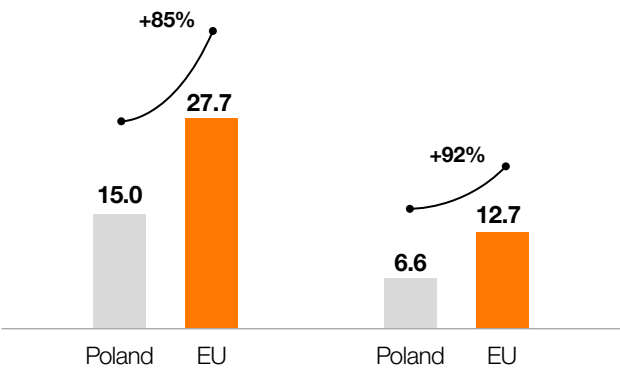
- A very high level of price competition in mobile services was exacerbated by several price wars in both the B2C and B2B segments, mainly between 2010-2013. This has led to prices in Poland being among the lowest in the European Union. The key disruptor was Play, a latecomer to the market, which pursued an aggressive strategy to gain 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.
- 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.

Trends observed in the past few years and the future prospects are more benign, with more 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 also including other elements of the offer and quality of customer care. This is

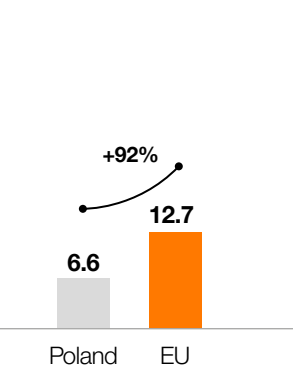
mainly driven, on the one hand, by the relatively low prices of telecom services compared to other EU countries and growing disposable income; and on the other hand, by the need of operators to invest in infrastructure and to mitigate cost inflation. Prices of telecom services in Poland continue to be among the lowest in the EU. Value creation is at the core of our commercial strategy. We have continued our ‘more for more’ strategy in 2023, increasing the prices of fixed broadband services and convergent packages in return for more benefits for customers. In the first quarter of 2024 we followed with another price adjustments in post-paid mobile-only tariffs on the consumer market as well as in pay-as-you-go prepaid tariffs.

Chart: Broadband price comparison [in EUR]



Source: 2022 UKE report/ Strategy Analytics Price Benchmarking

Chart: Mobile ARPU comparison [in EUR]



Source: 2022 UKE report/ Analysys Mason

- **Fixed-mobile convergence at the core of commercial strategies:** Convergence – sales of mobile and fixed-line service bundles – has been 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 (predominantly based on fibre), while leading fixed operators have entered the mobile market. This is conducted either through wholesale agreements or through acquisitions. Rapid development of wholesale agreements has mainly been facilitated by emerging fibre network operators that provide only wholesale services, for example Światłowód

Inwestycje (a JV of Orange Polska and APG), Fiberhost, Nexera and Polski Światłowód Otwarty (PŚO, a JV of Iliad and InfraVia). This allows mobile-only players, like T-Mobile, to reach a substantial footprint for offering services based on fibre and convergence without making their own investments in the network rollout. Proliferation of the fibre footprint available for all players is also driven by fibre networks built within the EU funds, like the National Recovery Plan (KPO) and the European Funds for Digital Development (FERC). 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 2023, we attracted 1.7 million customers with our convergent offer.

- **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 of the mobile operators – Plus (Cyfrowy Polsat) and Play – acquired, respectively, the fixed-only companies Netia (the leading alternative fixed-line operator) and UPC (the largest cable company). 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 have 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 with internet access in the fibre technology might have grown by over 1 million in 2023, exceeding 11 million,

which would correspond to approximately 70% of all households in Poland. This growth resulted from the continued investment projects financed with EU funds, 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 market share of over 1% (data for 2022). 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. After the breakdown of the COVID-19 pandemic, access to high-speed broadband became even more necessary for both businesses, owing to the need to quickly shift a significant portion of operations from offline to online, and households. The growing digitisation level and increased data consumption validate the market need for investments in fixed broadband technologies.





- **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 development of both fixed (FTTH) and mobile networks (4G and 5G) is crucial.
- **5G is finally on:** The long awaited auction for the C-band (3.4–3.8 GHz spectrum dedicated for 5G) was completed in December 2023, with each of the four major operators gaining a 100 MHz frequency block. The new frequency has almost doubled our total mobile spectrum resources. Owing to its characteristics, it is a capacity band, which, above all, will enable us to increase markedly the capacity of our network and manage more effectively the ever growing data transfer, ensuring the best connectivity to our customers. Due to delays in the C-band auction procedure, we have offered 5G services in the 2100 MHz band through Dynamic Spectrum Sharing (DSS), which allows dynamic allocation of spectrum resources to 4G or 5G as required. The C-band opens new opportunities in this respect, enabling the provision of services of much higher speed and efficiency, thus supporting our value-based commercial strategy. In the long term, this band

should gradually open a whole array of new commercial opportunities, mainly for business customers. In particular, 5G will enable the creation of digital ecosystems for business transformation called campus networks. Manufacturing processes will be automated, and because production robots will communicate between one another, these processes will become much more efficient. Under our strategy, we want to be the market leader in mobile private networks. We believe that the 5G network will be a catalyst for the development and commercialisation of new solutions in the market, that will be gradually revealed over many years to come.

- **Pay TV – OTT content is increasingly popular but linear TV is still strong:** Operators on the telecommunication market are targeting households with a fixed and mobile bundle enhanced with content services. OTT is the growth engine of the Pay TV market – driven by many providers including Netflix, HBO, Viaplay, Disney+, Amazon Prime Videos and more. Within the last few years these services have gradually become an important part of standalone and convergent telecom offers. While OTT services are gaining a lot of popularity and attention from telecom providers, traditional linear TV continues to be strong in Poland. The leading technology has become IPTV driven by fast proliferation of fibre access networks in Poland, while once very popular satellite TV (DTH) is losing ground.

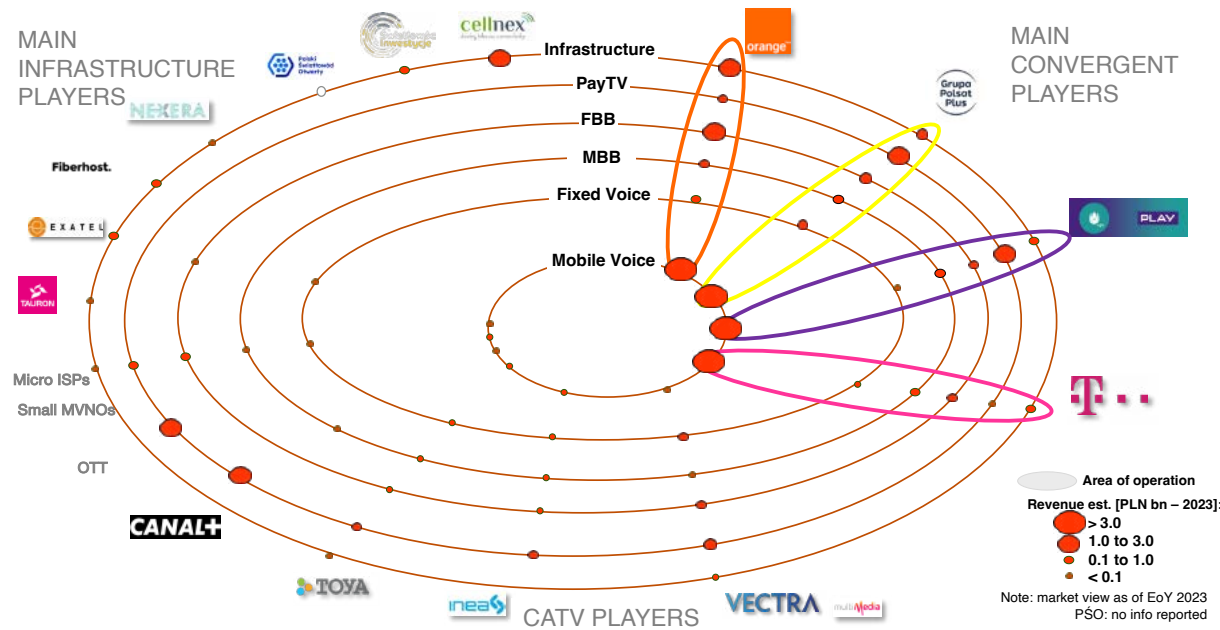
Orange Polska: a key player in all market segments and well positioned to benefit from market trends

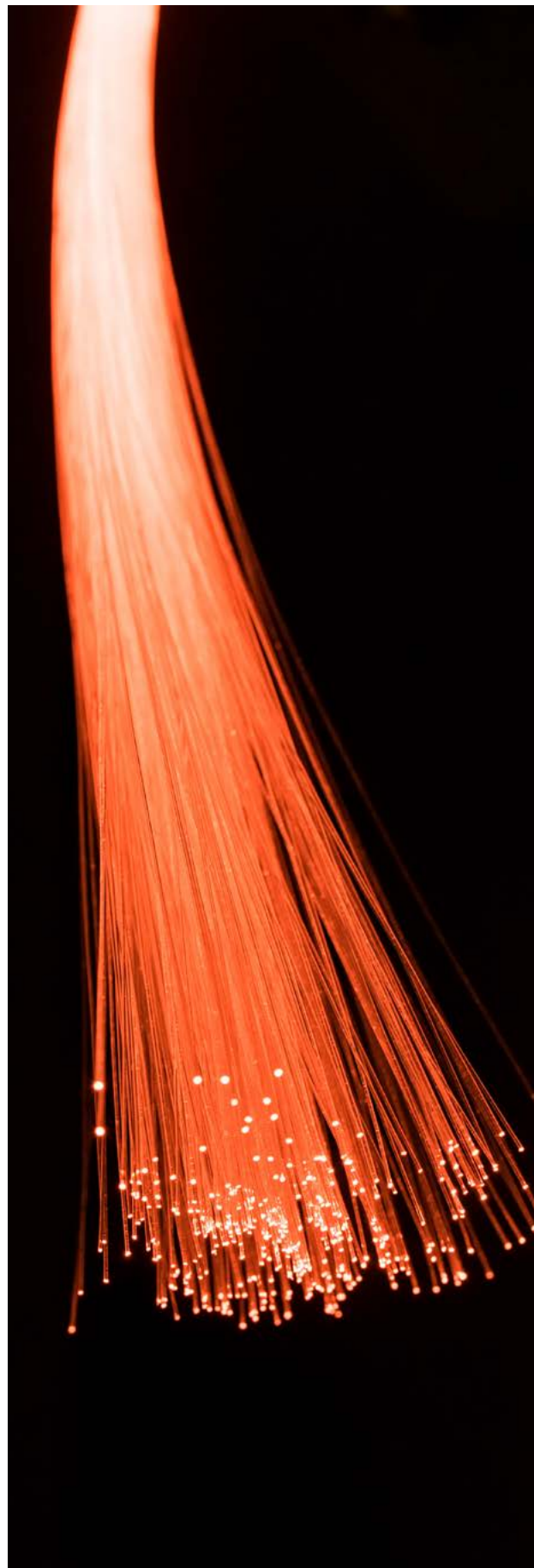
Orange Polska is the leading telecom operator in Poland operating in all market segments. We have the largest customer base in both the fixed and mobile segments as well as the largest share of telecom infrastructure in Poland. Following successful implementation of the Orange.one strategy in 2017–2020 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 investment in the fibre network, pursuing a convergence value strategy, and development of the ICT area supporting sales to business customers. Development of business lines with growth prospects as well as exploring unique market opportunities were necessary to offset ongoing pressure on our revenues coming 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 .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 2023, the third year of implementation of this ambitious strategy, our performance confirmed that we are on track to reach the objectives we set ourselves, despite exceptional headwinds related to the external environment. Thanks to strong fundamentals, we increased our revenues, profits and cash generation and improved return on capital employed. Key to more than 3% yoy EBITDAaL growth was strong performance by all key business lines fuelled by our commercial value strategy. It was essential to mitigate the heavy impact of inflation on our costs. ARPO growth in all key subscription services accelerated and was coupled with healthy growth of customer bases: this confirms that customers appreciate the qualities of our multi-service offer. We are satisfied with these results, especially when we take into account the more intensive competition in fibre and convergence. This is a consequence of more and more infrastructure being provided by FiberCos that are open for retail competition. This change requires us to be agile and innovative in our marketing strategies to be able to meet our ambitious commercial goals. The results we achieved last year confirm that we are well on track to deliver on our objectives as set in the .Grow strategy. We expect to sustain good momentum in 2024, following our priorities aligned with the .Grow strategy.

Polish Telco Market





Supply chain

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

Responsibility in the supply chain

We want to co-operate with partners that share our business ethics and work with us on delivering social and environmental commitments.

Orange Polska has introduced the Code of Conduct for Suppliers. It seeks to encourage our partners to apply and comply with regulations on human rights, business ethics and social and environmental commitments, as well as to ensure that they are faithfully and effectively enforced.

The Code covers the following areas:

- Social responsibility: freedom of association and the right to collective bargaining, prohibition on the use of slavery, forced labour and child labour, non-discrimination and diversity, inclusion, remuneration, working hours, and health and safety;
- Climate and environmental responsibility: fight against climate change and environmental protection, reduction in greenhouse gas emissions, energy consumption, raw materials, product composition, natural resources and waste management, pollution prevention, environmental permits and reporting, and conservation of biodiversity;
- Prohibited business practices: anti-corruption policy and influence peddling, competition, partnerships, sponsorship, political contributions, money laundering, and data security and protection.

The Code of Conduct for Suppliers has been published and incorporated into contracts with suppliers through a CSR clause, which is mandatory in all types of purchase contracts. Pursuant to the clause, the parties undertake to comply 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 human health and safety 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.

The Code of Conduct for Suppliers of Orange Polska S.A. is an integral element of the CSR clause, which is mandatory in any contracts with Orange Polska's partners. Another mandatory element is the Compliance clause, which determines anti-corruption rules and addresses the issue of economic sanctions.

Furthermore, for suppliers from the areas with the highest risk to human rights and the environment, we have introduced the requirement to get a positive EcoVadis rating (or another comparable CSR rating). The assessment covers the following areas: environment, labour and human rights, ethics, and sustainable procurement. The score is accounted for in the analysis of offers in the procurement procedures carried out by Orange Polska.

At the global level, the Orange Group is a founding member of the Joint Alliance for CSR (JAC), an association of telecommunications operators aiming to verify, assess and apply corporate social responsibility practices among global suppliers in the ICT sector. A total of 27 telecoms operators have joined the initiative so far.

JAC has pooled the results of production site audits conducted by various members since 2010 for over 600 high-CSR-risk production sites in 45 countries and at different levels of the supply chain (Tiers 1, 2 and 3). These results are taken into account in the selection of suppliers within various Orange entities, including BuyIn. Thanks to JAC, members are not alone in managing new sustainability challenges affecting the entire supply chain, such as climate change, the implementation of circular economy principles, and the fight against new forms of human rights violations and labour exploitation. In this respect, JAC has established dedicated working groups in order to adopt common positions and a shared methodological approach aiming to anticipate, monitor and measure the implementation of these principles in order to respond more effectively to the new duty of vigilance regulations.

In 2023, JAC conducted 150 audits, including 123 on-site audits carried out directly by JAC and 14 VAP (Validated Assessment Program) audits conducted by the Responsible Business Alliance (RBA). JAC also performed 13 confidential surveys of 10,242 workers over the phone, specifically about their working conditions.

These actions made it possible to reach also Tier 2 and Tier 3 suppliers (57% of audits and investigations). JAC's actions in 2023 led to creating 890 corrective action plans, 45% of which related to occupational health and safety, 18% to excessive working hours and 11% to non-compliance with environmental standards. 18% of the sites audited achieved a JAC CSR score of "Excellent", 46% received a "Good" JAC score (with space for improvement), 11% received a "Conditional Acceptable" JAC score, and 25% received a "Poor" JAC score.

Building long-standing relations with suppliers

In 2023, we co-operated with 3,006 suppliers in Poland, including subscriber and network equipment vendors, network contractors, IT equipment vendors, 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. About 96% 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 96%. The standard term of payment to suppliers is up to 30 days (for 93% of contracts).

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.

Currently, almost 97% of orders (by volume) are placed electronically, via an online procurement tool that automatically analyses the submitted offers. Moreover, suppliers who want to co-operate with Orange Polska can register in a database of potential suppliers, which allows them to participate in the Company's procurement processes.

Social

The Polish economy has clearly suffered from high inflation induced by the war in Ukraine and growing costs of energy, petroleum products and transport by sea, as well as monetary policy and growing government spending. The Polish economy also experienced a decrease in real wages due to inflation levels exceeding wage dynamics. Such a situation has influenced the economy, with shrinking budgets of households inevitably impacting consumption levels and ushering a period of economic stagnation. The situation is expected to gradually improve in 2024. Falling inflation (reaching low single digit in 1Q 2024), real wage growth and growing social expenditure should benefit consumption, fostering economic growth. Following a period of economic stagnation in 2023 with GDP growth at 0.2%, according to the European Commission's projections the economic growth is expected to accelerate to 2.7% in 2024 and, in connection with the launch of new investments financed with EU funds, to 3.2% in 2025.

Despite falling inflation, high energy prices and growing costs of living remain a challenge for Polish consumers. According to Statistics Poland (GUS), electricity prices in the retail market increased by over 21% despite the so-called Solidarity Shield still in force. According to different methodologies, 9–32% of households in Poland were 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). Unfreezing of energy prices in

mid-2024 can exacerbate these problems, especially that low-income households were hit especially hard by the earlier inflation crisis.

There was a marked increase in income inequality over the past few years: the Gini coefficient for disposable income reached 31.9 in 2021, which was the highest level since 2015. However, this growth was contained in 2022 (at 31.4), particularly owing to an increase in tax-free allowance (to the level corresponding to 50.3% of the average wage in Poland in 2023). Furthermore, the share of the poorest households in the total disposable income has been steadily falling since 2017. Six years ago, 10% of households with the lowest-income had 2.9% of the total income at their disposal, while in 2022 this figure fell to just 1.2%.

The situation in the labour market remains stable, with a very low unemployment rate (at 5.1% in December 2023) and a growing level of economic activity. Since the start of the pandemic, the economic activity rate for the 15–65 age group has grown by more than 4 pp., from 70.6% to 75%, reaching a level close to the European average of 75.2% for the first time since Poland's accession to the EU. This trend can be attributed to a combination of growing imbalance between labour demand and supply, which has forced employers to offer increasingly better employment conditions, and the society's ageing process (i.e. a decrease in both the working age population and new entrants to the labour market).

The problem that remains urgent is that the employment rate varies considerably across educational attainment levels and with respect to gender. Although the difference in economic activity of women and men has been falling (according to BAEL, 79% of working-age women vs. 84.3% of working-age men worked in Poland in Q4 2023), the education employment gap remains significant and is one of the biggest in Europe. At the end of 2023, the employment rate in the 20–64 age group was almost 91% for people with tertiary education, but slightly over 73% for people with upper secondary education and only 48% for those with primary or lower secondary education. Overall, the employment rate in this age group remains markedly lower than the EU average of 58.8%.

A major development in this context, having also a much broader social impact, was Russia's military aggression against Ukraine, which forced millions of refugees out of the country. According to official (incomplete) data as of April 2023, 1.4 million Ukrainian citizens held a residence permit in Poland, while more than one million enjoyed temporary protection under the Act of 12 March 2022 on Assistance to citizens of Ukraine in connection with the armed conflict on the territory of the country (Journal of Law of 2022, item 583). The latter figure slightly decreased in subsequent twelve months, to 950,000 people in April 2024. A study conducted by Migratory Consortium has shown that 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. Almost 233,000 Ukrainian children joined Polish schools and 45,000 entered the preschool care system. 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. However, their future is uncertain due to the impending expiration of the special act. Furthermore, Poland's economy has been absorbing a growing number of migrants from other countries, predominantly Belarus, but also from outside Europe.

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, consciously and safely which has become a social challenge.

Human rights

The Company has implemented the Human Rights Policy in Orange Polska. It 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.

The Policy includes a set of guidelines for counteracting the Company's negative impact on respect for human rights throughout the value chain as well as minimising the related risks.

Aware of its impact in the human rights area, Orange Polska has committed to ensure respect for the universally recognised human rights and avoid causing or contributing to adverse human rights impacts, and thus human rights infringements, through its own activities, products and services or business relations. The Company has also committed to prevent or mitigate the effects of any adverse human rights impacts that have occurred even if it has not directly contributed to them, and to take remedial actions if any adverse human rights impacts have occurred.

Orange Polska has committed to respect human rights enshrined in generally recognised international standards, including:

- Universal Declaration of Human Rights;
- International Covenant on Civil and Political Rights;
- International Covenant on Economic, Social and Cultural Rights;
- United Nations Convention on the Rights of the Child with its Optional Protocols, particularly the Optional Protocol to the UN Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography;
- United Nations Convention on the Rights of Persons with Disabilities;
- International Labour Organization Declaration on Fundamental Principles and Rights at Work and the fundamental conventions of the International Labour Organization.

While implementing its Human Rights Policy, Orange Polska shall also abide by the principles set forth in the following documents:

- United Nations Guiding Principles on Business and Human Rights;
- OECD Guidelines for Multinational Enterprises;
- OECD Due Diligence Guidance.



Orange Polska also complies with the UN Global Compact and Global Network Initiative principles of privacy and freedom of expression.

Furthermore, in its activities the Company accounts for other commitments undertaken by itself and the global Orange Group, such as the French Corporate Duty of Vigilance Law and Code of Ethics, as well as the requirements resulting from both national and international law.

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

■ Employees and outsourced workers

We strive to respect all human rights of our employees and outsourced workers, focusing our activities on the following areas:

- Equal treatment and opportunities;
- Right to health and a safe workplace;
- Freedom of association and collective bargaining;
- Ban on forced labour and slavery;
- Ban on child labour.

■ Customers

Also in relations with our customers we respect human rights, particularly:

- Right to privacy;
- Right to personal safety and health;
- Right to freedom of expression;
- Right of the child to development, health and safety;
- Right to equal treatment and non-discrimination.

■ Local communities and social environment

We want to have a positive impact and contribute to sustainable development of the communities in which we operate by supporting the following:

- Access to and the right to education, work, culture and entertainment;
- Right to health and safety;
- Right to clean, healthy and sustainable environment.

■ Additional activities supporting respect for human rights:

- Countering corruption.

We strive to ensure respect for human rights across the entire supply chain in relations with our suppliers, subcontractors and business partners. At the same time we expect them to respect human rights in their business activities.

Therefore, we have introduced the Code of Conduct for Suppliers and we are implementing a management system for monitoring the compliance with the principles enshrined therein. We also co-operate with our partners in order to implement responsible practices in the extraction of natural resources, including conflict minerals. Suppliers with high ESG risk exposure have been obligated to have an audit by EcoVadis (more in the section on the Supply chain on page 32). In order to raise awareness of human rights, the persons responsible for procurement procedures undergo CSR and human rights training. In 2023, 98% of employees involved in procurement processes completed such training.

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.

Human rights risks and the mitigation measures assigned to them are subject to an annual review, and the results are reported to the Management Board and the Audit Committee of Orange Polska.

Human rights risks and related mitigation plans are described in the Risk Management chapter on page XX.



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 up to 5% of global CO₂ 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, in line with the Science Based Targets Initiative methodology. In addition to the efforts we make to reduce the impact of our own operations on the environment, as a provider of telecommunications 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 implement circularity into our operations, regarding personal devices and infrastructure: 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 as well as end users of the products and services offered. 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 organic abatement of 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.

	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 a 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 transparent dividend policy; growing return on capital employed. (pp. 90-94)
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. 22-25)
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; opportunities for development. (pp. 120)
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. 32-33)
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; favourable terms. (pp. 32-33)
Government and regulators 	As our industry is regulated, it is essential for us to establish and maintain constructive relationship with the regulator.	Maintaining a constructive dialogue with 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; investment in disadvantaged communities. (pp. 16-17)

	Why it is important to engage	Ways we engage	How often we engage	What matters most to them
Communities 	Empowering local economies strengthens the socioeconomic context in which we operate.	Co-operation with communities; programme partnership with educational and social institutions.	Regular and ongoing contact.	Investment in infrastructure; social investment in communities. (pp. 121-133)
Climate & Environment 	Responsibility for the impact on the climate and environment - mitigating climate change and adapting to changes.	Co-operation with organisations and institutions working for the environment and climate.	Regular and ongoing contact.	Implementation of climate policy and goals regarding zero emissions and circular economy (pp.96-109)

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 its long-term success. The details of Orange Polska's corporate governance are described in the Corporate Governance Chapter of this report on page 140.

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 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, and by creating friendly and inspiring work environment for them we can grow as a company.

In order to be close to the needs of our 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 (being 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 110.



02

Strategy

Q&A with Liudmila Climoc, CEO and President of Management Board



Q: It has now been more than six months since you came to Poland. What are your impressions on the Polish market and Orange Polska?

Polish telecom sector is highly competitive, fragmented on the fixed services side but attractive with promising growth prospects. Despite the market’s maturity, ongoing fiberization efforts and further development of 5G technology present numerous opportunities for market participants. Convergent strategies have become a key focus for all major market players, a model that Orange Polska embraced several years ago.

I believe that telecom sector will continue to prioritize value, with competition centered around infrastructure quality, service excellence, and customer experience. This is especially important taking into account the fact that telecom service prices in Poland are highly competitive compared to other European countries, making Poland a benchmark for offering high-quality services at reasonable prices despite ongoing cost inflation.

Recent years have tested Orange Polska’s ability to execute its strategy and achieve growth. We are delivering on our goals despite the fact that we designed .Grow strategy in a completely different macro environment. Despite all external and macro-economic challenges we are growing every year. 2023 was the 6th consecutive year of EBITDA growth. Importantly this performance is attributed to profitable revenue expansion, combined with transformational initiatives aimed at optimizing our cost structure.

This illustrates that strategy is well executed, our business is resilient to macro headwinds and we have the ability to adapt to rapidly changing environment. Our strengths lie in our robust core business, superior networks and a wide range of high quality services. We are using assets that we have built – our extended mobile network and strong fiber footprint, that we are monetizing both on retail but also on wholesale part.

Furthermore, our people are a major asset of Orange, demonstrating strong commitment and professionalism. I could feel from day one since arrived the dedication of our teams to achieving results and meeting our business goals.

So there is a lot of opportunities and, of cause, many challenges ahead of us. I am an optimist and I see a strong potential of our company that we will further explore.

Q: Orange Polska is on track to deliver goals of its .Grow strategy but what could still be done better or faster?

Orange Polska is making solid progress in achieving the goals outlined in its Grow strategy. However, there are areas where we can further enhance our performance, releasing the potential. Efficiency is a key area of focus where improvements can yield significant benefits. We need to continually seek opportunities for optimization, particularly in our use of digital tools. While we’ve made progress in this area, there’s still room for improvement, especially in our customer interactions. By leveraging digital channels, we can reduce costs and improve our responsiveness to customer needs. Implementing machine learning and AI models in managing customer interactions will enable us to offer better personalization and quicker service, ultimately leading to increased sales and customer loyalty. We’re also working on AI-driven tools to optimize network maintenance costs, with major projects underway.

While we’ve made notable progress in certain areas, there is still significant potential to explore in implementing services based on 5G technology, such as IoT solutions, enhanced connectivity, and big data analytics or private campus networks.

There’s progress to celebrate, particularly in IoT solutions such as Smart City services, business area that has doubled its size both in 2022 and 2023. Inflation, especially of energy prices, drives demand from local governments for solutions like intelligent metering or water management. This helps them to optimize costs and decarbonize.

However, monetization in the area of big data analytics is still ahead of us. One of the reasons is the delay of allocation of the dedicated 5G spectrum, which we have expected to become available much sooner.

Finally, another significant aspect of our strategy is #OrangeGoesGreen with our focus to reduce CO₂ emissions. While we’ve exceeded expectations in reducing Scopes 1 and 2 emissions, achieving a 79% reduction by 2023 compared to 2015 (2025 goal met with two years in advance), there’s still work to be done in addressing Scope 3 emissions.

However, these emissions are largely not in our hands, involving our entire value chain, and accordingly present a more complex challenge. Our focus areas include reducing energy consumption by customers to power home and mobile devices, investments in technical infrastructure, and promoting sustainable practices throughout our supply chain.

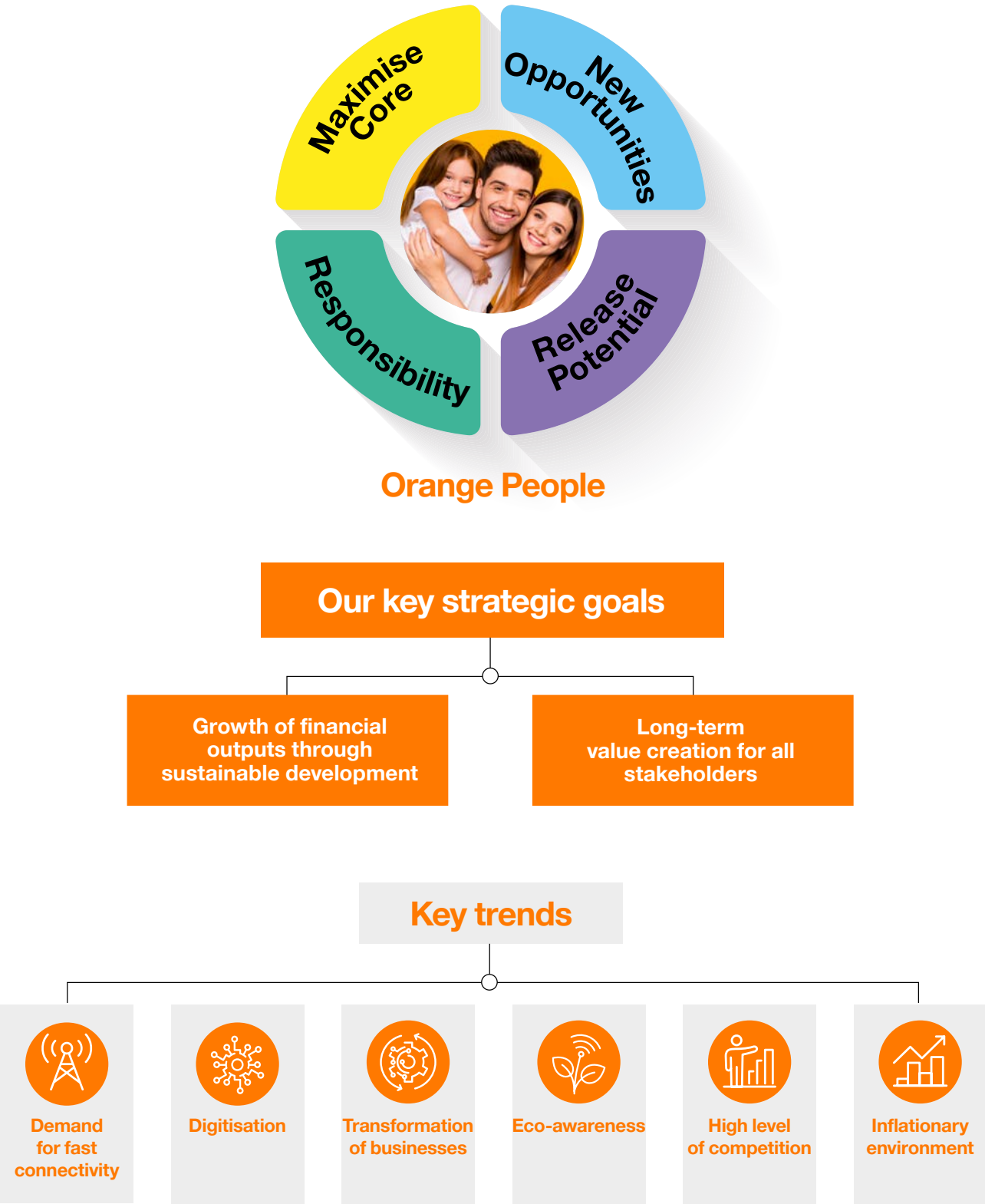
2024 marks the final year of our .Grow strategy. While our focus is currently on executing this year’s goals, we are also working on a new strategic plan set to be announced in the first half of next year. Given the success of the .Grow strategy, there’s no need to deviate from its main directions. Our emphasis remains on our core business, aiming to be a modern telecom that generates predictable streams of revenues, profits, and cash, benefiting both us and our shareholders. We don’t intend to diversify into other activities.

However, this doesn’t mean there won’t be new elements. We will certainly add new dimensions to some of our existing activities to stay aligned with the rapidly evolving world and the changing preferences of our customers. One clear direction is the development of services based on 5G technology. We just obtained a license for C-band spectrum and by the time of new strategy we expect allocation of 700MHz. Another important dimension is the greater exploration of the benefits of artificial intelligence, both in offering solutions to our customers and in enhancing our own efficiency.

I do not want to be more specific at this point as works on the new plan have only started but I am convinced that it will be a platform for us to further increase shareholder value.



.Grow Strategy (2021-2024)



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 were starting .Grow with products that were demanded by customers, assets that supported these products and a progressively more efficient cost structure.

The .Grow strategy was designed to stimulate and accelerate sales and profit growth. Convergence remains a key growth lever on the consumer market, helping us gain and maintain customer trust and loyalty. The arrival of 5G provides a new growth lever, adding a new dimension of connectivity for consumers and businesses. IT and integration services constitute 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. 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 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 has accelerated, 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 savings on indirect costs, while direct margin continued to fall. Our Capex structure gradually evolves 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. Growing EBITDAaL and disciplined investments translate into increasing profits, cash flow generation and growth of return on capital employed. Shareholders’ remuneration is an important part of the .Grow strategy.

Consumer market: convergence based on fibre to remains 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 mobile positioned as home broadband. This allows us to market this offer all over the country, which is very efficient. By the end of 2023, Orange Love had attracted 1.7 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. Other operators are also increasingly in pursuit of a convergence strategy based on fixed broadband, which results in intensified competition. This requires us to differentiate with a comprehensive service offer and quality customer care. We are leveraging the great power of our brand and our excellent image among customers, and also addressing the needs of more price-sensitive customers.

Chart: Convergent customers growth fuelled by fibre expansion

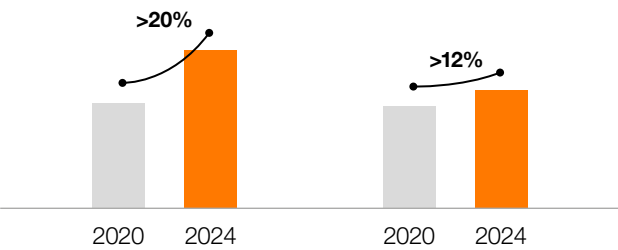
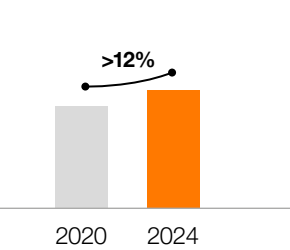


Chart: ARPO growth driven by value strategy and upsell



Fibre – a key success factor

The main success factor to reach our convergent ambitions is further expansion of our fibre reach. By 2024 we intended to increase it by 2–3 million households, 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. During .Grow we are relying much more on wholesale access to networks of other operators. These are mainly the networks constructed by Swiatowód Inwestycje (FiberCo) and other infrastructure players. 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.

Chart: We will further significantly expand fibre reach (m households)

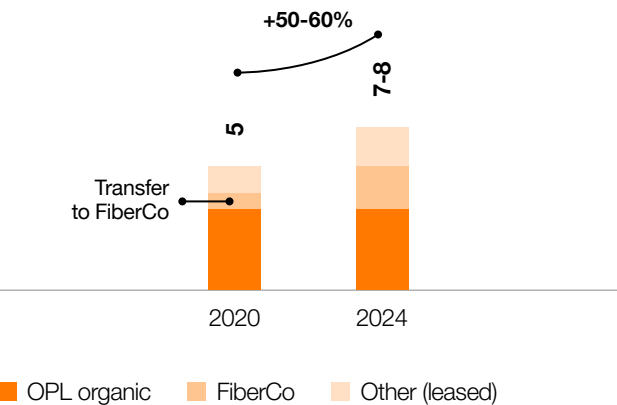
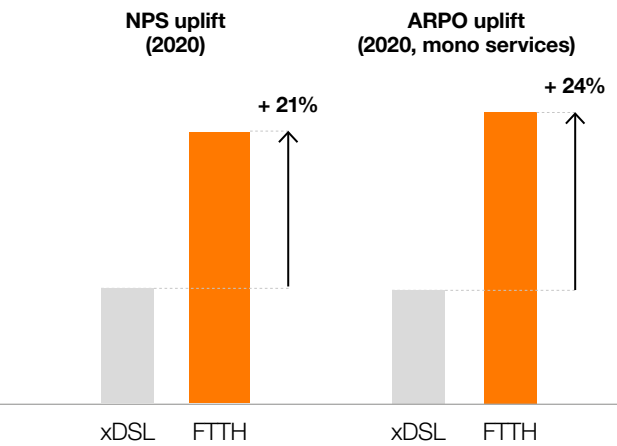


Chart: Fibre value creation



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 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 945 thousands at the end of 2023. More than 94% 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.



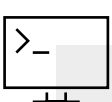
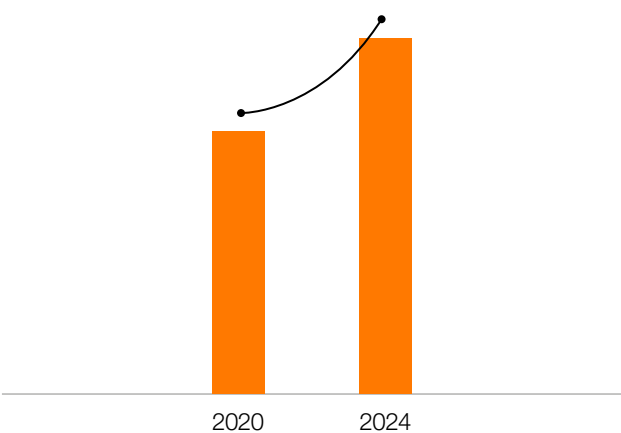
Business market: ICT-centred strategy

Orange Polska is the leader in all business segments of the telecommunications market and a leading player in the ICT market. We travelled a long way from a legacy telco operator to a trusted partner in the digital transformation of Polish corporate, which means that we are successfully combining connectivity services and ICT. 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 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.

The presented plan assumed dynamic growth of ICT revenues at around 10% annually by 2024. It is being achieved 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 is played by further stable growth of our subsidiary Integrated Solutions, the third-largest integrator in the Polish market. And we achieve acceleration in ICT by monetizing 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.

Chart: ICT revenues ambition c.10% CAGR



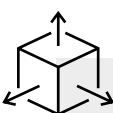
Software & Apps



Cloud & CRM



Cybersecurity



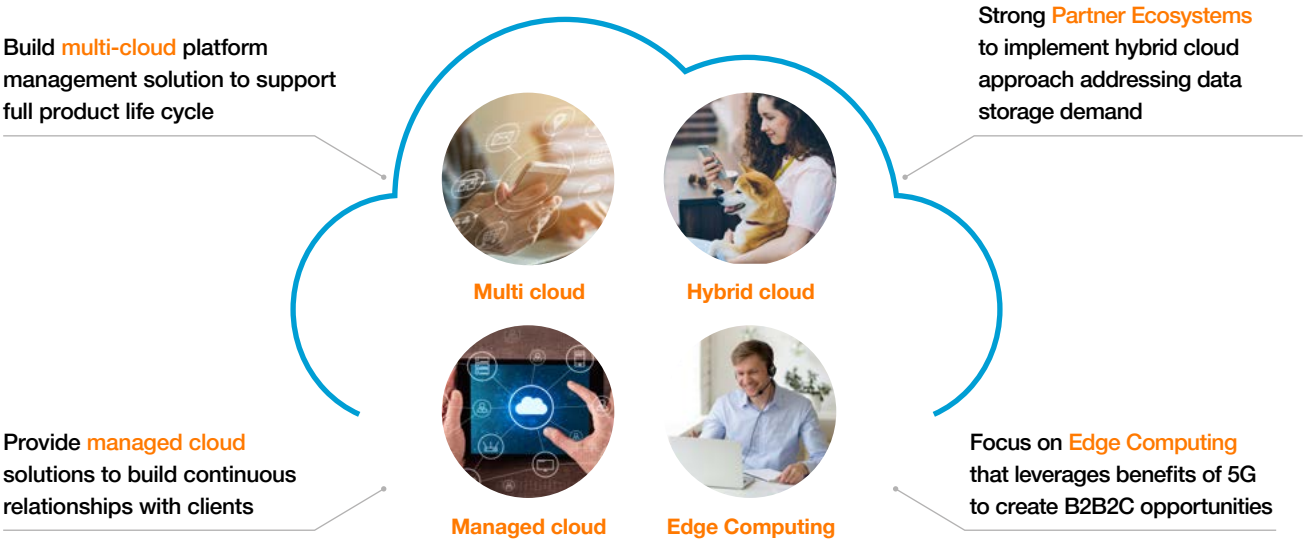
Network & Communication



We are intensifying migration to cloud. In terms of adoption of cloud solutions, Polish companies are still below the European average. Cloud data processing and network virtualisation are the first step in the digital transformation

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.

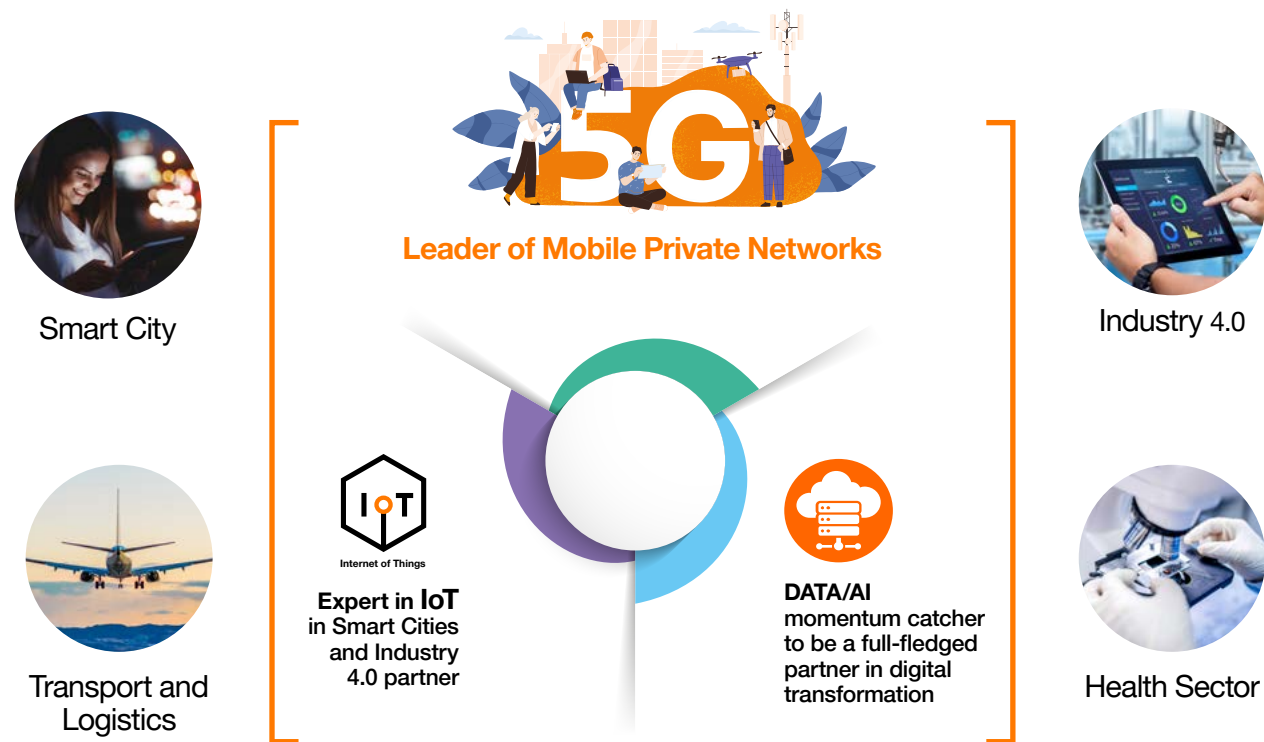
We will be focused on multi-cloud based services



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. As the distribution of the 5G spectrum was significantly delayed this ambition may take longer to be achieved.

We will offer future-oriented solutions based on 5G



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 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 includes 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 are entering the MVNO wholesale market, offering our network to fixed operators willing to enter the market for mobile services.

Releasing potential to be more digital

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 were 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 experience 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 allow us to better position and tailor specific offers for specific customers, translating into increased loyalty. Big data and AI 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 behaviour. It can support investment processes, by helping us recommend specific locations for rollout based on actual traffic and customer needs. We are going to the market with these solutions and further monetising the potential that big data and AI can offer.



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.



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 & AI

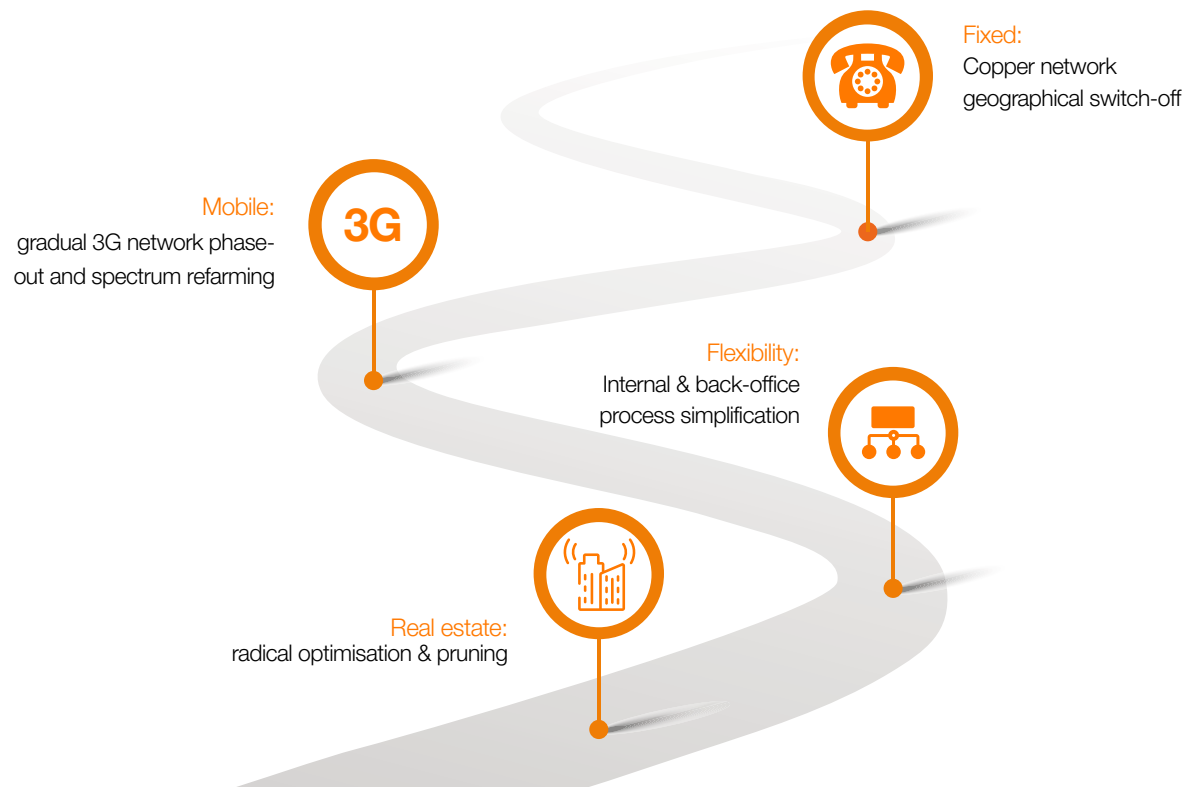


... and simplifying our asset portfolio to release our potential we also need to continue to

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 2025) and, more gradually, copper. They are being 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



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 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%).



Environment

- Net Zero 2040 ambition
 - ~65% CO₂ emission reduction till 2025 mainly thanks to renewable sources
 - promotion circular economy (buy-back and recycling of used or broken smartphones in every Orange store)



Social

- Reducing socio-digital exclusion of vulnerable groups: NPS #1 in senior segment
 - Digital education:
 - 5500 children/year in educational programmes (safety, programming)
 - 75 000 teachers in programmes enhancing their digital skills in 2020-2023



Governance

- Focus on equality in employment:
 - 40% women in management
 - Responsible management and supervision to achieve strategic goals
 - Transparent communication of commitments

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

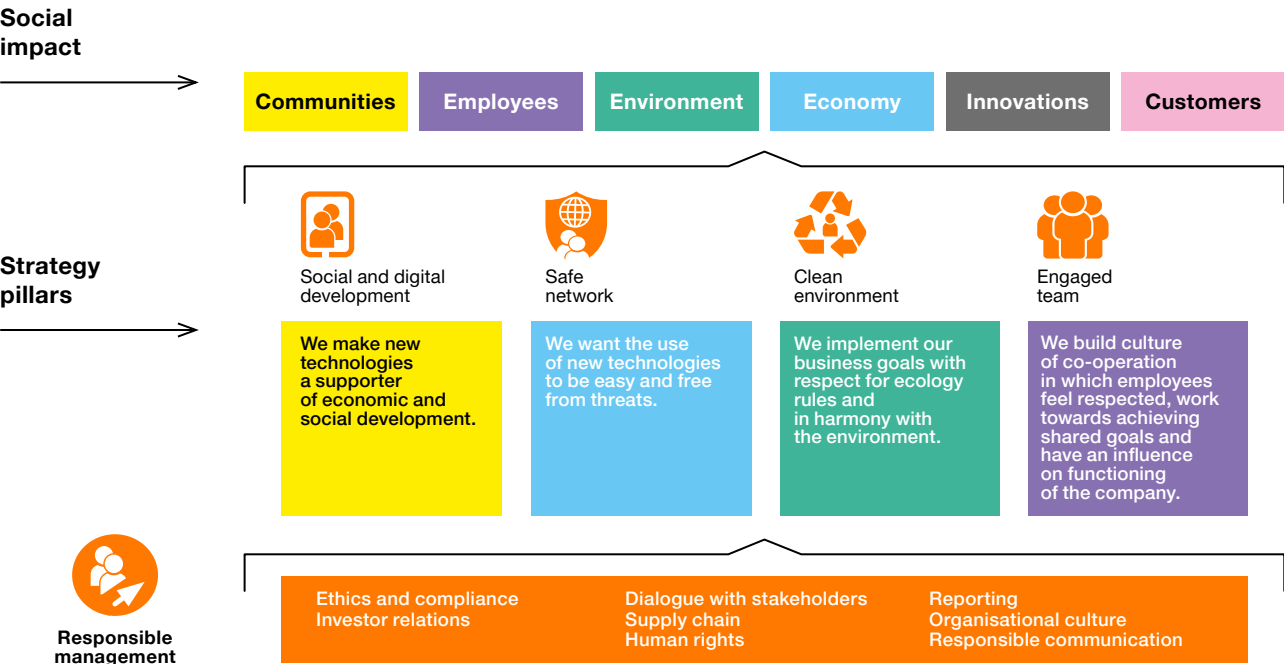
compliance, and our dialogue with stakeholders as a tool for understanding their expectations. On this foundation are based four pillars of our CSR strategy:

- Social and digital development – We make new technologies an ally to economic and social development.
- 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.



.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 were planning to benefit from high operating leverage that would 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 has been revenue expansion fuelled by commercial activity. It makes this growth fundamentally healthier.

We were intending to continue to expand revenues at an average rate of low single digits between 2020 and 2024. Our core business is fundamental to achieving this plan. Within the core business there are three main growth engines: convergence, ICT and wholesale. We were planning 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, are in decline. We are also devising 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 or campus networks. 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

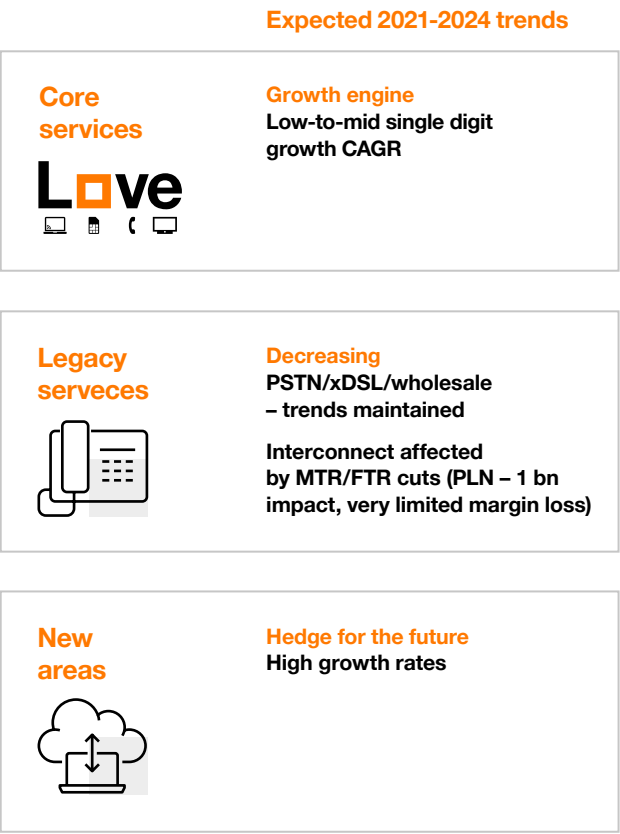
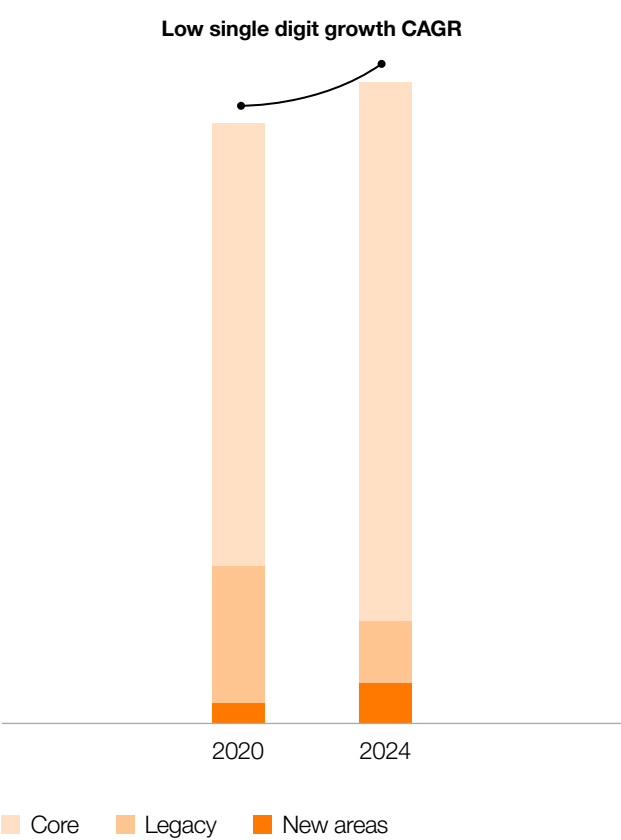
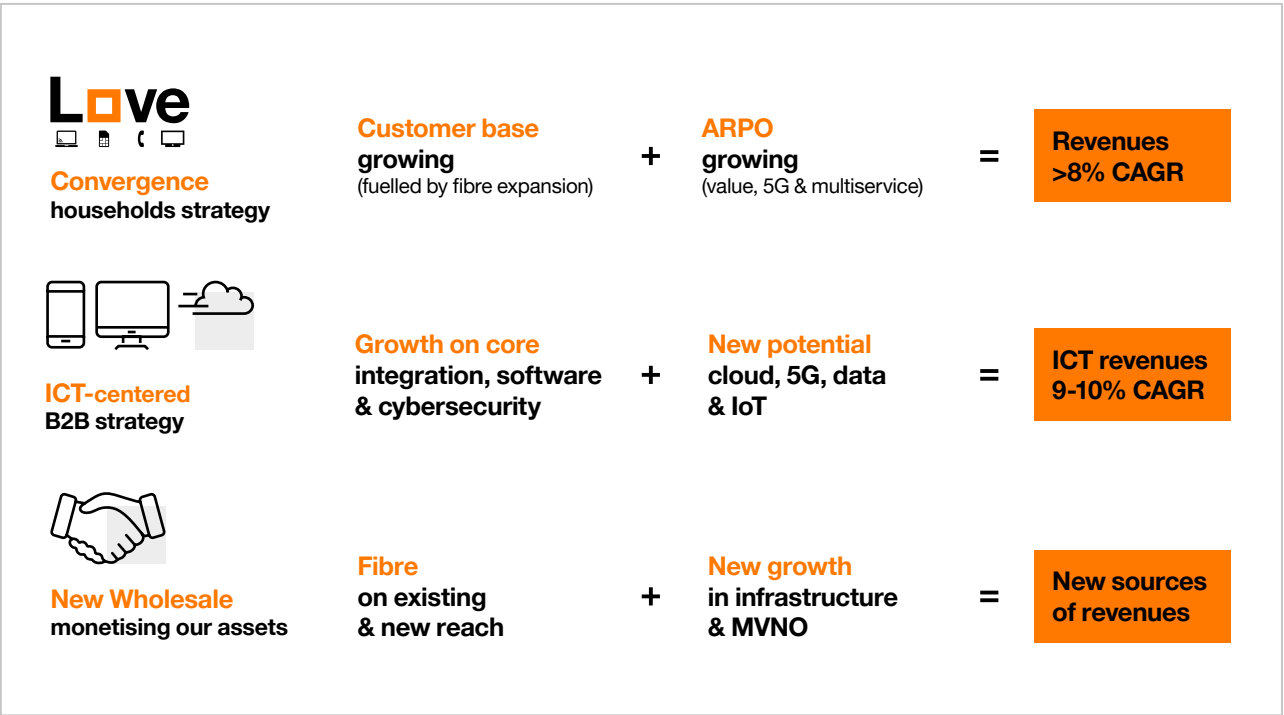


Chart: Total revenues



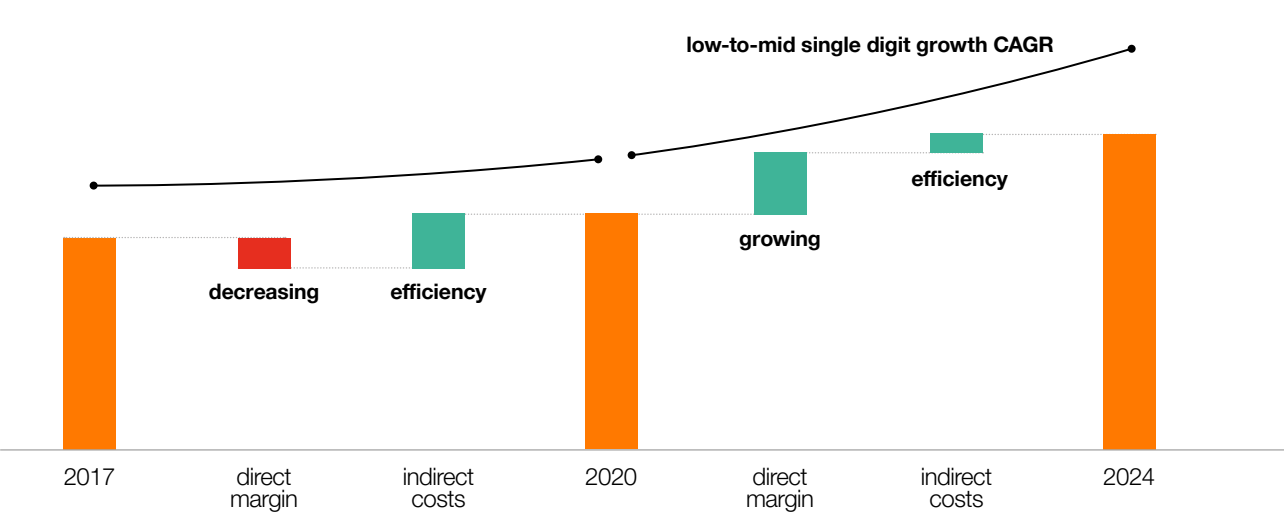
Core revenues key growth drivers



Presenting the strategy, we aimed at expanding EBITDAaL at a low-to-mid single-digit pace. This growth was expected to be predominantly driven by the expanding direct margin, as high operating leverage would allow us to benefit from higher revenues. Growth through commercial development would make our fundamentals much more solid and sustainable for the long term. Our cost transformation continues. Indeed, the

same digitization trends that are enabling our growth leverage also help us drive down costs further still. At the same time, using AI and process automation, we are improving our customer services: a win-win. We have expected that inflationary pressure will offset some of this margin expansion, but enough will find its way to operating profit to be able to grow our EBITDAaL margin.

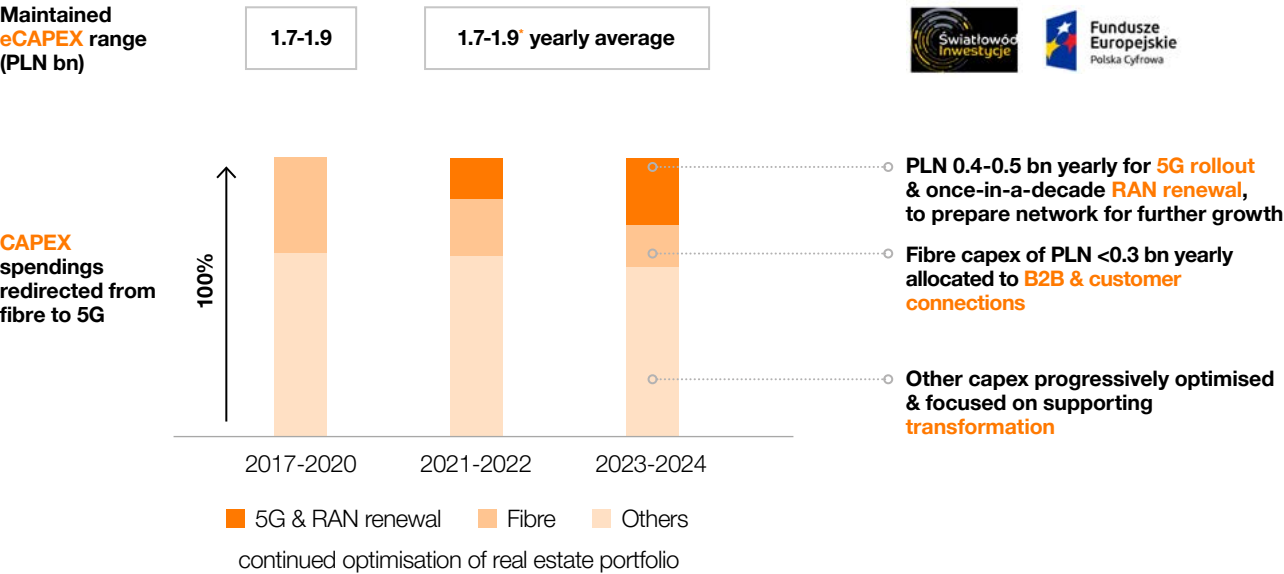
Chart: Both revenue expansion and cost savings will now contribute to EBITDAaL growth



Our smart investment strategy was intended to focus on growth, especially fibre and 5G, and on efficiency. Our Capex structure was planned to gradually evolve from the one driven by fibre to higher share of mobile. It embarks 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 continue to expand our fibre footprint, it does not require significant direct Capex engagement, as it is mainly being realised through partnerships. Despite these significant investments, we have aimed 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.

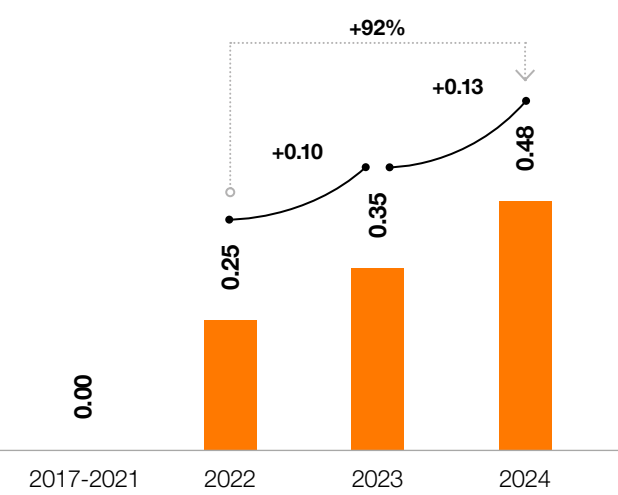
Evolving capex structure but steady average annual level



* subject to final provisions of cybersecurity law; excluding spectrum

As part of our .Grow strategy, we decided to resume sustainable shareholder remuneration and announced our dividend policy. In 2022, we paid a dividend of PLN 0.25 per share from the Company's 2021 profits. It was the first dividend payment since 2016. In 2023, the dividend, paid out of 2022 profits, was raised by 40% to PLN 0.35 per share. In line with our dividend policy, this has become a new sustainable floor for the future. On 19 April 2024, the Annual General Meeting of Orange Polska adopted a resolution to pay a cash dividend of PLN 0.48 per share in 2024 from 2023 profits. This means that the dividend will grow by more than 90% over the period of two years.

Chart: Dividend per share (in PLN)



After three years of strategy implementation, our performance is on-track

Our performance in 2021–2023 demonstrates that our strategic objectives are being implemented, while our operational and financial ambitions are going according to plan. This is despite enormous and unexpected challenges related to the external environment, which include the consequences of the outbreak of war in Ukraine and a huge rise in inflation, especially energy prices. The results achieved prove that our business is built on very strong foundations and that we are able to respond and adapt swiftly to the changing environment.

All our key subscription services have simultaneously expanded the customer base and improved the average revenue that they generate. Orange fibre is already available to more than 50% of Polish households. Fibre customers account now for almost half of all 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 digitization of Polish enterprises owing to our wide competencies coupled with a strong foothold in connectivity.

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 increased ROCE by five times and preserved a very sound balance sheet.

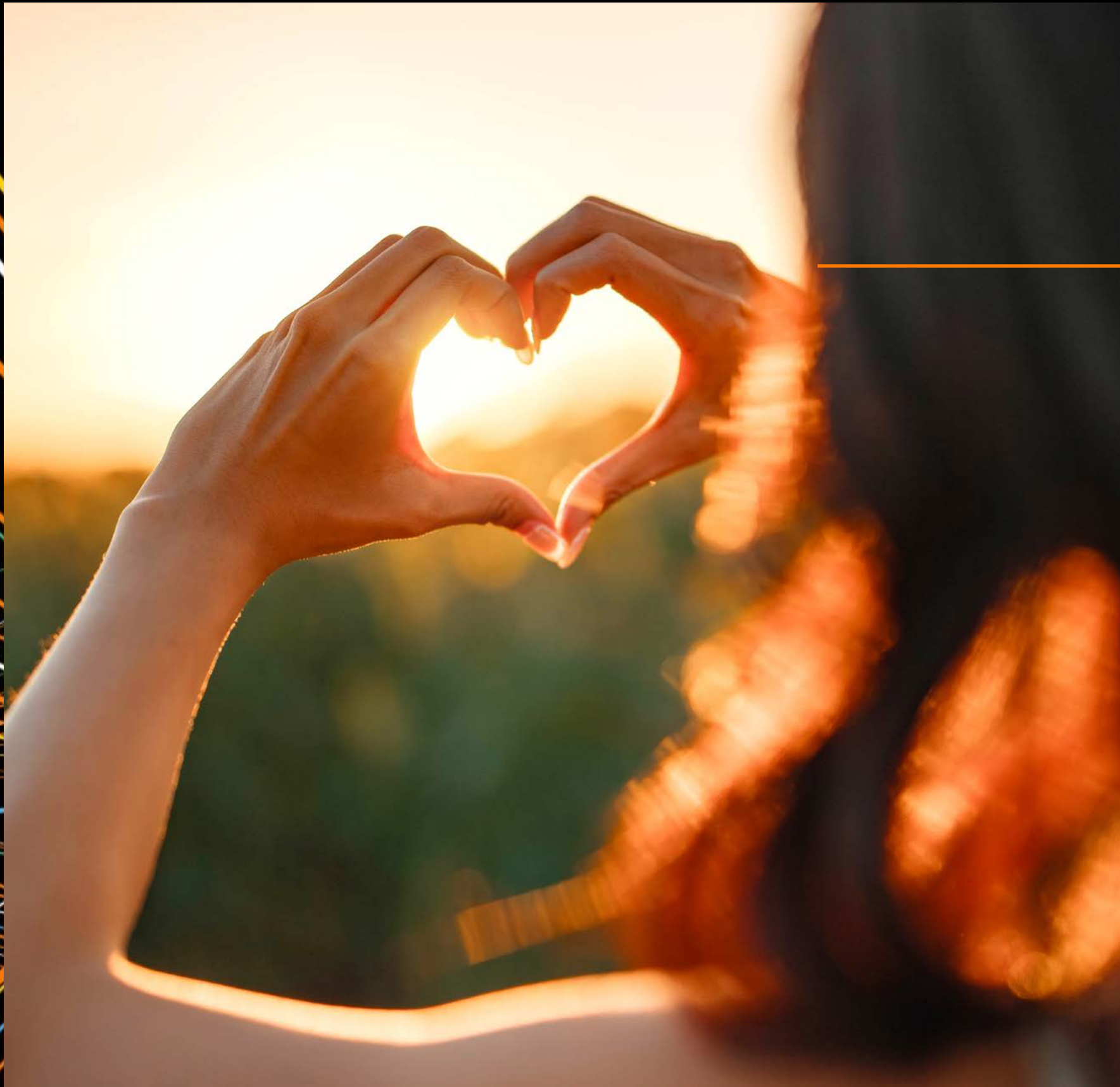
Table: After three years of .Grow strategy we are in line with the plan

	Mid-term guidance (2021 to 2024)*	2021-23 performance
Revenues	low single digit growth CAGR	+4.1% CAGR
EBITDAaL	low-to-mid single growth CAGR	+4.4% CAGR
eCapex (PLN bn)	1.7 to 1.9 yearly average over the period	1.67bn (avg 2021-23)
ROCE	increase 3-4x (vs. 1.6% in 2020)	7.6% in 2023 (5x increase)
Net debt / EBITDAaL	we aim to keep safe balance sheet, with financial leverage in the range 1.7-2.2x**	1.1x (at the end of 2023)

* Subject to final provisions of cybersecurity law and excludes major non-organic changes to OPL structure; CAGR vs 2020

** Long-term prospects for net debt/EBITDAaL





03

Orange Polska in 2023

Q&A with Jacek Kunicki, Orange Polska CFO



Q: How did you manage to mitigate significant inflation headwind to grow your EBITDAaL by more than 3% in 2023?

Our last year's results have underscored resilience of our business to external headwinds and our ability to adapt to these challenges. High inflation in my view is one of the top risks for the telecom industry overall. Please note that the vast majority of our service revenues is derived from subscription contracts that usually have prices fixed for 24 months. As such, our ability to pass higher costs to customers is limited in the short term. Growth of our EBITDAaL last year resulted from the combination of strong performance of core business and ongoing transformation and adaptability of our cost base. As we have contained the increase of our indirect costs, we have preserved our high operating leverage, enabling increase of the direct margin to convert into EBITDAaL and net profit growth.

Our core business performed very well last year, pushing growth of the direct margin by more than 4%. We are simultaneously growing both the customer bases of our core telecom services, as well as the average revenues coming from the average user of these services. The latter has become point of special attention, taking into account high inflation. We have intensified our value strategy, that we have been consistently applying for the past few years. However, looking just at ARPO growth would be too short-term oriented strategy, so only a well-balanced combination of volume and value gives us a right mix to drive margins upwards in a sustainable way.

Our indirect costs increased more than 5% in 2023 mainly due to inflation. The majority of our rental contracts for telecommunications infrastructure, sales outlets and office space are indexed to the previous year's inflation rate, which means that they surged by a double digit rate last year. Similarly, the costs of outsourced services, technical support and customer care have been subject to higher inflationary pressure. Growth in the minimum wage has been a major factor in some of these categories. A lot of this pressure has been mitigated by our numerous optimisation actions. We have achieved savings in property maintenance, network maintenance, procurement and optimisation of various business processes, which benefit from automation and digitisation. In contrast to 2022, when our energy-related costs increased by about 75%, this cost category did not significantly contribute to the evolution of our total costs in 2023 owing to our portfolio of contracts under which we receive energy from wind and solar farms at below-market prices.



Q: Inflation has come down. What are the main challenges to achieve growth in 2024?

We are pleased that inflation has come down a lot in the first months of 2024 but we will benefit from this only in 2025. As our rental contracts are indexed to prior year's inflation, in 2024 we will still be affected by 11% CPI of 2023. So, the impact of inflation on our costs is expected to be broadly similar to 2023. The same applies to the impact of the minimum wage, which in 2024 has been increased again by 20%. This has two effects: it puts pressure on our own labour costs (we have increased minimum salaries in Orange Polska to adjust to market conditions), and it forces some of our suppliers to increase their prices. So, we will definitely continue to feel pressure on our costs, which requires from us to further transform our business and extract the maximum value from all our projects and assets.

Similarly to previous years, the key to the growth in 2024 will be performance of our core business, which brings the most in terms of margin. So, we need to persevere in execution of our commercial value strategy, preserving the right balance between volume and value growth in our core telecom services and bearing in mind that the competition continues to be intensive, especially in convergence and fixed broadband. At the start of 2024, it looks that achieving growth in the ICT area may be more challenging than in previous years. It undergoes a cyclical slowdown resulting from the broad IT market downturn and lower demand from the public sector. ICT is an important value driver for us, increasing our competitive position on the business market, and we are confident in its potential in the future. We anticipate a gradual rebound in this area starting from the second semester. Similarly, our energy resale business will have a more difficult year due to lower energy market prices and changes in regulations.

I am confident 2024 will be another year of growth for Orange Polska and we will deliver on the objectives of the .Grow strategy.

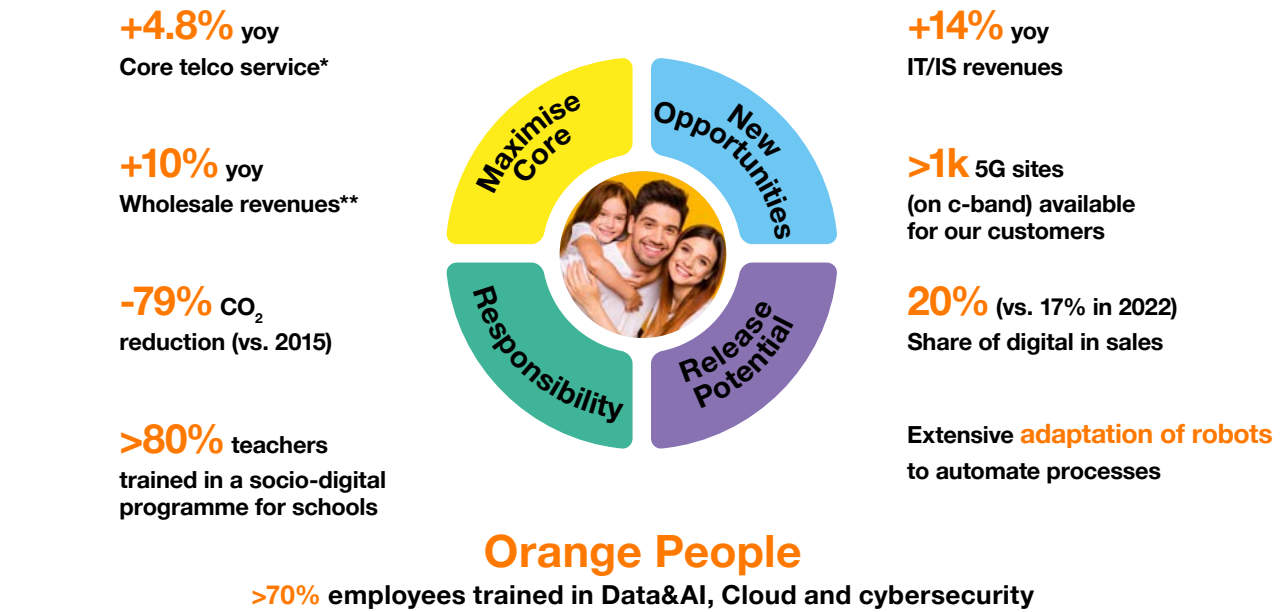
Q: Management has recommended another significant dividend increase for 2024. What enabled this increase and what could potentially drive further increases?

We were very happy to have been in the position to recommend another important increase of the dividend that will be paid in 2024 from 2023 profits. This is the second consecutive increase after we reinstated the dividend in 2022. The cumulative increase over these two years exceeded 90%. Please note that we also made this new level of PLN 0.48 per share a floor for dividend payable in 2025. So, our dividend next year will be at least on this level.

The higher dividend has been enabled by our strong financial results and a very solid balance sheet. The results of the past three years when we have been implementing our .Grow strategy demonstrate that we are performing exactly as we committed despite enormous external challenges. Our financial leverage at the end of 2023 stood at 1.1x (or 1.2x if we take into account full payment for 5G spectrum, which we made in the first days of January). Our last year's dividend in millions of PLN represents practically the entire free cash flow that we generated (if we include full payment for spectrum that I just mentioned).

When thinking about dividends we are always looking at the long-term prospects for the operating profitability, cash generation, and also the longer-term prospects for leverage. As I mentioned, PLN 0.48 is a floor to be paid in 2025. At the same time, in 2024 we will work on a new mid-term strategy, which will define our goals in the new strategic perspective.

2023 achievements on track with .Grow strategy



Unmatched data connectivity for households and businesses



Providing best connectivity

KPI	Our commitment	Performance
Number of households connectable within our fibre network	To offer best connectivity, in both mobile and fixed, regardless of our customers' locations.	Number of HH connectable: 2020: 5.0 m 2021: 5.9 m 2022: 7.1 m 2023: 8.0 m
4G coverage	To densify LTE Carrier Aggregation services while simultaneously deploying 5G technology.	Outdoor: 2020: 99.9% 2021: 99.9% 2022: 99.9% 2023: 99.9% Indoor: 2020: 97.3% 2021: 97.4% 2022: 97.6% 2023: 97.7% 4G Carrier Aggregation: 90.4%

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 and 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 2023, 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 network to accommodate the explosive growth of mobile data traffic.

Fixed broadband

Since 2015, we have focused on the intensive internet access network rollout in the FTTH technology. Fibre is one of the key drivers of our marketing strategy focused on convergent services and value creation. In 2023, we increased our fibre footprint by 900 thousand households. At the end of 2023, almost 8.0 million households, or over 50% of all households in Poland, were within the reach of our fibre services. Until the end of 2020, we increased our footprint mainly by expanding our own network, whereas since 2021 we have been more reliant on partnerships, while our own network rollout has been limited to projects implemented

within the Digital Poland Operational Programme. One of our key partnerships is that with Światłowód Inwestycje (in which Orange Polska holds a 50% stake), which builds fibre network mainly in low or mid competition areas. At the end of 2023, we used the infrastructure of 59 operators for over 4.2 million households.

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 2023, we increased the number of OTN transport nodes, thus expanding the aggregate network capacity from 17 Tbps at the end of 2022 to 19.4 Tbps at the end of 2023.

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 99.25% at the end of December 2023, 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 2023, our customers got access to a further 262 base stations. 4G coverage for all bands was 99.9% of the population on 98.5% of Poland's territory at the end of 2023. Orange Polska provided 4G services via almost 12,300 base stations. This included over 11,200 base stations enabling spectrum aggregation. 5G coverage has been steadily extended, and the number of our 5G DSS base stations exceeded 7,000 by the end of 2023.

To improve network capacity and customer experience we have continued to refresh our 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 the 800 MHz and 2600 MHz bands. However, we believe that the most significant booster for network performance will result from launching 5G in dedicated bands (with C-band as the first, allocated at the end of 2023).

LTE outdoor and indoor coverage

Table: LTE outdoor coverage evolution

Date	Geographical 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
31 Dec 2023	98.50%	99.90%	All LTE bands

Table: LTE indoor coverage evolution

Date	Geographical 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
31 Dec 2023	87.03%	97.70%	All LTE bands

Delivering a palette of services adjusted to customer needs

KPI	Our commitment	Performance
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 2023: 1,700k
Total number of mobile SIM cards		2020: 15,752k 2021: 16,800k 2022: 17,630k 2023: 17,628k
Number of mobile handset SIM cards		2020: 8,095k 2021: 8,424k 2022: 8,723k 2023: 8,941k
Number of mobile pre-paid SIM cards		2020: 4,860k 2021: 4,953k 2022: 5,064k 2023: 4,485k
Number of fixed retail broadband customers		2020: 2,702k 2021: 2,746k 2022: 2,804k 2023: 2,821k
Number of fibre retail customers		2020: 725k 2021: 945k 2022: 1,171k 2023: 1,349k
Number of fibre wholesale customer lines		2020: 26k 2021: 53k 2022: 83k 2023: 117k
Convergence penetration in B2C fixed broadband customer base		2020: 65% 2021: 67% 2022: 69% 2023: 71%
Number of fixed voice customers		2020: 2,899k 2021: 2,702k 2022: 2,572k 2023: 2,428k

In 2023 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 the household telecommunication needs and is a powertrain of our strategy

One of the key objectives of Orange Polska’s marketing strategy for residential customers is to maximise 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. 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, displacing competitors that cannot provide such a comprehensive offer.

Chart: B2C convergent customer base (in '000)

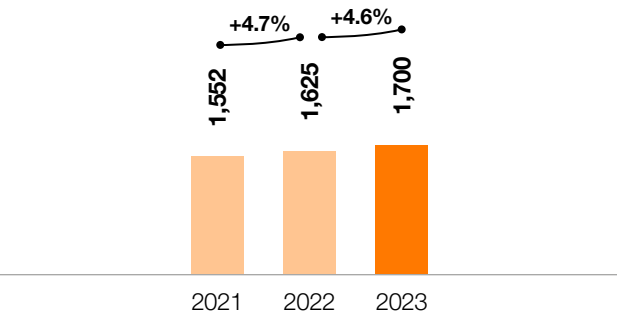
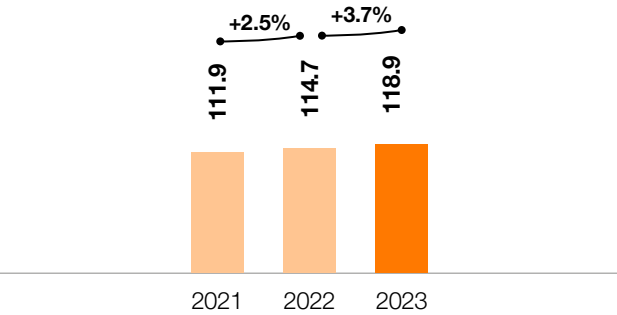


Chart: Fibre convergent ARPO (in PLN)



In 2023, our B2C convergent customer base increased by 75 thousand (or almost 5%), reaching 1.7 million. The growth rate was similar to that in 2022. It needs to be noted that saturation of our broadband customer base with convergent services has already exceeded a significant level of 70%. The majority of new mobile and fixed broadband acquisitions are still effected in the convergent bundle formula. Notably, 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. This process has intensified as a result of wholesale partnerships, that even out the differences among operators in their fibre service reach. The total number of services provided in the convergence scheme among B2C customers has reached 6.6 million, which means that, on average, each convergent residential customer uses about four Orange services.

In July 2023, in line with the ‘more for more’ strategy, we increased the prices of our Orange Love convergent packages by between PLN 5 and 7.5 (depending on the fibre speed option) in exchange for a bigger data pool and the CyberProtection service.

ARPO from convergent customers expanded by almost 4% year-on-year to PLN 118.9. This was largely due to our value strategy and increasing share of fibre and TV services.

Solid commercial performance in mobile, value strategy gradually translates into ARPO growth

As at the end of 2023, Orange Polska had a mobile services base of 17.6 million, which was virtually flat versus the end of 2022. This evolution resulted from a combination of growth in post-paid services and a decline in 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 2.5% year-on-year, as a result of the consistent implementation of our value-based commercial strategy, focus on the Orange Love convergent offer in customer acquisition, stable growth in the Nju and Flex brands, and customer additions in the business market;
- The number of mobile broadband services continued to fall, though at a much slower rate than in earlier periods, mainly due to growing data packages for smartphones in mobile voice tariff plans;
- Further growth in the number of SIM cards related to M2M services (up 12% year-on-year), mainly owing to the demand in the power generation industry, the security service sector and the transport sector (that uses the GPS service).

The number of pre-paid services decreased by 11% in 2023 in continuation of the decline in the second half of 2022. It was mainly a result of a significant decrease in new pre-paid activations after a surge in the first half of 2022, fuelled by the demand from war refugees from Ukraine. This was coupled with changes in our commercial offer (namely shorter account validity for one-off activated cards) as well as intensive competition.

In 2023, we focused mainly on the monetisation of the tariff increases for B2C customers in the ‘more for more’ formula introduced at the end of 2022. Back then, in each B2C post-paid tariff we raised the price by PLN 5, while increasing data pools and including the CyberShield service, which protects customers against cyberattacks; simultaneously, the number of tariff plans was reduced to three by eliminating the low-end plan. We also continued to enhance our offer. We enabled watching 27 TV channels on mobile devices in all tariff plans (included in the subscription fee). At the end of 2023, we significantly increased data packages in all tariff plans (without changing the price), thus increasing their attractiveness for customers in the Christmas season. At the end of January 2024, we raised the price of all tariffs by PLN 5 again.

Blended ARPO (from mobile-only services) amounted to PLN 21.9 in 2023 and was up 7.9% year-on-year. Both post-paid and pre-paid services contributed to the ARPO growth.

Post-paid voice ARPO grew by 3.2%, outpacing the 2.5% growth in 2022. The trend improvement resulted mainly from our 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).

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.

Pre-paid ARPO grew by as much as 11%, mainly as a result of changes in the activation mix (gradual deactivation of the pre-paid cards activated by Ukrainian refugees in the first half of 2022), changes in our commercial offer (namely shorter account validity for one-off activated cards, that generate very low ARPO), and our value strategy (price increases in price-list tariffs introduced in the second half of 2022).

Chart: Mobile handset customer base (in ‘000)

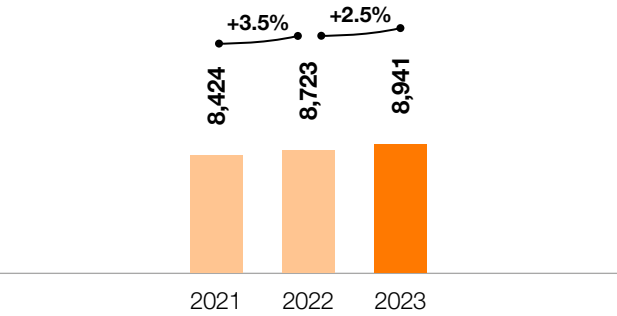
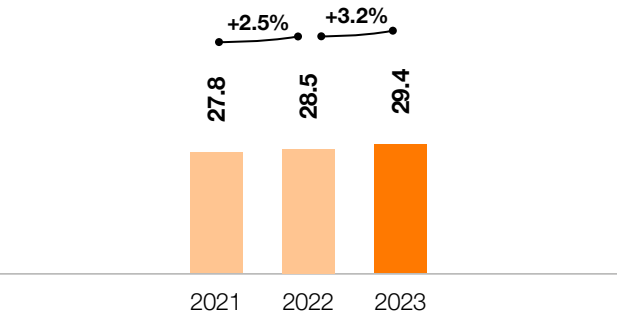


Chart: Mobile-only handset ARPO (in PLN)



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

Total fixed broadband customer base increased by 17 thousand in 2023. The growth was lower than in 2022, when it reached 58 thousand. It was mainly due to competition, mostly from other mobile operators, who implement sales strategies focused on household services, offering broadband access in the fibre technology more than before. Our retail fibre customer base reached 1,349 thousand at the end of 2023, growing by 178 thousand over the last twelve months. Demand for fibre remained strong, but our commercial performance was affected by the increased competition, mainly due to other operators’ investments in fibre network as well as the establishment of wholesale partnerships. As a result, the fibre service reach evens out among major players. The service adoption rate (including both our own retail customers and those of other operators selling their services on our fibre network) exceeded 18%. 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.

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 48% at the end of 2023 from 42% a year earlier.

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), which in Poland is acquired mainly by satellite platforms, is broadly distributed to cable televisions. Orange Polska continues to follow its strategy as a content distributor co-operating with all major content providers.

Fixed broadband-only services ARPO continued to improve. Its increase of 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.

Chart: Broadband customer base (in ‘000)

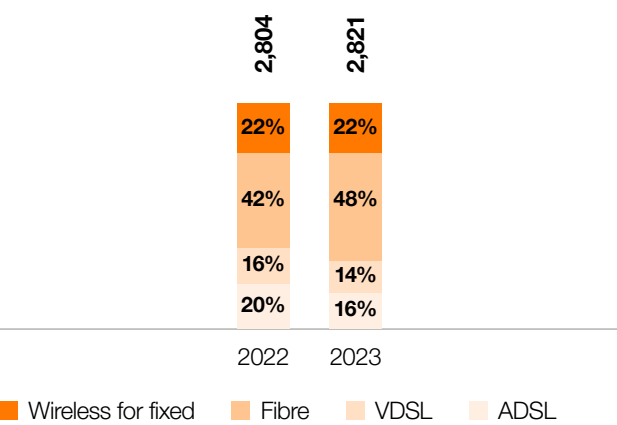
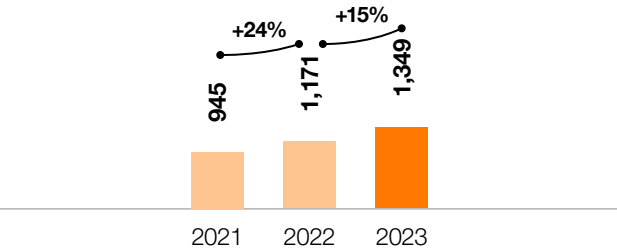


Chart: Broadband customer base (in ‘000)



Fixed voice services: unfavourable trends continue

Erosion of the fixed voice customer base (excluding VoIP) totalled 185 thousand in 2023 and was similar to that in 2022. 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 36.0.



Effortless and friendly customer experience



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 2023: 604
	% of POSs adapted for customers with disabilities	2020: 20% 2021: 21% 2022: 22% 2023: 23%
	Number of POSs modernised (Best Retail Network)	2020: 317 2021: 365 2022: 450 2023: 461
	% of digital sales	2020: 14% 2021: 15% 2022: 17% 2023: 20%

Strong push for customer sales path optimisation

Our distribution network is constantly evolving, so that we can even better meet the changing needs of our customers, while simultaneously improving our business efficiency. One focus of our work since 2021, the Omnichannel Customer Experience, was retained as a priority in 2023. This strategy puts customers at the centre of our actions and concentrates on delivering the most comfortable shopping path possible.

We continued development of five omnichannel pillars:

- **Personalisation**, which is delivered by predicting the needs of customers and offering them services that most suit them;
- 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 has become 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 the customer completes the order online – for those who could not complete the order during the 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. Orange Polska offers a range of sales channels that meet the expectations of vast range of customers regardless of their preferences and needs.

Optimisation and increasing the effectiveness of our sales channels

Our key objectives include further development of our online sales channel 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, the majority of 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.

Physical points of sale remain our largest sales channel. As at the end of 2023, Orange Polska had a chain of 604 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 617 of them at the end of 2022), but on the other hand, transformation to better suit customers’ needs; 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 2023, 461 of our outlets had been modernised in a new visualisation (compared to 450 at the end of 2022). In 2023, we opened three outlets based on a new concept: green POS. Orange’s green outlets are a unique concept among all Orange Group companies, where the operator presents its products and services, as well as solutions to encourage customers to change their habits towards a more sustainable direction and care for the planet together. 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 online channel has been gradually and systematically gaining importance in the distribution channel mix. The key driver of this growth is My Orange application, which is being constantly improved to make it more attractive and useful for customers. The application is our leading tool for contacting customers and gradually building their loyalty and commitment. The key to success has been the constant optimisation of sales processes and campaigns across all digital touchpoints. Content communication based on behavioural profiles enables us to reach customers with dedicated offers at the best moment of the customer life cycle. In the online channel we increasingly use artificial intelligence tools, intensively educating customers how to use self-service channels. Solutions such as ‘virtual assistance’ seem the future of digital channels. In

addition, we have continued to position the online channel as a place where customers can find exclusive offers (and some of them are available in the My Orange app only). As a result of these activities, sales through digital channels increased to 20%.

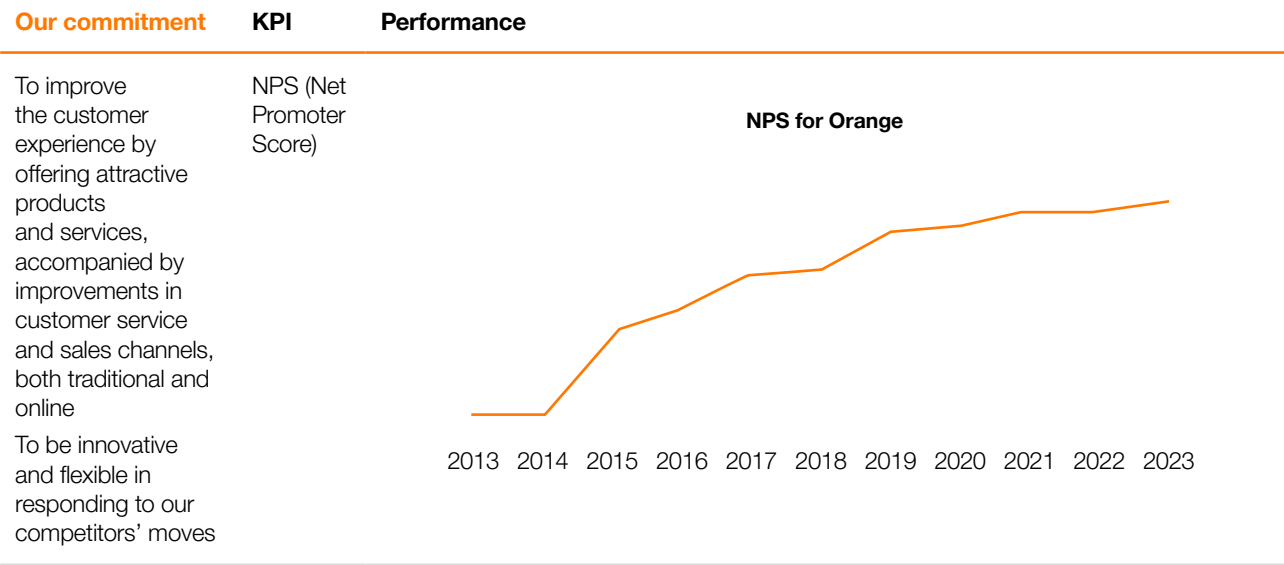
Orange Flex, our fully digital offer, performed very well in 2023. Its customer base exceeded 300k and significantly contributed to the overall growth of the mobile handset customer base of Orange Polska. Notably, our digital offer was very appealing to foreigners and expats. As part of product development, we provided a lot of new features, which addressed customer needs based on their feedback from chat, surveys and social media. Flex has also become a tool to pursue our value strategy. In 2023, the entry subscription price was increased from PLN 25 to PLN 30. Regarding product development, we have focused on the delivery of features based on customer feedback, e.g. refreshing application dashboard to keep it attractive for users, launching full unlimited internet, offering InPost lockers and delivering innovative solutions like transfer of number ownership, which is now supported fully digital on the Polish telco-market only by Orange Flex.

In the Telesales channel, we continued the network transformation process, adapting the network to new prediction models and increasing the use of artificial intelligence (AI) tools in order to reach customers more effectively and optimise costs. We have implemented the new segmentation of fibre customers, increasing the campaign efficiency by precise offer customisation. We have also engaged in the process of the pre-commercialisation of intended fibre investment projects. In addition to Telesales, there is also a service infoline, which combines customer care with account management: customers can settle any matters with Orange at a single phone number, from complex technical problems, queries, contract extension and new service activation to smartphone, accessory and IoT device purchases. Over 90% of our customers are satisfied with this solution. For a number of years now, our customer service and sales have been supported by the AI-based bot Max with constantly expanding functionalities. 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 market, in 2023 we focused on building a stable SIM card distribution chain, including the online channel (e.g. orange.pl e-store) and dedicated POSs for Ukrainian customers. We reported new records of online pre-paid top-up sales through online banking, but also our own

channels (the Orange.pl website and My Orange application). Despite the constant expansion of online channels, we maintain a permanent base of approximately 80,000 top-up points, such as grocery stores, kiosks and petrol stations.

Making the customer journey easy and friendly



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. In 2023, we achieved the best ever NPS result.

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. In 2023, our priorities were: home entertainment (fibre as an enabler to the best TV, streaming & gaming offer) and cybersecurity (accessible for all customers for free).

- 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. In 2023, we also focused on wireless for fixed customers who need devices with carrier aggregation.
- Transparent communication with customers across all channels, In 2023, we focused on customer appreciation and a new way of communication (newsletter and through our partner), gifts, CX Day, strong relationship with seniors.
- Transformation of B2B market management: process and functional improvements resulting from comprehensive reviews of activities across channels (Customer Journey mapping) – specific areas of focus in 2023 on digital, comprehensive, end-to-end support of customer cases on an inbound contact centre (Case Manager), complaints.

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 customer needs, opinions and emotions. Customer Journey improvements are introduced through the Agile & Continuous Improvement model.

Over 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 2023, we implemented the following improvements:

Technician support:

- Further development of a tool helping customer advisors to make diagnostics faster and more accurate;
- Home network support in the My Orange app;
- Support for customer advisors during call handling (e.g. updated knowledge base, YouTube shorts, added hints in customer service apps);
- AI-based bot Max self-service improvement;
- The best support service standard for technicians, resulting in improved maintainability.

Effortless customer journey:

- Signing the contract right here and right now in an app in real time;
- Service transfer robotisation (enhanced effectiveness and fewer mistakes);
- Higher flexibility for pre-paid registration – now also in digital channels;
- SIM card exchange via proxy (especially for customers with limited mobility);
- E-invoice self-explanatory fees;
- Self-service for complaints and technical issues;
- First line empowerment (high number of complaints are resolved on site).

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 AI 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.

Full value chain for digital transformation of companies



Our commitment	KPI	Performance
The leader in consultation and integration of comprehensive transformation services for business Digital partner in security, cloud and IT infrastructure & networking	IT&IS revenues	IT&IS revenues (in PLN million) 2020: 997 2022: 1,186 2022: 1,492 2023: 1,701

Being an 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 provide them with comprehensive portfolio of IT & integration solutions, particularly in the area

of software engineering, cloud and cybersecurity. We are constantly expanding our ICT competences, which offer 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 competences. In



2019–2020, we acquired BlueSoft and Craftware. These acquisitions have perfectly complemented our competences 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 high-growth 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 competences, particularly in the areas of cybersecurity, IT infrastructure hybridisation, application integration and migration to cloud.

2023 was another year of revenue growth in the ICT area. All domains contributed to it, starting from IT infrastructure and services, through cybersecurity and finishing with software and applications. We benefited from the ongoing processes of digitisation, cloudification and automation of companies. It further enhanced our position as the leading integrator and provider of full value chain for digital transformation of companies in Poland. Last year we continued the dynamic development of solutions based on IoT. Our ‘City Management Platform’ was appreciated by more than 100 cities, that use our intelligent metering and monitoring platform for light, water and transport management. We grew our ICT revenues by 14% year-on-year to PLN 1.7 bn.

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 2023: 3,779

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 2023, 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 by 5% year-on-year. It was attributable mainly to the impact of inflation and the minimum wage on rental costs and costs of various external purchases. The majority of our rental contracts for telecommunications infrastructure, sales outlets and office space are indexed to the previous year’s inflation rate, which means that the related costs surged in 2023 and are going to increase significantly also this year. Similarly, the costs of outsourced services, technical support and customer care have been subject to higher inflationary pressure. It was partly mitigated by cost transformation, which included process digitisation as well as further headcount reduction. This helped us to contain cost growth during the critical time of high inflation.

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, which translates into increased loyalty and revenues. We are also improving online sales and customer care channels to increase our efficiency and improve customer experience. Our sales through digital channels grow systematically and in 2023 constituted 20% of commercial acts. The key driver

for digitisation of customer interactions is our My Orange application. We constantly develop it to make it more attractive and useful for our customers. Max, our voice and chat bot with AI, every year is dealing better with customer requests with less human assistance needed. We are adopting robotisation, big data and AI across the Company. We doubled the number of robots in 2023 as we launched a robotisation programme using low-code technology. In particular, 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 jobs to more creative tasks.

As of the end of 2023, the Orange Polska Group (incl. NetWorks) employed 9,368 people (in full-time equivalents), which is a decrease of 4.1% compared to the end of December 2022. Orange Polska’s workforce reduction was mainly a result of the implementation of the Social Agreement for the years 2022–2023. Pursuant to the Social Agreement, 613 employees left the Company in 2023. Severance pay in Orange Polska S.A. averaged PLN 96.7 thousand per employee leaving under the Social Agreement in 2023. In 2023, external recruitment in Orange Polska (incl. NetWorks) totalled 535 positions. It was mainly related to sale and customer service positions in Orange Polska S.A.

On December 14, 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 particular, the Social Agreement for 2024–2025 sets the number of voluntary departures in the next two years at 1,100 people and determines a financial package for employees leaving Orange Polska under the voluntary departure scheme.

Our cost transformation will be continued on line with the .Grow strategy. Indeed, the same digitisation trends that are enabling our growth leverage will also help us drive costs down further still. At the same time, using AI 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 enable us to grow our EBITDAaL margin.

Chart: Indirect costs split in 2023

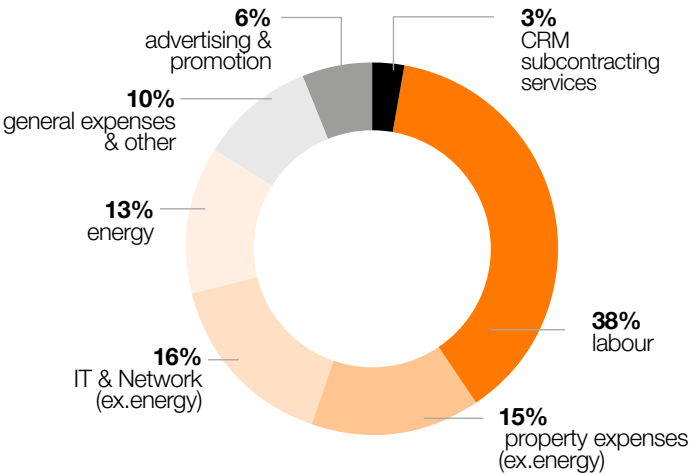
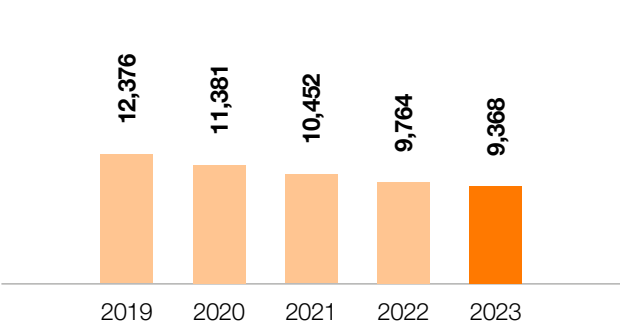


Chart: FTE employment evolution (in k)



Minimising our impact on the environment

Our commitment	KPI	Performance
To implement business goals with respect for the rules of ecology and in harmony with the environment: 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 number of recycled, re-used and refurbished devices	Energy consumption	Electricity consumption (GWh) 2020: 541 2021: 535 2022: 516 2023: 505
	Own CO ₂ emissions (GHG scopes 1+2)	Total CO ₂ emissions (‘000 tonnes) 2020: 424 2021: 391 2022: 335 2023: 120
	% of renewable energy	2020: 0% 2021: 6% 2022: 12% 2023: 74%
	Number of recycled and refurbished devices	Mobile collection (buyback & recycling) 2020: 34k 2021: 38k 2022: 61k 2023: 47k Refurbished mobiles sold 2020: 12k 2021: 13k 2022: 16k 2023: 8k Refurbished CPE devices 2020: 503k 2021: 655k 2022: 421k 2023: 437k

Minimising our impact on the environment

In Orange, we believe that technological progress must be available to everyone, but it should not happen at the expense of the 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, working with renewable energy producers through Power Purchase Agreements’. We believe 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). 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.

With our Energy Optimisation Programme, we have gradually reduced energy consumption. In 2023, it stood at 505 GWh with 74% coming from renewable sources (up from 12% in 2022 and 0% in 2020). We have also accelerated efforts to reduce emissions in the entire value chain, including emissions by our suppliers and customers. Despite solid business development, Orange Polska achieved a 79%

reduction in its own emissions between 2015 and 2022. In 2023, our CO₂ emissions were 120,000 tonnes versus 335,000 tonnes in 2022, which means a 64% reduction year-on-year.

Looking towards 2025, Orange Polska in its #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 2023, we collected about 46,900 handsets from the market (which is about 5% of those sold). We also refurbished fixed-line network devices (modems, set-top boxes). In 2023, half of the devices introduced by Orange Polska to the market went through the refurbishment process. 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.

More in the section Climate and environment

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. The Foundation educates people how to use modern technologies in a responsible and valuable manner. It carries out its own educational projects aimed at developing digital skills of 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. 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 92 Orange Studios available to a total of 828,000 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 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 social projects are addressed to schools. MegaMission is a 10-month course for grades 1 to 3 of primary schools which has been created to help kids to gain balance and safety online. Children develop ‘healthy’ digital habits and learn what can be published online and how to protect their privacy, practice netiquette, respect the copyright, find reliable information, observe good manners on the net, protect their devices and spent time online with moderation. A total of 3,150 children from 190 schools participated in the project in the school year 2022/2023. #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 not only during computer science but also other classes. There is also a dedicated module for students with special educational needs. In addition, teachers gain new competences and schools receive grants for equipment purchases. A total of 2,720 children from 280 schools participated in the project during 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 1 million children last year.

More in the section Society

Impact on society

Our commitment	KPI	Performance
To expand access to new technologies for residents of small towns – digital development of local communities	Number of participants (residents of small towns and villages) in educational activities	92 Orange Studios in villages and small towns for 828,000 residents
To develop digital competences among children and schools	Number of participants (schools, children) in educational programmes	150 schools and 3,150 children in the MegaMission programme 280 schools and 2,720 children in the #SuperCoders programme
To provide and support education on children’s online safety in schools and kindergartens all around Poland with the Safety on the Internet programme	Number of participants (children) in the Safety on the Internet programme	1,019,433 children using our educational materials

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, competences 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 jobs, decent life and extensive social relations.

Being a digital and caring employer

Our commitment	KPI	Performance
To create culture of co-operation in which all employees feel respected and freely pursue their professional goals and life passions	Number of employees*	2020: 11,048 2021: 10,125 2022: 9,445 2023: 9,368
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: 35% 2023: 37%
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 2023: 28.0

*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’ competences 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 9,000 people working in more than 90 locations all over Poland. Of these, over 66% work in 14 regional centres in large cities, while the others in smaller locations. The majority of our crew, over 37.6%, are women, 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.

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 competences. 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.

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	2023 Outlook and guidance	Performance	2024 Outlook and guidance	.Grow ambitions
Revenues (in PLN million)	Low-to-mid single digit growth (upgraded from low single digit growth)	2020: 11,508, +0.9% yoy 2021: 11,928, +3.6% yoy 2022: 12,488, +4.7% yoy 2023: 12,970, +3.9% yoy	Low single-digit growth	Low single-digit growth CAGR (2021–2024)
EBITDAaL (in PLN million)	Low single digit growth (upgraded from flat/low single digit growth)	2020: 2,797, +2.9% yoy 2021: 2,963, +5.9% yoy 2022: 3,078, +3.9% yoy 2023: 3,179, +3.3% yoy	Low single-digit growth	Low-to-mid single-digit growth CAGR (2021–2024)
EBITDAaL margin		2020: 24.3% 2021: 24.8% 2022: 24.6% 2023: 24.5%		
eCAPEX (in PLN billion)	PLN 1.5–1.7 bn	2020: 1,801 2021: 1,737 2022: 1,719 2023: 1,555	PLN 1.7–1.9 bn	1.7–1.9 bn yearly average over the period 2021–2024
Organic Cash Flow (OCF) (in PLN million)		2020: 642 2021: 867 2022: 822 2023: 1,173		
Net income (in PLN million)		2020: 46 2021: 1,672 2022: 724 2023: 818		
ROCE (pre-tax)		2020: 1.6% 2021: 4.4% 2022: 6.5% 2023: 7.6%		Increase 3-4x (vs. 1.6% in 2020)
Net debt/ EBITDAaL		2020: 2.0 2021: 1.4 2022: 1.3 2023: 1.1		We aim to keep a safe balance sheet, with financial leverage in the range of 1.7–2.2x
Dividend per share (DPS) (in PLN)	PLN 0.35 as a new sustainable floor for the future	2020: 0 2021: 0.25* 2022: 0.35** 2023: 0.48***	PLN 0.48 as a floor payable in 2025	

* Dividend from 2021 profit, paid in 2022.
** Dividend from 2022 profit, paid in 2023.
*** Dividend from 2023 profit, to be paid in 2024.

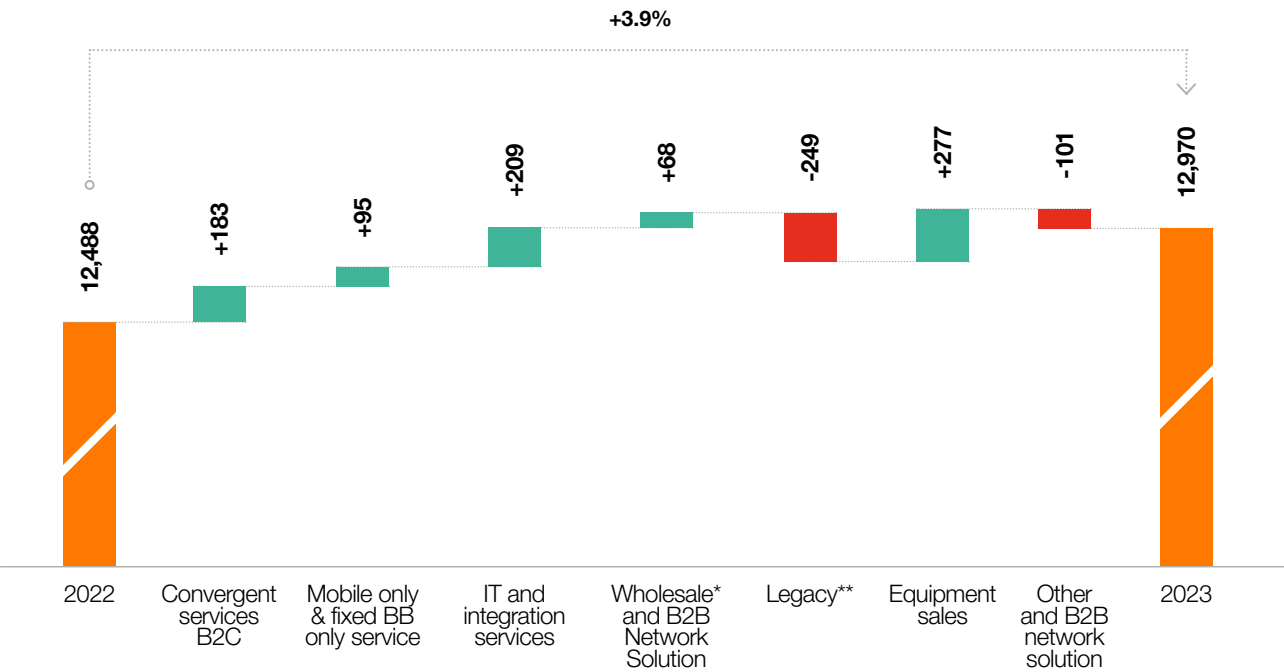
2023 revenues up 3.9% year-on-year with good performance in all key revenue lines

Revenue totalled PLN 12,970 million in 2023, up PLN 482 million or 3.9% year-on-year.

Our core telecom services – convergence, mobile-only and fixed broadband-only services – remained the key engines for growth. Combined revenues of these three categories totalled PLN 6,119 million and were up almost 5% year-on-year. Growth was fuelled by steadily growing customer bases for all core post-paid services, as well as ARPO improvement, resulting from our value strategy and a growing share of fibre customers. Growth in customer bases remained solid. In particular, net additions in convergence were slightly higher than in 2022, while they slowed down in fibre and mobile services. This change can be attributed to the previous year’s high demand from Ukrainian refugees and the increased competition within the fixed broadband market. Importantly, in the light of high inflation, the ARPO growth rate increased in all service lines.

IT and integration services maintained their strong performance with revenue growing by PLN 209 million or 14% year-on-year. This growth was entirely organic: despite the global economic slowdown affecting market demand for IT services, we completed a number of integration projects, especially for customers from the public sector.

Chart: Revenue evolution (yoy change in PLN m)



* wholesale excluding non-fibre fixed wholesale and interconnect

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

Equipment sales performed very strongly, with revenues growing 18% year-on-year. This was a result of strong customer demand for high value handsets (driven also by improved availability of certain brands), our attractive instalment sales offer (e.g. introduction of 36-month instalment plans) and our value strategy.

Other wholesale revenues reported growth of 16%, as strong demand for our infrastructure continued among other operators.

Revenues outside these areas decreased 19%, mainly due to a significant decrease in the volume of electricity resale (which resulted from reducing sales of fixed-price contracts to business customers).

Revenue evolution in 2023 was also influenced by the following factors:

- A further structural decline in fixed voice telephony legacy revenues (by 14% year-on-year);
- A 14% decrease in wholesale mobile revenues due to further regulatory cuts in termination rates.

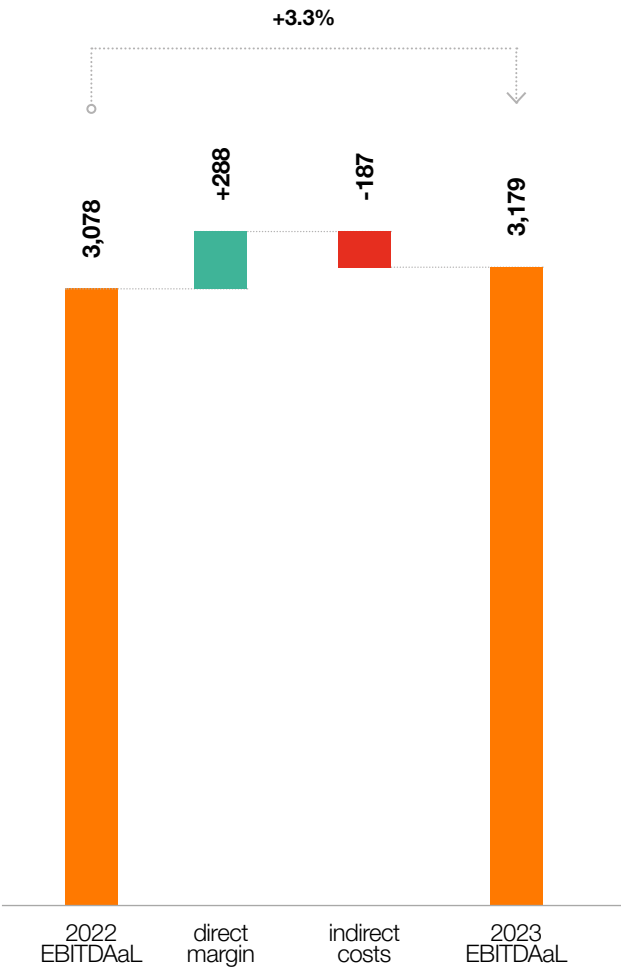
2023 EBITDAaL up 3.3% year-on-year as direct margin expansion contained inflation impact on indirect costs

EBITDAaL for 2023 was PLN 3,179 million and increased by PLN 101 million or 3.3% year-on-year. The operating margin (ratio of EBITDAaL to revenues) stood at 24.5% and was almost flat, compared to 24.6% in 2022. The entire EBITDAaL growth was generated by an improving direct margin, which increased by an impressive 4.3% (or PLN 288 million) as compared to 2.4% growth in 2022. This means that revenue growth was fuelled mainly by the successful implementation of our value strategy in core telecommunication services, wholesale (excluding legacy services), ICT products (that support business sales), equipment sales and electricity resale (which in 2023 benefitted from renewable energy purchases under PPA contracts concluded by Orange Polska). Indirect costs increased by 5% under a significant influence of the high inflation rate in the previous year and a 20% rise in the economy’s minimum wage. These factors negatively affected rental costs and purchase costs of various external services.

Cost evolution can be attributed mainly to the following factors:

- A 7% decrease of interconnect expenses, resulting mainly from cuts in mobile termination rates and reflecting a decrease in wholesale mobile revenues;
- An 12% increase in commercial expenses, driven by growth in smartphone and ICT equipment sales;
- An 9% increase in network and IT expenses, driven mainly by higher energy costs (due to a 40% increase in distribution tariffs) and inflationary growth of network maintenance costs;
- A significant increase in depreciation of right-of-use assets and interest expense on lease liabilities (by aggregate 13%), resulting from the inflationary impact on rental agreements and the effect of interest rate increases (translating to an increase in the interest portion of lease liabilities).

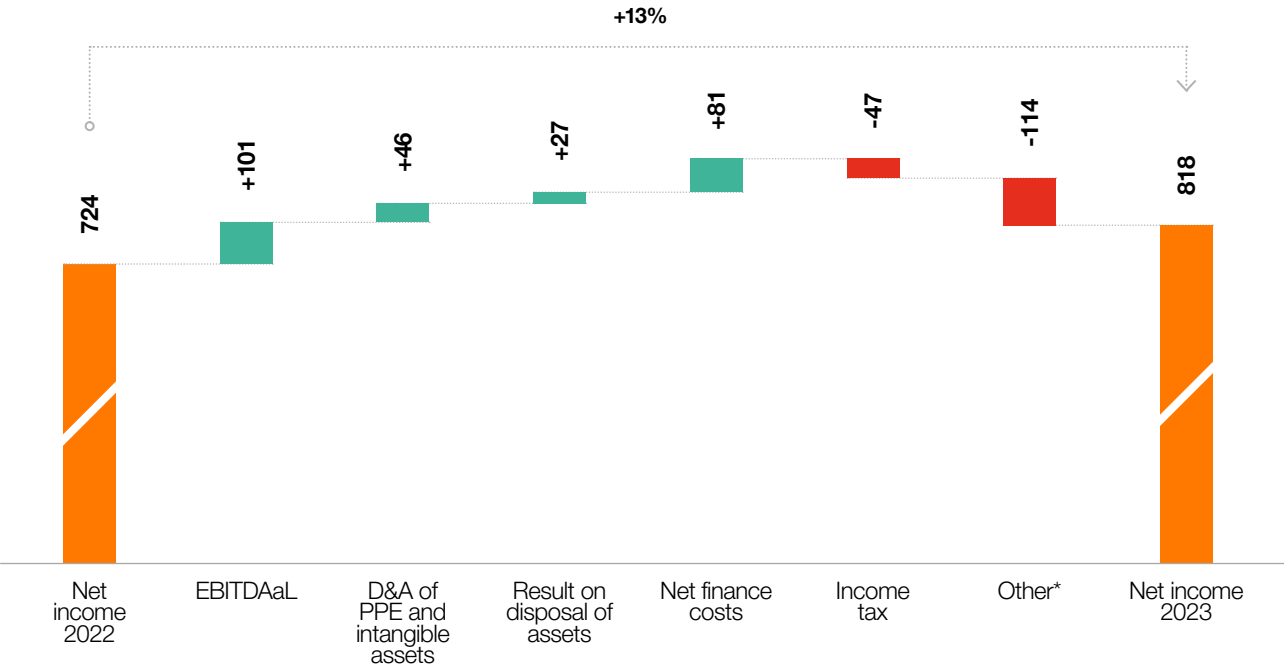
Chart: EBITDAaL evolution (yoy change in PLN m)



2023 net income up 13% year-on-year owing to growing operating profit and lower finance costs

Net income for 2023 was PLN 818 million and was up 13% (PLN 94 million) over 2022. It benefitted from growth of EBITDAaL, lower depreciation (-2% year-on-year) and a 25% higher year-on-year (PLN 27 million) gain on sale of assets (mainly real estate that we no longer use due to the transformation of our fixed network from copper to fibre technology). Net profit was also supported by year-on-year net finance costs decreasing by PLN 81 million, mainly due to FX gains on Euro-denominated long-term lease liabilities. The net income also reflected a PLN 125 million provision related to the new Social Agreement concluded for 2024–2025.

Chart: Net income evolution (yoy change in PLNm)



* o/w PLN 125m provision for new Social Plan for 2024-2025

Lean 2023 eCapex reflects delay of the 5G auction and high proceeds from property disposal

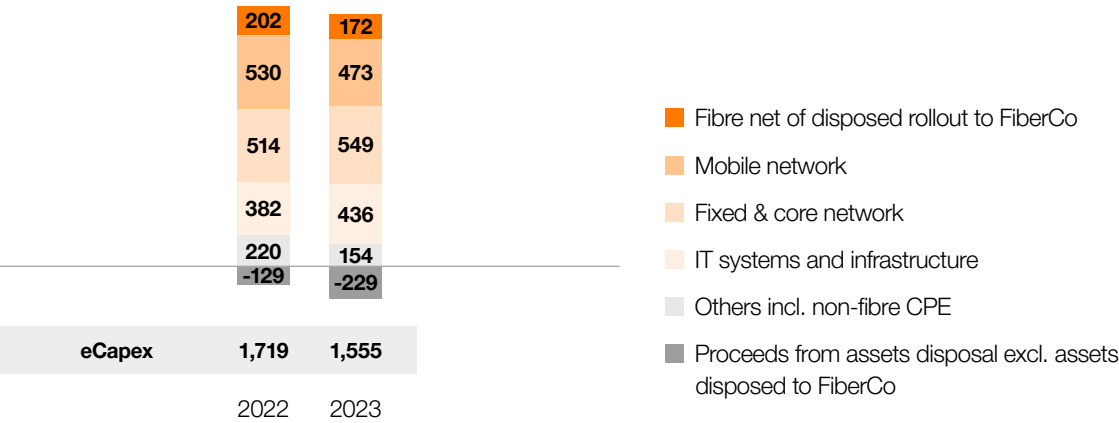
In 2023, eCapex (economic capital expenditures) amounted to PLN 1,555 million and was lower by PLN 164 million year-on-year.

These expenditures included mainly the following:

- Investments in the mobile network related to the enhancement of 4G network connectivity and capacity (four-year access network modernisation project launched in 2022);
- The beginning of the adaptation of the mobile network to the 5G technology requirements in connection with the intended acquisition of 5G frequencies. These investments were lower than in 2022 due to a further delay in the C-band auction;
- Decreasing investments in the fibre network: after establishing the Światłowód Inwestycje joint-venture, these are much lower than in previous years, mainly including 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 portfolio development, sales and customer service processes as well as the modernisation and enhancement of the IT technical infrastructure;
- High proceeds from sale of real estate that we no longer use due to the technology transformation from copper to fibre.

Split of economic CAPEX

Chart: Split of economic Capex, Investment areas (in PLNm)

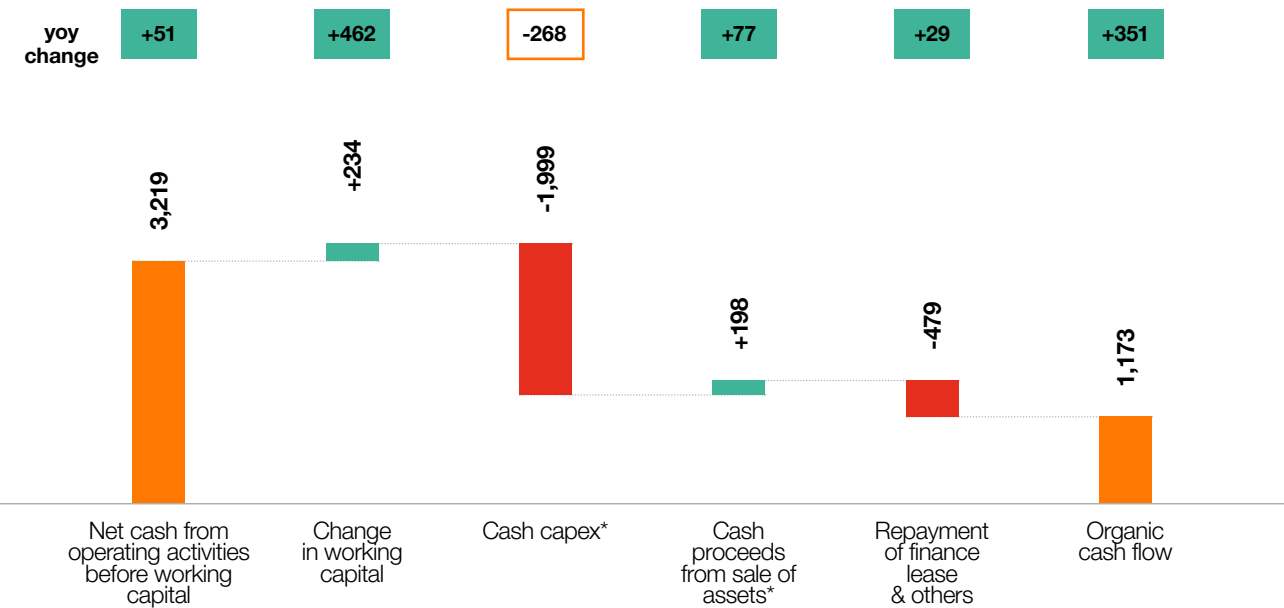


2023 Organic Cash Flow up 43% year-on-year above PLN 1 billion landmark, driven by EBITDAaL growth and a reduction in working capital

Organic cash flow for 2023 was PLN 1,173 million, a growth of PLN 351 million (or 43%) compared to 2022. Cash generation benefitted from growth of EBITDAaL coupled with a PLN 462 million year-on-year decrease in the working

capital requirement. It mainly resulted from the extension of receivables securitisation related to sale of handsets on instalments. Cash generation also benefitted from PLN 77 million higher year-on-year proceeds from sale of assets. Cash Capex expenditures were around PLN 270 million higher year-on-year as a result of payments (made in 1H) for very high Capex incurred at the end of 4Q 2022.

Chart: Cash flow evolution breakdown in FY 2023 (in PLN mn)



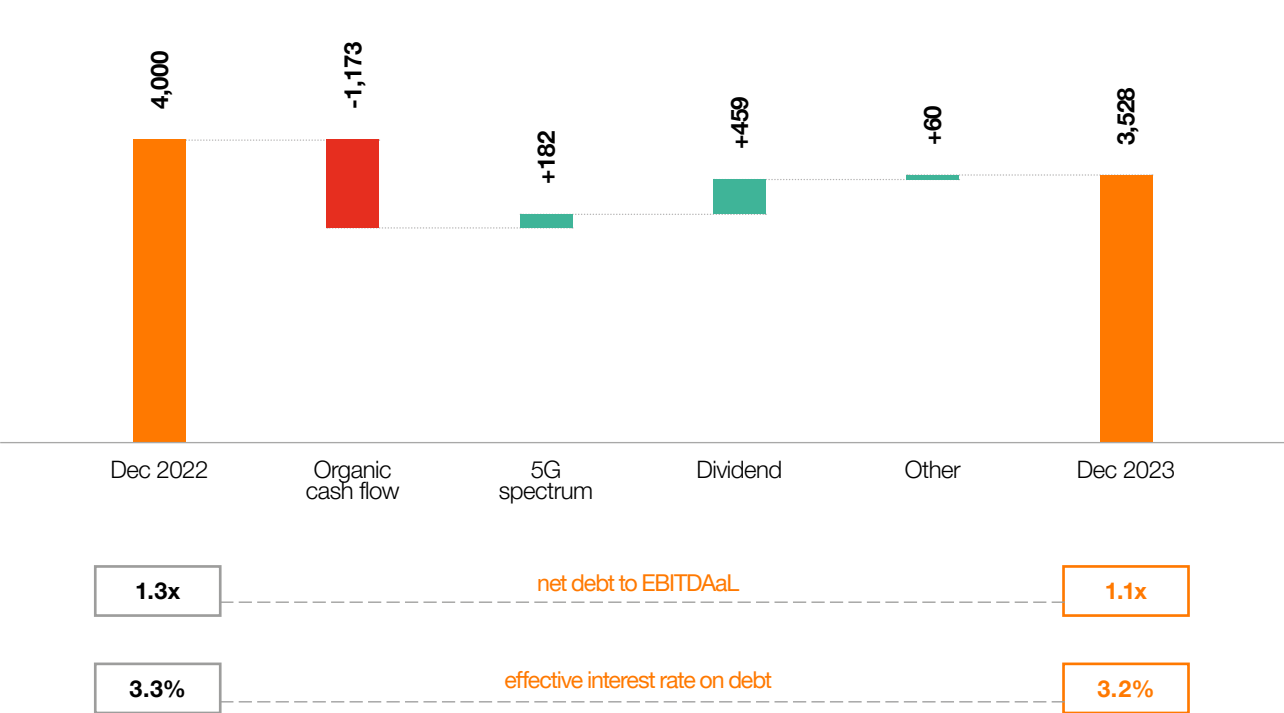
* Cash capex reduced by PLN 82 mn of cash proceeds from sale of fibre network assets to FiberCo (excluded from cash proceeds from sale of assets).

Solid balance sheet with leverage ratio at 1.1x

Our net financial debt in 2023 decreased by PLN 472 million to PLN 3,528 million. Our leverage ratio stood at 1.1x at the end of 2023. It reflects improving business fundamentals and balance sheet optimisation initiatives. Our debt is denominated in PLN only, so it is not sensitive to currency

movements. As of December 31, 2023, ca. 90% of the Group’s existing debt was at a fixed interest rate. With such a high level of hedging, changes in the market’s interest rates will have a limited impact on the Group’s debt cost until mid-2024.

Chart: Net debt (in PLN mn)

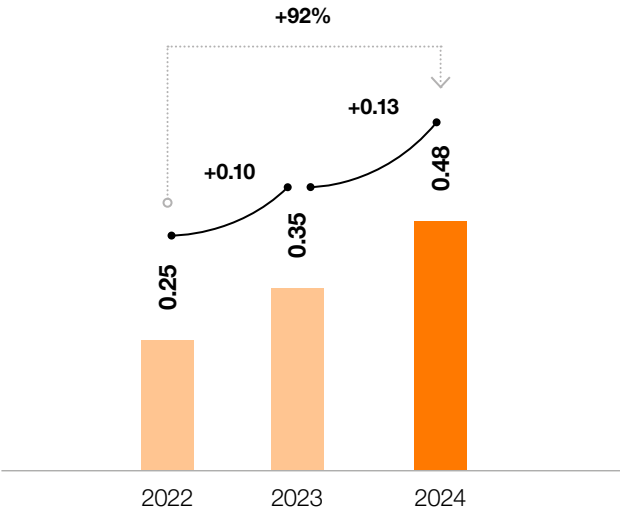


Shareholders’ remuneration in line with the .Grow strategy’s dividend policy

In line with the .Grow dividend policy, and taking into account strong 2023 results and a sound balance sheet situation, on February 14, 2024 the Management Board of Orange Polska adopted a resolution to recommend to the Annual General Meeting payment of a cash dividend of PLN 0.48 per share in 2024 from 2023 profits. This recommendation was adopted by AGM on April 19, 2024.

The proposal to increase the dividend by 37% is a reflection of the confidence the management has in Orange Polska’s future prospects. The Company considers PLN 0.48 per share as a new floor payable in 2025.

Chart: Divident per share (PLN)



2024 Outlook: towards completion of .Grow goals

Key priorities for 2024

Persistent execution of value strategy in key retail areas

Fibre monetisation

CO₂ emissions reduction inc. Scope 3 (value chain)

Continued focus on digital inclusion



New domains in IT/IS (BigData, Gen AI)

5G network rollout

Continued cost transformation

Boosting sales through digital

Orange People
Continued cultural change and upskilling

2024 is the final year of implementation of our .Grow strategy. The environment continues to be demanding but improving: From a recession-like dynamic of 0.2% in 2023, GDP growth is forecast to improve to around 3%, according to current market consensus. There are prospects for unblocking of EU funds, which should stimulate business activity and our IT and integration services project pipeline. We are pleased that inflation fell to the mid-single digit level and is expected to stay at these levels in 2024. However, part of our costs will be affected by double-digit inflation of the prior year. We will focus on the execution of our proven commercial value strategy. The goal is to maintain the right balance between growth of the number of customers and growth of ARPO. ARPO is expected to benefit from price adjustments mainly made in prior years. We will continue our value approach in 2024: in January we adjusted our prices in mobile again in the ‘more for more’ formula. The moment of this move was deliberate: it coincided with us announcing the launch of the 5G technology on the newly acquired spectrum. The new spectrum means for us more capacity to carry ever growing data traffic and possibility to offer

more abundant data packages for our customers, which will support our commercial strategy. Our key task is to ensure the new tariffs are adopted by our customers and translate into growth of ARPO and revenues. Continuation 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. One of its key enablers is further digitisation to respond to customer needs more quickly and effectively, and at the same time it makes us leaner and more efficient. In particular, we have an ambitious plan to boost customer sales and retentions through digital channels. On the business market we will continue to strengthen our position as a partner in digital transformation for Polish corporates, expanding synergies between connectivity and IT and integration services. Being able to use the new 5G spectrum, we will finally be in a position to more intensively develop various new services. We have ambitious plans regarding so called Mobile Private Networks, that we will implement for industrial customers, municipalities and universities. On the other hand, at the start of 2024 it

looks that achieving growth in the ICT area may be more challenging than in previous years. It undergoes a cyclical slowdown resulting from the broad IT market downturn and lower demand from the public sector.

Finally, we will be pushing further with our green agenda on both the environmental and social front. Our increased focus will be on reducing CO₂ 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.

We are confident that we have right assets in place to manage this year's challenges and reach our ambitious goals.

2024 guidance in line to achieve all .Grow financial ambitions

	Revenues	EBITDAaL	eCAPEX
Strategy performance 2021-23	+4.1% CAGR	+4.4% CAGR	PLN 1.67bn (annual average)
2024 outlook	low single digit growth	low single digit growth	PLN 1.7-1.9bn
	Key trends in core telecom services, IT&IS and wholesale to continue support growth	To be driven by revenue growth and further cost transformation	Disciplined investing 5G network rollout at full pace
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 and profits.

We forecast our revenues to increase by a low single digit in 2024. 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 continued good demand for our infrastructure from our wholesale customers. We also expect continued pressure on high-margin legacy services (retail and wholesale fixed telephony). Interconnect revenues will reflect another regulatory cut of mobile termination rates, but with a very limited impact of that on profits. Our energy resale business will have a more difficult year due to lower energy market prices and changes in regulations.

Similarly to 2023, we expect EBITDAaL to be supported by profitable revenue expansion in all key areas of business, our focus on value, and cost optimisation. The inflationary

environment is expected to continue to weigh on our operating costs, constituting 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 the minimum wage. However we expect this challenge to be lower than in 2023, which makes us more confident on our growth prospects this year. As a result, we expect EBITDAaL in 2024 to grow by a low single digit percentage.

We anticipate our economic Capex (eCapex) in 2024 to be in the range of PLN 1.7–1.9 billion, therefore higher than the exceptionally low 2023 level. It mainly reflects full speed of rollout of our 5G network on the newly acquired C-band spectrum. This rollout is accompanied by a synergetic project of renewal of our mobile access network. Our definition of eCapex excludes acquisition of mobile spectrum.

Orange Polska on the Warsaw Stock Exchange in 2023

Ownership structure

Chart: Interest in the Share Capital (%)**



Number of shares held*

Orange S.A.	664,999,999
Allianz Polska OFE, Allianz Polska DFE Pension Funds	106,592,183
Nationale-Nederlanden Open Pension Fund	73,924,979
Other shareholders	466,840,318
Total	1,312,357,479

* 1 share = 1 vote at AGM

** Information on April 19, 2024

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

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

Since November 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; and
- WIG-ESG index of socially responsible companies.

In 2023, 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 company's performance across environmental, social and governance (ESG) areas.

2023 was marked by gains in the indices on the Warsaw Stock Exchange (WSE). Orange Polska shares were up 23% (or 29% accounting for the dividend paid), while the large-cap index, WIG20, gained 31% in the period.

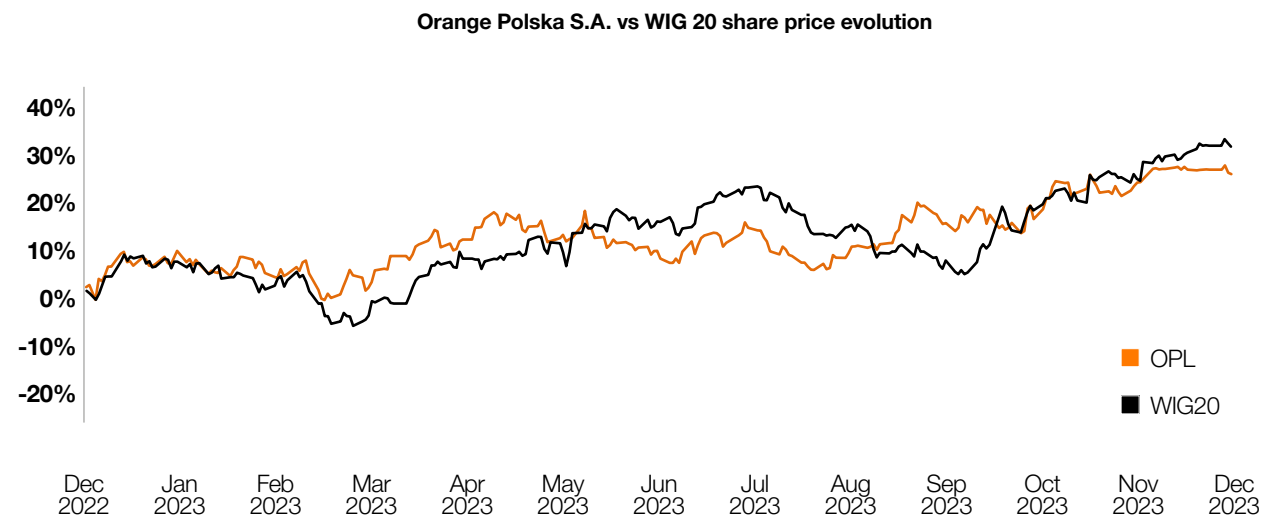
Recommendations and reports for Orange Polska S.A. shares are issued by the following financial institutions (according to the Company's knowledge as of the date of this report)*:

Name of the institution

- Citigroup Global Markets
- Biuro Maklerskie mBanku
- Biuro Maklerskie Pekao
- Biuro Maklerskie PKO Banku Polskiego
- Dom Maklerski Banku Ochrony Środowiska
- Dom Maklerski BDM
- Erste Group Bank
- Ipopema Securities
- Raiffeisen Bank International
- Santander Biuro Maklerskie
- Trigon Dom Maklerski
- WOOD & Company Financial Services

* For an updated list of brokers with the related institution data please visit the Company's website at www.orange-ir.pl

Chart: Orange Polska S.A. share price in the period from January 1, 2023 to December 31, 2023



Orange Polska's Investor Relations

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.

The Orange Polska Group's financial results are quarterly presented during conferences, which are available also via a live webcast. In 2023, 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 current basis. In 2023, a dozen or so financial institutions published their reports and recommendations concerning the Company.

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

In 2023, the Company attended 6 investor conferences organised by different brokers, and held over 70 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. The Company published its seventh integrated annual report.

The key purpose of all efforts of the Investor Relations 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 strategic development priorities in the context of the telecom market and the Polish and international macroeconomic environment.

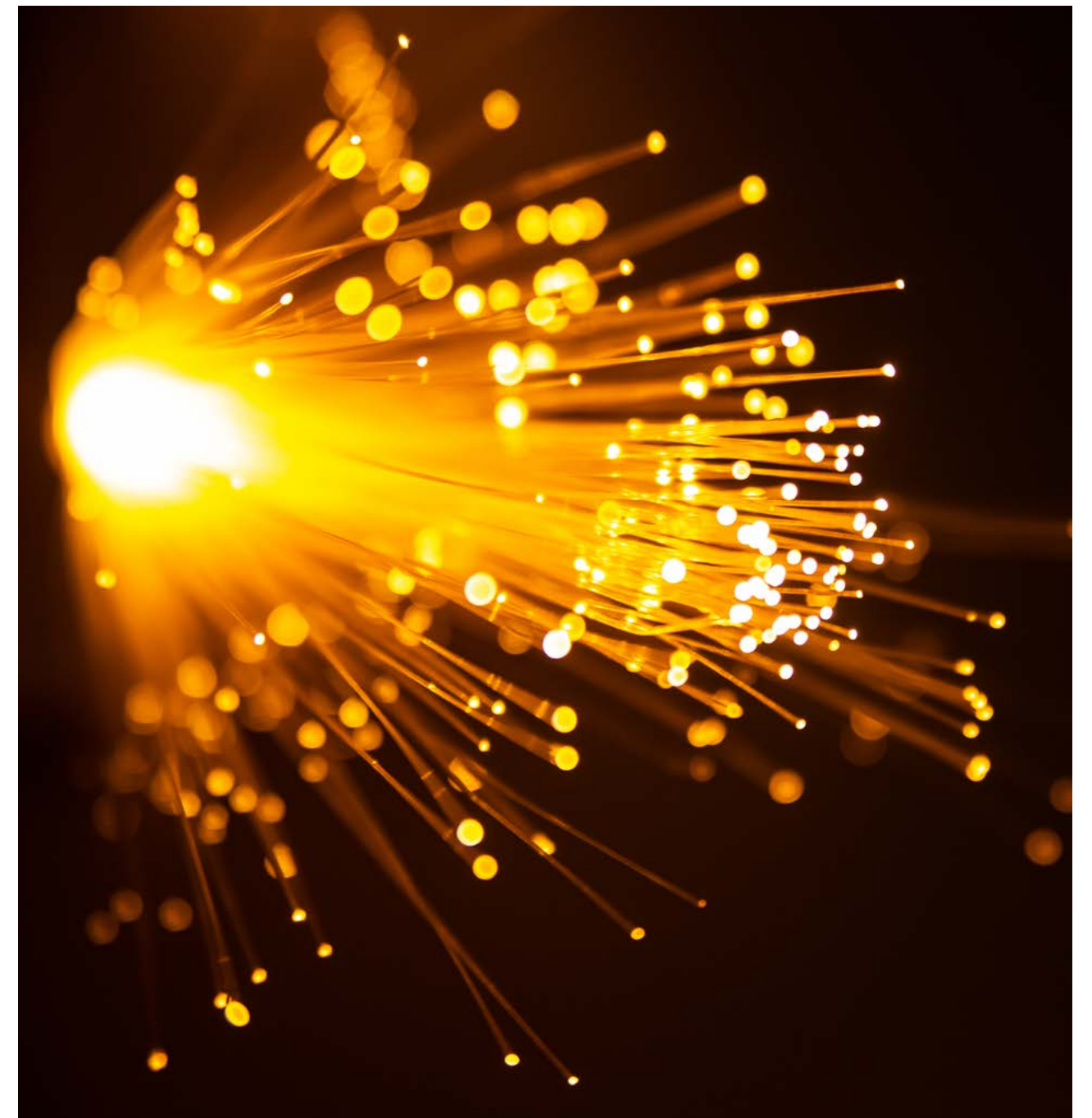
We provide the investment community with a dedicated Investor Relations website www.orange-ir.pl and a weekly newsletter with relevant information on Orange Polska and Poland's telecommunications market.

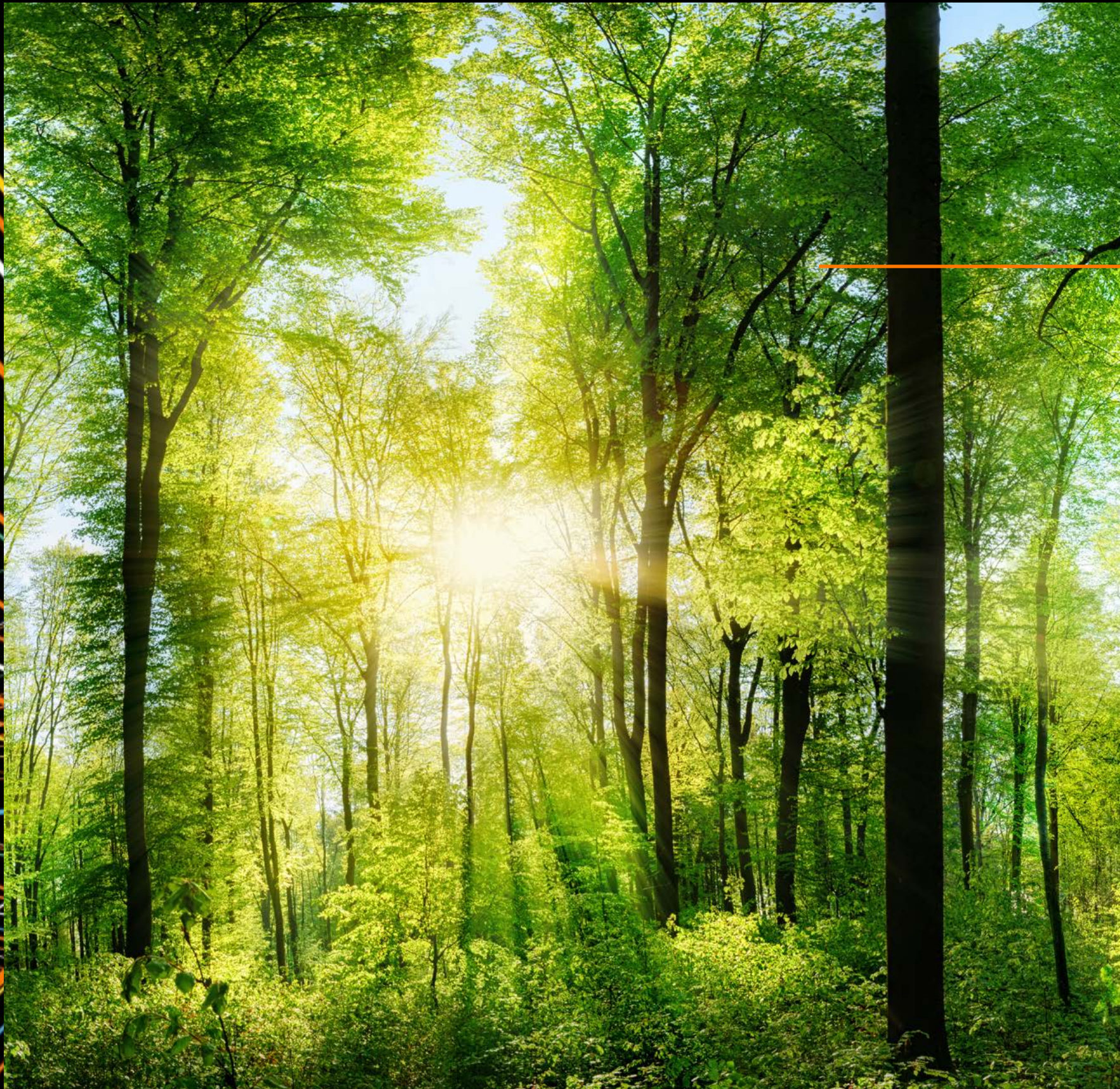
Compliance with Warsaw Stock Exchange Best Practice

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 2023, the Company complied with all the rules of the Best Practice for GPW Listed Companies 2021.

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/





04

ESG Management

E - Climate and environment

At Orange, we believe that technological progress must be available to everyone, but not at the expense of the natural environment. We take responsibility for our impact on the climate.

#OrangeGoesGreen – our approach to climate and environmental impact management

We believe that only real actions based on scientific consensus and consistent with international standards aligned with the Paris Agreement, such as SBTi guidelines, can produce tangible and verifiable results. Orange Polska’s goals and actions related to CO₂e emission management fall in line with these criteria.



The Orange Goes Green programme covers climate and environmental initiatives to ensure the achievement of our climate objectives defined in Orange Polska’s climate policy, which was adopted in 2021.

Orange Polska achieved its intermediate climate targets for 2025 already in 2023, that is two years ahead of the plan:

- 74% of renewable energy in our energy mix compared to 2015 (vs. target of 60%);
- A reduction in own emissions (scopes 1 and 2) by 79% compared to 2015 (vs. target of 65%).

A subsequent step will be to reduce emissions in the value chain (scopes 1, 2 and 3) by 45% in 2030 versus 2020.

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 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.

Scope 1	Scope 2	Scope 3
Key sources of Orange Polska’s emissions for various scopes	Own direct emissions ■ Fuel for vehicles ■ Heating ■ Leaks from cooling systems	Own indirect emissions ■ Consumption of purchased electricity 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

Orange Polska’s net zero target

Scope 1 Fuel combustion in vehicles and buildings; greenhouse gas leaks	Scope 2 Purchased energy consumption	Scope 3 Customers, suppliers, employees	Compensation of emissions impossible to otherwise eliminate	0
Own emissions: priority to 2025 “Our own house first!” -65% by 2025 vs. 2015 , target delivered in 2023		Supply chain and usage emissions increasing area of focus today if we want to deliver for 2040!	the last step cannot exceed ~10% of the total -> net zero must be based on real reductions, this is only to remove the unavoidable emissions	Net zero
Orange Group mid-term goal -45% in 2030 vs 2020				
as close as possible to zero by 2040				

The Orange Goes Green programme consists of three priority blocks:

#1. A responsibility to reduce our CO₂ emissions and the resources we consume

Orange Polska leads Poland's telecom market in business performance. Our ambition is to also be the leader in terms of positive, responsible change for the climate and environment.

Orange Polska's negative impact on the environment is primarily due to greenhouse gas emissions. Energy is a particularly important contributor: we need it to offer services and products and customers need it to use them. Therefore, having reached the intermediate targets related directly to our activity in 2023 (scopes 1 and 2 of the GHG Protocol), we aim to reduce our negative impact on the environment and climate across the entire value chain (adding scope 3).

Our mid-term goal of reducing emissions by 45% within the decade from 2020–2030 and our ambition to reach net zero carbon by 2040 cover the entire value chain. That means they include our emissions, but also those of our suppliers and employees (when resulting from Orange Polska's operations), and those of customers use of our services.

The goal of reducing emissions across the value chain by 45% between 2020 and 2030 will be achieved through the following actions:

- A consistent increase and stabilisation of the share of renewable energy in our energy mix, towards it becoming the dominant share, based on long-term procurement agreements made directly with renewable energy producers (PPAs);
- Further optimisation of energy use in both infrastructure and administration;
- Deployment of new, more energy-efficient technologies such as fibre and 5G;
- Co-operation with our key suppliers in order to reduce the carbon footprint related to the production, installation and use of resources required in our business activities;
- Promotion of circular economy and eco-design principles to both our suppliers and our residential or business customers.

While secondary to our key goal of achieving net zero emissions, optimising other resources consumed by Orange Polska (e.g. paper, plastic) is also included in this priority. We are responsible for what we put into circulation. In particular, we aim to reduce the consumption of such resources through simplification and digitisation of processes or revision and improvement of customer service practices (e.g. invoicing, delivery) combined with promoting options that are more friendly to the environment and climate in our offers addressed to customers.

#2. Value for our customers and all stakeholders

The digital sector can and should be a part of solving the climate emergency. We want to and we can support the climate transformation of our customers and, thus, the whole economy. We are mindful of our key stakeholder: the natural environment.

We believe that responsibility for the natural environment and climate creates value for all: our business and shareholders, our customers, communities and our world. This is why we are taking the following actions:

- Developing and selling services that support our B2C and B2B customers in reducing their negative impact on the environment and climate (in particular, solutions allowing a reduction in GHG emissions or more efficient use of resources);
- Reinforcing end-to-end management of green concerns in the experience of Orange Polska customers, including accurate and honest fact-based communication and greenwashing prevention;
- Implementing circular economy initiatives in our business practice:
 - Extending the life cycle of mobile phones through repair, collection (through buy-back or recycling), and having refurbished devices on offer in the RE umbrella programme launched in April 2022;
 - Refurbishing CPEs (customer premises equipment: modems, TV set-top boxes, etc.);
 - Using refurbished equipment in 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 climate transformation of the Polish economy by supporting other companies on this journey as well as educating and building awareness of the importance of the climate and environmental care.

We leverage a variety of internal and external actions:

- We educate and build commitment of our employees to make them ambassadors of green transformation;
- We co-operate with suppliers, encouraging them and presenting tools to determine and manage their climate footprint; we have included a responsible approach to the climate and environmental impact into the procurement criteria;
- We show our customers that their informed choices matter and we provide them with tools helping them to reduce their own carbon footprint;
- We engage in initiatives for system transformation, supporting market and regulatory changes beneficial to the environment and climate.

Issues relevant to the impact on climate

Greenhouse gas emissions (own emissions) / energy management

Energy consumption, especially for the ICT infrastructure 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 for both the optimisation of energy consumption and an increase of the share of renewable energy in the energy mix are of key importance for Orange Polska.

Since 2014, the Company has carried out comprehensive activities to reduce its energy consumption within the energy optimisation programme. More than 270 initiatives have been implemented in various network areas so far, generating total energy savings of over 1.4 TWh between 2015 and 2023.



All initiatives carried out in the programme have been divided into four areas:

- Initiatives related to legacy fixed-line technologies, i.e. PSTN or ATM – 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 cards. In 2023, Orange Polska initiated the process of switching off its 3G network, which will lead to customer migration to the newer, more energy-efficient technologies: 4G LTE and 5G;
- RAN network efficiency improvement – measures to reduce energy consumption in the mobile radio access network. During periods of low subscriber activity, e.g. at night, selected radio resources are temporarily switched off, reducing energy consumption;
- Modernisation of the technical environment – ensuring 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 older A/C systems with more effective ones and retrofitting of technical compartments with ventilation-based cooling systems (free cooling);
- Big data energy – the available energy data are collected, processed and analysed using a 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.

The network-needs account for a great majority (over 90%) of energy consumption by Orange Polska, but we also implement optimisation initiatives in other areas. The Company optimises its real estate portfolio and consolidates its teams, moving them to new, more energy-efficient locations. We also take measures to save energy used for real estate heating and cooling and to reduce energy consumption in our sales outlets. Furthermore, we strive for the electrification of our car fleet, while continuing its optimisation.

We steadily increase the share of energy from renewable sources in our energy mix. Orange Polska was the first operator in Poland to conclude a power purchase agreement (PPA), using this tool to reduce emissions from electricity generation by contracting renewable energy directly from its

producers. Owing to PPAs, the share of renewable energy in our energy mix reached 74% in 2023 (up 62 pp. vs. 2022). As a result, Orange Polska achieved its 2025 climate goals two years ahead of plan, in 2023. (That goal being a minimum 60% share of energy from renewable sources in the energy mix.)

Owing to the aforementioned initiatives, and despite growing volume of data traffic on our networks, in 2023 Orange Polska achieved a 79% reduction in its own emissions versus 2015 (the Orange Group’s base year for scope 1 and 2 emissions) and a 64% reduction year-on-year.

Scope 3 Greenhouse Gas Emissions (Value Chain Emissions)

Orange Polska determines scope 3 GHG emissions by accounting for the total emissions related to its activity throughout the supply chain, including emissions by suppliers, employees and customers.

Scope 3 emissions have been estimated in line with the GHG Protocol guidelines and the process has been co-ordinated by the Orange Group’s headquarters based on local data from individual countries. Due to the complex methodology (particularly the need to gather, aggregate and convert diverse data for a broad range 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 summarise the year 2022. The methodology for determining scope 3 emissions is under constant improvement, particularly in terms of the maximisation of physical data input instead of estimates based on financial data. The Orange Group’s global, science-based scope 3 objective is a 45% reduction in scope 1, 2 and 3 emissions by 2030 versus 2020 (our scope 3 and total emissions base year).

Orange Polska’s Scope 3 emissions (excluding Orange Energia, for which data are presented separately below) totalled 669,000 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 to energy consumption).

Versus the base year 2020, when total emissions (scopes 1, 2 and 3) totalled 1,069,000 tonnes of CO₂e, we achieved a reduction of 6% in 2022.

Emissions related to the activity of Orange Energia, a subsidiary involved mainly in electricity trading in Poland, constitute a separate category of our scope 3 emissions. According to the GHG Protocol, energy trading is a 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. Due to the very high dependence of the Polish power generation sector on fossil fuels, energy traded in the Polish market has a high carbon footprint, which translates into high emissions of Orange Energia. Consequently, adding them to the emissions of Orange Polska from its core activities would obscure the picture and hinder the analysis of the presented data. Both the Orange Polska Group and Orange Energia constantly undertake actions to increase the share of renewable energy in their energy mix.

Circular economy

The Company takes measures to reduce emissions in all of our priority areas. When it comes to circular economy, one aspect of this is collecting and buying back used handsets and offering refurbished devices or repair services to customers. These initiatives are covered by the RE umbrella programme – a communication and education platform promoting principles of circular economy with respect to smartphones and customer premises equipment (CPE). In 2023, Orange Polska, as the first operator in Poland, carried out a campaign encouraging people to extend the life of equipment they use and consciously dispose of it. In addition, every year the Company retrieves from customers, refurbishes and relaunches over 90% of CPEs (modems and set-top-boxes).

Last year, almost every second modem or set-top box provided to customers had been refurbished.

The Company also implements energy-efficient options in network equipment, promoting them among customers. A 2023 upgrade of software for one model of set-top boxes, which featured an improved and more comfortable energy-saving mode, enabled annual energy savings of approximately 5 GWh. Furthermore, Orange Polska

participates in the international initiatives of the Orange Group regarding circular economy with respect to network infrastructure.

Waste management

The Company’s operations produce industrial waste, such as waste electronic and electrical equipment, batteries and storage cells, iron, cables, concrete and wooden poles, etc. This waste is disposed of under strict control in compliance with the relevant regulations.

We apply uniform principles of waste classification in line with the Regulation of the Minister of Climate of 2 January 2020 on the catalogue of waste and we apply uniform principles of keeping waste records in line with the Regulation of the Minister of Environment on specimens of documents for waste records.

We co-operate exclusively with waste disposal companies that take full responsibility for further waste management (collection, transport, recycling or neutralisation) and can document the subsequent stages of waste treatment from a waste producer to a waste manager. Under the Act on waste electronic and electrical equipment (WEEE), such equipment which is redundant and unfit for further usage shall be considered waste and transferred to collectors that hold a waste management licence and are registered in the Database on Packaging, Products and Waste Management (BDO).

Delivery of emissions reduction in 2023

Scope 1 greenhouse gas emissions:

- Ongoing 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;
- Reduced heating of buildings in wintertime, particularly with respect to technical facilities or buildings which are not used for current operations, as well as reduced air-conditioning of rooms in summertime, which led to a significant decrease in fuel consumption for these purposes;
- Use of a dedicated fund, Green CAPEX, for investments in refrigeration and fire suppression systems, which significantly reduced emissions related to leaks from such systems.

Scope 2 greenhouse gas emissions:

- Conclusion of a further long-term corporate power purchase agreement (cPPA) directly with a renewable energy producer: the first contract to guarantee solar energy supply to Orange Polska, which will enable a more balanced share of renewable energy in the energy mix throughout the year; the PPAs in force now achieve our goals of a 65% emission reduction versus 2015 and on track towards a minimum-60% share of renewable sources in the energy mix by 2030;
- Over 1.4 TWh of energy savings since 2015 thanks to the energy optimisation programme;
- Optimisation of energy consumption in real estate, including sales outlets (for heating, cooling and lighting).

Scope 3 greenhouse gas emissions:

- Work on the refinement of the GHG emission calculation method in scope 3;
- Introduction of a ‘green questionnaire’ regarding efforts to mitigate their climate impact as one of the stages of supplier verification in procurement procedures;
- First in Poland to initiate a widespread communication campaign promoting circular economy principles with respect to smartphones, as part of the RE programme (repair, refurbishment, reselling, recycling);

- Promotion of energy-saving modes in fixed equipment, particularly implementation of a new energy-saving mode in one model of set-top boxes, which enables annual energy savings of up to 5 GWh (94% of users of this model use this solution);
- Continued initiatives for collecting and refurbishing fixed network equipment;
- Support for the carbon footprint calculator developed by Climate Strategies Poland;
- Organising the first Suppliers Forum, an event dedicated to Orange Polska’s business partners and devoted to companies’ impact on climate as well as climate-impact calculation and management, including issues related to renewable energy and EU co-financing of projects in this area;
- Completion of the second, and launch of the third, edition of Green Academy, a unique post-graduate programme in sustainable development provided together with Collegium Civitas, as well as expansion of the programme’s availability by also recruiting employees of other companies.

Commitments in the climate area by 2025	Delivery in 2022	Delivery in 2023	Delivery in 2023 vs. 2025 goal
Reduction in scope 1 and 2 GHG emissions by 65% (vs. 2015)	–41%	–79%	+14 pp.
60% of electricity consumed from renewable sources	12%	74%	+14 pp.

Commitments in the circular economy area	Delivery in 2022	Delivery in 2023
Ratio of handsets collected from the market to new ones launched on the market	5%	5%
Sales of refurbished smartphones	15.9k	8.5k
Multimedia (broadband) devices recovered from customers after contract termination	421.4k	437.5k

For the detailed performance indicators please see GRI tables below.

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. Since in Poland electricity is produced mainly from fossil fuels, electricity consumption generates greenhouse gas emissions.

1 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, responsible for the co-ordination of Orange Polska’s pursuit of environmental goals. This position’s 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 lead 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 14 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, Terminals

Development and Management, IT and Network Operational Resource Management, Business Marketing, Customer Experience Centre and Orange Energia. 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 each year.

The reduction of scope 1 and 2 GHG emissions by 5-10% is included as an objective (at 5–10%) in the MBO evaluation scheme. This includes the relevant managers and 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 managers of the Company.

2 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. Event-based 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.



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 own emissions 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 CO₂ emissions despite the network traffic growth.

Orange Polska's objective is to achieve net zero carbon for all emissions by 2040 and a significant reduction in GHG emissions 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 through the optimisation of energy use, including but not limited to technology evolution and further deployment of more energy-efficient 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.

Reputational damage due to negative climate impact is a short-term risk.

Analysis and determination of the level and nature of the importance of climate change

In 2021 the Company carried out a process of identifying risks and opportunities related to various climate scenarios for Poland. (This process was described in detail in previous reports.) This study also took into account determinants and components for developing action scenarios related to the noted risks and opportunities. All of these data were placed into a matrix layout referenced to local climate scenarios for Poland in both scenario-based and timeframe-based approaches: positive, neutral, negative and very negative scenarios; short (by 2025), medium (by 2050) and long-term (by 2100) timeframes. A team composed of the representatives of the Company's management and various functions considered crucial to current or potential environmental impact was involved in the entire process. In 2023, an update of the process results was conducted (as there were no major changes to the input parameters) in order to confirm the earlier findings and conclusions.

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;
- Importance of negative socio-economic factors to Poland (with respect to Orange Polska) for different climate scenarios.

Stage 2. 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.

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 climate-related risks and opportunities for different climate scenarios.

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.

Methodology

The methodology regarding risk identification, valuation and mitigation measures for Orange Polska has been based on the TFCF recommendations, 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. Prof. Paweł Bogacz of the University of Science and Technology in Cracow has assisted in the application of this methodology.

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 an assessment of our top risks, including 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

Failure to achieve the objectives set out in 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 and of the products and services it provides.



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. As mentioned above, the risk of loss of reputation due to negative climate impact has been included in the top risk category, while risks related to the climate impact on Orange Polska have been linked to selected top risks as long-term materialisation factors.

Key risks of direct climate-change impact on the Company

The Orange Polska Group 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 of December 31, 2023. 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.

The impacts of climate change, including 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. From a short-term perspective, rising sea levels due to the melting of glaciers and ice sheets may affect on-shore locations and facilities more frequently. 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.

Experts have identified the risks related to climate change that might significantly affect Orange Polska. These risks have been assessed in terms of value and likelihood based on discounted future cash flows for a period until 2100. Out of more than 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 presented in the table below, together with the relevant 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 sea-level rise	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 changes to legislation, fines, migration, skilled labour shortages or disease	No valuation

a) Acute and chronic physical risks

Infrastructure damage or malfunction due to climate change

Climate change may result in damaged or malfunctioning infrastructure, 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 loss of access to certain areas. For the Company, such situations require changes in investment planning or parameters.

The main approach to the management of physical risk 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 existing ones, design choices and 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, adequate insulation or 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) driven by extreme events (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 of these types of 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), which may result in reduced electricity supply and higher prices or, in more serious cases, even local power outages. Higher ambient temperatures also increase cooling requirements related to the Company’s infrastructure.

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. (These take into account both costs and reliability of solutions.) In addition, the Company optimises its energy use in order to reduce consumption. The energy optimisation programme encompasses optimisation of energy use 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 (on the PPA basis), 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 disturbance (affecting resource extraction). For some raw materials there is only limited diversification of supply, 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.

To manage these risks, we have identified which resources might have supply issues vulnerable to climate-change related disturbance, and which of those are of key importance for business continuity. To address potential interruptions in supply, we undertake a number of actions, including diversification of suppliers, securing backup suppliers, building inventory, investigating alternative technologies and the use of varying transport routes. Issues related to 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 buy-in) 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 activities of the biggest enterprises, particularly in terms of operating or financial costs (e.g. related to the mandatory reduction in emissions, use of renewable energy, environmental impact management, circular economy solutions, etc.). They may also be impacted by required disclosure of increasingly extensive data related to the company's impact on climate and the impact of climate change on the company (e.g. as imposed by the CSRD Directive setting up new ESG data reporting requirements for companies operating in the European Union). 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 phenomenon of climate-related 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 believe 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 centres; 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 high-emission 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.

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 regularly monitor 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 also considers initiatives for the climate as opportunities. These include the following:
- Emergence of the impact on climate as a major competitive factor, which may give the Company an edge given its intensive efforts to reduce emissions;
 - Growing interest of customers in solutions with a low and traceable carbon footprint and environmental impact and, consequently, room for development of offers addressed to this group of customers, such as a refurbished smartphone portfolio;
 - Development of the Smart City portfolio based on the Internet of Things (IoT) for municipalities and municipal companies, which provides 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 due to gradual transition to energy from renewable sources based on direct long-term power purchase agreements with producers;
 - Potential use of EU funds for projects aligned with the green and digital transformation.

3 Impact of climate-related risks and opportunities on the Company's strategy

Within the #OrangeGoesGreen approach we have developed a climate strategy which determines our commitments with respect to climate protection.

The overarching objective for Orange Polska is to achieve net zero carbon across the entire value chain (scopes 1, 2 and 3) by 2040. The Company has set intermediate goals towards achieving this objective:

- At least 60% share of renewable energy in the Company's energy mix by 2025;
- At least 65% reduction in own emissions (scope 1 and 2) by 2025 vs. 2015;
- At least 45% reduction in value chain emissions (scope 1, 2 and 3) by 2030 vs. 2020.

The calculation of emissions and monitoring of objectives are carried out in accordance with the standards set out by the GHG Protocol. The overall objective of carbon neutrality by 2040 falls in line with efforts to limit global warming by the end of the 21st century to below 1.5°C. Orange Polska's

climate ambitions are perfectly aligned with the objectives of the international Orange Group validated by the Science Based Targets initiative (SBTi).

Orange Energia's emissions are also covered by Orange Polska's strategic climate objective of achieving net zero carbon by 2040 for all emissions (scope 1, 2 and 3). In 2022, Orange Energia's emissions totalled 642,000 tonnes of CO₂e. The company's strategy provides for a growing share of renewable energy in the traded energy mix and a shift towards sales of energy from generation sources. Between 2022 and 2024, Orange Energia intends to more than triple the share of green energy (both from renewable sources and covered by guarantees of origin) in sales to end customers, from 14% to 50%. Furthermore, since the beginning of 2023 the Company has sold only green energy to all customers.

Specific climate-related risks and opportunities are an integral part of Orange Polska's strategy. The relevant references can be seen in the following:

- Procurement criteria concerning the energy efficiency of equipment;
- Questionnaire for suppliers investigating their approach to climate change and energy efficiency;
- Orange Polska's environmental policy confirmed with an ISO 14001 certificate;
- The Company's energy management system based on optimising consumption and maximising the share of renewable energy sources in the energy mix;
- Communication with customers in the RE programme highlighting the financial and environmental benefits of incorporating circular-economy principles into purchase decisions, based on reliable messages presenting specific solutions and their impact;
- Development and promotion of IoT/Smart City solutions enabling more efficient and rational resource management;
- Orange Polska's active participation in climate transformation-related discussions and consultations in industry and economic forums, such as the Environment and Climate Committee of the Polish Chamber of Information Technology and Telecommunications, Chapter Zero Poland, United Nations Global Compact or Lewiatan Confederation.

S – 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.

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

Organisational culture

We are building our organisational culture in an open dialogue with our employees, satisfaction surveys, regular feedback and open meetings. We have defined four priority areas for our cultural change:

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

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:

- Waves of Innovation – a comprehensive programme addressed to interested employees aimed at incubating innovative solutions in the area defined in a given edition (wave);
- 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);
- Orange integration – a budget for team integration provided to managers;
- 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;
- Initiatives to strengthen work-life balance and mental resilience, including the Mindgram platform (access on a chat to individual care from a specialist: psychologist, dietician, business trainer, child psychologist, legal advisor, financial expert, sexologist and couples psychotherapist, as well as audio recordings: mindfulness, relaxation training, meditation and psychotherapy sessions);
- Well-being ambassadors from all over Poland, providing tips on how to take care of your health and well-being, as well as the #dbamyosiebie community.

Effective collaboration

Our idea is ...

To make our everyday collaboration and communication 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, a meeting-free hour (1:00–2:00 pm) every day;
- Feedback culture (360 Degree Feedback for all every two years; monthly Pulsometer – a team feedback survey focused on co-operation and achievement of goals);
- Implementation of effective work rituals and task management using modern tools (Teams, MS 365, Jira, etc.);
- #bezczukru (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 ...

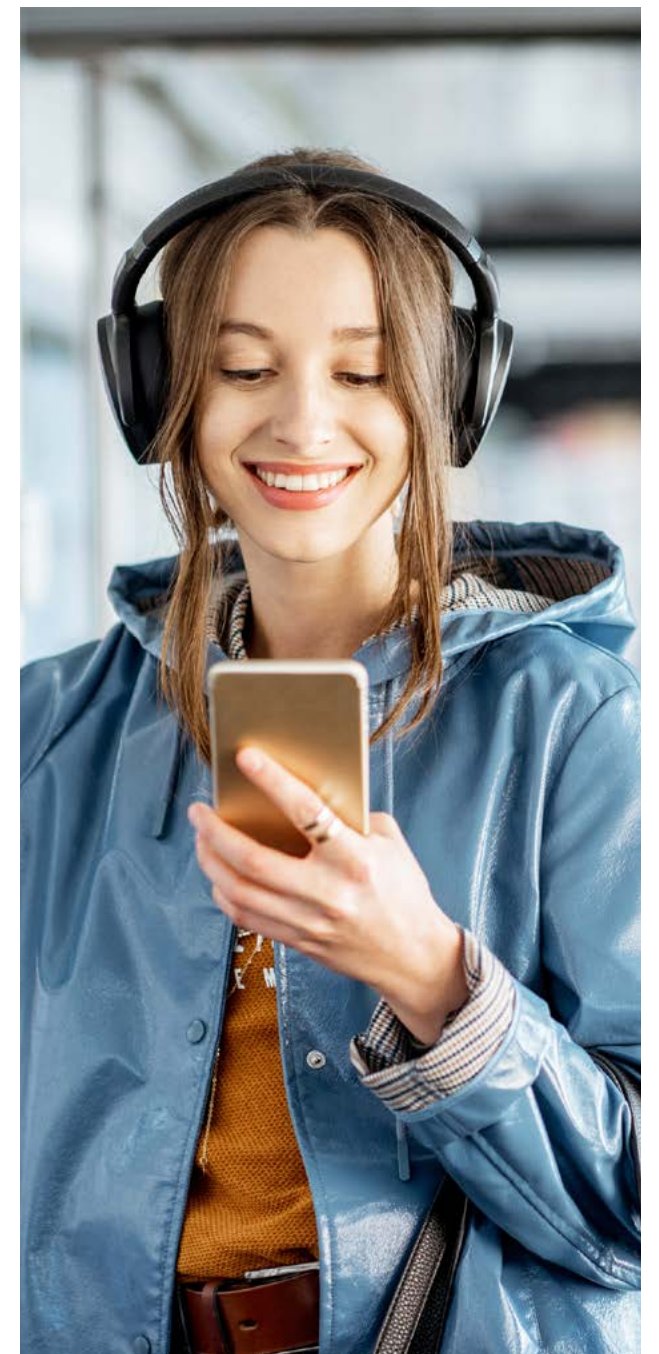
To build a learning organisation by ensuring mutual development of employees, with a focus on the competences of the future boosted by professional schools, new development programmes, internal mobility and learning in communities.

Our initiatives:

- SkillsUp – an employee competence mapping programme, thanks to which they receive market tips on what skills are crucial in their profile as well as support in development planning;
- Reskilling – a programme enabling retraining to selected professional roles;
- Jump – an internal mobility programme;
- Professional schools – Data & AI IT Academy, Cybersecurity, DigitalLove;
- Development tools – Orange Learning, Coursera, e-learning, webinars;

- Time for development (Outlook booking on Fridays);
- Professional learning communities – Data Freaks, Leader in Action.

In 2023, we once again (for the 13th 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 the implementation and constant enhancement of good human-capital practices.



Diversity management

Orange Polska has implemented the Diversity Management Policy, which was adopted by a decision of the President of the Management Board in 2016. Orange Polska has also implemented the Diversity Management Policy for Members of the Management Board and the Supervisory Board.

Orange Polska is committed to respecting diversity and equal opportunities in the following dimensions:

- gender;
- age;
- competence / expertise / experience / mindset;
- psychophysical skills – (dis)abilities;
- parental status;
- religion / beliefs;
- workplace location (HQ vs. region);
- nationality / ethnic origin / race;
- sexual orientation;
- type of employment;
- trade union membership;
- political convictions.

Diversity Management Policy covers the following areas:

- 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 this policy in Orange Polska is supported by the Committee for Gender Equality and Diversity in the Workplace.

Furthermore, we hold the Gender Equality European and International Standard (GEEIS) certificate and we are a signatory to and a guardian of the Diversity Charter in Poland. In 2023, Orange Polska adopted the procedure for handling unacceptable behaviour reports, which formulates new rules for handling violent behaviour, that is discrimination, abuse, sexual abuse, sexism and mobbing.

Orange Polska is a signatory to and a guardian of the Diversity Charter in Poland. 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.

Responding to the need to provide greater support for women in their development and access to management positions, while taking into account their professional and family commitments, we have launched the Razem (Together) programme.

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

- supporting women in their professional and personal development;
- 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.

The Razem (Together) programme involves the following components:

- Supporting personal development (ME) – development programme for female leaders, mentoring and coaching, and recruitment consultancy (e.g. Women Leaders Together);
- Building diversity supporting mechanisms (COMPANY) – pay gap monitoring, recruitment, succession and promotion policy accounting for diversity goals;
- Encouraging women to work in technologies (MARKET) – programmes highlighting women’s presence in IT and encouraging them to take up technology positions (e.g. Hi-Tech Girls);
- Creating a community inside the Company and in coalition with other organisations (COMMUNITY) – building an internal network of women, communities of women in technologies, co-operation and experience sharing with other companies and social organisations.

The goals of the Razem programme by 2025:

- To strengthen the role of women in Orange Polska:
 - % women in managerial positions = % women in the Company,
 - 37% women in leadership positions,

- 50% women in succession,
- Equal wages;
- To increase the number of women in technologies:
 - 25% women in technologies;
- To ensure equality/diversity within teams:
 - At least one woman in each recruitment committee;
 - Both genders represented on short lists of candidates.

Selected diversity initiatives in 2023

Women Leaders Together

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.

In 2023, we launched the 3rd edition of the programme, attended by 51 women.

Hi-Tech Girls contest

At Orange, for years we have promoted the active development of teams based on diverse competences and experience. For this reason, we have launched the Włącz. One (Turn on.One) initiative to encourage women to pursue careers in technology areas. The Hi-Tech Girls contest, which is a part of this initiative, aims to create the best development opportunities for ambitious female students and open doors to careers in technologies of the future. The contest is addressed to female students in the third to fifth year of both technical and non-technical universities and female graduates thereof up to one year after graduation. The contest tasks can be completed in the following areas: Cloud, Data: AI or Digital Analytics, Cybersecurity, and Software Development Frontend or Backend. Rewards include internship at Orange Polska, mentoring from our managers and vouchers for specialist training to be redeemed at Future Collars. Ten winners were selected in the first edition of the contest in 2023. Eight of them completed an internship programme at

Orange Polska, and six of them subsequently started regular co-operation with us. In the second edition, we selected a further 13 winners, who started internship at the Company.

Be Yourself

The Be Yourself initiative at Orange is an employee network which promotes support and integration of LGBTQ+ employees. The Company has created a platform for co-operation and experience sharing within the LGBTQ+ community. It is consistent with our general diversity and inclusiveness policy. The network activity has included meetings of the relevant employees of Orange Polska, networking within the Orange Group and co-operation with the intercompany LGBTQ+ Network of Networks initiative. It has focused on education, raising awareness, building respect and tolerance for diversity among all employees, and developing a friendly workplace.

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.

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.

Inclusive leadership

In Orange strategy, we have set goals related to diversity and changing the leadership model to more inclusive. We have pursued these objectives particularly by training in inclusive culture building, which has been attended by 226 managers so far. All participants have been invited to self-diagnosis. As a result, each participant has received an individual report

on their leadership style in terms of inclusive culture, as well as customised development guidelines and tips on how to manage a diverse team. Furthermore, 50 key managers have been invited to a workshop, which has led to a number of new initiatives within the Company, particularly related to support for the of LGBTQ+ employee community or neurodiverse persons.

- New office format: a new office function supporting teamwork, implementation of new standards, and office rearrangement to increase space for co-operation;
- 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.

- Social well-being – we build 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;
- Financial well-being – we offer a wide range of benefits to help our employees cope with high inflation, growing mortgage payments and high energy prices.

Running a business in the world of the polycrisis (COVID-19 pandemic, war in Ukraine, economic crisis, and environmental crisis), rapid technology advances or sensory overload poses numerous challenges for an organisation. In order to face them, we help our employees build and develop competences related to stress reduction, emotion management, enhanced flexibility and rapid adaptation to changes. We organise webinars with experts, workshops and training sessions. We provide access to a psychological support platform and hold training in crisis management in teams.

As a company that offers digital solutions to customers and strongly concentrates on the simplification and digitisation of internal processes and use of modern tools at work, we put emphasis on building work culture based on two pillars: work habits and rituals as well as accompanying tools. We promote rules that support digital well-being and offer training in the tools we implement, including MS Teams.

We minimise the negative impact of the growing costs of life on the well-being of our employees through a wide range of benefits:

- Employee retirement plan;
- Grant aid and loans from the Company Social Benefits Fund;
- Loans for housing purposes and installation of eco-friendly solutions from the Central Housing Fund;
- Holiday subsidies for employees and their children;
- ‘For Health’ loans;
- Discounts by the Group’s partners and for Orange products and services in the Offer for You programme;
- Free specialist consultation (with psychologist, dietician, financial expert, legal advisor or child psychologist);
- Life insurance for employees and their family members;
- Adaptation package for employees with disabilities.

Work environment

At Orange Polska, we build a friendly working environment for our employees in order to create conditions for development, increased creativeness and commitment to the assigned tasks. In order to achieve it we implement tools and solutions that support well-being of our employees and help them maintain balance between professional and personal life. In the policy for investing in health quality and well-being of Orange Polska’s employees, we have defined objectives addressing the needs of employees through a comprehensive approach to:

- Physical well-being – we provide comprehensive health care to our employees, organise free medical checkups in our offices, address the needs of people with disabilities, and encourage employees to take up physical activity and healthy dietary habits;
- Mental well-being – we support mental resilience of employees, provide psychological assistance in crisis, educate and implement solutions to support balance between professional and personal life, and promote tools and solutions increasing the feeling of happiness at work;



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 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. The model was attuned to 2023 law on remote work. We pilot the solutions dedicated to specific groups of employees, e.g. remote contact centers.

In 2023 we continued evolution of how we work based on the IT tools. The focus was on M365 solutions and education of employees. We also introduced the mobile app for employees. Employes on their mobiles can for example check corporate news, book the desk or parking, change holidays plan, issue or accept business travel.

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:

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.

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 requirements of health and safety as well as 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 offered by PZU Zdrowie – 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.

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 co-operate with the employer in the implementation of its obligations in the area of health and safety at work.

In 2023, our efforts in the occupational health and safety area focused primarily on education, digitisation and closer co-operation with Orange Group companies in Europe. In terms of education, we doubled the number of employees

trained in first aid compared to 2022; we also held such training customised to the needs of individual business units. We implemented a new version of initial training, featuring interactive elements and using modern tools. In terms of process digitisation, we developed and implemented a new, electronic system for presenting occupational risks to employees. We developed internal OHS regulations concerning remote work and implemented an electronic solution for submitting applications for remote work performance. In terms of co-operation with other Orange Group companies, we initiated efforts to adopt an OHS policy. Furthermore, we continued reviews of working conditions in our sales outlets. In close co-operation with PZU Zdrowie we completed the regular medical checkup programme, which was halted during the COVID-19 pandemic.

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 benchmarks 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.

By building a competency-based organisation we are able to respond to changes more quickly and constantly increase our potential. Therefore, we encourage our employees to raise their competences through lifelong learning and take responsibility for their own development.

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 competences 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 2023, we completed a full roll-out of SkillsUp. Over 12,000 employees and outsourced workers were invited to join the process. An 88% of them completed self-assessment based on 205 competence profiles developed together with business experts (the As-Is phase). In the next stage, function heads will determine the competence needs in the long-term three-year perspective (the To-Be phase), so that the adequate development offer may be prepared.

SkillsUp-based development leads to both upskilling and reskilling. The project involves a long-term approach to development and the use of diverse development methods at different competence levels, such as training, on-line courses, educational platforms, videos, knowledge sharing in the Experts for Experts programme, peer mentoring, and educational community activities.

Similar development programmes have already functioned in the areas of Data and Artificial Intelligence, Cloud Solutions, IT, Cybersecurity, and Project Management and Agile. In 2023, we also launched a professional school in the area of Digital Sales & Customer Service and User Experience Design. Overall, almost 90% of our employees have already completed training in these areas.

Other benefits of SkillsUp include a competence knowledge base, project and internship recruitment support, knowledge sharing and internal labour market development.

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 competences (Data and Artificial Intelligence, Cloud Solutions and Cybersecurity) and, secondly, in building a culture of innovation and applying agile working tools and methodologies. The first and second module have been completed by almost 70% and almost 60% managers, respectively. In 2023, managers were invited to join the third, and last, module in the area of Customer Digital Experience.

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

Dialogue with employees

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 and materials;

- working time systems and schedules, as well as adopted working time settlement periods;
- date, place, time and frequency of remuneration payments;
- 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 employees’ right 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, as well as any significant changes in work organisation or employment terms.

The Intragroup Collective Labour Agreement has been in force in Orange Polska S.A., which regulates, inter alia, the rules for concluding and terminating employment contracts, working hours, holiday entitlement, rules of 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 14, 2023 for the years 2024–2025. In particular, it sets the number of voluntary departures, determines a financial package for employees leaving the Company under the voluntary departure scheme, and provides for potential base salary rises and 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 and offering the participation in a job-seeking (outplacement) programme. In addition, the Social Agreement for 2024–2025 provides for initiatives for a friendly work environment and continuation of medical coverage. Orange Polska S.A. also committed itself not to reduce the training budget in 2024–2025 versus that in 2022–2023.

In addition, the Settlement with the social partners was concluded on December 14, 2023, determining the detailed terms of collective redundancies and the procedures for the implementation of the Social Agreement for 2024–2025 in 2024. The Settlement set the number of employees to leave Orange Polska S.A. in 2023 at 590 and determined the terms of voluntary departures and the amount of severance pay and additional compensation for employees departing in 2024. The Settlement also specified the rules and selection criteria to be applied to people whose employment will be terminated by the employer for reasons not attributable to employees.

Table: Key social dialogue indicators

Social Dialogue	2022	2023
Number of trade unions	17	17
% of employees in trade unions	28.8%	28.3%
% of employees covered by the Intragroup Collective Labour Agreement	90.9%	96%

Listening to the voice of employees

Every two years, the Organisational Health Survey (OH Survey) is conducted across Orange by McKinsey & Company, an renowned international strategic consultancy. At Orange Polska it has been completed four times. The first OH Survey took place in 2017, beginning the process of organisational culture change in the Company.

The fourth edition of OH Survey was conducted at Orange Polska in November 2022. Its results constituted the basis for formulating further priorities for changes in the Company's corporate culture so that it could best support the pursuit of our objectives. 87% of employees took part in the survey. Despite a slight decline (73% vs. 78% in 2020), Orange Polska maintains a high level of organisational health. The highest scores were achieved for Accountability (83%) and Leadership (82%), while Motivation (51%) was indicated as an area for improvement. Responding to this challenge, we have implemented the SkillsUp competence development programme, a number of working environment improvements and the I Like To Be Here communication campaign addressed to employees.

The Organisational Health Survey investigates the organisation's health in nine key areas: direction and vision, accountability, coordination and control, external orientation, leadership, innovation and knowledge, competences, motivation, and work environment and culture. The survey results enable us to diagnose our strengths and weaknesses against global benchmarks and plan potential corrective actions in several areas which are of top priority for Orange Polska.

In 2023, we decided to replace the Our Barometer employee satisfaction survey with a new assessment questionnaire common for the whole Group, Voice Up.

Voice Up supports the implementation of the Orange Group's Lead the Future strategy. The purpose of the survey is to investigate the needs, feelings and expectations of employees. Its results facilitate the identification of satisfaction areas as well as global and local areas for improvement.

Voice Up provides an opportunity for each employee to share their reflections about the functioning of the Company and their own workplace experience. Questions are similar to those from previous surveys and concern satisfaction from work and assessment of various areas of the Company's operations. The survey evaluates the employee involvement,

confidence and efficiency across the Group. It was conducted for the first time in January 2024, with 84% of employees participating.

The survey has demonstrated the following:

- Orange Polska's strengths are its efficiency and productivity, which is reflected in pursuit of results;
- We excel in effective work organisation and efficient decision making;
- Our employees appreciate opportunities for their personal and professional development, including access to training, involvement in interesting projects and access to new technologies;
- They also highlight clear roles, a strong sense of co-operation (particularly at the team level) and our social responsibility, especially with respect to sustainable (green) development and diversity.

We have achieved a lower score for employee involvement and motivation. Following an in-depth analysis of the causes (particularly 17,000 comments in response to open-ended questions), the Management Board has concluded that the key challenge in 2024 will be the joint development of solutions to enhance inter-area co-operation, improve task prioritisation and strategic goal clarity, as well as increase well-being in order to ensure a work-life balance.



S - Communities

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 competences in the social and customer areas 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 16 years through our Orange Foundation, which implements digital education programmes in schools. Furthermore, we ensure accessibility to our services for customers with disabilities and we educate senior citizens how to use new technologies.

Digital inclusion – infrastructure 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.

There are currently more than 7.97 million households within the reach of Orange Polska's ultrafast fibre broadband, and the service is used by 1.35 million customers, who enjoy internet access at speeds of up to 2 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. Furthermore, fibre lines developed by Orange Polska are offered to other operators on a wholesale basis.

Intensifying the co-operation between operators has been a major component of the Company's .Grow strategy. 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 Światłowod 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, a further about 700,000 households will be connectable with fibre, including our own investments and access to leased networks of other operators. Our service reach will continue to be expanded mainly through partnerships with other operators, particularly Światłowod 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).

Investment projects co-financed by EU funds

Orange Polska expands its fibre network through participation in programmes co-financed with EU funds. These programmes aim at building open broadband networks in the areas of coverage gaps, that is regions and towns missing modern infrastructure.

Within the framework of the completed Digital Poland Operational Programme (POPC), the Company built over 25,000 kilometres of fibre lines reaching more than 4,200 towns and villages between 2014 and 2020. A total of 3,000 schools and 400,000 households within the areas of digital exclusion got access to a fibre network.

The National Recovery and Resilience Plan (NRRP) and the European Funds for Digital Development (EFDD) are subsequent programmes focusing on the elimination of digital exclusion. As a beneficiary of both, Orange Polska will continue to implement fibre investments co-financed with EU funds within the next few years.

In the NRRO framework we will conduct investment projects in 24 areas, connecting around 134,000 households to fibre.. Granted subsidies will amount to PLN 566 million..

In the EFDD programme, we will deploy fibre on 4 areas reaching almost 21,000 households. Total grants exceed PLN 97 million.

Investments will be carried between 2024 and 2026. We will spend from our own funds around PLN 300 million.

Such investments have a huge impact, improving the quality of life in the areas that have suffered from digital exclusion. They stimulate development of local communities and increase 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 remote work and education, as well as all types of e-services and entertainment.

Network range – key indicators

	31 Dec 2022	31 Dec 2023
Mobile services		
4G outdoor coverage	98.5% of territory 99.9% of population	98.5% of territory 99.9% of population
4G indoor coverage	86.9% of territory 97.6% of population	87% of territory 97.7% of population
Broadband services		
Broadband penetration rate among population	27%	28%*
Total number of broadband lines in Poland ('000)	10,155	10,502*
Orange Polska's market share by volume	28%	27%*
Households connectable with Orange Polska's fibre (million)	7.08	7.97*

*estimated

Social and digital exclusion

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,

Presumably, 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 11.7% to Poland's GDP growth between 2004 and 2023.

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 (see 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, Orange Studios, FabLab powered by Orange and #BrainStorm, which are complemented by the corporate volunteering programme and activities for the safe use of new technologies by children and young people. The strategy provides for a follow-up of the long-term programmes implemented in previous years.

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 (aged 6–10 years) and their teachers. We aim to enhance knowledge and digital competences 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, as well as for gaining and training social and emotional skills that are useful in life.

MegaMission	2022	2023
Children trained in the programme	3,800	3,150
Teachers trained in the programme	190	150

*2022 and 2023 figures apply to the school year 2021/2022 and 2022/2023, respectively.

#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 and introduction to the world of new technologies in an innovative manner, as it takes place during science, mathematics, history, music or Polish language classes rather than IT classes. All teaching materials (there are 15 sets of scenarios) 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 training and technical support by expert educators. Some materials are also available in Ukrainian.

Key indicators and commitments of the #SuperCoders programme

#SuperCoders	2022	2023
Children trained in the programme	2,708	2,720
Teachers trained in the programme	280	280

*2022 and 2023 figures apply to the school year 2021/2022 and 2022/2023, respectively.

#BrainStorm

#BrainStorm is an e-learning course in which we explain the phenomenon of artificial intelligence in ethical and social terms. It consists of an on-line course and a series of webinars that support chiefly teachers and educators in raising awareness of the phenomena and mechanisms in which we participate by using the internet and digital services, so that they can support their students in understanding how AI influences our lives and are able to use AI in education in a positive and creative way. The programme is addressed primarily to people teaching in grades 4 to 8 of primary schools (children aged 10–15 years). Upon completing the course, the participants receive a certificate issued by a Non-public In-service Teacher Training Centre.

Key indicators and commitments of the #BrainStorm programme

#BrainStorm	2023
People who entered the course	1,380
People who completed the course and received the certificate	227

Lesson:Enter

Lesson:Enter was a nationwide digital education programme addressed to teachers and aimed to enhance their digital skills. Over 82,000 teachers (or almost 20% of all teachers in Poland) were trained in 2020–2023. Owing to Lesson:Enter, by using digital tools in the project they strengthened their teaching skills, particularly activating teaching methods and digital skills in using and modifying the existing e-resources. and developing their own e-resources.

The programme was carried out in conjunction with the Information Society Development Foundation and Institute of Public Affairs. It was implemented in the re-granting scheme by in-service teacher training centres. In the programme, we provided financial and technical support to 143 grant projects. Training courses were attended by 82,247 teachers from more than 10,400 schools. A 65% of training participants were teaching in schools in rural or semi-urban areas, or towns with population of less than 20,000.

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

Key indicators and commitments of the Lesson: Enter programme

Lesson:Enter	2020–2023
Teachers who participated in training	82,247
Teachers who completed training and received the certificate	75,763

Orange Digital Center: Orange Studios, FabLabs and Coding School

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.

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 population of less than 40,000. Orange Polska helps to manage Orange Studios, providing free broadband access, while the Orange Foundation has

equipped them and 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 grant aid to help them manage these modern and attractive meeting places. To date, we have set up more than 100 Orange Studios across the country. The Orange Studio leaders can use an on-line knowledge-sharing platform, which features a portfolio of ready-to-implement projects and a gamification module that uses game elements 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 2023, we opened 20 new Orange Studios that were equipped with computer sets, 3D printers, robot sets, multifunction devices, game consoles, TV sets and furniture. In addition, we continued our educational project concerning augmented reality. As a result, further 17 Studios received VR goggles. Furthermore, 18 Studios feature makerspaces equipped with 3D printers, DIY electronics kits, sewing machines and/or laser plotters, of which eight were launched in 2023. Activities in 92 Orange Studios attracted over 70,000 participants in 2023.

There are FabLabs (fabrication laboratories) in two cities: Warsaw and Gdańsk. These are open studios that invite people who want to learn how to use modern technologies in a creative way. They can print 3D objects or use laser plotters, CNC milling machines and electronic equipment. FabLabs offer support by experienced educators, professional equipment and free workshops for adults, young people and children. In addition, FabLab Warsaw carries out two long-term projects: Maker Woman – addressed to women who want to gain new technical and digital skills, and YouthLab – addressed to people aged 16–25 years. Both projects include some topical paths in Ukrainian. A total of 3,380 people attended free workshops and social projects in FabLabs in 2023.

Coding School offers free professional programming courses for young people (aged 18–35 years), who want to develop, upskill or reskill themselves. In addition to courses in programming, the project participants are offered webinars by IT market experts, networking, motivational meetings and individual career guidance, including tests of social skills and emotional intelligence. In 2023, courses were held on-line and on-site in Warsaw and selected regions. Participants could choose from among three educational paths: Java, Python or UX. Almost 4,000 people applied for participation, out of which 105 people, mostly women from small towns, were selected. All the participants completed the courses.

Key indicators and commitments of the Orange Digital Center programme

Orange Studios	2022	2023
Active Studios maintained	76	92
Users	54,219	70,950
Population with access to Studios	684,000	828,000
FabLabs powered by Orange	2,022	2,023
Project and workshop participants in FabLab Warsaw	1,408	2,520
Project and workshop participants in FabLab Gdańsk	1,228	860
Coding School		
Course participants	–	105



Corporate volunteering

Orange Polska has the biggest employee volunteering programme in Poland, which has been running for 20 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 2023, our volunteers carried out more than 250 initiatives for local communities, including grassroots projects in the second edition of the grant competition. These initiatives supported people helped by non-governmental organisations, children’s homes, senior citizens, people with disabilities, and people experiencing loneliness or homelessness crisis.

Our volunteers carried out educational classes for children and youth on online safety, energy conservation and ecology. More than 30 volunteers coupled with emigrants to teach them Polish for three months.

In addition, Orange Polska’s employees support 6 non-governmental organisations that organise extracurricular, educational and development activities for children and young people from Ukraine in refugee facilities, day-care centres and schools.

In 2023, 3,146 volunteers of the Orange Foundation helped a total of 20,300 people.

Key corporate volunteering indicators

Corporate volunteering	2022	2023
Volunteers	3,030	3,146
Volunteers' working hours	23,200	23,030

Summary of the Orange Foundation’s social goals

Key social commitments and their delivery

Key social commitments defined in the Orange Foundation strategy for 2021–2023 are as follows:

Key indicators and commitments of the Orange Digital Center programme

Commitments in the social area	Delivery in 2023	Annual Goal
Educational programmes for schools (MegaMission, #SuperCoders)		
Children trained in the programmes	5,780	5,500
Teachers trained in the programmes	430	430
Schools participating in the programmes	290	290
Orange Studios		
Active Studios maintained (out of 100 established)	92	80
Population with access to Studios	828,000	720,000
Corporate volunteering		
Number of employees involved in corporate volunteering	3,221	3,000



Other social activities

Sponsorship

Orange Polska has adopted a sponsorship policy. Our approach reflects the global sponsorship strategy of the Orange Group. In our strategic sponsoring 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

Two music festivals sponsored by Orange, namely Orange Warsaw Festival and Open’er Festival Powered by Orange, were held in 2023.

Sponsorship	2022	2023
Music sponsorship: Orange Warsaw Festival		
Number of participants	50,000	40,000
Advertising value equivalent (PLN million)	6.2	5.2
Number of publications	969	1,980
Music sponsorship: Open’er Festival Powered by Orange		
Number of participants	150,000	110,000
Advertising value equivalent (PLN million)	2.1	2.2
Number of publications	8,477	8,065

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 2023, fundraising numbers were launched for 14 organisations, which raised a total of over PLN 4.8 million.

Key grant indicators

Expenditure on aid to charitable institutions and social organisations in the area of welfare, education, health, culture, sports, etc.

Grants	2022	2023
Total support granted (PLN million)	9.9	12.8

Humanitarian aid

The war in Ukraine forced millions of people to escape and cross 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. We distributed over one million SIM cards by the end of 2023. The preferential mobile offer is still available to Ukrainian citizens.

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 of all at border crossings and in reception centres, followed by railway stations and information points, which needed free Wi-Fi, and, finally, in facilities receiving refugees and providing initial assistance and accommodation to them. Responding to these needs, Orange Polska has launched hot spots in such locations and still maintains them where needed.

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 in terms of technology, equipment and services for the newly organised crisis management centres. We also collaborated with the Ukrainian House in launching the crisis management centre there. More than 50 entities (foundations, associations, crisis organisations, local authorities, etc.) have received a total of over 8,000 SIM cards providing access to free services, over 1,000 handsets and 30 mobile routers. With our services we helped to establish legal, social and psychological support centres. We still support with our equipment and services the organisations that continue to provide assistance to refugees from Ukraine.

Since October 2022, together with the Lena Grochowska Foundation, we have hosted over 80 refugees in our former office building in Łódź.

Orange Polska employees also got involved in supporting Ukraine. We organised collections in our 14 biggest offices. Our volunteers organised local education and integration aid projects. The Orange Foundation provided 19 micro-grants for such initiatives in 2023. It also supported with grants six organisations that provide long-term system support for Ukrainian citizens, including the Lena Grochowska Foundation and the Polish Centre for International Aid (PCPM). In addition, the Orange Foundation supports the 116 111 helpline operated by the Empowering Children Foundation, which provides psychological assistance to children and young people from Ukraine.

The Orange Foundation provides assistance to Ukrainian citizens, particularly related to education, integration, development and job seeking, in a number of its programmes: Maker Woman (helping women to gain new competences and enter the labour market; 120 beneficiaries from Ukraine in 2023); YouthLab (helping young people aged 16–25 years to find jobs and reskill; 15 beneficiaries from Ukraine); workshops in FabLab Gdańsk for more than 30 Ukrainian citizens; and #SuperCoders (Scratch lesson scenarios in Ukrainian). It also co-operates with the Ukrainian Woman in Poland Foundation (educational workshops about online security and workshops in FabLab Warsaw for Ukrainian youth).

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.

Every year we cooperate with many social organisations and institutions. 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 non-governmental 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 almost 30 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.

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 Children and Youth Safety 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.

SMART solutions for society

A surge in energy prices, climate challenges or traffic congestion are among the 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 120 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 26 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 46 cities and towns in Poland.

Reduced pollution and convenient transport: Smart Bike

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 2023, bikers using the Smart Bike systems in 35 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 astronomical clocks used for street lighting management. Based on the current date, geographical 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.

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

Based on the results of the survey Are Polish cities ready for smart city solutions? conducted by Orange we have identified the major barriers to the adoption of smart city solutions. We have established that the main obstacle is low awareness about the opportunities and benefits related to such solutions, as well as a lack of municipal experts who could co-ordinate their implementation. Smart city solutions were considered extravagant expenditure that only the biggest and richest cities, employing dozens of technology specialists, could afford. Another concern expressed by municipalities was public perception. The city authorities were afraid that the residents would not be positive about new technological solutions; in addition, many of them lacked experience in communicating such initiatives.

Therefore, we have decided to carry out non-standard education and communication initiatives addressed to both municipalities and residents to raise their awareness about smart solutions that could improve the functioning of their cities.

Smart City Leadership Academy

This has been the first educational programme of this type, involving representatives of more than 50 municipalities. We invited renowned experts to conduct meetings at the Academy, choosing practitioners who had completed multiple smart city projects.

The range of topics included key practical issues in the development of smart cities, illustrated with specific examples from Poland and other countries. At the Academy, we discussed concrete solutions, particularly related to mobility, infrastructure improvements or, which is extremely important today, measures to reduce electricity consumption in cities with the use of new technologies. We also focused on the methodology of investment formalities as well as public consultation, which is currently an indispensable element that makes residents involved in smart city project planning and implementation.

The Academy meetings were divided into eight thematic modules and the entire course took 1.5 months. Due to the nationwide character of the project and a geographical spread of participants, the workshops were conducted online. Participation in the Academy was free of charge.

S - Customers and users

The telecom services sector is particularly exposed to data security risks, as companies manage an ever increasing amount of customer data, including personal data, as well as demographic, behavioural and location data. Frequent attacks on telecommunication infrastructure and data resources call for improved network security.

From a telecom operator’s perspective, the crucial issues regarding customers and users are to ensure their privacy through the identification of risks related to the collection, storage and use of sensitive personal data and to develop the resilience of data processing systems and processes. Therefore, adequate network safeguards against cyber attacks, development of products and services increasing customer safety, and education of internet users are among Orange Polska’s priorities.

We particularly focus on the safety of the youngest users of digital services, that is children and young people, by providing their parents and guardians with proper security tools as well as knowledge how to stay safe in the digital world.

Another major issue for customers and users of telecom services is their accessibility for all, especially the elderly and persons with disabilities. Providing access to services to all customers regardless of their ability, age, skills or economic status is one of the most important tasks of a responsible telecom operator.

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.

Network security as our top priority

Cybersecurity remains a top priority for us. For over 26 years, within our structures we have had a team dedicated to the security of internet users in Poland: CERT Orange Polska. Our experts have been supported in their daily efforts by an in-house solution developed by this team, CyberShield.

CyberShield operated by Orange Polska 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. This tool, supported by artificial intelligence, has become an indispensable element of security in Poland's cyberworld and has proven very effective, protecting millions of internet users annually against loss of data or money. In 2023, CyberShield blocked 360,000 phishing sites (almost three times more than in 2022), protecting over 5.5 million internet users from losing their sensitive data or savings.

Fake investments, which had been the most popular category of phishing frauds for years, remained the leader in the 'popularity ranking' till mid-2023, but were significantly outpaced by fake payments at year-end. The latter group encompasses not only buyer scam, but also allegedly non-delivered parcels or websites using the pretext of the need to restart/renew a Netflix account to steal logins/passwords and/or credit card data. The third category is social media frauds, attempting to steal Facebook login details.

We want also Polish companies to easily exploit the opportunities offered by digitisation. Yet, this requires adequate security. We ensure such security to users at all levels: terminals, networks, infrastructure, applications and data processing.

We have been consistently educating about and raising awareness of this issue. For over a decade, we have encouraged our customers to make use of the experience

of our experts in ensuring corporate cybersecurity. In 2023, we received the Trusted Brand Award in the Digital Walls category as a company offering the best set of corporate cybersecurity services and solutions. The award was granted by Polish entrepreneurs in the nationwide voting held by Kantar Polska.

Internet users can count on the assistance and support of CERT Orange Polska's experts. Any suspicious messages can be sent by email to cert.opl@orange.com or by SMS to 508 700 900.

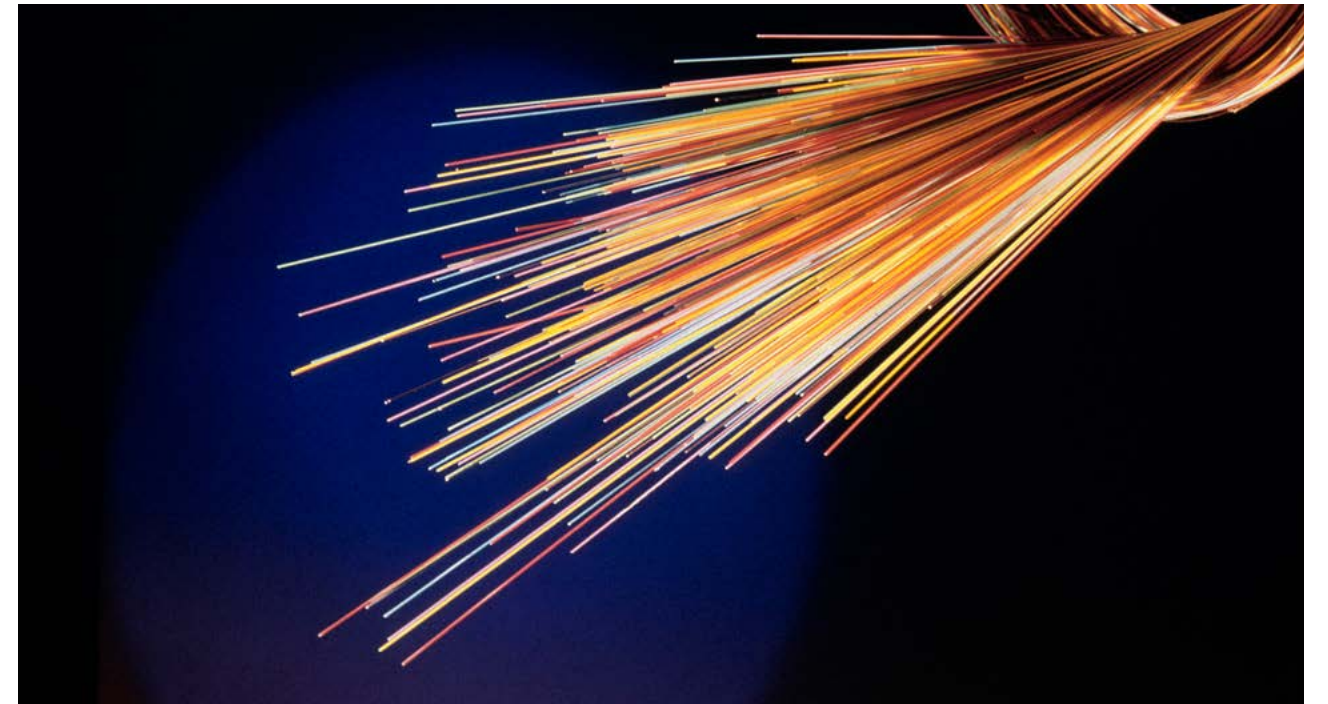
Polish electromagnetic field (EMF) emission standards

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. We specify SAR for each handset model available in Orange Polska's e-store.

Base stations

Orange Polska uses only proven and worldwide-used wireless communication technologies which are considered 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 standards 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 station 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.

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, according to WHO, this does not mean that such an effect exists.



Safe use of new technologies by children

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 Orange services related to customer safety.

We support education on children’s online safety and digital hygiene in schools 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 guidelines 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.

In 2023, we initiated the ‘Dopamine’ campaign. Its key component was an approximately 15-minute long educational video that promoted knowledge about the conscious and safe use of social media among young people. In September 2023, the Dopamine video together with lesson plans for students aged 13 or more was sent to primary and secondary schools all over Poland.

We estimate that our educational materials for parents and educators were used by 83,000 people in 2023. Our children education initiatives, comprising dedicated websites with e-learning courses, educational videos, games, events and informational campaigns, reached over 1 million children. Over 11,800 schools participated in our projects addressed to them.

Orange Polska is also the technology partner of the 116 111 helpline for children and young people operated by the Empowering Children Foundation, which offers free assistance to minors who have experienced various forms of violence. The 116 111 helpline is free and available on a 24/7 basis. Owing to support by the international Orange Group, it is also available in Ukrainian.

Orange Polska provides a website dedicated to children’s safety online. The website is dedicated primarily to parents and guardians of children who want to ensure their safe and responsible relationships with new technologies. It is available on the main orange.pl portal at www.orange.pl/razemwsieci (Together on the net). The website is accessible from a dedicated link on the homepage and from other related pages.

The website consists of the following sections:

- Responsible Parent: information on screen time and other rules regarding new technologies agreed upon with the child;
- Safe Internet: online safety rules, how to secure devices, parental control, online privacy, sharenting;
- Family in the Digital World: an agreement with the child regarding the use of new technologies, good and inspiring ways of using the internet, recommended portals for children and parents;
- Internet Abuse: how to prevent it, how to recognise the problem, what to do when a child abuses the internet;
- Dangerous Relations Online: dangerous contacts, social media, cyberbullying, sexting;
- Harmful Content: age-inappropriate content, hate, fake news, offensive content, patostreaming, hate speech.

In addition, the website provides:

- educational materials for both children and parents;
- contacts to organisations concerned with the safety of children and youth, and institutions for seeking help or reporting irregularities.

Furthermore, Orange Polska offers parental control services that enhance the online safety of children by blocking improper content, such as the Protect Kids on the Net application and Safe Starter Pack.

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. It not only protects children from inappropriate content, but also enables regulating the time they spend online. In 2023, the application was used by more than 107,000 parents.

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 and 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 which are paedophile in nature. In addition, it enables contact with the parent even if the child’s account has been used up. The Safe Starter Pack was purchased by more than 36,000 people in 2023.

Orange without barriers

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 POSs (point of sales) all over Poland (one-fifth of the total number), which feature:

- Easy access without architectural barriers;
- Additionally trained consultants;
- 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 POS, 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;
- receive online assistance from a sign-language interpreter.

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, 8:00am to 8:00pm.

Furthermore, 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.

Orange for seniors

People aged 65+ account for as much as 25% of our customer base. 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.

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. a larger font).

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.

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.

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 100,000 people.

In addition, senior citizens are invited to the My First Smartphone courses (offered both online and at POSs), which have been conducted for over four years now. During workshops we demonstrate how the internet can help in everyday life and how to use it safely. In 2023 more than 7,000 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. A total of 6,500 people took advantage of online courses and over 500 took advantage of stationary meetings, which represents a three-fold increase versus 2022.



G - 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,

Orange Polska’s strong operational and financial performance in 2023 confirms that the Company is built on a strong foundation and has employed the right strategy – fundamentals that have passed the test even in a difficult macroeconomic environment and with intense competition. The achievements of the past three years demonstrate that the Company is fully on track to meet the goals of its .Grow strategy. The Supervisory Board applauds the efforts of Orange Polska’s teams in the face of these 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, the Supervisory Board and its Strategy Committee analysed the market’s competitive landscape. Over the past two years the main competitive battlefield has moved from singular offers to packages of services. The key drivers of this process are consolidation and wholesale partnerships, which balance out differences in fibre service reach. This change increases competition for retail customers and shifts it to local markets. Last year’s strong commercial performance confirms that the Company adequately adjusted its marketing activities, while maintaining its value strategy.

The Supervisory Board closely monitored developments around the process of launching and conducting the auction for 5G frequencies in the C-band. The key issues were the spectrum valuation and investment commitments. The latter are related to the network coverage as well as a number of quality requirements to be met. The new spectrum, which has almost doubled Orange Polska’s aggregate mobile frequency resources, will significantly improve the network capacity for customers and unlock new business opportunities in the long term.

The Management Board consulted with the Supervisory Board a strategy for the Company’s participation in the tenders for EU-financed fibre network deployment within coverage gaps. As a result of the signed contracts, the Company, as the main beneficiary, will reach a further 150,000 households with fast internet using aggregate co-financing of over PLN 600 million. Orange Polska’s investments will stimulate economic development and prevent digital exclusion.

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 complied 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 operating results versus the budget

adopted at the beginning of the year. More details of the Supervisory Board’s assessment of Orange Polska’s standing are presented further in this report. With respect to the assurance of the highest corporate governance standards, it is worth noting that the Management Board strengthened supervision of Orange Polska’s subsidiaries in line with the Supervisory Board’s instructions.

The frequency of the Supervisory Board and its Committees’ meetings mean that we are in close contact with the Management Board. In 2023, five meetings of the Supervisory Board and 15 meetings of its Committees took place. The average participation rate was 98%.

2024 is the last year covered by the .Grow strategy. In the opinion of the Supervisory Board, the key tasks for the Management Board are, on the one hand, to complete the implementation of all the goals thereof and, on the other, to develop a new strategy, which should be presented to the financial market in the first half of 2025. I am confident that despite obvious challenges it will become a platform for further value creation for our shareholders. Operating in an attractive and growing market, the Company has adequate resources and assets to get the most from the opportunities that this market offers.



Maciej Witucki
Chairman of the Supervisory Board

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 pages 91

Chart: Interest in the Share Capital (%)**



Number of shares held*

Orange S.A.	664,999,999
Allianz Polska OFE, Allianz Polska DFE Pension Funds	106,592,183
Nationale-Nederlanden Open Pension Fund	73,924,979
Other shareholders	466,840,318
Total	1,312,357,479

* 1 share = 1 vote at AGM

** Information on April 19, 2024

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 pages 91

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, the 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 buy-back 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 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 and opinions.

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.

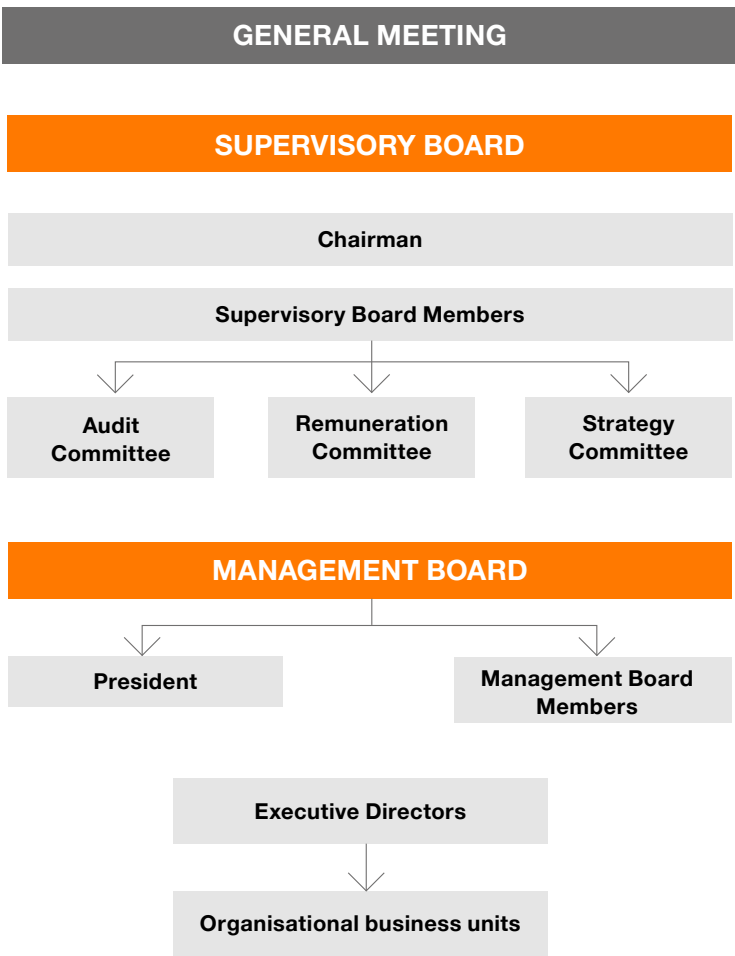
The aim of the corporate governance model described above is to properly distribute responsibilities within the Company and establish the roles of the key governing bodies, which in turn enhance the decision making process. Its structural elements and the relationships between them guarantee the transparency 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.

As a result of the growing role of ESG in corporate governance and the new requirements for ESG reporting under the Corporate Sustainability Reporting Directive (CSRD), the Management and Supervisory Board are preparing for new duties and responsibilities. In December 2023, Members of the Management and Supervisory Board participated in training on sustainable development. They are also involved in the process of implementing new ESG reporting and strategy at Orange Polska.



Our governance structure

Orange Polska has three governing bodies:



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 offsetting 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 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/2022/12/Articles-of-Association_2022.pdf and www.orange-ir.pl/wp-content/uploads/2020/12/Regulations_of_the_General_Meeting_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 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 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 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 Annual General Meeting a written 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 decision making can be found on our website at www.orange-ir.pl/wp-content/uploads/2022/12/Articles-of-Association_2022.pdf and www.orange-ir.pl/wp-content/uploads/2022/12/Regulations-of-the-Supervisory-Board_2022.pdf

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.

Management Board at a 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 an 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.

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, the Management Board 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 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 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 decision making can be found on our website at www.orange-ir.pl/wp-content/uploads/2022/12/Articles-of-Association_2022.pdf and 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.



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, 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/she 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, and to provide the

Company with a quarterly summary on such relationships. This concerns financial, family and other relationships which may affect the position of the Member of the Supervisory Board on issues decided by the Supervisory Board.

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 potential conflict of interest.

A Member of the Supervisory Board or 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, refrain from participating in it or cast a vote abstaining and request 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 a 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, that 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 meetings and Audit Committee 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 2023

General Meeting activities in 2023

The Annual General Meeting took place on 29 June 2023 in Warsaw. The General Meeting among others things:

- approved the Management Board's Report on the activity of Orange Polska Group and Orange Polska S.A. in the financial year 2022;
- approved Orange Polska S.A.'s financial statements for 2022;
- approved the consolidated financial statements for 2022;
- granted approval of the performance of their duties by members of Orange Polska S.A.'s governing bodies in the financial year 2022;
- adopted a resolution on distribution of profit for the financial year 2022, pursuant to which Orange Polska S.A.'s profit of PLN 756,729,492.64 disclosed in the Company's financial statements for 2022 was allocated in the following manner:
 - PLN 459,325,117.65 for a dividend (the amount of dividend was PLN 0.35 for each entitled share),
 - PLN 15,134,589.85 to the reserve capital referred to in Article 30(3) of the Articles of Association, and
 - PLN 282,269,785.14 to the reserve capital;
- approved the Supervisory Board's Report for the financial year 2022;
- expressed a positive opinion on the annual report on remuneration prepared by the Supervisory Board.

Supervisory Board activities in 2023

Supervisory Board Members (as of 31 December 2023)

1. **Maciej Witucki** Chairman
2. **Marie-Noëlle Jégo-Laveissière** Deputy Chairwoman
3. **Laurent Martinez** Deputy Chairman
4. **Marc Ricau** Secretary
5. **Philippe Béguin** Board Member
6. **Bénédicte David** Board Member
7. **Bartosz Dobrzyński** Independent Board Member
8. **Clarisse Heriard-Dubreuil** Board Member
9. **John Russell Houlden** Independent Board Member and Chairman of the Audit Committee
10. **Monika Nachyła** Independent Board Member
11. **Maria Paśło-Wiśniewska, PhD** Independent Board Member and Chairwoman of the Remuneration Committee
12. **Wioletta Rosołowska** Independent Board Member
13. **Jean-Michel Thibaud** Board Member
14. **Jean-Marc Vignolles** Board Member and Chairman of the Strategy Committee

In 2023, Orange Polska had five independent Members on the Supervisory Board, namely: Bartosz Dobrzyński, John Russell Houlden, Monika Nachyła, Maria Paśło-Wiśniewska PhD and Wioletta Rosołowska.

On 9 February 2024, the mandate of Wioletta Rosołowska, the Independent Member of the Orange Polska Supervisory Board expired as a result of her death.

The Annual General Meeting of 19 April 2024 appointed Adam Uszpolewicz as a new Independent Member of the Supervisory Board.

On 24 April 2024 Jean-Michel Thibaud resigned from the Supervisory Board with effect from 30 April 2024 in order to take up professional challenges outside the Orange Group.



Profiles of Supervisory Board Members



Maciej Witucki

Responsibilities:

Chairman of the Supervisory Board

Appointment to the Board:

September 2013

Qualifications:

He is a graduate of Poznan University of Technology. He held post-graduate studies in the field of industrial systems management in Ecole Central Paris (France). He specialised in logistics and decision-supporting systems.

Key career experience:

He joined the 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 and Krynica Vitamin. From 2010 to 2017 he was the President of the Polish and French Chamber of Industry and Commerce (CCIFP). He has been the President of the Lewiatan Confederation, the leading Polish employers’ organisation, since June 2019.



Mari-Noëlle Jégo-Laveissière

Responsibilities:

Deputy Chairwoman of the Supervisory Board

Appointment to the Board:

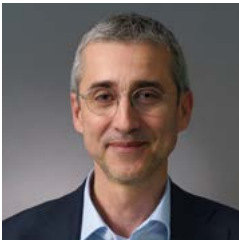
October 2020, Deputy Chairwoman of the Supervisory Board since February 2023

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 has held the position of Executive Vice President and CEO of Orange Europe since 1 September 2020. She joined the Orange Group Executive Committee in 2014 as Deputy CEO in charge of Technology and Global Innovation. She has held various executive positions 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.



Laurent Martinez

Responsibilities:

Deputy Chairman of the Supervisory Board

Appointment to the Board:

June 2023

Qualifications:

He is a graduate engineer in electronics and telecommunications from ENSEEIHT Engineering School and holds a master’s degree in finance and accounting. He has been a member of the Henkel Supervisory Board since 2023.

Key career experience:

CFO of the Orange Group since 1 September 2023. He was CFO of Alstom since July 2018 till August 2023. In 1996, Laurent Martinez joined Astrium (now Airbus Defence and Space), where he held various financial controlling positions. With the creation of EADS in 2001, he was appointed Head of Controlling for the Space & Defence Division, based in Munich. In 2004, he was appointed Chief Financial Officer of Astrium Space Transportation. Laurent joined Airbus in 2009 as Head of Controlling, Performance and Accounting for the Airbus Group. From 2015 to 2018, Laurent headed the Airbus Services Business Unit as a worldwide organisation.



Marc Ricau

Responsibilities:

Secretary of the Supervisory Board, Member of the Audit and Remuneration Committees

Appointment to the Board:

November 2012

Qualifications:

He is a graduate of IEP (Science Po Paris) & ENSPTT School and has a master’s degree in statistical and software techniques.

Key career experience:

He has been working in the Orange (France Telecom) Group since 1986. He has held 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 Slovakia within the Europe Division.



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 the 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 Investcorp Corsair Infrastructure Partners 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 Strategy Committee

Appointment to the Board:

April 2015

Qualifications:

She is a Ph.D. in sociology, an economist and a graduate of University of Economics in Poznan and the Kellogg School of Management at 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 privatisation 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). A reasercher and lecturer at the Faculty of Artes Liberales at the University of Warsaw.



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 was a member of the Orange Group Management Committee until his retirement in July 2021. He has been a member of Orange Belgium Board of Directors since July 2018. 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 a 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 the 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 of Ecole Normale Supérieure and Ecole Nationale Supérieure des Télécommunications.

Key career experience:

He holds the position of Director of Regulatory Affairs in Orange S.A. He started his career in 1997 as a project manager for the deployment of internet networks within France Telecom – Orange. He then managed the Information System Department for IP and ATM networks. Next, he 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 Remuneration and Strategy Committees

Appointment to the Board:

June 2021

Qualifications:

She graduated from Ecole Normale Supérieure (ENS) in Paris with a specialisation 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 September 1989 and dedicated her entire career to 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 Centres 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 September 2016 as Head of the West and Central Africa Zone in charge of six OMEA affiliates, a position that led her to become a Board member of all these affiliates as well as the Chairman of the Board of Orange Cameroun and Orange Central African Republic.



Bartosz Dobrzyński

Responsibilities:

Independent Member of the Supervisory Board, Member of the Audit, Remuneration and Strategy 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 1990s before moving to marketing roles. Spent over 20 years in the telecommunication sector with the most notable position as the head of consumer propositions at Orange (2001–2008) and later as CMO and member of the Management Board of Play (2008–2018). During his 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.



Clarisse Heriard Dubreuil

Responsibilities:

Member of the Supervisory Board

Appointment to the Board:

June 2023

Qualifications:

She graduated from the French Business School in 1996. In July 2021, she obtained the certificate of Member of the Board of IFA-Sciences Po. She is a member of the Supervisory Board of Orange Belgium, Orange Money Romania, Orange Romania Communications and a member of the Supervisory Board and Chairwomen of the Audit Committee of Orange Spain.

Key career experience:

She holds the position of Head of Group Controlling in Orange S.A. She started her career in the finance department of Air France. She joined the Orange Group in 1999 and has since held various positions in France and abroad, mainly in finance and human resources. In 2012, she was appointed Deputy Financial Director of Orange Belgium, a listed company, and in 2020 she was appointed Financial Director of the Europe Division, after three years as HR Director for Finance. Through these recent activities, she has been able to put in place high stakes transformation plans. She has worked on major acquisition files within the group.



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 also holds post-graduate diplomas in social psychology and agriculture.

Key career experience:

From 2000 to 2011, she was 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 has been 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 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 member of the Supervisory Board and Chairwoman of the Audit Committee of Siauliu Bankas AB (Lithuania).



Adam Uszpolewicz

Responsibilities:

Independent Member of the Supervisory Board, Member of the Audit Committee

Appointment to the Board:

April 2024

Qualifications:

He graduated from the University of Copenhagen and holds an ACCA certificate. Member of the Business Council at the British Chambers of Commerce, currently he serves as an advisor at the British Polish Chamber of Commerce.

Key career experience:

He is senior executive with over 30 years of experience in financial markets including insurance, asset management, banking, and consulting services, both in Poland and internationally. He has held CEO roles for over 20 years. He sat in supervisory boards of various insurance and investment companies, among other things, in Poland, Luxembourg, France, Turkey and Lithuania. His professional career began at Price Waterhouse, subsequently, he served as Business Development Director at GE Capital, overseeing M&A activities in Central and Eastern Europe. From 1999 to 2006 he worked for insurance group Nationwide as its CEO in Poland and later as head of the European business for numerous markets. From 2007 to 2022, he worked for Aviva in Poland, UK and Singapore. Initially, he served as Aviva Poland's CEO from 2007 to 2008. Subsequently, from 2009 to 2013, he worked within Aviva's international structures, where his responsibilities included business development and marketing in European and Asian markets. In 2013, he was reappointed as CEO of Aviva Poland. He sits in the Supervisory Board of the WWF Poland Foundation and holds the position of Chairman of the Audit Committee of the Supervisory Board at largest Polish insurer PZU S.A.

Criteria for independent Supervisory Board Members

The independent members of Orange Polska Supervisory Board must satisfy the following conditions:

- 1) 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;
- 2) 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;
- 3) 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;
- 4) 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
 - b) 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

- c) 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 the 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;
- 9) 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;

- 10) 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;
- b) 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.



Table: Supervisory Board skills matrix*

Name	Audit / Risks	Accounting / Finance / M&A	Executive Management	Legal / Compliance/ Governance / Ethics	Cybersecurity / Innovation & Technology	HR and Human Issues	Commerce / Marketing	CSR & Sustainable Growth (Climate & Environment)	Regulatory Environment	Communication & Investor Relations	Production / Security / Supply Chain
Maciej Witucki			■	■	■		■	■	■	■	
Marie-Noëlle Jégo- Laveissière	■	■	■	■						■	■
Laurent Martinez	■	■	■	■		■	■	■		■	■
Marc Ricau	■	■	■	■	■		■	■			
Philippe Béguin			■	■	■		■		■		
Bénédicte David	■	■	■		■	■	■	■			
Bartosz Dobrzyński		■	■				■			■	■
Clarisse Heriard Dubreuil	■	■	■	■		■				■	
John Russell Houlden	■	■	■	■	■			■	■	■	
Monika Nachyła	■	■	■	■		■	■	■	■	■	
Maria Pasto-Wiśniewska, PhD	■	■	■	■		■		■	■	■	
Wioletta Rosołowska			■	■		■	■	■			
Jean-Michel Thibaud	■	■	■	■	■					■	
Jean-Marc Vignolles			■		■	■	■			■	

* as of 31 December 2023

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 governing bodies is beneficial to the Company's development. That is why we make sure that our Supervisory Board and the Management Board consist 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 Practice for Listed Companies 2021 introduced by the Warsaw Stock Exchange, on 3 November 2021 the Supervisory Board adopted the diversity management policy **for Members of the Management Board**. Following suit, the Annual General Meeting adopted the diversity management policy **for Members of the Supervisory Board** on 22 April 2022.

The purpose of the above is to:

- determine the standards that must be met for positions in the Company's governance bodies to be occupied by persons with appropriate qualifications, substantive knowledge, skills, professional experience, predispositions and reputation appropriate to perform such a function;
- implement solutions for equal treatment and diversity in relation to the Management Board and Supervisory Board of Orange Polska.

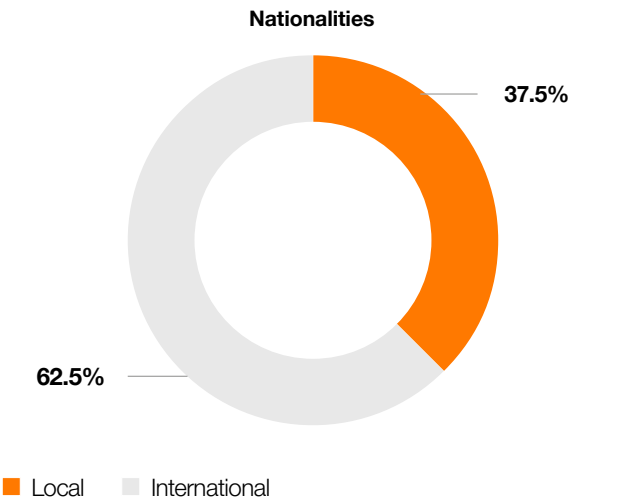
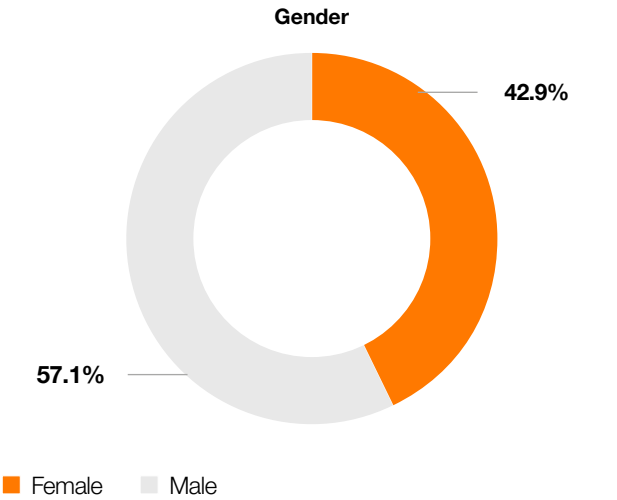
In the process of selection of Members of Orange Polska Management Board, the Supervisory Board:

- is guided by the transparency of the principles and criteria for selecting candidates;
- makes decisions on the selection of members based on the appropriate level of knowledge, skills, education, competences and professional experience of the candidates;

- ensures that the members of the Management Board include people of diverse gender, age, specialist knowledge, education and professional experience;
- and, with regard to gender diversity, aims to ensure that at least 30% of members are women.

The above requirements are met by the Company. As of 31 December 2023, women constituted 42.9% of the Supervisory Board and 37.5% of the Management Board.

Chart: Supervisory Board diversity*



* as of 31 December 2023

Chart: Supervisory Board age profile*

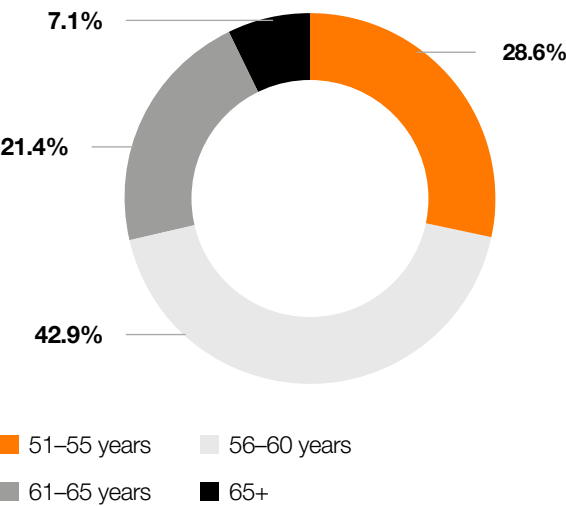
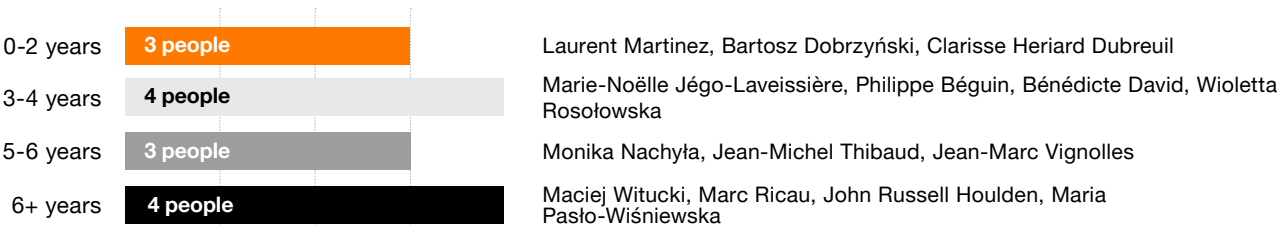


Chart: Supervisory Board length of tenure*



* as of 31 December 2023

On the Supervisory Board’s agenda for 2023

Throughout 2023, the Supervisory Board mainly focused on the following issues:

a) Competitive landscape on the Polish telecom market

The Polish market continues to be highly competitive, while the main battlefield has moved from singular offers to packages of services. In 2022, Play finalised the acquisition of the largest cable company, UPC. As a result, a new significant operator entered the fixed-mobile convergence market. In 2023, UPC was transformed into a separate company, which is a joint venture of Iliad (the owner of Play and UPC) and the infrastructure fund InfraVia. This resulted in the emergence of a new purely infrastructure-oriented player. Wholesale partnerships even out the differences among operators in their fibre service reach. It increases competition for retail customers, especially as some players attempt to win the market with aggressive marketing strategies. It also contributes to much more localised competition in the fixed-line market, the intensity of which largely depends on



the number of operators offering their services in the given location. The Supervisory Board and the Strategy Committee analysed the potential impact of this situation on Orange Polska’s business, reaching the conclusion that on the one hand the Company needs to adapt its marketing activities; on the other, it should continue to implement its value strategy. The strong commercial and operational results achieved last year validate this approach.

b) Acquisition of a new spectrum for 5G

The Supervisory Board closely monitored developments around the process of launching and conducting the auction for 5G frequencies in the C-band. It took six months from the start of the initial consultation in December 2022 to the formal launch of the auction. In the course of consultation, the available frequency blocks were increased from 80 MHz to 100 MHz each, while the starting price for a block did not change versus the initial assumptions – which was naturally a positive development. The key issues to be analysed were the spectrum valuation and investment

commitments. The latter are related to the network coverage as well as a number of quality requirements to be met. The new spectrum, which has almost doubled Orange Polska’s aggregate mobile frequency resources, will significantly improve network capacity for its customers and unlock new business opportunities.

c) Participation in calls for proposals for EU-financed fibre network deployment

Further expansion of fibre reach is one of the strategic goals of Orange Polska. It has fuelled sales of convergent services, which are the mainstay of the Company’s commercial strategy. In 2023, the government agency Digital Poland Project Center (CPPC) launched calls for proposals for the deployment of fibre networks co-financed under the European Funds for Digital Development (EFDD) and the National Recovery and Resilience Plan (NRRP) frameworks. The goal is to build a ‘gigabit society’ in Poland by reaching as many households as possible with fibre internet. The Management Board consulted with both the Supervisory Board and the Strategy Committee a strategy for the Company’s participation in these calls for proposals. As a result of several rounds of resolutions as well as internal analyses, the Company signed contracts for 26 areas with aggregate co-financing of over PLN 600 million. The deployment of these networks will provide broadband access to about 150,000 households located within coverage gaps. The key criterion in selecting the areas was the expected rate of return, while also taking into account synergies with the Company’s existing infrastructure.

d) Strategy of expanding fibre reach through acquisitions

Another topic discussed at the meetings of both the Supervisory Board and its Strategy Committee was the expansion of fibre reach through acquisitions. In Poland, there are about 1,000 small local fibre networks, which have been subject to consolidation. In the Supervisory Board’s opinion, Orange Polska with its strong balance sheet, is well positioned to take part in this process. The Company has been actively monitoring the market and participating in the sales of such networks or their operators. The key decision-making criteria have been price and issues related to legal and technical integration. At the end of 2023, the Company acquired a network operated by Timplus and reaching about 46,000 households.

e) Monitoring of operating and financial results and budget execution

The Supervisory Board constantly monitored Orange Polska’s commercial and financial results and the execution of the 2023 budget. This was particularly important in light of the challenges related to the impact of very high inflation on the Company’s operating expenses. The majority of our rental contracts are indexed to the previous year’s inflation rate, which means that the related costs surged last year. Similarly, costs of consulting and other third party’s services, technical support and customer care were subject to higher inflationary pressure. Furthermore, an increase in the minimum wage in the economy by over 20% will be a major factor in some of these categories. The highly inflationary environment necessitates mitigation efforts on the revenue side coupled with ongoing cost transformation. The results have demonstrated that the Company has dealt with these challenges effectively.

The Supervisory Board met 5 times in 2023.

The attendance at the Supervisory Board’s meetings was 97.1% and 97.7% including its committees.



Table: Supervisory Board attendance register 2023

	Supervisory Board	Audit Committee	Remuneration Committee	Strategy Committee
Maciej Witucki	5/5			
Marie-Noëlle Jégo-Laveissière	5/5			
Laurent Martinez	2/2			
Ramon Fernandez	1/1			
Marc Ricau	5/5	6/6	6/6	
Philippe Béguin	5/5			3/3
Bénédicte David	5/5		6/6	3/3
Bartosz Dobrzyński	5/5	3/3	6/6	3/3
Clarisse Heriard Dubreuil	2/2			
John Russell Houlden	4/5	6/6		
Patrice Lambert-de Diesbach	3/3			1/1
Monika Nachyła	5/5	5/6		3/3
Maria Pasło-Wiśniewska, PhD	5/5	3/3	6/6	3/3
Wioletta Rosołowska	5/5			3/3
Jean-Michel Thibaud	4/5	6/6		
Jean-Marc Vignolles	5/5			3/3

■ 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.

While 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 receives 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 2023.

The reports of the three permanent committees of the Supervisory Board on their activities in 2023 are attached hereto.

The tasks and principles of the operation of the Supervisory Board and its permanent committees are defined in the Regulations of the Supervisory Board, which are available at the Company's website www.orange-ir.pl/corporate-governance/.

Assessment of Orange Polska Group's standing

This section contains the Supervisory Board assessment of the Orange Polska Group's standing on a consolidated basis in 2023 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 2023 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 2023 were as follows:

- Persistent execution of the 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;
- Fulfilment of published financial forecasts and expectations regarding revenue and EBITDAaL growth.

2023 was the third year of implementation of the **.Grow** strategy announced in 2021. It was marked by cumulation of exceptional headwinds, such as the war in Ukraine, the widespread energy crisis and double-digit inflation. Despite this difficult and unexpected backdrop, the Company pursued all its strategic goals, which is a commendable 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 2023 was to mitigate the inflationary impact on the Company's costs. The majority of our rental contracts are indexed to the previous year's inflation rate, which means that the related costs increased significantly in 2023. Similarly, costs of various outsourced services were subject to higher inflationary pressure. Furthermore, rising minimum wage in the economy, which is to increase by over 40% between 2022 and 2024, has been a major factor in some of these categories. The inflationary impact on costs was around PLN 200 million last year. The Company responded to this challenge with further cost transformation and, above all, the intensification of value strategy on the revenue side.

The Group delivered on all its financial goals and maintained strong commercial momentum. The latter is especially important taking into consideration intensified competition mainly in fibre broadband and convergent services. It is a consequence of the emergence in Poland of a segment of purely infrastructure-oriented operators that conclude agreements for wholesale access to their networks with any retail players interested. This evens out the differences among operators in their fibre service reach and results in increased competition for retail customers, especially that some players attempt to win the market with aggressive marketing strategies. The Company also benefitted from this trend owing to a 50% stake in Światłowód Inwestycje (FiberCo). Against this backdrop, maintaining the previous year's growth dynamics in the convergent customer base (5%) and achieving a 15% increase in fibre customers should be considered a very good result. Especially that it was coupled with accelerated growth in ARPO, which is particularly important due to inflation.

The Company made further progress in digitisation, which is one of the key tools for increasing internal efficiency and responding better to customer needs. The big-data driven marketing platform, which is to enhance customer value

management and translate into more services sold, is delivering increasingly positive results. The share of digital channels in the sale structure has been steadily growing, reaching as much as 20% in 2023. The key enabler of this growth is My Orange application, which is constantly improved to boost its usefulness for customers. The number of customers using this application increased by 50% in the past two years.

One of the key topics for the Supervisory Board in 2023 was the situation regarding the auction for 5G spectrum in the C-band. Consultation positions submitted by the Company had been consulted with the Supervisory Board. Also investment commitments were analysed. In the course of the consultation process, the frequency blocks were increased from 80 MHz to 100 MHz each, while the starting price for a block did not change versus the initial assumptions – which was naturally a positive development. The auction was conducted on predictable rules and in an efficient manner.

The Company has completed three out of four years of the current strategy cycle. In the opinion of the Supervisory Board, the results achieved hitherto demonstrate that the Company is well on track to meet its goals, despite a 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 2023, delivering strong results across the board despite a challenging external environment. It increased revenues, profits, organic cash flow and return on capital employed while preserving a safe balance sheet. EBITDAaL for the year slightly outperformed the initial expectations contained in the guidance that had been presented to the market.

Strong revenue performance in core business engines – B2C, B2B and wholesale services – was the key enabler of the EBITDAaL growth by over 3%. In its commercial activity the Company was able to maintain a proper balance between customer base expansion and growth in ARPO. This growth filtered through to profits thanks to high operating leverage, as the cost base growth was limited due to optimisation initiatives.

Total revenues were up 3.9% in 2023, with all key business lines contributing to it. In addition to core telecom services (convergence, mobile-only and fixed broadband-only), also ICT services, that support B2B sales, reported solid revenue growth. For another year the Company's revenue growth outpaced the rate of market growth. This was even more difficult due to adverse macroeconomic environment (low GDP growth and high inflation). Demand for the Company's infrastructure further increased, fuelling 10% growth in wholesale revenues (excluding legacy areas). Finally, revenues strongly benefitted from an 18% increase in mobile equipment sales, which was a result of customer demand for high-end handsets and the Company's value strategy.

Net profit for 2023 exceeded PLN 800 million and, excluding the impact of transactions related to Światłowod Inwestycje in 2021, it was on the highest level in more than a decade. It benefitted from growing EBITDAaL, falling depreciation and lower finance costs.

Organic cash flow reached almost PLN 1.2 billion, an increase of more than 40% versus 2022. The last time this level was reported was more than ten years ago. Cash generation benefitted from growth of EBITDAaL coupled with much lower working capital requirement and higher proceeds from sale of real estate. Capital expenditures decreased as planned, mainly owing to delays in the frequency auction, which deferred investments in 5G network deployment.

The financial leverage of 1.1x (or 1.2x taking into account the full payment for spectrum effected in the beginning of January 2024) illustrates the Company's strong balance sheet structure, an important asset in the current environment. Notably, the cost of debt was only 3.2%, resilient in the face of significant interest rate increases owing to effective hedging.

In 2023 the Company raised dividend payments, which was assessed positively by the Supervisory Board. Orange Polska is in the position to share the benefits of its growth with its shareholders. For 2024 the Management Board recommended a further 37% increase of the dividend to PLN 0.48 per share.

The financial results of the past three years demonstrate that the Company is performing exactly as it had committed and is fully on track to meet the goals of its .Grow strategy.



Conclusions and recommendations for 2024

Orange Polska has entered the last year of its .Grow strategic plan for 2021–2024. The results of the three years of its implementation confirm that it is the right strategy for turbulent times and the Company is on track to meet its goals. Poland's macroeconomic environment is expected to improve in 2024. The inflation rate has fallen to a single-digit level. There are also prospects for unblocking of EU funds, which should stimulate business activity. On the other hand, competition in the market remains high and the Company's costs will be affected by the last year's double-digit inflation. There will certainly be no lack of challenges, but the Supervisory Board is convinced that the Group has put the right measures in place to maximise effectiveness of its assets and values and that this will be another year of growth for Orange Polska. While completing its .Grow strategy this year, the Company should develop tangible assumptions for a new strategic plan, which should be announced in the first half of 2025.

The Supervisory Board shares the Management Board's opinion that in 2024 the Group should particularly focus its operations on the following key aspects:

- Persistent execution of commercial value strategy in all key areas;
- Continued cost transformation, including releasing further benefits of digitisation and automation of business processes;

- 5G network deployment;
- Further development of key value drivers including convergence, mobile, fibre, ICT and wholesale;
- Further pursuit of the responsibility pillar's objectives on both environment and social fronts;
- Fulfilment of published financial forecasts regarding revenue, EBITDAaL and eCapex performance;
- Development of a new strategy beyond 2024.

Assessment of the Group's internal control, risk management and compliance systems and internal audit

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 controls are subject to testing by the internal control team and 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 2023, published on 14 February 2024.

In 2023, 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 2023.

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 Board.

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 and influence peddling. The Compliance function carries out activities ensuring adjustment of the 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 function conducts cyclic reviews of corruption risks, also taking into account control mechanisms and appropriate preventive measures.

The Company also has a Conflict of Interest Policy in place, showing how to avoid situations that may turn into inappropriate behaviour leading, e.g. 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.

Based on the Policy on compliance with economic sanctions and trade control rules implemented in Orange Polska, the Compliance function also conducts activities ensuring compliance with applicable sanctions programs and regulations applicable to the Company's operations, in particular restrictions against certain countries, individuals or entities, notably those issued by Poland, European Union and its Member States, United Nations, or the United States.

Orange Polska's employees and stakeholders may use dedicated channels to report their concerns or 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 as well as communication activities aim to constantly increase knowledge and build employees' awareness. Orange Polska also conducts regular reviews in this area, makes necessary improvements and monitors the correctness of payments made.

Activities of Compliance 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 are ensuring the effectiveness of Compliance function and maintenance of Group's anti-corruption regulations standards.

The Supervisory Board is presented on annual basis also with information on the implementation and effectiveness of the compliance program, 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.

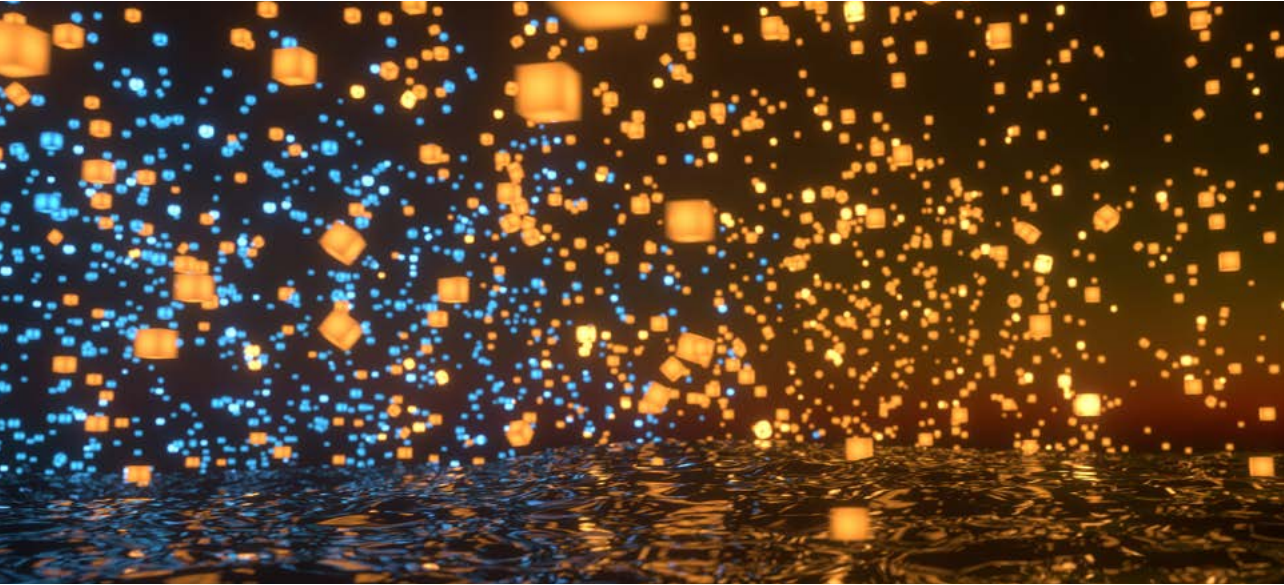
Assessment of the Company's compliance with the corporate governance principles and the manner of compliance with the related disclosure obligations

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 Stock 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 website in the analogical way as it is applied for a 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 mentioned in the declaration on the application of the corporate governance, which constitutes a separate part of the Management Board's report on the activity of the Company.

The Supervisory Board analysed the declaration on 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 2023. 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 the Company complied with all the corporate governance best practice.

As of 31 December 2023, the Company met all the requirements of the Diversity Policy for Members of the Supervisory Board and for Members of the Management Board. Currently, the participation of women in the Supervisory Board and the Management Board is 42.9% and 37.5%, respectively.

According to the principle 1.1 of 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 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's assessment of the compliance and rationality of the Group's policy of supporting culture, sport, charities, media, social organisations etc. in 2022 with the recommendation no. 2.11.5 of 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, media, social organisations, trade unions etc. in 2022.

The Supervisory Board states that the sponsorship strategy followed 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 titular or main sponsor, address the largest possible group of its customers (present and prospective).

The Supervisory Board appreciates the social activity of Orange Polska in both forms – one carried out by the Donations' Fund and the other 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 2023

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 and response of the Group to significant international as well as domestic events and changes, including the impact of the war in Ukraine and other geopolitical and economic circumstances resulting in rapid changes in the global economy, including significant inflation, fluctuations of energy prices, reduced access to key energy supplies and changes of energy sources, increases of interest

rates, broken supply chains, and worsening conditions in respect of the natural environment and the prospects for mitigating changes to the climate and their impact on the globe. The Audit Committee monitored the process for identification of risks and the valuation of their impact on the Group, as well as actions undertaken by the Management Board in response to those risks, and proper disclosures in the financial statements in that regard.

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 the Management.

The Audit Committee also started to consider the Group's operations from the perspective of environmental, social and governance matters (ESG). In 2023, the Audit Committee monitored the Group's preparation with respect to the new sustainability reporting which will become obligatory in the European Union from 2024. Sustainable development of the Group by way of finding the right balance between financial results and ESG, with the objective of ensuring the long term stable development of the Group, is of key importance to investors. The Audit Committee plans to continue its focus on that area in 2024 and subsequent years.

The Audit Committee has also been involved in reviewing 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, and had private meetings with the external auditor, KPMG, and the Company's Internal Audit Director to give them an opportunity to discuss any issues which may have arisen in their interactions with the Management.

Further, the Audit Committee developed an enhanced set of Audit Quality Indicators in order to be better able to monitor the quality of the auditor's work.

Last, but not least, the Independent Directors on the Audit Committee reviewed and, when necessary, challenged the terms of significant transactions with related parties, including, in particular, 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 2023

1. **John Russell Houlden** Chairman (Independent Board Member)
2. **Monika Nachyła** (Independent Board Member)
3. **Maria Pasło-Wiśniewska, PhD** (Independent Board Member) – until 29 June 2023
4. **Bartosz Dobrzyński** (Independent Board Member) – since 29 June 2023
5. **Marc Ricau**
6. **Jean-Michel Thibaud**

The Audit Committee is chaired by John Russell Houlden, an Independent Member of the Supervisory Board. He has relevant experience and/or qualifications in finance, accounting and audit. Other Independent Members of the Committee are Bartosz Dobrzyński and Monika Nachyła.

On 19 April 2024, Adam Uszpolewicz, joined the Audit Committee and the Supervisory Board by resolution of the Annual General Meeting. Effective 30 April 2024, Jean-Michel Thibaud resigned from the Audit Committee and the Supervisory Board.



Main responsibilities of the Audit 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. In 2024, the remit of the Audit Committee will be extended to encompass the monitoring of the integrity of sustainability reporting. The Committee shall consist of at least three members, the majority of whom, including the Chairman, shall be independent of the Company. The Audit Committee shall 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 2023. The meetings were generally attended by the Chief Executive Officer, Chief Financial Officer as well as Internal Audit Director and representatives of the Company’s external auditor, KPMG. Other Members of the Management Board, Executive Directors and other managers and invited guests attended the meetings when appropriate.

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 Board’s report on the Company’s activity, 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 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 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 and that role involves examining the effectiveness of the audit process as well as the independence of the auditor. The year 2023 was the third year of KPMG being the auditor of the Orange Polska Group.

The Audit Committee reviewed the external auditor’s proposed audit plan for 2023, including key auditing matters to be focused on, the increased materiality level set for audit testing and schedule of planned works and reporting along with planned interactions with the Audit Committee. Subsequently, the Audit Committee reviewed and discussed the auditor’s recommendations, observations and comments on key areas requiring special consideration, taking into account also the views of the management on those issues. The key auditing personnel participated in the meetings of the Audit Committee to allow for discussion of all issues as they arose during the year. Also, private meetings with the auditor were held by the Audit Committee to ensure open and transparent discussion between the auditor and the Audit Committee without the presence of the Management Board. The Audit Committee monitored the progress of the audit and its quality against the audit plan throughout the year.

In order to assess the performance and independence of the auditor as well as generally the relationship with the auditor, 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 feedback on the auditor was collated and presented to the Audit Committee in April 2023. 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 with no major issues requiring special attention.

To enhance the process of monitoring of the audit, the Audit Committee agreed with the auditor and the Management a set of Audit Quality Indicators (AQIs) and implemented AQIs 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 in Poland. In 2023, the Audit Committee discussed with KPMG the findings of PANA resulting from PANA’s assessment of KPMG audits’ quality made in 2023 and earlier.

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

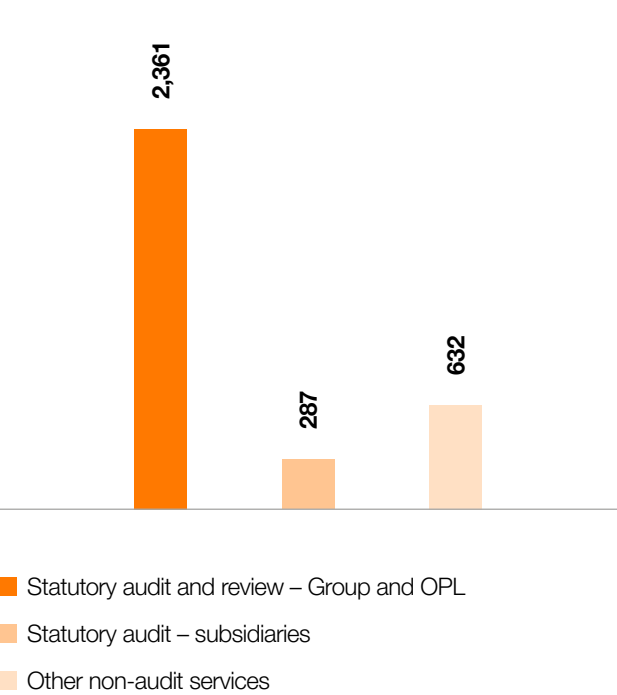
There are several aspects to auditor’s independence that the Audit Committee monitors to ensure the external auditor remains independent of the Company.

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. The 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. Non-audit services provided by KPMG were 26% of the average audit fee of the last three years.

The policies on approval of non-audit services and on the selection of the statutory auditor of the financial statements were updated in 2023. The update of those policies resulted from the guidelines of IESBA, an international professional accountants’ ethics board, relating to non-audit services approval process as well as recommendations of the Polish financial market regulator (KNF) on implementation of additional procedures relating to auditor selection in the event of a current auditor losing its licence to do statutory audits.

Chart: Costs of services provided by KMPH network for OPL Group in 2023*



* remuneration for 2023 will be updated as part of the audit final settlements

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 indication of a 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:

- 1. 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, fluctuations of energy prices and interest rates;
- 2. controls over projects, investments and contracts’ profitability throughout their implementation;
- 3. controls over subsidiaries;

- 4. liquidity of the Group;
- 5. impairment testing;
- 6. valuation of single assets resulting from extra risks related to them;
- 7. review of the economic useful life of assets;
- 8. valuation of the key risks, including tax related risks;
- 9. review of any other accounting approaches, judgments and estimates related to key transactions;
- 10. review of revenue recognition policies;
- 11. disclosures in the financial statements, including disclosures on claims and litigation in the financial statements;
- 12. disclosure on the impact of climate change in the financial statements reflecting connectivity between sustainability and financial reporting;
- 13. new types of transactions, such as virtual and physical PPAs (Power Purchase Agreements) entered into in order to hedge against energy price increases;
- 14. monitoring of auditor’s quality and development of Audit Quality Indicators;
- 15. electronic financial reporting according to the EU taxonomy in the consolidated financial statements;
- 16. 1 monitoring of the post balance sheet events.

Matters considered by the Audit Committee in relation to the sustainability reporting

Based on the EU regulations, starting from 2024 reporting, Orange Polska will be obliged to publish a sustainability statement in the Management Board’s report on the Company’s activity. Implementation of the EU Corporate Sustainability Reporting Directive into the Polish legal system, expected in 2024, will result in the new obligations of the Management Board, the Supervisory Board and the Audit Committee related to the preparation of the sustainability statements, ensuring their quality, securing auditor’s assurance and also monitoring OPL’s plans and activities from the perspective of sustainability matters to be disclosed in the sustainability statements. The Audit Committee will monitor the integrity of sustainability reporting, including monitoring the effectiveness of internal controls and risk management systems as well as internal audit work in relation to the sustainable reporting process. The Audit Committee will also monitor the independence of the assurance services provider.

The Audit Committee monitored the regulations related to the sustainability reporting and its assurance as well as the preparation of the Company for 2024 reporting under the new regulations, including the auditor’s selection as well as the sustainability reporting in 2023 and its attestation. All members of the Audit Committee participated in training on the new sustainability reporting requirements. All the members of the Audit Committee completed a test which confirmed that they have the appropriate skills and knowledge to fulfil efficiently the additional responsibility for the oversight of sustainability reporting starting from 2025.

Internal control over financial reporting

The 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 an annual basis, the controls are subject to testing by the internal control team and internal and external auditors, and the results are reported to the Audit Committee.

The Audit Committee received reports from the 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 the 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 the Management after completion of a yearly comprehensive assessment of Orange Polska Group’s internal controls over financial reporting. All deficiencies identified were corrected or appropriate action points have been adopted. The Management concluded that there were no weaknesses that would materially impact internal control over financial reporting in the year ended 31 December 2023 and the Audit Committee was satisfied that the Management’s conclusion was reasonable in light of the reports it had received.

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 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 the Management Board.



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 into account risk assessment, changing business needs and issues raised by the Management, follow-up on prior audit findings and cyclical review planning. The approach also builds reserved hours into the plan for ad-hoc, 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 the relevant aspects of their respective activities and assisting them in internal control testing which ultimately supports the assurance provided to the Audit Committee and the Management Board.

The effectiveness of 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 Interne (the French Chapter of the IIA). Following the assessment carried out in 2023, Orange Polska’s Internal Audit maintained 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 the 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 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 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. The 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 OPL. 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/her 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, including confidential, 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 pages 208

Fraud

In the Company there is a fraud prevention control environment deployed and promoted through the provisions of the Fraud Prevention Policy. The Company does not tolerate fraud and there are control mechanisms implemented to mitigate exposure to fraud risks. Suspicions on abuses are verified and when necessary submitted to relevant authorities. The implemented tools and controls allow for the detection of frauds.

Orange Polska operates a ‘risk based approach to fraud’, i.e. identified risks are discussed and confirmed with business owners on an annual basis. Results are presented as the Fraud Risk Map. Additionally to mitigate non-telco fraud

risk, red flags and list of controls which address risks in specific areas are defined and subject to annual review and assessment.

All of the above actions ensure monitoring of fraud risks and control enhancement, incident management, conducting investigations and reporting financial impact of fraud incidents. The Audit Committee reviews the summary of fraud incidents on an annual basis. No major issue was identified.

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 pages 208

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 Orange Polska Group approached and implemented them. In particular, the Audit Committee looked also into the Company’s preparation of sustainability statements required to be published in the European Union starting from the reporting for 2024.

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 OPL’s subsidiaries. The Audit Committee also worked with the Management to develop an improved approach to the supervision of OPL’s subsidiaries.

Strategy Committee activities in 2023

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,

Every year is eventful and challenging in its own right. After the preceding year’s dynamic economic and geopolitical turmoil, 2023 aimed the industry spotlight back on digitalisation, enabled by breakthrough milestones in AI capabilities – even if 2023 was still impacted by serious instability in our environment.

AI technology has the long-term potential to revolutionise customer service, enhance user engagement and drive the adoption of new types of applications across telco platforms, ultimately paving the way for a more interactive and efficient communication ecosystem.

Orange Polska has anticipated the importance of AI for future growth of its operations and is consequently implementing this direction through multiple strategic initiatives focused both internally and on interactions with customers. As we continue to navigate the complexities of the digital age, reliable and future-proof fibre connectivity is becoming increasingly essential. Therefore, Orange concentrates its efforts on further extending fibre coverage and maintaining the number-one position on this market.

Aligned with our strategic focus, most of the Committee’s consideration this past year was devoted to multiple organic and inorganic options for infrastructure development, as well as competitors’ activities in this field. We were also very attentive to Orange Polska’s leading position on the convergent market and a successful, future-facing strategy with one eye on recently intensified actions undertaken by other market players.

Another top priority discussed at our meetings was the repositioning of energy reselling activities conducted by the Company’s subsidiary, Orange Energia.



At the beginning of the final year of execution of the .Grow strategy I must express my appreciation for the outstanding efforts and remarkable results we have achieved in stabilising the Company’s growth engine and building a solid foundation for our future.

Thank you for your unwavering dedication, passion and commitment to Orange Polska. Your contributions are truly valued and appreciated, and I am proud to be part of such an exceptional team.

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 the 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.

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 2023

1. Jean-Marc Vignolles Chairman
2. Philippe Béguin
3. Bénédicte David
4. Bartosz Dobrzyński (Independent Board Member)
5. Patrice Lambert-de Diesbach until 29 June 2023
6. Monika Nachyła (Independent Board Member)
7. Maria Pasło-Wiśniewska, PhD (Independent Board Member)
8. Wioletta Rosołowska (Independent Board Member)

All Supervisory Board Members are invited to participate in the Strategy Committee meetings. Members of the Supervisory Board and the Management Board actively participate in the works of the Committee, whenever appropriate.

Secretary of the Strategy Committee in 2023 was Maria Janczar, Orange Polska Corporate Strategy & Market Research Director.

In 2023 the Strategy Committee held three meetings.

On 9 February 2024, the mandate of Wioletta Rosołowska, the Independent Member of the Orange Polska Supervisory Board expired as a result of her death.

Issues on the Strategy Committee’s agenda for 2023

.Grow strategy execution: the half-way mark

Committee reviewed Orange Polska’s progress report on implementation of the .Grow strategic directions and key ambitions. Challenges to execution of the strategy were analysed, together with the path to deliver all of its strategic goals by the end of 2024.

OPL fibre strategy

The Polish fibre market is at a high growth rate both in terms of infrastructure and retail. The market is going through a process of consolidation of small ISPs, as it becomes more open for wholesale services. The potential for new greenfield rollout of infrastructure is mostly limited to areas with high investment cost. The Committee discussed potential future evolutions of the market and corresponding Orange Polska’s strategy, including a range of both organic and inorganic options.

OPL convergent strategy

Orange Polska’s competitors are currently focusing their work on convergence, with an emphasis on aggressive pricing for fibre and attractive TV content. In spite of this challenging environment, Orange is successfully executing its ‘more for more’ strategy oriented towards value creation while keeping the momentum on volume. The Committee reviewed this approach for key battlefields and long-term vision on market differentiation.

Orange Energia

Energy retail margins in Poland are very low, as the market is dominated by the energy majors and value retained by the producers. However, there is a high potential for green-energy market growth stemming from elevated black-energy prices and a geopolitical situation that is already pushing more renewable-friendly legislation. After the transformation programme, which began in 2022, the business profile of Orange Energia has progressively turned to less risky market segments and stabilised company margin generation. The Committee analysed strategic options for future of the company.

Remuneration Committee activities in 2023

The Remuneration Committee is tasked with advising the Supervisory Board and the Management Board on general remuneration policy within the Orange Polska Group and making recommendations on appointments to the Management Board.



Letter from the Chairwoman of the Remuneration Committee

Dear Shareholders,

Let me begin by stating for the record that in 2023 the Remuneration Committee was composed of four members and that there were no changes in the composition of the Committee from the previous year.

In 2023 Orange Polska continued its .Grow strategic plan, focusing on a convergent strategy targeting households, digital transformation, cybersecurity and cloud solutions, as well as simplification and efficiency. Alongside the development of the main pillars of these activities was a push to simultaneously develop social responsibility. This was expressed, among other things, by successful implementation of the #OrangeGoesGreen strategy, which

resulted in a reduction of the Company’s CO₂ emissions by almost 80% at the end of 2023 as compared to our base year of 2015.

I am pleased to conclude that thanks to the consistent implementation of the .Grow strategy the Company achieved very good commercial results and met all financial targets for 2023.

In 2023 the Remuneration Committee fulfilled its duties and advised the Supervisory Board on the following topics, among others:

- appointment of Liudmila Climoc as new OPL CEO for a three-year term of office;
- payment of bonuses to the Management Board Members;
- modification of a template contract of employment for the Management Board Members and Executive Directors;
- some modifications to the Remuneration Policy for the Members of the Management Board and Supervisory Board.

In 2023, as in previous years, 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 2022; Remuneration Committee’s Annual Report for 2022; and Implementation of Remuneration Policy as part of the OPL Management Board’s Report on the Activity in 2022.

Finally, let me thank all of the Committee Members for their contribution to the Committee’s work, opinions and all professional discussions.

I would also like to thank our colleagues from the OPL Human Capital function for their professional support, and all the employees of Orange Polska for their quality of service and their contribution to the implementation of the Company’s strategy.

Please find below details of Remuneration Committee activities in 2023.

Maria Pasło-Wiśniewska
Chairwoman of the Remuneration Committee

Remuneration Committee members in 2023

1. Maria Pasło-Wiśniewska, PhD Chairwoman (Independent Board Member)
2. Bénédicte David
3. Bartosz Dobrzyński (Independent Board Member)
4. Marc Ricau

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;
- 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 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 2023

In 2023 the Remuneration Committee had six meetings 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 in 2023:

1. reappointment of, and employment conditions for, Julien Ducarroz, the CEO, for the next term of office and then the conditions of his resignation from the function of the OPL CEO as of August 30, 2023;
2. appointment and employment conditions for Liudmila Climoc, the new OPL CEO, for the term of office starting from September 1, 2023;

3. reappointments and employment conditions for the next term of office, starting from June 29, 2023: 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;
4. change in remuneration of the Management Board Member in charge of Strategy and Corporate Affairs;
5. Stretch Bonus for Julien Ducarroz, the CEO, and for the Management Board Members (MBMs) for 2022;
6. conditions of Stretch Bonus for the new CEO and for the MBMs for 2023;
7. evaluation of the MBMs’ bonuses for H2 2022 and H1 2023;
8. targets and bonus conditions for MBMs for 2023;
9. Orange Group LTIP 2023–2025;

- 10. Polish LTI Incentive Program in the years 2023–2025 wave three;
- 11. the Remuneration Committee's Annual Report 2022;
- 12. the modified Remuneration Policy with clawback concept, remote work and the new Management by Objectives (MBO) model for Members of the Management Board and Supervisory Board;
- 13. amendments to the template contract of employment for the Management Board Members relating to clawback clause, remote work and new MBO model.

The Remuneration Committee issued opinions on:

- 1. the Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2022;
- 2. the implementation of the Remuneration Policy – included in the OPL Management Board's Report on the Activity in 2022.

The Remuneration Committee positively acknowledged:

- 1. HC Dashboard – a periodic report on matters of Human Capital;
- 2. status of implementation in the OPL Green strategy (reduction of CO₂ emissions);
- 3. GREEN KPI – calculation, materiality;
- 4. the modified employment conditions for the Executive Director in charge of IT;
- 5. benefits granted to the Management Board Members under Orange Polska's internal regulations;
- 6. report on the execution of the agreement with Orange Global International Mobility SA;
- 7. new project: OPL Group HC synergies and co-operation;
- 8. the results of two OPL employee surveys: Organisational Health Survey and Your Employee Barometer.

Significant issues considered by the Remuneration Committee in 2023:

- 1. OPL succession plan for the Management Board Members and Executive Directors;
- 2. headcount evolution in OPL Group (Social Agreement 2024–2025, negotiation package).

The Remuneration Committee operated in accordance with its working plan for 2023 approved by all the Remuneration Committee's Members. All recommendations of the Remuneration Committee were accepted by the Supervisory Board.

Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2023

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 2023 and provides an overview of the remuneration awarded in line with the Remuneration Policy of Orange Polska S.A. in force since 2013 and the Remuneration Policy for Members of the Management Board and Supervisory Board of Orange Polska S.A. in force since 17 June 2020 with subsequent amendments ("the Remuneration Policies").

The Remuneration Policies applied by Orange Polska S.A. ("the Company") are an element of its 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.

The Remuneration Policies support the implementation of the strategy of Orange Polska S.A. and the protection of its long-term interests. In particular, by ensuring market-competitive base salaries and additional benefits, Orange Polska S.A. strives to recruit and retain the Company's key people. The purpose of the short-term and long-term variable remuneration, which depends on the Company's key financial indicators, is to motivate the Management Board Members to achieve strategic goals, which are subsequently cascaded to employees at lower levels of the organisation in the form of management goals.

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.

Changes in reporting

Responding to the issues raised by our minority shareholders, we have introduced a number of changes to this Report compared to previous years in order to increase the transparency of information on the remuneration of the Management Board Members. We trust that the tables presenting in detail the variable remuneration components and the terms of awarding thereof will give shareholders a better insight into the link between remuneration and the Company's goals and strategy. We have also described the changes in the terms of remuneration to be introduced in 2024. We strive for the highest standards in corporate governance reporting.

1. Changes in the Company's Boards

As of 1 January 2023, 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. As Julien Ducarroz resigned, the Supervisory Board of Orange Polska appointed Liudmila Climoc as the President of the Management Board of Orange Polska, effective on 1 September 2023. Julien Ducarroz became the CEO of Orange Romania S.A.

There were the following changes in the composition of the Supervisory Board in 2023:

On 14 February 2023, Ramon Fernandez resigned.

On 29 June 2023, the mandate of Patrice Lambert-de Diesbach expired.

On the same day, the Annual General Meeting appointed John Russell Houlden for a new term of office and Clarisse Heriard Dubreuil and Laurent Martinez to the Supervisory Board for the first 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 and 29 June 2023. Under this Policy, the Company's remuneration system for the Management Board Members consists of fixed and variable components, including:

- base salary;
- performance-based bonus;
- benefits and allocation benefits;
- long-term capital remuneration;
- base premium for participation in the pension scheme;
- employment termination benefits;
- other benefits arising out of the provisions of labour law.

The remuneration paid in 2023 was structured in compliance with the adopted Remuneration Policies.

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

The Management Board Members employed by the Company were granted Employee Pension Scheme premiums and some non-pecuniary benefits (discounts for Orange Polska's services, a sports card) 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 are effected pursuant to employment contracts concluded for their term of office.

Julien Ducarroz, who was the President of the Management Board of Orange Polska S.A. from 1 September 2020 to 31 August 2023, and Liudmila Climoc, who has been the President of the Management Board of Orange Polska S.A. since 1 September 2023, have been employed by Swiss-based Orange Global International Mobility SA (OGIM SA), an Orange S.A. Group company, and have been posted to Orange Polska S.A. for the term of office of the CEO.

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 in line with the rules set out by the General Meeting. In 2023, their remuneration was payable pursuant to two resolutions of the General Meeting: (i) Resolution No. 33 of 9 April 2015, which remained in force to 28 June 2023, and (ii) Resolution No. 40 of 29 June 2023. The Supervisory Board

Members employed by an Orange S.A. Group company are not entitled to receive remuneration for performing their 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 meet 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 2023, Orange Polska S.A. had five independent Members on the Supervisory Board, namely: Bartosz Dobrzyński, John Russell Houlden, Monika Nachyła, Maria Pasło-Wiśniewska PhD and Wioletta Rosołowska.

3. Remuneration of the Members of the Management Board

a. Base salary

The terms of base salaries of the Management Board Members reflect 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 peer 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 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.

The terms of employment of the Management Board Members are recommended to the Supervisory Board by the Remuneration Committee based on the following criteria:

- scope of responsibilities and complexity specific to the position;
- market competitiveness of the remuneration;
- recommendation of the President of the Management Board (does not apply to the remuneration of the latter);
- 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

In 2023, the Management Board Members employed by Orange Polska S.A. received the following benefits:

a) Reported in the Table 11 below:

- medical care package for Members of the Management Board and their relatives (children, partners/spouses);
- life insurance;
- Employee Pension Scheme (EPS);
- other non-pecuniary benefits (employee discounts for the Company's services: Neostrada, FunPack, handset insurance, mobile subscription).

b) Additional:

- landline internet at the place of residence (a work tool);
- a sports card (described under the Table 11 below);
- directors and officers (D&O) liability insurance in connection with the performance of the Management Board Member's duties (an element of insurance for both existing and prospective/future officers performing specific functions in the organisation, with flat-rate premiums; hence, it is not possible to allocate the specific/actual income to particular persons).

Furthermore, 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.

In line with the terms of their employment contracts, Members of the Management Board were granted some benefits from which also persons closely associated with them could benefit. The value of such benefits is indicated in the Table 11 below under the caption Benefits.

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.

While performing the duties of the President of the Management Board of Orange Polska S.A., Julien Ducarroz (to 31 August 2023) and Liudmila Climoc (since 1 September 2023) were 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 their remuneration and benefits is presented in the Table 12 below.

In the reported period, Members of the Management Board of Orange Polska S.A., excluding Julien Ducarroz and Liudmila Climoc posted to the position of the President of the Management Board, did not receive remuneration from other Orange S.A. 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 Group companies.

c. Employee Pension Scheme (see Table 11 below)

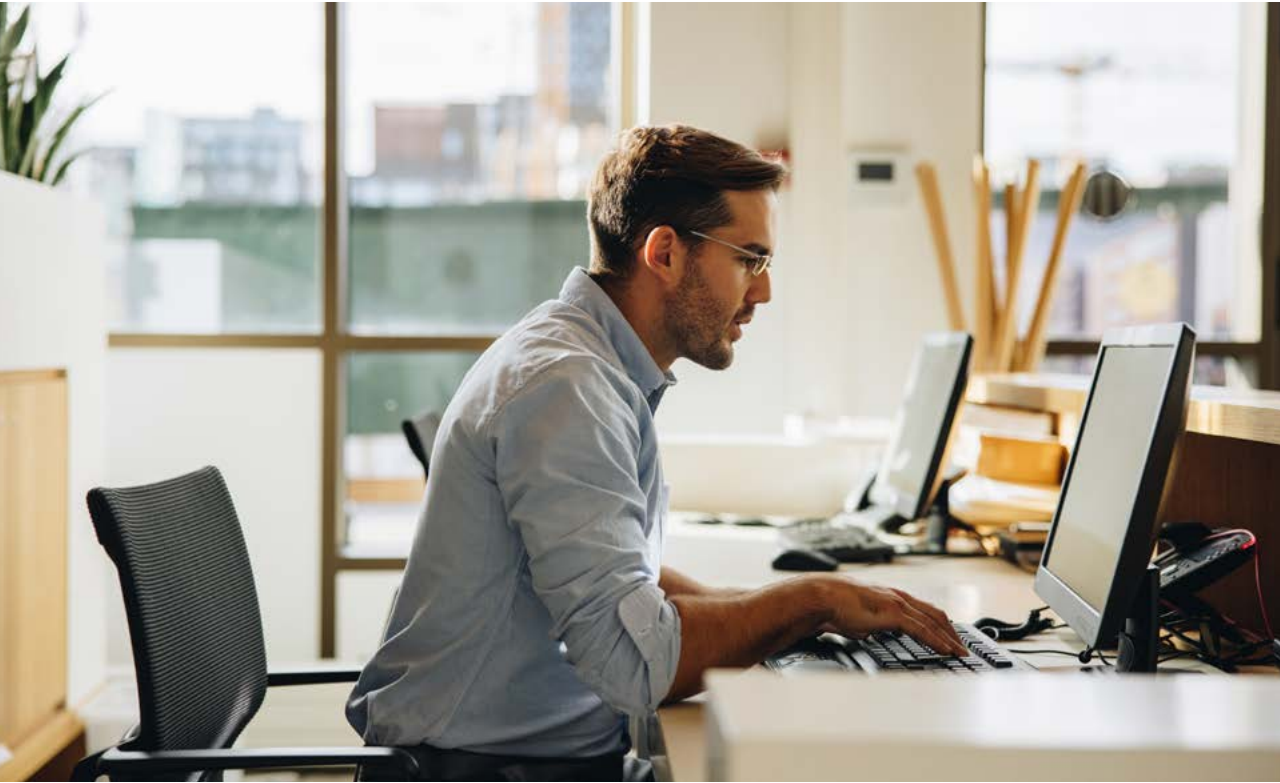
Members of the Management Board employed by Orange Polska S.A. have joined the Employee Pension Scheme, which is financed by Orange Polska S.A. This scheme is a pension fund (Orange Polska Employee Pension Fund). In 2023, the Company financed a monthly base premium in the amount of 7% of the gross remuneration amount, which constitutes the base for the calculation of the pension and disability insurance premiums.

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 upon a six-months' notice.

Upon termination of the employment contract with a Member of the Management Board by the Company with a notice or 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 employed by the Company are obliged to refrain from engaging in any activities competitive to the Company for twelve months after the termination of employment with Orange Polska S.A. 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 (Short Term Incentive Programme – STI)

Each Member of the Management Board was entitled to the variable remuneration component dependent on the achievement of financial and non-financial goals. The terms of awarding thereof did not change in 2023 versus 2022.

The purpose of the bonus system has been to motivate Members of the Management Board to achieve high performance by attaining the predefined and agreed goals linked to the Company’s strategy and growth of customer satisfaction. In addition, the system of objectives stimulates the co-operation among employees and business units by setting some solidarity goals 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 goals shared by all Members of the Management Board, than in the case of other employees of the Company. For all Management Board Members solidarity goals account for 80% of the total, while for other employees with variable remuneration this share is between 30% and 60%.

The variable component of remuneration has been payable on a semi-annual basis and its calculation has been based on the evaluation of the achievement of the goals defined for each Member of the Management Board in their individual task sheets.

Solidarity goals, which are related to the implementation of the Company’s .Grow strategy for 2021–2024, included:

1. EBITDAaL (EBITDA after Leases)

EBITDAaL is the primary measure used by the Management Board to measure operating profitability. The target for EBITDAaL growth is one of the main financial ambitions included in the .Grow strategy.

2. Organic Cash Flow (OCF)

OCF is the primary measure of cash flow generation used by the Management Board. Its level is an important factor affecting the level of financial leverage and, consequently, is of great importance when the Management Board recommends the amount of dividend to shareholders.

3. Green indicator referring to CO₂ emissions in the Orange Polska Group

The goal of reducing CO₂ emissions is included in the .Grow strategy and the Company’s climate strategy.

4. Customer satisfaction with Orange services (Perception NPS)

NPS is commonly used in the telecommunications sector to measure the level of customer satisfaction with services and is one of the indicators of how well an offer and customer service meet the needs, which in turn translates into the level of revenue generated.

In the individual part, the goals referred to specific projects implemented within the function performed by the Management Board Member and to the evaluation of their work.

Each goal has the predefined minimum level of implementation, below which the related variable remuneration is not awarded. In addition, each goal has the predefined maximum level of implementation, above which the related variable remuneration is not further increased. Depending on the goal, the maximum threshold is between 120% and 200% of its achievement.

Each goal has been assigned a weight and the amount of variable remuneration depends on the total weighted assessment of all goals. With the achievement of goals assessed at 100%, the variable remuneration component was 50% of the base salary due for the given period under the employment contract. With the achievement of all goals at the maximum level, variable remuneration component would have been 80.5% of the base remuneration.

Performance in 2023 permitted awarding the variable remuneration component to all Members of the Management Board, which is presented for each Board Member separately in the Tables 1–9 below.

In addition to the variable remuneration component, on 14 February 2023 the Supervisory Board, upon request of its Remuneration Committee, granted the President of the Management Board and Members of the Management Board the right to an additional annual bonus referred to as the Stretch Bonus. The award of this bonus was based on two financial indicators: EBITDAaL and EBITDAaL–eCAPEX (see Table 10 below). Unlike the terms of awarding the variable remuneration component described above, the Stretch Bonus is awarded in a predefined amount only if both targets are achieved jointly (on a hit-or-miss basis). For Members of the Management Board, the Stretch Bonus amounts to one monthly base salary. In the case of the President of the Management Board it was EUR 140 thousand in 2023. However, as the predefined conditions were not met in 2023,

the Stretch Bonus for the President and other Members of the Management Board will not be paid in 2024. The remuneration of each Member of the Management Board complied with the adopted Remuneration Policy for Members of the Management Board and Supervisory Board. The goals and the terms of their settlement were approved by the Remuneration Committee of the Supervisory Board.

The achievement of the goals by Members of the Management Board was assessed on a semi-annual basis by the Supervisory Board of Orange Polska S.A. upon recommendation of the Remuneration Committee thereof, and the bonus was accrued pro rata to the employment period. In the tables below, the term “Budget” refers to Orange Polska’s Budget for 2023 approved by the Supervisory Board.

Table 1: Variable remuneration component: Julien Ducarroz, President of the Management Board (to 31 August 2023)

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					26%*	0–24%
Work evaluation	20%					26%*	0–24%
Weighted assessment						124%	

* In Orange Polska’s practice hitherto, the maximum level for the individual goal assessment was 120%. However, the Remuneration Committee of the Supervisory Board granted an assessment of over 120% in exceptional cases, which occurred with respect to the assessment of Julien Ducarroz in 2023. While determining the goals for 2024, the Remuneration Committee of the Supervisory Board set the upper limit at 150%.

Table 2: Variable remuneration component: Liudmila Climoc, President of the Management Board (since 1 September 2023)

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					20%	0–24%
Work evaluation	20%					20%	0–24%
Weighted assessment						118%	

Table 3: Variable remuneration component: Jolanta Dudek, Vice President of the Management Board in charge of Consumer Market

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					21%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					11%	0–12%
Weighted assessment						119%	

Table 4: Variable remuneration component: Bożena Leśniewska, Vice President of the Management Board in charge of Business Market

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					21%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					11%	0–12%
Weighted assessment						119%	

Table 5: Variable remuneration component: Piotr Tadeusz Jaworski, Member of the Management Board in charge of Network and Technology

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					20%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					10%	0–12%
Weighted assessment						119%	

Table 6: Variable remuneration component: Maciej Nowohórski, Member of the Management Board in charge of Carriers Market and Real Estate Sales

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					20%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					10%	0–12%
Weighted assessment						118%	

Table 7: Variable remuneration component: Jacek Kunicki, Member of the Management Board in charge of Finance

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					21%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					11%	0–12%
Weighted assessment						119%	

Table 8: Variable remuneration component: Jacek Kowalski, Member of the Management Board in charge of Human Capital

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals*:	20%					21%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					11%	0–12%
Weighted assessment						119%	

Table 9: Variable remuneration component: Witold Drożdż, Member of the Management Board in charge of Strategy and Corporate Affairs

Criteria	Weight	Threshold	Goal	Maximum	Performance	Goal achievement	Assessment range
Solidarity goals:	80%					98%	0–137%
EBITDAaL (PLN mln)	30%	Budget–54	Budget	Budget+168	3,179	48%	0–60%
Organic Cash Flow (OCF) (PLN mln)	30%	Budget–200	Budget	Budget+200	1,173	32%	0–45%
CO ₂ emissions (Green) ('000 tonnes)	10%	Budget+191	Budget	Budget–13	115.1	18%	0–20%
NPS (market position)	10%	Budget (position)–1	Budget (position)	Budget (position)+1	3rd position	0%	0–12%
Individual goals: –9	20%					20%	0–24%
Work evaluation	10%					10%	0–12%
Specific projects	10%					10%	0–12%
Weighted assessment						119%	

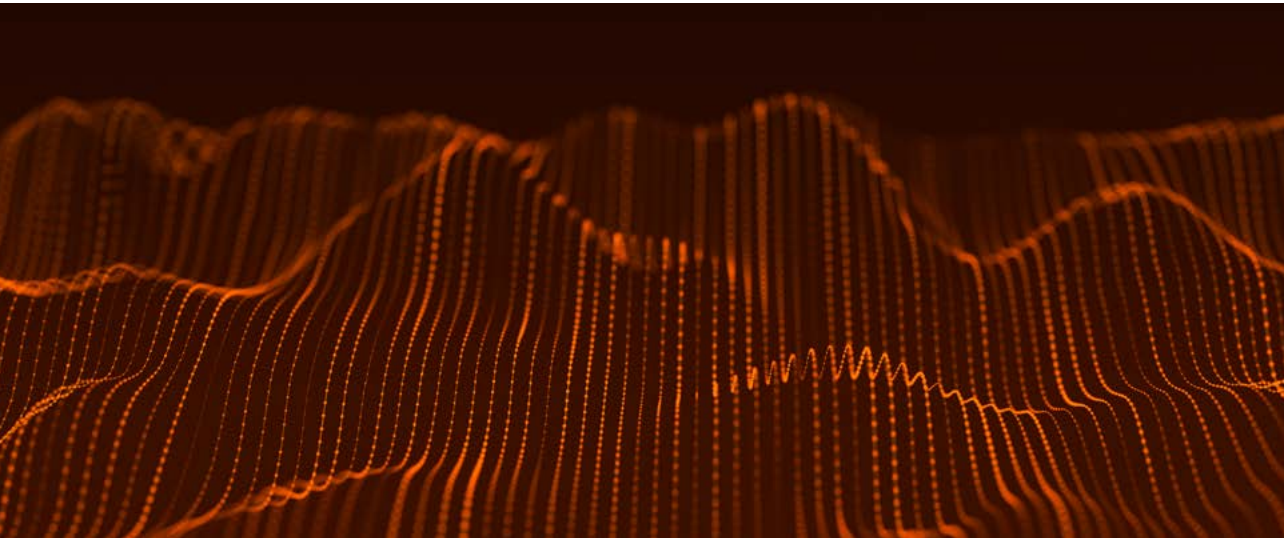
In the tables 1–9 above, the “Weighted assessment” in the column “Goal achievement” may not sum up due to rounding.

In the tables 1–9 above the “Assessment range” in the last column informs that a given goal can be assessed within a specific range.

Table 10: Stretch Bonus for the President and other Members of the Management Board

Criteria	Goal	Performance	Goal achievement	Assessment range
EBITDAaL* (PLN mln)	Budget+60	3,179	0%	0% or 100%
EBITDAaL–eCapex* (PLN mln)	Budget+60	1,624	0%	0% or 100%

* Both goals need to be achieved jointly.



In 2023 Orange Polska S.A. did not exercise the option to demand the return of the variable components of remuneration.

Table 11: Total remuneration of Members of the Management Board in 2023

Full name	1. Fixed remuneration (PLN ‘000)						2. Variable remuneration (PLN ‘000)**				Total remuneration for 2023 (PLN ‘000)	Proportion between fixed and variable remuneration granted in 2023 (%)	Variable remuneration for 2022 paid in 2023 (PLN ‘000)
	Base salary	Benefits*	Other benefits for relatives	Compensation and severance pay	Other payments (including EPS benefit)	Total fixed remuneration	Granted for the first half of 2023	Granted for the second half of 2023	Annual, granted for 2023 (Stretch Bonus)	Total variable remuneration			
Jolanta Dudek	1,260	29	0	0	145	1,434	255	497	0	752	2,186	66%/34%	532
Bożena Leśniewska	1,440	35	0	0	169	1,644	292	568	0	860	2,504	66%/34%	656
Witold Drożdż	1,080	33	0	0	123	1,236	216	424	0	640	1,876	66%/34%	426
Piotr Jaworski	1,080	41	0	0	125	1,246	216	424	0	640	1,886	66%/34%	452
Jacek Kowalski	1,140	29	0	0	133	1,302	228	450	0	678	1,980	66%/34%	505
Jacek Kunicki	1,200	43	0	0	138	1,381	243	473	0	716	2,097	66%/34%	476
Maciej Nowohoński	1,176	33	0	0	138	1,347	235	461	0	696	2,043	66%/34%	527

* Includes family members in line with the provisions of section 3.b above. Includes an additional benefit in the form of festival passes, which were used by Bożena Leśniewska (for Orange Warsaw Festival and Open'er Festival) and Piotr Jaworski (for Orange Warsaw Festival and Open'er Festival). In addition, Bożena Leśniewska and Jolanta Dudek used sports cards financed from the Company Social Benefits Fund. The benefit was worth PLN 492 per each of them in 2023 (not included in the Table 11 above).

** The figure Includes the variable remuneration component accrued in 2023 and payable in 2024, as approved by the Supervisory Board of Orange Polska S.A., while excludes the variable remuneration component accrued in 2022 and paid in 2023.

Table 12: The amounts paid by Orange Polska S.A. in 2023 as the reimbursement of the costs related to posting of the President of the Management Board

Full name	1. Fixed remuneration (PLN ‘000)	2. Variable remuneration (PLN ‘000)*			Total remuneration for 2023 (PLN ‘000)	Proportion between fixed and variable remuneration (%)	Variable remuneration for 2022 paid in 2023 (PLN ‘000)
		Excluding Stretch Bonus granted for 2023	Annual, granted for 2023 (Stretch Bonus)	Total variable remuneration			
Liudmila Climoc**	1,299	309	0	309	1,608	81%/19%	0
Julien Ducarroz***	3,684	669	0	669	4,353	85%/15%	1,280

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

** From the date of appointment as the President of the Management Board of Orange Polska S.A. (i.e. 1 September 2023).

*** Serving as the President of the Management Board of Orange Polska S.A. until 31 August 2023.

f. Orange Polska S.A. Long Term Incentive Programmes (LTI)

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 divided into three-year cycles (Programme Series), beginning in consecutive calendar years. Three series, 2021–2023, 2022–2024 and 2023–2025, have been launched in the Programme.

In accordance with the adopted Programme Regulations, the President and other Members of the Management Board may purchase 43,200 phantom shares each at a price of PLN 0.50 per phantom in each Programme Series.

The programme implementation has been based on the following principles:

1. The right to the redemption of the phantom shares by the Company is contingent on the employment continuity till the end of the last year of the particular Programme Series. If employment is terminated before the end of the particular Series, but not earlier than after the end of the second year thereof, the Supervisory Board may decide to leave the participant in the Programme.
2. The preliminary condition for the Company’s redemption of any number of Series One phantom shares is to maintain the average share price of Orange Polska in Q1 2024 at a level equal to or higher than the average share price in the first half of 2021.
3. Subsequent series include similar conditions: the average share price in the first half of 2021 remains the reference price, while the average share price in Q1 2025 and Q1 2026 will constitute the basis for settlement in the Series Two and Series Three, respectively.

4.

Phantom shares have been allocated to four success indicators. Both the main goal and the minimum goal have been set for each indicator. The phantom shares allocated to a particular success indicator will be redeemed by the Company provided that the Company has met the business objectives set for that indicator.
5.

If the Company achieves the main goal, 100% of the phantom shares allocated to the relevant success indicator shall be redeemed. If the Company achieves a result lower than the main goal but at least equal to
- the minimum goal set for a particular success indicator, 50% of the phantom shares allocated thereto shall be redeemed.

6.

If the minimum criteria for a particular success indicator are not met, the phantom shares allocated thereto shall not be redeemed and, as a result, the participants will lose the invested funds.

The success indicators and the related business objectives to be achieved are presented in the tables below.

Table 13: LTI success indicators and business objectives for all the Programme Series

Success indicator	Weight (% of phantom shares)	Description
EBITDAaL	30%	Achieving a specific EBITDAaL level, being the sum of values over 3 years, projected in the Company's strategic plan.
Organic Cash Flow	25%	Achieving a specific level of Organic Cash Flow, being the sum of values over 3 years, projected in the Company's strategic plan.
CO ₂ emissions	10%	Achieving a specific level of CO ₂ emission reductions projected in the Company's strategic plan.
Share price	35%	Achieving a specific level of share price growth or achieving a return higher than the return on the WIG20 index in the same period.

Table 14: Redemption conditions for the Series One (2021–2023)

Success indicator	Weight (% of phantom shares)	Conditions for 100% redemption (the main goal)	Conditions for 50% redemption (the minimum goal)
EBITDAaL (PLN mln)	30%	2021–2023 aggregate ≥ Strategic Plan objectives	Main goal – 477
Organic Cash Flow (PLN mln)	25%	2021–2023 aggregate ≥ Strategic Plan objectives	Main goal – 298
CO ₂ emissions (kt)	10%	CO ₂ emissions target for 2023	Main goal for 2023 + 5.5 kt
Share price	35%	Average share price in Q1 2024 + specific growth > average share price in H1 2021 or rate of return between H1 2021 and Q1 2024 > WIG20 rate of return in the same period	Average share price in Q1 2024 + specific growth vs. average share price in H1 2021 or rate of return between H1 2021 and Q1 2024 = WIG20 rate of return in the same period
Sum of weights	100%		

Table 15: Redemption conditions for the Series Two (2022–2024)

Success indicator	Weight (% of phantom shares)	Conditions for 100% redemption (the main goal)	Conditions for 50% redemption (the minimum goal)
EBITDAaL (PLN mln)	30%	2022–2024 aggregate ≥ Strategic Plan objectives	Main goal – 637
Organic Cash Flow (PLN mln)	25%	2022–2024 aggregate ≥ Strategic Plan objectives	Main goal – 463
CO ₂ emissions (kt)	10%	CO ₂ emissions target for 2024	Main goal for 2024 + 33.4 kt
Share price	35%	Average share price in Q1 2025 + specific growth > average share price in H1 2021 or rate of return between H1 2021 and Q1 2025 > WIG20 rate of return in the same period	Average share price in Q1 2025 + specific growth vs. average share price in H1 2021 or rate of return between H1 2021 and Q1 2025 = WIG20 rate of return in the same period
Sum of weights	100%		

Table 16: Redemption conditions for the Series Three (2023–2025)

Success indicator	Weight (% of phantom shares)	Conditions for 100% redemption (the main goal)	Conditions for 50% redemption (the minimum goal)
EBITDAaL (PLN mln)	30%	2023–2025 aggregate ≥ Strategic Plan objectives	Main goal – 292
Organic Cash Flow (PLN mln)	25%	2023–2025 aggregate ≥ Strategic Plan objectives	Main goal – 292
CO ₂ emissions (kt)	10%	CO ₂ emissions target for 2025	Main goal for 2025 + 46.6 kt
Share price	35%	Average share price in Q1 2026 + specific growth > average share price in H1 2021 or rate of return between H1 2021 and Q1 2026 > WIG20 rate of return in the same period	Average share price in Q1 2026 + specific growth vs. average share price in H1 2021 or rate of return between H1 2021 and Q1 2026 = WIG20 rate of return in the same period
Sum of weights	100%		

Table 17: The value of phantom share-based payments in the Long Term Incentive Programme for all Series (LTI 2021–2023, LTI 2022–2024 and LTI 2023–2025)

Full name	LTI 2021–2023		LTI 2022–2024		LTI 2023–2025	
	Number of purchased phantom shares	Value of phantom share-based payments recognised as the Company's costs for 12 months ended on 31 December 2023 (PLN '000)	Number of purchased phantom shares	Value of phantom share-based payments recognised as the Company's costs for 12 months ended on 31 December 2023 (PLN '000)	Number of purchased phantom shares	Value of phantom share-based payments recognised as the Company's costs for 12 months ended on 31 December 2023 (PLN '000)
Julien Ducarroz	43,200	49**	–	–69***	–	–
Jolanta Dudek	43,200	113	43,200	93	43,200	71
Bożena Leśniewska	43,200	113	43,200	93	43,200	71
Witold Drożdż	43,200	113	43,200	93	43,200	71
Piotr Jaworski	43,200	113	43,200	93	43,200	71
Jacek Kowalski	43,200	113	43,200	93	43,200	71
Jacek Kunicki	43,200	113	43,200	93	43,200	71
Maciej Nowohórski	43,200	113	43,200	93	43,200	71

* Number of shares × valuation of share options as of 31 December 2023.

** Costs reported till the end of the term as a Member of the Management Board of Orange Polska S.A.

*** Julien Ducarroz's phantom shares were redeemed and the Company returned the funds paid for the phantom shares in the amount of PLN 21,600 – as the Programme Regulations regarding the required duration of service relationship were not met.

LTI 2021–2023 will be redeemed in April 2024.

Note: Julien Ducarroz did not join the LTI 2023–2025 series.

At the time of granting the shares, Liudmila Climoc was not the President of the Management Board of Orange Polska.

g. Long Term Incentive Plan (LTIP) of the Orange Group

The Long Term Incentive Plan of the Orange Group is effected in three-year editions. It includes key executives 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 S.A. under the following conditions: continuous service in the Orange Group throughout the Plan and some performance-based criteria.

The aim of the Plan is to recognise the engagement of the Group's key executives, 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 awarding disposable shares to the participants by Orange S.A. 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. It ended with awarding disposable shares to the participants by Orange S.A. in April 2022.

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

In April 2023, the fourth edition of the three-year Long Term Incentive Plan (LTIP) made available for 2020–2022 was settled, and Orange S.A. awarded disposable shares to the participants (see Table 19 below).

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.

In July 2023, the seventh edition of the Long Term Incentive Plan of the Orange Group for 2023–2025 was made available.

The conditions for receiving a specified number of free shares of Orange S.A. are indicated in the Table 18 below.

In the Long Term Incentive Plan of the Orange Group for 2020–2022, 2021–2023, 2022–2024 and 2023–2025, 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 only upon achieving them in 100%.



Table 18: Detailed parameters of the Long Term Incentive Plan

Name of the Plan	LTIP 2021–2023	LTIP 2022–2024	LTIP 2023–2025
Performance assessment period	Years 2021–2023	Years 2022–2024	Years 2023–2025
Award date	28 July 2021	27 July 2022	25 July 2023
Ending date of the edition	31 December 2023	31 December 2024	31 December 2025
Award condition	Continuous service in 2021–2023	Continuous service in 2022–2024	Continuous service from 1 January 2023 to 31 March 2026
a) Financial indicator b) Indicator weight	a) Organic Cash-Flow* b) 50%	a) Organic Cash-Flow* b) 50%	a) Organic Cash-Flow* b) 40%
a) Financial indicator b) Indicator weight	a) Total Shareholder Return** b) 30%	a) Total Shareholder Return** b) 30%	a) Total Shareholder Return** b) 30%
a) Financial indicator b) Indicator weight	a) CSR*** b) 20%	a) CSR*** b) 20%	a) CSR**** b) 30%

* 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.

** The increase in Total Shareholder Return should be higher than in TSR for the Stoxx Europe 600 Telecoms index between the first four months of the year preceding the first year of performance assessment and the last four months of the last year of performance assessment.

*** 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.

**** 20% of the CSR objective corresponds to the achievement of the goal related to a reduction of CO₂ emissions at the end of the assessment period, and the remaining 10% of the CSR objective corresponds to the achievement of the goal related to the share of women in management positions at the end of the assessment period.

Table 19: Number of disposable shares awarded or to be awarded to Members of the Management Board in the Long Term Incentive Plan of the Orange Group

Full name	Shares to be awarded (number)				Disposable shares awarded in LTIP 2020–2022 and settled in 2023 (number)
	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024	LTIP 2023–2025	
Liudmila Climoc	–	2,000	2,000	3,000	–
Julien Ducarroz	2,000	2,000	2,000	3,500	1,181
Jolanta Dudek	2,000	2,000	2,000	2,000	1,181
Bożena Leśniewska	2,000	2,000	2,000	2,500	1,181
Witold Drożdż	2,000	2,000	2,000	1,500	1,181
Piotr Jaworski	2,000	2,000	2,000	1,500	1,181
Jacek Kowalski	2,000	2,000	2,000	1,500	1,181
Jacek Kunicki	1,000	2,000	2,000	3,000	591
Maciej Nowohoński	2,000	2,000	2,000	2,000	1,181

Table 20: Value of share-based payments in the Long Term Incentive Plan reported as costs in Orange Polska S.A.’s financial statements (in PLN ‘000)

Full name	LTIP 2020–2022	LTIP 2021–2023	LTIP 2022–2024
	For 12 months to 31 December 2023	For 12 months to 31 December 2023	For 12 months to 31 December 2023
Liudmila Climoc*	8	10	16
Julien Ducarroz**	16	20	5
Jolanta Dudek	24	30	13
Bożena Leśniewska	24	30	16
Witold Drożdż	24	30	10
Piotr Jaworski	24	30	10
Jacek Kowalski	24	30	10
Jacek Kunicki	24	30	20
Maciej Nowohoński	24	30	13

* Costs reported from the appointment as the President of the Management Board of Orange Polska S.A.

** Costs reported till the end of the term as the President of the Management Board of Orange Polska S.A.

4. Remuneration of the Members of the Supervisory Board

The remuneration of Members of the Supervisory Board is determined by the General Meeting of Shareholders of Orange Polska S.A. In 2023, Members of the Supervisory Board were entitled to remuneration set out in the Resolution 33 of the Annual General Meeting of 2015 (to 28 June 2023)

and the Resolution 40 of the Annual General Meeting of 2023 (since 29 June 2023).

Members of the Supervisory Board are entitled to fixed monthly remuneration depending on their functions performed in the Supervisory Board regardless of the number of meetings held in the given month. 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 for such positions but the highest remuneration to which they are entitled.

Within the Supervisory Board, there are three standing committees: Audit Committee, Remuneration Committee and Strategy Committee. Furthermore, the Supervisory Board may establish other Committees and define their tasks at its own discretion. In 2023, the Supervisory Board did not establish any further Committees.

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 Supervisory Board’s work. In connection with the performance of the Supervisory Board Member’s duties Members of the Supervisory Board are covered by the D&O liability insurance.

In 2023, Members of the Supervisory Board were granted additional benefits in the form of invitations to cultural events.

Table 21: Remuneration of the Members of the Supervisory Board for 2023

Full name	Total remuneration for performing the function (PLN ‘000)	Of which: Remuneration for sitting on a Committee (PLN ‘000)	Notes
Maciej Witucki	452	–	4)
Ramon Fernandez	–	–	1)
Marie-Noëlle Jégo-Laveissière	–	–	1)
Laurent Martinez	–	–	1) 3)
Marc Ricau	–	–	1)
Philippe Béguin	–	–	1)
Bénédicte David	–	–	1)
Bartosz Dobrzyński	233	83	4) 5)
Clarisse Heriard Dubreuil	–	–	1)
John Russell Houlden	413	275	
Patrice Lambert-de Diesbach	–	–	1) 2)
Monika Nachyla	234	83	4) 5)
Maria Pasło-Wiśniewska PhD	330	193	
Wioletta Rosołowska	220	83	
Jean-Michel Thibaud	–	–	1)
Jean-Marc Vignolles	–	–	3)
Total	1,882	717	

1) A person employed by Orange S.A. who did not receive remuneration for the function performed in Orange Polska.
2) A person who was not a Member of the Supervisory Board of the Company as at 31 December 2023.
3) A person who did not receive remuneration for the function performed.
4) Total 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) Total remuneration includes additional benefits in the form of passes for Orange Warsaw Festival (OWF) and Open'er Festival (Bartosz Dobrzyński for Open'er and Monika Nachyla for both OWF and Open'er).

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

In 2023, Orange Polska S.A. effected remuneration payments in line with the adopted Remuneration Policies, and there were no derogations from the rules specified therein.

Table 22: 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.					
Annual performance	2019	2020	2021	2022	2023
EBITDAaL	3,006	2,797	2,963	3,078	3,179
EBITDAaL evolution	7%	2.9%**	5.9%**	3.9%**	3.3%
Revenue	11,406	11,508	11,928	12,488	12,970
Revenue evolution*	2.9%	0.9%	3.6%	4.7%	3.9%
Organic cash flow	737	642	867	822	1,173
Organic cash flow evolution	+79%	–13%	+35%	–5.2%	+43%
NPS (Net promoter score – position on the Polish market of telecommunications operators)	2	1	2	2	3

* 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.

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

Total remuneration of Members of the Management Board and remuneration of employees other than Members of the Management Board or Supervisory Board for 2023 are presented in the Table 23 below.

Remuneration of all persons performing the function of the Management Board Members in 2023 have been accounted for.

6. Evolution of remuneration and key results over the 2019–2023 period

The Table 22 below indicates percentage changes in key indicators versus their value in the preceding year.



Table 23: Evolution of remuneration in Orange Polska S.A. over the last five years

Management Board remuneration in PLN ‘000 (gross) ^{1,3}					
Full name	2019	2020	2021	2022	2023
Liudmila Climoc ²	n/a	n/a	n/a	n/a,	1,608
Julien Ducarroz ²	n/a	1,339	5,382	5,670	4,353
Jolanta Dudek	1,528	1,624	1,903	2,220	2,186
Bożena Leśniewska	2,233	2,248	2,568	2,697	2,504
Witold Drożdż ³	1,453	1,487	1,700	1,797	1,876
Piotr Jaworski ³	1,498	1,504	1,757	1,905	1,886
Jacek Kowalski	1,767	1,935	2,166	2,113	1,980
Jacek Kunicki ³	n/a	614	1,813	2,018	2,097
Maciej Nowohoński	1,821	1,972	2,203	2,188	2,043
Jean-François Fallacher ^{1,3}	4,382	3,359	n/a	n/a	n/a
Mariusz Gaca ^{1,3}	2,529	2,369	n/a	n/a	n/a
TOTAL*	17,211	18,451	19,492	20,608	20,533
Employee remuneration (excluding the Management Board and Supervisory Board) ^{1,4}					
Full name	2019	2020	2021	2022	2023
Average total gross salary in PLN ‘000	115	122	129	134	142
Total remuneration paid to employees in PLN ‘000 (gross) in subsequent years	1,338,585	1,275,836	1,236,923	1,187,072	1,217,931
Management Board remuneration to employee remuneration ratio (%)	1.29%	1.45%	1.74% ⁵	1.74%	1.69%
Number of employees ⁶	11,687	10,489	9,622	8,863	8,571

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).

This Report presents information concerning remuneration of Members of the Management Board and Supervisory Board, while omits information concerning remuneration of the employees of Orange Polska other than Members of the Management Board or the Supervisory Board, except for the data presented in the Table 23 above.

The Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2022 was drawn up and adopted by the Supervisory Board of Orange Polska S.A. on 1 April 2023 in line with the requirements set forth in the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to the organised trading system and on public companies. The Annual General Meeting of Orange Polska S.A. expressed a positive opinion on the Report on the Remuneration of the Members of the Management Board and Supervisory Board of Orange Polska S.A. in 2022 (Resolution no. 39 of the Annual General Meeting of Orange Polska S.A. dated 29 June 2023).

7. Terms of awarding variable remuneration component (Short Term Incentive Programme – STI) in 2024

The goals and weights (presented in section 3.e above), that will constitute the basis for awarding the variable remuneration component for all Members of the Management Board, have not changed in 2024 versus 2023.

However, unlike in previous years when the variable remuneration component was determined on a semi-annual basis, as from 2024 it will be determined on an annual basis. An advance payment of 40% of the annual bonus based on the assumption of the 100% achievement of goals will be effected mid-year. Should the annual goals be not achieved sufficiently to receive the variable remuneration component at least equal to the advance, the latter shall be returned. Furthermore, in the case of some major errors in the determination of the variable remuneration component, including those resulting from incorrect source data, the variable remuneration component may be returnable within three years after payment thereof. The relevant clauses were added to contracts with Members of the Management Board in the second half of 2023.

Management Board activities in 2023

1. Liudmila Climoc 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
8. Maciej Nowohoński Board Member

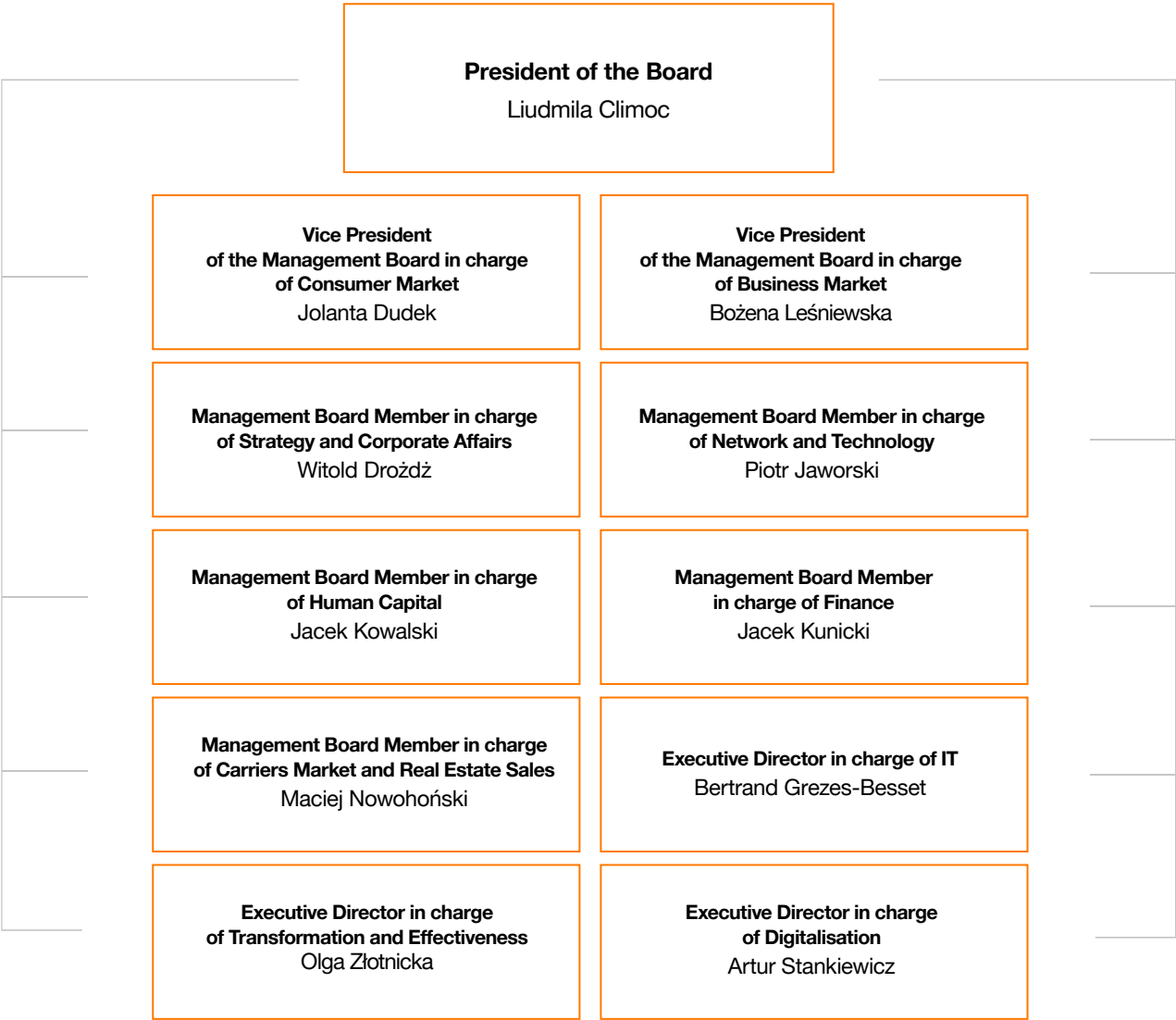
Management Board Members’ term of office

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 the 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 structure of the Management Board and Executive Directors

On 23 May 2023, the Supervisory Board of Orange Polska appointed Liudmila Climoc as President of the Management Board of Orange Polska with effect from 1 September 2023. On 1 September 2023, Liudmila Climoc replaced Julien Ducarroz as CEO of Orange Polska. Julien Ducarroz became the



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 a 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%.

Chart: Management Board diversity

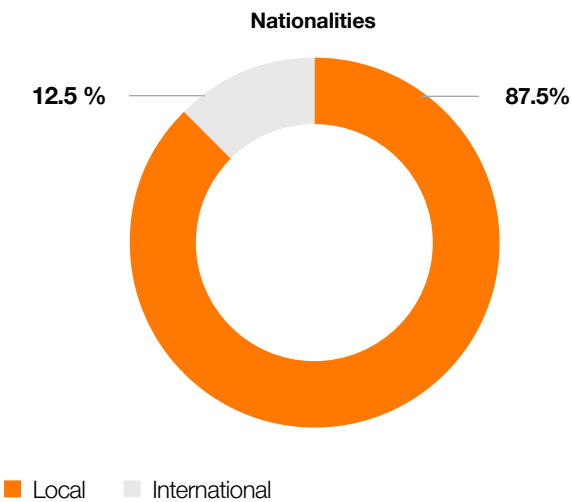
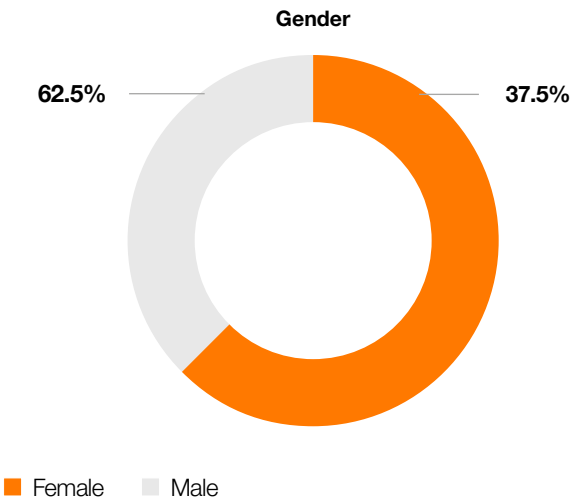
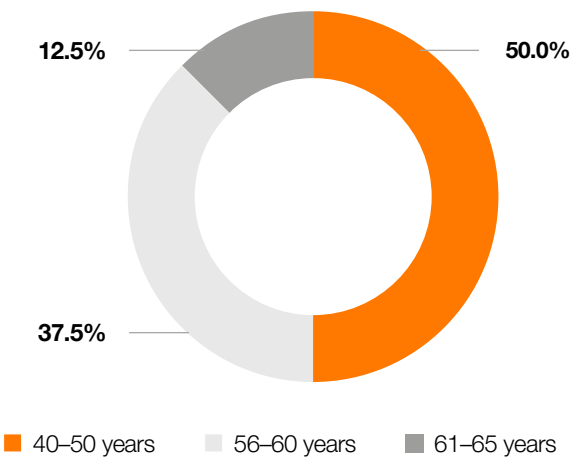


Chart: Supervisory Board age profile



Profiles of Management Board Members



Liudmila Climoc

Responsibilities:
CEO and President of the Management Board

Appointment to the Board:
September 2023

Qualifications:
She has a degree in engineering from the Technical University of the Republic of Moldova and holds an Executive MBA from Newport University USA/ProEra Moldova programme (2011-2013).

Career experience:
With 25 years of experience in telecommunications, Liudmila became the CEO of Orange Moldova in 2008, and in 2016 she was appointed the CEO of Orange Romania. During her mandate, Orange Romania went through a complex transformation from a mobile-only company into a fully integrated operator, a journey that started in 2016 with the launch of the first convergent services for residential customers and continued with the expansion of fibre coverage across the country, and reinforced this strategy by joining forces with an incumbent operator Telekom Romania Communication in 2021, integrating two companies under one Orange umbrella.

She joined the Orange Group in 1998 at Voxtel (currently Orange Moldova) and held several management positions until 2008, when she was promoted from Sales & Distribution Director to Chief Executive Officer of Orange Moldova.

In addition, she has been the Chairwoman of the Orange Foundation Board since October 26, 2023.



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 at the Ecole des Hautes Etudes Commerciales in Paris, the Warsaw School of Economics (SGH), and the Academy of Leadership Psychology at Warsaw University of Technology Business School. She is also an experienced Lead Auditor of Quality Management System ISO 2002 and the Customer Operations Performance Center (COPC®) Co-ordinator.

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 (until 2016) and Executive Director in charge of Customer Care in Orange Polska (until 2015). In 2015-2021, she was a Member of the Management Board of Orange Polska responsible for the Customer Experience area. Since July 2021, as the Vice President of the Company, she has managed the division covering the structures of the consumer market and relations with residential customers.



Bożena Leśniewska

Responsibilities:
Vice President of the Management Board in charge of Business Market

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 Jagiellonian University. She is an active mentor and co-author of the first European studies on women's leadership at Kozminski University.

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 of 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 the Group companies: Integrated Solutions (2017), BlueSoft (2019) and Craftware (2020). She has been a member of the Orange Foundation Board since 2021. In March 2024 she became a member of the Supervisory Board of Integrated Solutions and a member of the Supervisory Board of 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 worked 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 governmental committee Digital Poland, and a member of the government's Committee for Energy Security and the inter-ministerial Committee for Digital TV and Radio Broadcasting. He sits on the Orange Foundation Board.



Piotr Jaworski

Responsibilities:

Management Board Member in charge of Network and Technology

Appointment to the Board:

November 2018

Qualifications:

He graduated in electronic engineering from 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 worked at Orange Polska (formerly 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 OPL Ethics Committee. He is also a Member of the Supervisory Board of NetWorkS and a Member of the Supervisory Board of Światłowod 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 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 the 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 the 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 of 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 the Orange Foundation. He is a member of the Human Explorers, an informal group that is focused on sharing good HR practices, and also of the 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.

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's Chief Financial Officer. Jacek Kunicki is a Supervisory Board Member of BlueSoft, Integrated Solutions, Światłowod 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 the 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 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’ customers and the sale of real estate. Maciej is a Member of the Supervisory Board of Światłowod 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:

Executive Director in charge of IT

Qualifications:

He graduated from Ecole Polytechnique in fundamental physics and from Telecom Paris, both in France.

Career experience:

He has almost 30 years of professional experience in the telecommunications and IT industry, on various functions from CIO/CTO to business unit manager and startup entrepreneur. He worked on the implementation of innovation projects in several countries around the 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, including integration services, cybersecurity, cloud and software development. His missions included management of the companies Integrated Solutions and BlueSoft. From 2021 to 2024, he was the President of the Supervisory Board of BlueSoft. He has been a member of the French-Polish Chamber of Commerce since 2023 and a member of the French Foreign Trade Advisors Committee (Conseillers du Commerce Extérieur de la France) since 2024.



Artur Stankiewicz

Responsibilities:

Executive Director in charge of Digitalisation (since July 2021)

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, from 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:

Executive Director for Transformation and Effectiveness (since July 2022)

Qualifications:

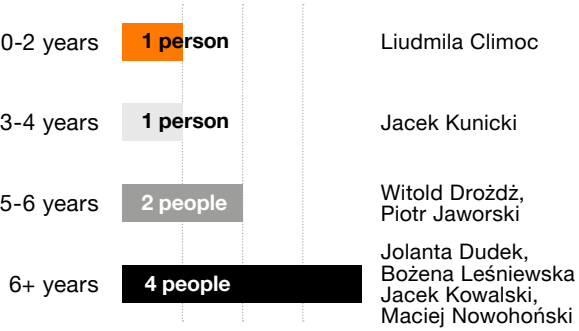
She graduated from Warsaw School of Economics, Advanced Management Program at INSEAD and the Leadership Academy for Poland; she is an active mentor with a second degree certificate (in Orange Polska’s programme).

Career experience:

She joined Orange Polska in 2002 in the marketing team for B2C offers. She occupied different positions in marketing, including Post-paid 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% cost savings per year) and launching digitalisation of paper flow. Since 2008, she has performed managerial roles in OPL, 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 project management process.



Chart: Management Board length of tenure



Ethics and compliance management

Ethics management

Activity of the Ethics Committee in 2023

Regular activities

- Investigation of the questions/issues communicated to the Committee through all available channels;
- Meetings with the heads of business units from which reports were received in order to better understand the issue and formulate further recommendations;
- Meetings of the Ethics Committee members in order to discuss more complex reports as well as formulate the Committee's opinions and recommendations to be submitted to the Management Board Members and the relevant managers;
- Collaboration with the Internal Audit Director and the Director in charge of Security and Compliance;
- Organisation of the Ethics & Compliance Day at Orange Polska.

Key activities of the Ethics Committee in 2023

- Based on the analysis of the irregularities reported to the Ethics Committee and the Management Board's recommendations, introduction of the following new by-laws:
 - Unacceptable Behaviour Report Handling Policy of Orange Polska S.A.; furthermore, the Anti-mobbing and Anti-discrimination Team was established to handle such reports,

- A Guide to Making Ethical Decisions, which is to help all the interested persons to go step by step through the questions concerning ethics and compliance with values and standards;
- Employee communication through articles and emails concerning major ethical aspects, particularly the introduction of the key by-laws for ethics or the Ethics & Compliance Day; furthermore, in mid-2023 the Ethics Committee presented an overview of its activities in 2022 and reiterated the binding policies and by-laws in the area of ethics.

Overview of the reports and questions communicated to the Ethics Committee

In 2023, the Ethics Committee received 130 reports. The most common matters raised were related to sales and customer relations, human relations, and conflicts of interest. If required by the character and subject matter of the reported irregularities, these were clarified in co-operation with the Internal Audit and Security & Compliance teams.

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 zero tolerance 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 Orange Polska business partners (cooperating companies, suppliers, subcontractors, consultants and agents acting on our behalf) must comply with anti-corruption standards. The correct application of the Anti-Corruption Policy is supported by internal regulations. In particular, the Anti-Corruption Policy of Orange Polska sets out the policy on gifts and invitations, defining the categories of benefits received or offered and the procedure for reporting them. The rules introduced at Orange Polska for the identification and prevention of conflicts of interest enable risk management in this area.

The Compliance function carries out communication activities aimed at raising employees' awareness of the applicable rules. By attending mandatory trainings and workshops, our teams can better understand the phenomenon of corruption and react appropriately in problematic situations.

Orange Polska annually prepares a corruption risk map based on the Group's methodology - evaluation of corruption scenarios. In 2023, all Orange Polska business units were subject to a corruption risk analysis. An increased risk of corruption was identified in 17% of the company's areas of activity. Appropriate control mechanisms and mitigating actions have been implemented in all these areas.

In addition, units that are particularly exposed to corruption risk are audited to ensure, among other things, the correct application of internal and external rules and the effectiveness of the mechanisms in place to reduce the risk of irregularities. The Compliance team reviews high-risk units and subsidiaries for compliance with the Anti-Corruption Policy and Guidelines, the process for vetting business partners and the use of compliance clauses in contracts.

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.

On the basis of the policy of compliance with economic sanctions and trade control regulations implemented in Orange Polska, the Compliance function also carries out activities that ensure compliance with sanctions programmes and regulations applicable to the company's operations, in particular compliance with restrictions on certain countries, persons and entities on sanctions lists issued by Poland, the European Union and its Member States, the United Nations and the United States.

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.

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
- Due Diligence Procedure (iDDFix)
- Anti-Money Laundering and Counter-Terrorism Financing Policy
- Anti-Fraud Policy
- Whistleblowing Policy
- Irregularity Report Handling and Whistleblower Protection Policy
- A Practical Guide to Identifying and Preventing Conflicts of Interest
- Ethical and Open Communication Rules
- Unacceptable Behaviour Report Handling 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 Orange Group Agreement on Workplace Gender Equality
- Policy for Investing in Health Quality and Well-being
- Code of Ethics
- Occupational Safety and Health Policy
- Global Orange Group Health and Safety Agreement
- Remote Work Regulations
- Recruitment Policy

Social issues

- Corporate Social Responsibility Strategy
- Donation Policy
- Sponsorship Policy
- Statute of the Orange Foundation
- Orange Foundation Grant Policy
- Corporate Volunteering Competition Rules
- Child Protection Policy of the Orange Foundation

Environmental issues

- Corporate Social Responsibility Strategy
- Environmental Policy
- Climate Policy

Respect for human rights

- Human Rights Policy
- Child Protection Policy of the Orange Foundation
- Orange Statement on modern slavery and forced labour
- Corporate Social Responsibility Strategy
- Diversity Management Policy
- Vigilance Plan
- Code of Ethics
- Supplier Code of Conduct

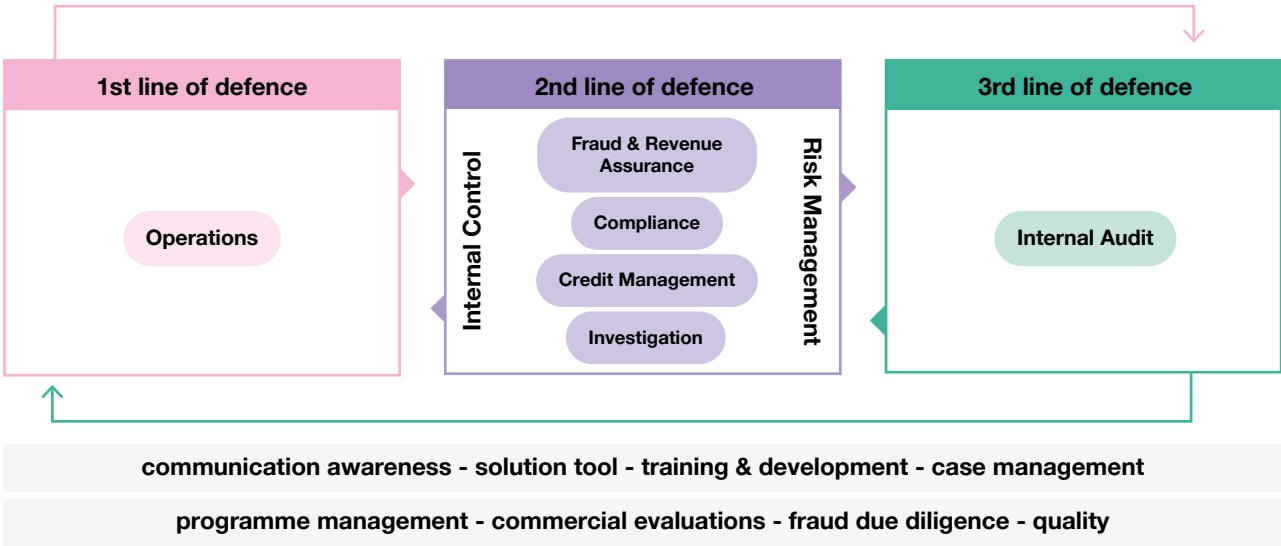


G - Risk management

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:



Risk management process

A list of TOP risks is developed through individual meetings with the 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.

Appetite for risk

Indicative heat maps are used to evaluate and report risks. We assess event-based risks according to their likelihood and impact in terms of financial, laws and regulations, reputational, business-continuity and human loss. If the consequences are, as presented on the heat map below, both reputational and financial, the risk is assessed according to the most negative consequence. In the presented case, the overall assessment of the risk would be medium.

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.

Sample heat map

Likelihood	5					
	4					
	3	PR		BC		
	1					
	1					
		1	2	3	4	5
		Impact				

FN* - financial;
HR* - human resources;

PR - reputational;
BC - business continuity.

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 below, is managed by domain co-ordinators. The division of risks into the domains of operating risks, loss of information, business continuity, corruption, 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 Duty of 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.

Reporting

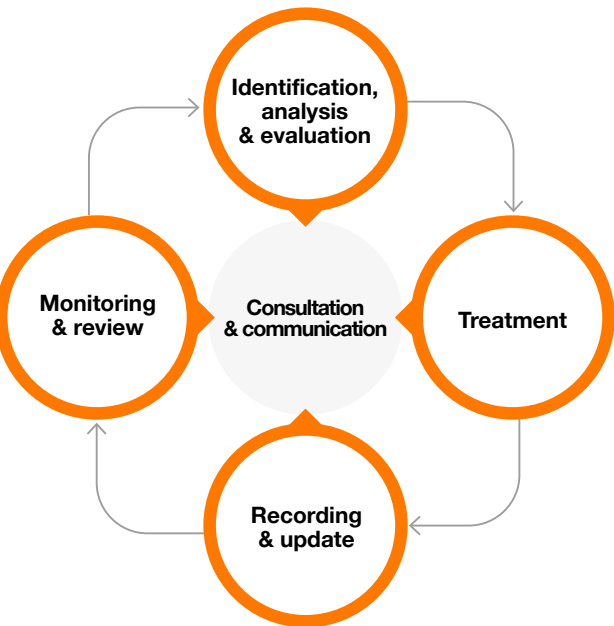
The Audit Committee monitors the effectiveness of the risk management system. The report on the system design and operation is reviewed by the Audit Committee. The TOP risks are reviewed at the meetings of the Management Board and the Supervisory Board.

TOP risks

The TOP risks, which are set out in the table on pages 214-227, are clusters of event-based risks that could have a material impact on the business model, future performance, solvency or liquidity of the Group.

The risk areas included in the TOP list are those which most strongly define our business activities and contribute to the loss or gain of value, and they are subject to change. For example, in 2022 due to a significant increase in energy prices, driven mainly (but not exclusively) by an

The risk management process in Orange Polska



unstable geopolitical situation and an increase in the price for allowance of carbon emissions, the risk of outstanding expenditures for energy consumption was introduced into the TOP risks. To mitigate this risk and satisfy our #OrangeGoesGreen strategy, additional Power Purchase Agreements were signed, increasing the share of energy we receive from renewable resources in the following years.

Duty of Vigilance Plan

We identify and monitor risks related to our impact on society and the natural environment. It is related to the French Duty of Vigilance Law no. 2017-399, adopted on 27 March 2017. The company’s Vigilance Plan must establish effective

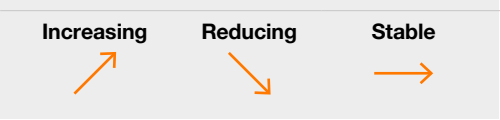
measures to identify risks and prevent severe impacts on human rights and the environment resulting from the company’s own activities, and the activities of companies it controls directly or indirectly (i.e. subsidiaries as defined by French corporate law), as well as its subcontractors and suppliers 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 risks 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.



Table: Risk exposure
Each category’s current exposure relative to the previous year is indicated by an arrow in the risk exposure column.

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. - Dynamically changing geopolitical situation.	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 war is influenced by the geopolitical situation seen in a broader context, which in a long term may cause its escalation.	Incident response teams in Orange Polska monitor the whole traffic, including cyber incidents, around the clock to react to each threat adequately. Continuous monitoring of the geopolitical situation to respond to emerging threats.
Revenues and profits Orange Polska’s failure to successfully implement its strategy could lead to a loss of a market share and/or shrinking profits.	Unmatched data connectivity for households and businesses.	↗	- Decrease in demand for 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 a broadband market share. - Emergence of new types of fraud with new technologies.	After a period of turbulence, mainly resulting from Russia’s aggression on Ukraine, the economic situation in Poland has started to stabilise. In 2024, positive signs have been observed on the Polish market; however, it is still surrounded by the challenging global macroeconomic environment. Current market consensus expects Poland’s GDP growth to accelerate in 2024 to ca 3% yoy, while CPI, after two years of more than 20-year high levels, should decrease to around 4–5%. High inflation has negatively influenced households’ disposable income and affected their level of consumption, but telecommunications services, as essential goods, have proved relatively resistant to economic downturns. Poland’s telecommunications market remains highly competitive. The strategies of all main players have recently become more value-oriented, while competition has increasingly shifted towards other elements as well, such as offer quality and width, connectivity or customer care. In addition, over the past few years the competitive battle has moved towards convergence with access to fibre networks as its key supporter. Currently, all major mobile operators follow convergent strategies. Wholesale partnerships for fibre infrastructure have been a significant factor stimulating this process. It increases competition for retail customers, especially that some players attempt to win the market with aggressive marketing strategies. Moreover, with the growing complexity of technologies and networks as well as 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.	The highly inflationary environment has necessitated mitigation efforts on the revenue side coupled with ongoing cost transformation. Digital is one of the key enablers for our transformation. We are also relying on new possibilities of Big Data and AI. In B2C we continue to be focused on convergence, which is supported by fibre. We are coping well with intensified competition, and our commercial results in 2023 were very solid. In core telecom services we were simultaneously increasing the number of customers and were able to accelerate ARPO growth. Convergence customer base maintained its rate of growth from 2022. Wholesale partnerships for fibre infrastructure were a reason the competition moved more to local markets, which requires us to be more agile and innovative in our marketing strategies. For B2B customers we have unique assets and diversified competences. We are able to address the needs of our customers in a complex way, offering both connectivity and IT and comprehensive solutions, particularly in the area of software engineering, cloud and cybersecurity. On both markets we pursue value strategy, increasing prices in the ‘more for more’ formula. We ask customers to pay a slightly higher price in return for more benefits. Wholesale activities are an additional way, along retail, to monetize our core infrastructure in an open model for the market.



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
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. - 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. OPL CERT and SOC monitoring activities also mitigate risks related with cyberattacks which can interrupt internal and external services and provoke data loss. 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 telecommunications, 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 following services: 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.



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
Financial risk Risks related to financial markets.	Acting in an effective and responsible manner.		■ Increase in interest rates. ■ Depreciation of the local currency. ■ Increase in the cost of energy.	In general, the value of loans taken out exceeds the value of deposits and cash equivalents on Orange Polska's balance sheet, therefore higher interest rates result in higher financing costs presented in the income statement. Foreign exchange rate fluctuations affect Orange Polska's costs or liabilities and receivables when denominated in foreign currencies. Since liabilities in general are much higher than receivables, depreciation of Polish Zloty constitutes the risk for Orange Polska. An increase in energy prices may result in corresponding growth of operating costs, leading to additional pressure on operating profitability.	In 2023, the Polish Central Bank (NBP) started the process of loosening monetary policy and rates dropped 100 bps to 5.75%. According to current market estimates, NBP is unlikely to lower rates at a faster pace in 2024 since the upside risks to price pressures in the second half of the year persist due to the potential cuts in household subsidies. Until the government provides more clarity on energy price cap, the potential for interest rate reductions remains limited. Nevertheless, potential higher interest rates should not have any major impact on Orange Polska's debt service costs owing to the implementation of a hedging strategy. By mid-2026 more than 50% of our debt is serviced at a fixed interest rate. Potential depreciation of the Polish zloty should not have any major influence on Orange Polska's costs and liabilities denominated in foreign currencies owing to limited exposure and a tight hedging strategy. Following the widespread energy crisis of 2022, Orange Polska entered into several Power Purchase Agreements, which secure majority of its energy needs by 2030 and significantly limit the risk of growing energy prices on the market. Orange Polska is constantly reviewing its energy policies and procedures in order to take actions that can improve energy effectiveness and optimise energy consumption for its own purposes. In addition, Orange Polska is constantly using hedge accounting techniques to reduce the volatility of profit and loss account of all unrealised results of financial instruments used for hedging purpose.
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 telecommunications services. ■ Risk of imposing the obligation to withdraw certain types of network equipment (from high-risk vendors). ■ 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. Finalisation of works on the new Electronic Communications Law (PKE) and its coming into force are expected in 2024. A number of new important solutions are to be introduced with respect to the provision of electronic communications services, including the return of unused pre-paid 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. Draft law on amending the act on the national cybersecurity system was withdrawn from the Parliament. In particular, the draft provided for the assessment scheme of so-called 'high-risk vendors', creation of the National Security Network, and some operational amendments regarding security of networks. A new draft, the scope of which is expected to be tailored to the NIS2 directive implementation will be presented in 2024. 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 the obligation of withdrawal of the 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 2023, legislative changes resulted both from the adaptation of Polish law to the European Union law and from national initiatives. Frequent, wide-ranging and fast-paced changes in legislation 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. 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. The adopted regulations on conflicts of interest allow for better identification and management of such cases. An anti-corruption training programme, „Zero tolerance for corruption", was implemented within Orange Polska. In addition, a number of mandatory training courses and information campaigns were carried out to raise awareness of anti-corruption laws and rules among our employees. Training is targeted according to the exposure of particular groups of employees to these risks. In order to comply with economic sanction lists, Orange Polska performs due diligence before a contract with a new partner is concluded, and constantly verifies existing partners in terms of any updates of sanction lists.



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
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. There is no reliable research recognised by the scientific community that would imply adverse effects of EMF emissions meeting the Polish limits on human health. If this consensus were scientifically challenged to a certain extent in the future, this could 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 covers 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. ■ Growing regulatory pressure.	It is necessary to reduce the environmental impact of our activities, products and services. 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 the climate neutrality objectives introduced by the EU and its Member States. While 5G is more energy efficient than older technologies, continuous growth of 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, and in Poland electricity still comes mainly from fossil fuels combustion). Thus, 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 business growth.	Environmental responsibility is at the core of the Orange Group and Orange Polska's business strategy. Orange Polska's objective is to achieve Net Zero Carbon by 2040. Significant reductions have already been achieved: 79% less CO₂ coming from own operations (GHG Protocol Scopes 1 and 2) in 2023 vs. 2015. Several years ago we appointed the Climate Officer to set climate objectives, implement and pilot relevant action plans, and develop a climate strategy. 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 maximise the share of such energy in our consumption mix in 2030. 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. 3G, fibre vs. copper).
Negative impact of climate change on the Company's operations	Acting in an effective and responsible manner.	→	■ Infrastructural damage or malfunctioning. ■ Lack of stability of 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 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&N 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 design. 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.

Increasing

Reducing

Stable

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
Human health, safety and security ■ Risk of physical injuries or psychological disabilities.	Acting in an effective and responsible manner.	→	■ Threat to human health, safety or security which could originate with its own activities, actions or omissions. ■ Global supply chains with less control over working conditions. ■ Increasing the mental burden of people due to the pandemic. ■ Company's restructuring	Working in Orange Polska involves a low risk of work-related accidents, as confirmed by the relevant statistics. The relatively few accidents reported are typically minor. Hence, the risk related to the traditionally understood health and safety can be deemed rather low.	The Company has implemented the Health, Safety and Quality of Life Policy. All employees undergo regular and mandatory training in occupational health and safety, and work-related accidents and absence from work are monitored and analysed. We provide our employees with medical care, physical activity co-financing, and the additional health-promoting programme, Yes to Health, which is dedicated particularly to employees with disabilities. Human health and safety issues are also addressed in contracts with suppliers through CSR clauses and the Supplier Code of Conduct. Additionally, the EcoVadis assessment has been implemented for suppliers from higher risk groups.
■ Risks related to human resources and alignment of organisational structure.	Acting in an effective and responsible manner.	→	■ Threat to human health, safety or security which could originate with its own activities, actions or omissions. ■ Company restructuring.	Orange Polska's transformation that has been going on for many years, and related restructuring, may cause some employees to be anxious. This, unfortunately, may translate into a decrease in effectiveness at work and general psychological well-being of employees. In some parts of services' purchases (e.g. personal outsourcing, process outsourcing, technical partners), our suppliers' employees might also be affected by such a risk.	Orange Polska and its managers continue transforming its internal culture in order to motivate employees and drive the performance culture, while streamlining the organisation and infrastructure to confront competition and implement new technologies as well as new, more efficient business models through the transformation programme. If Orange Polska fails to complete these transformations successfully, its operating margins, financial position and results could be adversely impacted. Therefore, the Company carries out a voluntary departure programme and workforce optimisation process. Regular staff satisfaction surveys are conducted by an external consultant. The Policy of Investing in Health Quality and Well-being of Employees of Orange Polska has been adopted by the Company. Employees are offered a broad range of health services, including psychological care, in PZU Zdrowie medical centres. For employees leaving the Company, we have developed an outplacement programme.
Serious violation of human rights or fundamental freedoms ■ Negative impact of new technologies on children and young people.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	→	■ Increasing the share of technology in social life. ■ Remote learning in schools during the pandemic. ■ Addiction of young people to the internet, games and social media.	There is a risk that Orange Polska will be perceived as a provider of services which have a negative influence on the behaviour and health of children and young people. The issue of the negative impact of new technologies on them has been increasingly present in the media and may affect purchase decisions of prospective customers and satisfaction of the existing ones.	Through the Orange Foundation's educational programmes, i.e. MegaMission, #SuperCoders, Orange Studios and initiatives for the online safety of children, as well as collaboration with social partners and public institutions, Orange Polska educates children, parents and teachers on using modern technologies safely and wisely, distributing educational materials, lesson scenarios and guides for all age groups and carrying out informational campaigns. The Group also supports research on children and young people's attitudes towards new technologies to even better respond to societal needs. Furthermore, Orange Polska offers parental control services for mobile phones, such as Protect Kids on the Net and Safe Starter Pack. Orange Polska has launched the online platform www.orange.pl/razemwsieci [Together on the net], which provides information on how to use digital media responsibly and safely.
■ Slavery, forced labour and child labour.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	→	■ Global supply chains with less control over working conditions.	The risk of forced or child labour is marginal (immaterial) in case of our domestic operations and key suppliers, but may appear within the global supply chain.	The human rights policy has been formulated and implemented by the Orange Group on the international level. On the national level, Orange Polska's purchasing contracts with suppliers include CSR and compliance clauses and incorporate the Code of Ethics and the Supplier Code of Conduct, which particularly address the issues of human health, safety and protection. Our local whistleblowing system, 'Ask an ethicist', is available to our suppliers and other stakeholders. Additionally, the EcoVadis assessment has been implemented for suppliers from higher risk groups.



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
■ 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. Additionally, the EcoVadis assessment has been implemented for suppliers from higher risk groups.
■ Breach of freedom of expression.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	→	■ 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 has been 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.	Acting in an effective and responsible manner. Effortless and friendly customer experience.	→	■ 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 / mindset, 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.

Increasing

Reducing

Stable

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
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 waste management. ■ The Company's obligations to apply a circular economy 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.	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 economy 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 C2C marketplaces and smaller businesses, that 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 stores 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 previously used but still effective electronic equipment.

Increasing

Reducing

Stable





Appendices

About our report

Our approach to reporting

Orange Polska is pleased to present its eighth integrated annual report. The report is published every year. The previous integrated report was published in June 2023. 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 and 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 2023.

Orange Polska S.A. is the parent company of the Orange Polska Group (“the Group”, “the Orange Polska Group”) and has prepared consolidated financial statements for the year ended 31 December 2023. The presented data covers the entire Orange Polska Group with separate presentation of Orange Polska S.A. 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., Interkam sp. z o.o., Pracownicze Towarzystwo Emerytalne Orange Polska S.A., Fundacja Orange [Orange Foundation] and Telekomunikacja Polska sp. z o.o.

The quantitative and qualitative data presented in the report come from the internal management information systems, which constitute the process of reporting and data validation. In the case of selected figures, there is incomplete reporting

compliance for all subsidiaries, which has been clearly described in tables with data. This is due to the method of data consolidation in selected areas, e.g. access to IT systems, reporting, etc. Part of the data is obtained from the international Orange Group. This applies primarily to ratios that are recalculated based on the methodology adopted throughout the Orange Group, e.g. Scope 3 CO2 emissions.

A significant part of the non-financial data contained in this report has already been compiled in the Management Board’s report for the year 2023, which was published on 14 February 2024. This integrated annual report will be published by the end of June 2024.

The report covers the operations of Orange Polska Group. 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) guidelines, Global Reporting Initiative standards (version 2021), ISO 26000 and the Global Compact Principles. The report also reflects the directions of EU legislation, referring to the guidelines for reporting on sustainable development (CSRD) 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.

There have been no restatements of information in previous reports.

Analysis and materiality matrix

Process of defining the key aspects of reporting for Orange has involved the following:

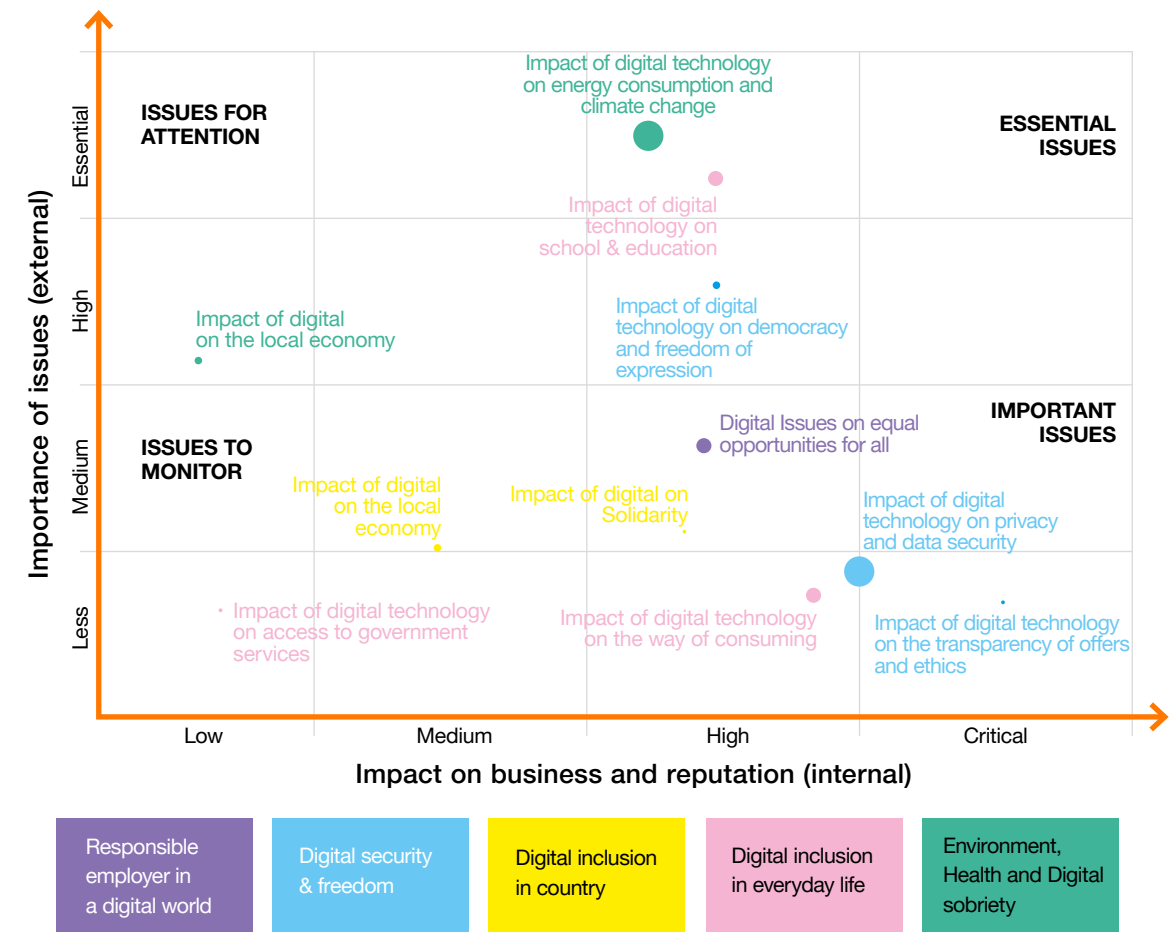
- Analysis of surveys of public opinion and residential and business customers regarding important issues for a responsible telecom operator as well as media publications concerning the Company;
- Analysis of employee satisfaction surveys;
- Analysis of the key indicators of Orange Polska’s social impact;
- 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 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 post-COVID digital world”;
- Sustainable Development Goals;
- Corporate Sustainability Reporting Directive guidelines;
- Recommendations of the Task Force on Climate-related 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.



In addition to the standard stakeholder dialogue tools described on page xx, in 2021 we held a stakeholder dialogue on Orange’s responsibility in the post-pandemic world.

Individual interviews were attended by representatives of civil society (7), business (4) and public authorities (1), as well as internal stakeholders, including the President and Members of the Management Board (4). Additionally, 29 employees and managers took part in workshops and 167 dedicated stakeholders completed an online survey.



Priorities

- Civil society organisations define digital inclusion in everyday life as their top priority. The business prioritises the subjects of environment, health and digital sobriety. Authorities focus on responsible employer as their main concern.
- The impact of digital technology on energy consumption and climate change as well as school and education are the second most important issues identified by our stakeholders.
- The impact of digital technology on energy consumption and climate change, school and education as well as

democracy and freedom of expression are identified as the most impactful on business and reputation.

- The impact of digital technology on school and education is considered as more important by external stakeholders. In contrast, internal stakeholders put more emphasis on the impact of digital technology on privacy and data security.
- Orange’s response to the topics considered essential by stakeholders seems to be rather adequate and involves the Promote & Develop initiatives related to the impact of digital technology on schools and education as well as energy consumption and climate change.

Materiality issues

Key success factors and risks

Significant issues identified by stakeholders	Our answer	Reference
Impact of digital technology on energy consumption and climate change	Climate policy	pp. 96-102
Impact of digital technology on school & education	Digital education	pp. 122-125
Impact of digital technology on democracy and freedom of expression	Compliance with regulations	pp. 208-210
Impact of digital technology on privacy and data security	Data protection and security	p.133-135
Impact of digital technology on the transparency of offers and ethics	Our offer and services	p.72-77
Digital issues on equal opportunities for all	Accessibility	pp.138-139
Impact of digital on solidarity	Digital integration	pp.128-130
Impact of digital technology on the way of consuming	Customer service	pp.72-75

- Network quality service and customer care services are two key success factors essential for Orange. External stakeholders also put the emphasis on the promotion of access to social offers.
- External stakeholders identify one main risk: the impact of digital technology on democracy and freedom of expression. Internal stakeholders consider that, as an operator, it is necessary to position itself on the subject of privacy and data security and, as a company, on energy consumption and climate change.



GRI vs. Orange Polska’s CSR Strategy



Social
and digital
development

Digital inclusion in everyday life		
Impact of digital technology on the way of working and training	GRI 103-1, 404-1, 404-2, 413-1, 413-2,	
Impact of digital technology on the way of consuming (goods, culture, services, best deals...)	GRI 103-1, 413-1, 413-2	
Impact of digital technology on the way we access to medical care	GRI 103-1, 413-1, 413-2	
Impact of digital technology on school & education	GRI 103-1, 413-1, 413-2	
Impact of digital technology on access to government services	GRI 103-1, 413-1, 413-2	
Digital inclusion in country		
Impact of digital technology on employment	GRI 103-1, 203-1, 203-2	
Impact of digital technology on local economy	GRI 103-1, 203-1, 203-2, 419-1	
Impact of digital technology on solidarity	GRI 103-1, 203-1, 203-2	



Clean
enviroment

Environment, Health and Digital sobriety		
Impact of digital technology on energy consumption and climate change	GRI 302-1, 302-4, 302-5, 305-1, 305-3, 305-5	
Impact of digital technology on the environment (pollution, rare resources, biodiversity, etc.)	GRI 301-1, 301-3, 303-1, 306-2	
Impact of digital activities on health (waves...)	GRI 416-1, 416-2	



Save
network

Digital security & freedom		
Impact of digital technology on privacy and data security	GRI 418-1	
Impact of digital technology on democracy and freedom of expression	GRI 413-1, 413-2	
Impact of digital technology on the transparency of offers and ethics	GRI 417-2, 417-3	
Digital Issues on safe & responsible use of Internet	GRI 416-1, 416-2	



Engaged
????

Responsible employer in a digital world		
Digital Issues on gender equality in the workplace	GRI 405-1, 405-2, 406-1	
Digital issues on work organization	GRI 401-2, 404-1, 404-2, 404-3	
Digital issues on equal opportunities for all	GRI 404-1, 404-2, 404-3	

Digital inclusion in everyday life	Our answer	Reference
Digital inclusion in everyday life	Impact of digital technology on the way of working and training	GRI 404-1, 404-2, 413-1, 413-2
	Impact of digital technology on the way of consuming (goods, culture, services, best deals, etc.)	GRI 413-1, 413-2
	Impact of digital technology on the way we access medical care	GRI 413-1, 413-2
	Impact of digital technology on school & education	GRI 413-1, 413-2
Digital inclusion in country	Impact of digital technology on access to government services	GRI 413-1, 413-2
	Impact of digital technology on employment	GRI 203-1, 203-2
	Impact of digital technology on local economy	GRI 203-1, 203-2, 419-1
	Impact of digital technology on solidarity	GRI 203-1, 203-2
Environment, health and digital sobriety	Impact of digital technology on energy consumption and climate change	GRI 302-1, 302-4, 302-5, 305-1, 305-3, 305-5
	Impact of digital technology on the environment (pollution, rare resources, biodiversity, etc.)	GRI 301-1, 301-3, 303-1, 306-2
	Impact of digital activities on health (waves, etc.)	GRI 416-1, 416-2
Digital security & freedom	Impact of digital technology on privacy and data security	GRI 418-1
	Impact of digital technology on democracy and freedom of expression	GRI 413-1, 413-2
	Impact of digital technology on the transparency of offers and ethics	GRI 417-2, 417-3
	Digital issues on safe & responsible use of internet	GRI 416-1, 416-2
Responsible employer in a digital world	Digital issues on gender equality in the workplace	GRI 405-1, 405-2, 406-1
	Digital issues on work organisation	GRI 401-2, 404-1, 404-2, 404-3
	Digital issues on equal opportunities for all	GRI 404-1, 404-2, 404-3

ESG indicators

As part of the double materiality assessment, in 2023 we developed an analysis of the internal and external context of sustainable development, accounting for the industry-specific characteristics, our business model, our value chain and opinions of our stakeholders.

We used the following sources:

- **Global ESG regulatory context:** Analysis of international standards for sustainable management and reporting as well as legal requirements;
- **Orange Group:** Preliminary results of the double materiality assessment of the international Orange Group;
- **Benchmark:** Materiality matrices of telecommunication companies – we analysed the reports of the 12 largest telecoms operating in Europe;

- **Analysts and investors:** Expectations of our investors and analysts, especially ESG ratings, such as ISS, Sustainalytics, S&P and WIG-ESG;
- **Sectoral reports:** Identification of sustainable development trends, challenges and risks for the telecom industry provided by GMSA, ITU and ETNO.

Based on this partial analysis we have completed the initial verification of the ESG indicators disclosed in this report. The summary of our disclosures for 2023 for ESG indicators is presented below.

The summary below should not be considered as the full results of the double materiality assessment or the exclusive list of indicators, but only as a reference thereto.

Topical ESRS	Sustainability matters covered in topical ESRS in the report		
	Topic	Sub- topic	Reference
ESRS E1	Climate change	Climate change adaptation	pp. 96-103
		Climate change mitigation	pp. 96-103
		Energy	pp. 99-103, Attachment B. Environmental Data
ESRS E5	Circular economy	Resources inflows, including resource use	p. 101
		Resource outflows related to products and services	p. 101
		Waste	Attachment B. Environmental Data
ESRS S1	Own workforce	Working conditions	pp. 114-116
		Secure employment	pp. 118-119
		Working time	pp. 115-117
		Adequate wages	p. 117, Attachment A. Social Data
		Social dialogue	pp. 118-119
		Freedom of association	pp. 118-119
		Collective bargaining	pp. 118-119
		Work-life balance	p. 110
		Health and safety	pp. 116-117
		Equal treatment and opportunities	

Topical ESRS	Sustainability matters covered in topical ESRS in the report		
	Topic	Sub- topic	Reference
ESRS S2	Workers in the value chain	Gender equality and equal pay for work of equal value	p. 117
		Training and skills development	pp. 118-119, Attachment A. Social Data
		Employment and inclusion of persons with disabilities	p. 113
		Measures against violence and harassment in the workplace	p. 208
		Diversity	pp. 112-114
		Other work-related rights	
		Child labour	pp. 222-223
		Forced labour	pp. 222-223
		Privacy	p. 133
		Working conditions	pp. 32-33,35-36
ESRS S3	Affected communities	Equal treatment and opportunities	pp. 32-33,35-36
		Other work-related rights	pp. 32-33,35-36
		Communities' civil and political rights	
		Digital inclusion	pp. 68-71, 121-125
ESRS S4	Consumers and end- users	Information-related impacts for consumers and/or end-users	
		Privacy	p.133
		Freedom of expression	pp. 133-135
		Access to (quality) information	pp. 72-75
		Personal safety of consumers and/or end-users	
		Health and safety	pp. 133-136
		Security of a person	p. 134
		Protection of children	pp.136-137
		Social inclusion of consumers and/or end-users	
		Non-discrimination	pp. 138-119
ESRS G1	Business conduct	Access to products and services	pp. 138-119
		Responsible marketing practices	p. 77
		Corporate culture	pp. 110-11
		Protection of whistle-blowers	p. 210
		Political engagement and lobbying activities	p. 256
		Management of relationships with suppliers including payment practices	pp. 32-33
		Corruption and bribery	pp. 209-210
		Prevention and detection including training	p. 260, Attachment A. Social Data
		Incidents	p. 157

Task Force on Climate-related Financial Disclosures (TCFD)

Thematic areas	Description	Reference
Governance	Disclose the company's governance around climate-related risks and opportunities	pp. 103-105
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. 98-99
Risk Management	Disclose how the company identifies, assesses, and manages climate-related risks.	pp. 106-109
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	p.103, Attachment B. Environmental Data

Taxonomy

Thematic areas	Reference
Our approach	p. 266
Identification of Taxonomy-eligible activities	p. 268
Determination of the key performance indicators	p. 271
Identification of Taxonomy-aligned activities	p. 272
Methodology note	p. 276
Performance indicator tables	p. 278

Sustainable Development Goals



Sustainable Development Goals	Reference	Sustainable Development Goals	Reference
	pp. 128-129		pp.112-133
	pp.136-139		pp.131-132
	pp.122-127		pp.136-139
	pp. 112-133		pp.96-109
	pp. 110-120		pp. 209-211, 222-27
	pp.121-123, 131-132		p.133

Selected financial data

Orange Polska Group selected financial information for the year ended 31 December 2023

As published on 14 February 2024

The full report on Consolidated full year 2023 results is available on our website <https://www.orange-ir.pl/results-center/>

CONSOLIDATED INCOME STATEMENT

(in PLN millions, except for earnings per share)	Note	12 months ended 31 December 2023	12 months ended 31 December 2022
Revenue	6	12,970	12,488
External purchases	7.1	(7,766)	(7,435)
Labour expense	7.2	(1,461)	(1,422)
Other operating expense	7.3	(514)	(549)
Other operating income	7.3	629	601
Impairment of receivables and contract assets	20	(91)	(74)
Gains on disposal of fixed assets	8	134	107
Employment termination expense	17	(77)	-
Depreciation and impairment of right-of-use assets	14.1	(578)	(495)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	11,12	(1,993)	(2,046)
Share of loss of joint venture	13	(32)	(14)
Operating income		1,221	1,161
Interest income	20	90	94
Interest expense on lease liabilities	20	(138)	(95)
Other interest expense and financial charges	20	(151)	(191)
Discounting expense	20	(54)	(80)
Foreign exchange gains/(losses)	20	40	(22)
Finance costs, net		(213)	(294)

(in PLN millions, except for earnings per share)	Note	12 months ended 31 December 2023	12 months ended 31 December 2022
Income tax	28.1	(190)	(143)
Net income		818	724
Net income attributable to owners of Orange Polska S.A.		818	724
Net income attributable to non-controlling interests		-	-
Earnings per share (in PLN) (basic and diluted)	35.4	0.62	0.55
Weighted average number of shares (in millions)	29.1	1,312	1,312

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in PLN millions)	Note	12 months ended 31 December 2023	12 months ended 31 December 2022
Net income		818	724
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) on post-employment benefits	19.1	(8)	4
Income tax relating to items not to be reclassified		2	(1)
Items that may be reclassified subsequently to profit or loss			
Gains/(losses) on cash flow hedges	25	(397)	451
Losses on receivables at fair value through other comprehensive income		(1)	(3)
Income tax relating to items that may be reclassified		76	(85)
Share of other comprehensive income/(loss) of joint venture, net of tax	13	(55)	84
Other comprehensive income/(loss), net of tax		(383)	450
Total comprehensive income		435	1,174
Total comprehensive income attributable to owners of Orange Polska S.A.		435	1,174
Total comprehensive income attributable to non-controlling interests		-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in PLN millions)	Note	At 31 December 2023	At 31 December 2022
ASSETS			
Goodwill	10	2,320	2,296
Other intangible assets	11	4,398	4,056
Property, plant and equipment	12	9,895	9,693
Right-of-use assets	14.1	2,849	2,741
Investment in joint venture	13	1,313	1,335
Trade receivables	15.1	659	452
Contract assets	15.2	89	88
Contract costs	15.3	161	154
Derivatives	25	337	699
Other assets	16.2	260	321
Deferred tax assets	28.2	475	424
Total non-current assets		22,756	22,259
Inventories	16.1	275	300
Trade receivables	15.1	2,048	2,015
Contract assets	15.2	71	104
Contract costs	15.3	435	424
Derivatives	25	25	29
Income tax receivables		6	-
Other assets	16.2	316	529
Prepaid expenses		98	80
Cash and cash equivalents	24	796	1,026
Total current assets		4,070	4,507
TOTAL ASSETS		26,826	26,766
EQUITY AND LIABILITIES			
Share capital	29.1	3,937	3,937

(in PLN millions)

	Note	At 31 December 2023	At 31 December 2022
Share premium		832	832
Other reserves		267	635
Retained earnings		8,408	8,047
Equity attributable to owners of Orange Polska S.A.		13,444	13,451
Non-controlling interests		2	2
Total equity		13,446	13,453
Trade payables	18.1	120	82
Lease liabilities	23, 27.6	2,306	2,234
Loans from related party	22	2,694	4,191
Other financial liabilities at amortised cost		102	40
Derivatives	25	4	-
Provisions	17	750	510
Contract liabilities	15.4	1,096	942
Employee benefits	19	64	48
Other liabilities	18.2	28	21
Total non-current liabilities		7,164	8,068
Trade payables	18.1	2,600	2,499
Lease liabilities	23, 27.6	645	542
Loans from related party	22	1,508	778
Other financial liabilities at amortised cost		32	10
Derivatives	25	12	23
Provisions	17	217	261
Contract liabilities	15.4	655	648
Employee benefits	19	191	190
Income tax liabilities		52	33
Other liabilities	18.2	304	261
Total current liabilities		6,216	5,245
TOTAL EQUITY AND LIABILITIES		26,826	26,766

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in PLN millions)	Share capital	Share premium	Other reserves					Retained earnings	Equity attributable to owners of OPL S.A.	Non-controlling interests	Total equity
			Cash flow hedge reserve	Actuarial gains/ (losses) on post-employment benefits	Losses on receivables at fair value through other comprehensive income	Deferred tax	Share of other reserves of joint venture				
Balance at 1 January 2023	3,937	832	712	(50)	(9)	(124)	106	8,047	13,451	2	13,453
Net income	-	-	-	-	-	-	-	818	818	-	818
Other comprehensive loss	-	-	(397)	(8)	(1)	78	(55)	-	(383)	-	(383)
Total comprehensive income for the 12 months ended 31 December 2023	-	-	(397)	(8)	(1)	78	(55)	818	435	-	435
Dividend (transactions with the owners, see Note 29.2)	-	-	-	-	-	-	-	(459)	(459)	-	(459)
Share-based payments (transactions with the owner, see Note 29.3)	-	-	-	-	-	-	-	2	2	-	2
Transfer to inventories	-	-	19	-	-	(4)	-	-	15	-	15
Balance at 31 December 2023	3,937	832	334	(58)	(10)	(50)	51	8,408	13,444	2	13,446
Balance at 1 January 2022	3,937	832	269	(54)	(6)	(40)	22	7,649	12,609	2	12,611
Net income	-	-	-	-	-	-	-	724	724	-	724
Other comprehensive income	-	-	451	4	(3)	(86)	84	-	450	-	450
Total comprehensive income for the 12 months ended 31 December 2022	-	-	451	4	(3)	(86)	84	724	1,174	-	1,174
Dividend (transactions with the owners, see Note 29.2)	-	-	-	-	-	-	-	(328)	(328)	-	(328)
Share-based payments (transactions with the owner, see Note 29.3)	-	-	-	-	-	-	-	2	2	-	2
Transfer to inventories	-	-	(8)	-	-	2	-	-	(6)	-	(6)
Balance at 31 December 2022	3,937	832	712	(50)	(9)	(124)	106	8,047	13,451	2	13,453

CONSOLIDATED STATEMENT OF CASH FLOWS

(in PLN millions)	Note	12 months ended 31 December 2023	12 months ended 31 December 2022
OPERATING ACTIVITIES			
Net income		818	724
Adjustments to reconcile net income to cash from operating activities			
Gains on disposal of fixed assets	8	(134)	(107)
Depreciation, amortisation and impairment of property, plant and equipment, intangible assets and right-of-use assets	11,12,14.1	2,571	2,541
Share of loss of investments accounted for using the equity method	13	32	14
Finance costs, net	20	213	294
Income tax	28.1	190	143
Change in provisions and allowances	15, 16.1, 17, 19.1	(92)	(85)
Operating foreign exchange and derivatives (gains)/losses, net		18	(3)
Change in working capital			
(Increase)/decrease in inventories, gross		27	(7)
Increase in trade receivables, gross	15.1	(190)	(268)
(Increase)/decrease in contract assets, gross	15.2	35	(6)
Increase in contract costs	15.3	(18)	(54)
Increase in trade payables		28	79
Increase/(decrease) in contract liabilities	15.4	154	(13)
(Increase)/decrease in prepaid expenses and other receivables		89	(10)
Increase in other payables		109	51
Interest received		92	90
Interest paid and interest rate effect paid on derivatives, net		(338)	(382)
Exchange rate and other effect received/(paid) on derivatives, net		(16)	7
Income tax paid		(135)	(68)
Net cash provided by operating activities		3,453	2,940

(in PLN millions)

	Note	12 months ended 31 December 2023	12 months ended 31 December 2022
INVESTING ACTIVITIES			
Payments for purchases of property, plant and equipment and intangible assets	11,12	(2,241)	(2,242)
Investment grants received, net	18.2	39	5
Investment grants paid to property, plant and equipment and intangible assets suppliers	18.2	(51)	(82)
Exchange rate effect received/(paid) on derivatives economically hedging capital expenditures, net		(16)	5
Proceeds from sale of fixed assets		274	275
Proceeds from loss of control of Światłowód Inwestycje, net of transaction costs	13, 16.2	133	36
Income tax received/(paid) in relation to loss of control of Światłowód Inwestycje		(19)	53
Cash paid for investment in joint venture	13	(100)	-
Cash paid for subsidiaries and businesses, net of cash acquired		(61)	(50)
Receipts from/(payments on) other financial instruments, net		(4)	1
Net cash used in investing activities		(2,046)	(1,999)
FINANCING ACTIVITIES			
Proceeds from long-term debt	23	97	19
Repayment of long-term debt	23	(765)	-
Repayment of lease liabilities	23	(509)	(511)
Increase/(decrease) in revolving credit line and other debt, net	23	2	(30)
Dividend paid		(459)	(328)
Net cash used in financing activities		(1,634)	(850)
Net change in cash and cash equivalents		(227)	91
Effect of exchange rate changes and other impacts on cash and cash equivalents		(3)	2
Cash and cash equivalents at the beginning of the period	24	1,026	933
Cash and cash equivalents at the end of the period	24	796	1,026

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 fixed assets, investments and businesses, 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, costs of restructuring or reorganisation, 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 non-recurring 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 fixed assets”). eCapex does not include acquisitions of right-of-use assets.

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 fixed assets (property, plant and equipment, intangible assets and rights of perpetual usufruct of land historically recognised as property, plant and equipment and subsequently reclassified to right-of-use 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 months ended 31 December 2023	12 months ended 31 December 2022
Revenue	12,970	12,488
EBITDAaL	3,179	3,078
Net income	818	724
eCapex	1,555	1,719
Organic cash flows	1,173	822

(in PLN millions)	At 31 December 2023	At 31 December 2022
Net financial debt (in PLN millions, see Note 21)	3,528	3,528
Net financial debt/EBITDAaL ratio	1.1	1.1

CALCULATION OF PERFORMANCE MEASURES OF THE OPERATING SEGMENT IS PRESENTED BELOW

(in PLN millions)	12 months ended 31 December 2023	12 months ended 31 December 2022
Operating income	1,221	1,161
Less gains on disposal of fixed assets	(134)	(107)
Add-back of depreciation, amortisation and impairment of property, plant and equipment and intangible assets ^(a)	2,000	2,046
Add share of loss of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture	62	57
Less interest expense on lease liabilities	(138)	(95)
Adjustment for the impact of employment termination programs and reorganisation costs	166	(1)
EBITDAaL	3,179	3,078

^a Includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets (PLN 7 million in 2023).

(in PLN millions)	12 months ended 31 December 2023	12 months ended 31 December 2022
Acquisitions of property, plant and equipment and intangible assets	2,368	2,314
Less proceeds accrued on disposal of fixed assets	(264)	(243)
Adjustment for acquisition of telecommunications licence (see Note 11)	(549)	(352)
eCapex	1,555	1,719

(in PLN millions)	12 months ended 31 December 2023	12 months ended 31 December 2022
Net cash provided by operating activities	3,453	2,940
Payments for purchases of property, plant and equipment and intangible assets	(2,241)	(2,242)
Exchange rate effect received/(paid) on derivatives economically hedging capital expenditures, net	(16)	5
Proceeds from sale of fixed assets	274	275
Repayment of lease liabilities	(509)	(511)
Adjustment for payment for acquisition of telecommunications licence (see Note 11)	182	352
Adjustment for payment for costs related to acquisition, disposal and integration of subsidiaries	30	3
Organic cash flows	1,173	822



GRI Index Table

GRI Standard Title	Disclosure Number	Disclosure Name	Reference
GRI 2: General Disclosures 2021			
	2-1	Organizational details	pp. 10-11
	2-2	Entities included in the organization's sustainability reporting	p. 230
	2-3	Reporting period, frequency and contact point	p. 230
	2-4	Restatements of information	No changes, p. 292
	2-5	External assurance	tbc
	2-6	Activities, value chain, and other business relationships	pp. 9, 208-211
	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. 144-147, 200-201
	2-10	Nomination and selection of the highest governance body	pp. 144-147, 201
	2-11	Chair of the highest governance body	pp. 140-141
	2-12	Role of the highest governance body in overseeing the management of impacts	pp. 145-147
	2-13	Delegation of responsibility for managing impacts	pp. 103,145-147
	2-14	Role of the highest governance body in sustainability reporting	
	The integrated report has been reviewed by the Management and Supervisory Board Members, and validated by the Chairman of the Audit Committee.		
	2-15	Conflicts of interest	pp. 145-147
	2-16	Communication of critical concerns	pp. 156-157
	2-17	Collective knowledge of the highest governance body	pp. 150-156
	2-18	Evaluation of the performance of the highest governance body	p. 158
	2-19	Remuneration policies	pp. 178-201
	2-20	Process to determine remuneration	pp. 178-201
	2-21	Annual total compensation ratio	p. 11
	2-22	Statement on sustainable development strategy	p. 55
	2-23	Policy commitments	pp. 54, 79-83
	2-24	Embedding policy commitments	pp. 79-83
	2-25	Processes to remediate negative impacts	pp.134-135
	2-26	Mechanisms for seeking advice and raising concerns	p. 175

GRI Standard Title	Disclosure Number	Disclosure Name	Reference
	2-27	Compliance with laws and regulations	
		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).	
		UKE imposed on Orange Polska a fine in the amount of PLN 2 million for providing erroneous data to the Broadband Infrastructure Information System (SIIS) run by UKE.	
	2-28	Membership associations	
		Domestic organisations: Employers of the Republic of Poland, “Lewiatan” Confederation, National Chamber of Commerce, Polish Chamber of Information Technology and Telecommunications, French-Polish Chamber of Commerce, Responsible Business Forum, Business Centre Club, Foundation for the Development of Radiocommunications and Multimedia Technologies, Association of Stock-Exchange Issuers.	
		Membership of these organisations is of strategic importance for the Company. The Company's representatives sit on their boards and the Company pays membership fees, supporting statutory tasks, and participates in additional projects.	
		Foreign organisations: European Telecommunications Network Operators' Association (ETNO), Forum for International Irregular Network Access (FIINA), Global Compact (on the Group level), Global Settlements Carrier Group (GSCG), International Cable Protection Committee (ICPC), International Inbound Services Forum (IISF), International Telecommunication Union (ITU), RIPE Network Coordination Centre (RIPE NCC), TeleManagement Forum (TM Forum), Forum of Incident Response and Security Teams (FIRST), GSM Association (GSMA), European Internet Exchange Association (Euro-IX). These are industry organisations and the Company's membership involves payment of membership fees and participation in various projects.	
	2-29	Approach to stakeholder engagement	pp. 38-39, 231-232
	2-30	Collective bargaining agreements	pp. 118-119
GRI 3: Material Topics 2021			
	3-1	Process to determine material topics	pp. 232-233
	3-2	List of material topics	pp. 232-233
	3-3	Management of material topics	pp. 232-233
Significant topic	Towards climate neutrality		
ENVIRONMENTAL 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. 101, Attachment B. Environmental Data
Energy	302		
	302-1	Energy consumption within the organisation by fuel types used	pp. 99-100, Attachment B. Environmental Data
	302-4	Reduction of energy consumption	pp. 98-101
	302-5	Reductions in energy requirements of products and services	pp. 98-101

GRI Standard Title	Disclosure Number	Disclosure Name	Reference
Water	303		
	303-1	Water withdrawal by source	Indicator reported partially. Attachment B. Environmental Data,
		Water is used exclusively for employees' living purposes. We have no technical systems which are cooled by running water or use running water. Therefore, this indicator is irrelevant to us in business and is reported to a limited extent only. Considering water consumption reporting deadlines and the necessity to collect data from various external sources, as 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.	
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. 99-102
Effluents and Waste	306		
	306-2	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	p. 115
Occupational Health and Safety GRI 2018	403		
	403-1	Occupational health and safety management system	pp. 116-117
	403-2	Hazard identification, risk assessment, and incident investigation	pp. 116-117
	403-3	Occupational health services	pp. 116-117
	403-4	Worker participation, consultation, and communication on occupational health and safety	pp. 116-117
	403-5	Worker training on occupational health and safety	pp. 116-117
	403-6	Promotion of worker health	pp. 116-117
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked bybusiness relationships	pp. 116-117
	403-8	Workers covered by an occupational health and safety management system	pp. 116-117

GRI Standard Title	Disclosure Number	Disclosure Name	Reference
	403-9	Work-related fatalities	
		The main types of work-related injuries include sprains, dislocations, contusions or fractures of the lower limbs, neck injuries during road accidents, cuts and lacerations, hot liquid burns and musculoskeletal overloads.. 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 2023. There were no serious accidents, either.	
	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	pp. 118-119
	404-3	Percentage of employees receiving regular performance and career development reviews by gender and employment category	Indicator reported partially. Attachment A. Social Data
	Custom indicator	Employees trained in CSR principles	
Significant topic	Diversity management		
Diversity and Equal Opportunity	405		
	405-1	Composition of the organisation's governance bodies and workforce by gender, age and other diversity categories	pp. 159-161, 201-203, 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	Attachment A. Social Data
Non-discrimination	406		
	406-1	Incidents of discrimination and corrective actions taken	
		In 2023, the Ethics Committee received three descriptive reports inappropriate attitudes of employees that may constitute discrimination. As a result of the investigation into the allegations have been confirmed or partially confirmed. Based on the conclusions of the proceedings, the Ethics Committee forwarded a recommendation of actions to be taken to the heads of the structures.	
Child Labor	408		
	408-1	Operations and suppliers at significant risk for incidents of child labor and corrective actions taken	No such significant 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 significant risk was identified.
Human Rights Assessment	412		
	412-2	Employee training on human rights policies or procedures	Attachment A. Social Data

GRI Standard Title	Disclosure Number	Disclosure Name	Reference
Significant topic	Social and digital development		
Local Communities	413		
	413-1	Operations with local community engagement, impact assessments, and development programmes	pp. 121-133
	413-2	Operations with significant actual and potential negative impacts on local communities	
	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 contributions 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 2023, no financial and no in-kind contributions were granted to political parties, politicians or related institutions by country.		
	Custom indicator	Digital education	
Significant topic	Customer care		
Customer Health and Safety	416		
	416-1	Assessment of the health and safety impacts of product and service categories	pp. 134-135
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents
	Organisation has not identified any incidents of non-compliance with regulations and voluntary codes		
Marketing and Labeling	417		
	417-1	Requirements for product and service information and 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; ■ 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 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	No incidents
	Organisation has not identified any incidents of non-compliance with regulations and voluntary codes		
Customer Privacy	418		
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
	In 2023, the President of the Personal Data Protection Office (UODO) initiated 25 new sets of administrative proceedings and sent further inquiries regarding 40 cases from previous years. The proceedings concern customers' complaints or reports of personal data breach filed with UODO. In his 16 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 108 sets of proceedings. No fines were imposed on the Company for breach of personal data protection regulations in 2023. A total of 562 alleged breaches of personal data were reported to the President of UODO in 2023.		
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
Anti-corruption	205		
	205-1	Operations assessed for risks related to corruption	
	All processes are assessed for risks related to corruption, and in case of operations that are burdened with a higher risks of corruption (e.g. joint venture, mergers and acquisition, real estate sales) additional procedures are applied		
	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 has not identified 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		

Social data Table

Description of the indicator	2021	2022	2023
Employment			
Total workforce (persons)*	10,144	9,466	9,063
Gender			
men	6,289	5,851	5,659
women	3,855	3,615	3,404
% of women in the workforce	38%	38.2%	37.6%
Age			
up to 30 years of age	733	667	643
31-50 years of age	6,748	6,050	5,474
over 50 years of age	2,663	2,749	2,946
Regular employees (active full-time positions)	10,125	9,455	9044
men	6,282	5,839	5,648
women	3,843	3,607	3,395
Employees on open-ended contracts	9,910	9,335	8,978
men	6,194	5,801	5,617
women	3,716	3,534	3,361
Employees on fixed-term contracts	234	131	85
men	95	50	42
women	139	81	43
Full-time employees	10,087	9,413	9,012
men	6,271	5,823	5,633
women	3,816	3,590	3,379
Part-time employees	57	53	51
men	18	28	26
women	39	25	25
Outsourced employees (full-time positions)**	2,219	2,376	2,523
Gender			
men		39.1%	41%
women		60.9%	59%
Age			
up to 30 years of age		24.2%	32%
31-50 years of age		57.5%	53%
over 50 years of age		18.3%	15%

Description of the indicator	2021	2022	2023
Employees in managerial positions	1,275	1,149	1,113
men	836	744	703
women	439	405	410
% of women in managerial positions	34.4%	35.2%	37%
% of women in leaders position (managers of managers)	28.3%	32.0%	23%
% managers up to 30 years of age	1.5%	1.4%	1.2%
% managers 31-50 years of age	75.5%	73.9%	68.5%
% managers over 50 years of age	23.1%	24.6%	30.3%
Supervisory Board			
% of woman	28.6%	33.3%	34.5%
% members up to 30 years of age	-	-	-
% members 31-50 years of age	47.6%	36.5%	27.3%
% members over 50 years of age	52.4%	63.5%	52.5%
Managment Board			
% of woman	17.4%	13.6%	15.2%
% members up to 30 years of age	-	-	-
% members 31-50 years of age	65.2%	72.7%	63.6%
% members over 50 years of age	34.8%	27.3%	36.4%
Women in technology			
% of women in IT & Network positions	12%	12%	19%
People with disabilities			
% of employees with disabilities	1.9%	1.9%	2%
* applies mainly to the call center for the customer service area, telesales and customer market service - operators.			
Ratio of basic salary of women to men by employee position (men's salary = 100%) *			
general	80.2%	82.2%	83.1%
non-managerial positions	80.5%	82.1%	82.7%
managerial positions	83.3%	84.6%	86.1%
* Only for Orange Polska.			
Ratio of salary of women to men within the same pay grades (men's salary = 100%) *	96%	96.1%	96.5%

* In order to better account for differences in salaries between men and women, we have introduced an additional indicator for individual pay grades. This shows a lower gender pay gap. It means that the differences between men's and women's salaries result from a different structure of positions, as more women hold low-wage positions (call center and outlet staff), while technical positions (network engineers, IT specialists) are held chiefly by men. Only for Orange Polska.

Description of the indicator	2021	2022	2023
Development and education*			
Total employees trained (in '000)	10.3	9.4	9.4
Total hours of training (in '000)	256.1	216	263
Number of training hours per employee per year	24.7	23	27,9
Gender			
men	25.3	22.6	27.6
women	24.1	23.0	26.7
Position			
managers	29.4	32.5	35.8
non-managers	24.2	21.8	26.9
* The education data for the Orange Polska Group cover the following entities: Orange Polska S.A., Integrated Solutions, Orange Foundation, Orange Szkolenia and PTE Orange. Data by the status of the training database - 31.12.2023			
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)	0.3	0.3	0.4
Total hours of ethics training of partners* (in '000)	0.4	0.4	0.4
Total partners of trained (in '000)	0.7	0.7	0.8
CSR training			
Total hours of CSR training of employees (in '000)	8.7	1.4	0.5
Total employees of trained (in '000)	5.8	0.9	0.4
Anti-bribery and corruption training			
Total hours of compliance training of employees (in '000)	0.4	0.7	1
Total hours of compliance training of partners (in '000)*	0.6	1.3	0.6

* Ipersons employed by our Contractor, working for the benefit of Orange Polska

Description of the indicator	2021	2022	2023
Professional mobility			
Total number of new employee hires	423	572	535
Gender			
men	261	288	287
women	162	284	248
Age			
up to 30 years of age	196	280	258
31-50 years of age	205	266	261
over 50 years of age	22	26	16
Departures, total	1,056	972	765

Description of the indicator	2021	2022	2023
Departures, excluding voluntary	345	490	278
Gender			
men	224	309	184
women	121	181	194
Age			
up to 30 years of age	75	105	4
31-50 years of age	233	323	155
over 50 years of age	37	62	219
Turnover*	3.1%	3.4%	2.9%
Gender			
men	3.3%	3.5%	2.6%
women	2.9%	3.3%	3.3%
Age			
up to 30 years of age	9.1%	13.3%	12.8%
31-50 years of age	3.1%	3.7%	3.5%
over 50 years of age	1.4%	0.3%	0%

* 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

Description of the indicator	2021	2022	2023
Occupational health and safety*			
Number of accidents	17	14	15
Rate of recordable work-related injuries**		0.69	0.81
fatal accidents	0	0	0
serious accidents	0	0	0
other accidents	13	15	15

Rate of fatalities as a result of work-related = Number of fatalities as a result (15) /Number of hours worked (18408800) x 1,000,000

Description of the indicator	2021	2022	2023
Employee assessment			
% of regularly evaluated employees*	97%	97%	89%
Gender			
men	97.4%	97.4%	91.9%
women	96.2%	96.2%	84.4%
Age			
up to 30 years of age	90.8%	90.8%	71.3%
31-50 years of age	96.9%	96.9%	88.4%
over 50 years of age	98.4%	98.4%	93.6%
% of employees with individual development plans **	54%	44%	38%
% of regularly evaluated outsourced employees	43.8%	43.8%	78%
% of outsourced employees with individual development plans	30.9%	23%	24%
* In 2023, the assessment of employees and managers based on 360 Feedback was replaced by the SkillsUp methodology. The process of assessment and determination of development plans will be completed in 2024.			
** Only for Orange Polska			

Description of the indicator	2021	2022	2023
Wages*			
Average basic salary (in PLN)	8,535	9,005	9,786
Ratio of wages at the lowest positions to the legal minimum wage	107%	106%	103%
Gender			
men	107%	106%	103%
women	107%	106%	103%
* 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.			

Description of the indicator	2021	2022	2023
* Working condition			
% of employees eligible for health care	100%	100%	100%
% of employees covered by the Employee Retirement Plan	84%	86.7%	85%
Employees of Orange Polska, Telefony Podlaskie, Orange Szkolenia, Pracownicze Towarzystwo Emerytalne Orange Polska S.A.,			

Description of the indicator	2021	2022	2023
Social dialogue			
% of employees in trade unions	28.8%	28.8%	28.3%
% of employees covered by the Collective Labour Agreement	92.1%	90.9%	96%
All indicators for the Orange Polska Group unless indicated otherwise dated on 31 December 2023. The company does not use a territorial division of employees, therefore the aspect of division into regions was not taken into account. In thereporting, 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).			

Environmental data*

GRI	Description of the indicator	Unit	2021	2022	2023
Energy consumption and greenhouse gas emissions					
Scope 1 - Direct energy consumption by primary energy sources					
GRI302-1	Fuel oil (all buildings, all uses)	‘000 m3	1.7	1.3	0.8
		MWh	4.341	3.375	2,001
	Gas	‘000 m3	2.560	2.193	1.340
		MWh	26.876	23.030	14.066
	Coal	tonnes	15	0	0
		MWh	122	0	0
	Gasoline for company cars	‘000 litres	1.887	2.082	2.121
		MWh	17.223	19	19.352
	Diesel fuel for company vehicles	‘000 litres	719	734	910
		MWh	7.193	7.342	9.101
Scope 1: Total energy		GWh	55.756	52,748	44,512
GRI305-1	Scope 1: CO ₂ emissions from fuel, gas and coal	‘000 tonnes	11.5	7.7	4.7
	Scope 1: CO ₂ emissions from vehicles	‘000 tonnes	6.3	6.7	7.3
	Scope 1: CO ₂ emissions from greenhouse gases	‘000 tonnes	15.6	15.7	10.9
	Scope 1 – Direct own greenhouse gas (CO ₂ e) emissions **	‘000 tonnes	33.3	30.3	22.9
GRI302-1	Scope 2 – Indirect own CO ₂ e emissions (electricity consumption)				
	Energy consumption – electricity	GWh	534.538	515.608	505.277
	In which renewable energy	GWh	30	59.625	374.143
	Grid heat consumption	GWh	66.111	58.565	33.413
GRI305-2	Scope 2: CO ₂ e emissions (location-based)	‘000 tonnes	358.141	304.866	97.182
	Scope 1+2: CO ₂ e emissions **	‘000 tonnes	391.480	335.082	120.083
GRI305-3	Scope 3 – Other indirect CO ₂ e emissions (suppliers, customers, employees; excluding Orange Energia)***				
	Purchased goods and services	‘000 tonnes	190	218	
	Capital goods	‘000 tonnes	183	204	
	Use of equipment and services by customers (incl. related energy consumption)	‘000 tonnes	171	174	
	Other	‘000 tonnes	255	277	
	Total CO ₂ e emissions (Scope 1+2+3; excluding Orange Energia)	‘000 tonnes	1,006	1,004	
	Scope 3 – Emissions related to the activity of Orange Energia	‘000 tonnes	619	669	

GRI	Description of the indicator	Unit	2021	2022	2023
GRI301-1	Materials				
	Paper	tonnes	40	29.6	21.7
GRI303-1	Water				
	Water consumption	'000 m3	204.3	177.8	133.3
GRI306-2	Waste management: ****				
	Internal WEEE (network & tertiary)	tonnes	8.1	816	717.3
	Wooden poles	tonnes	28.3	38.9	344.2
	Cables	tonnes	290.5	331.5	392
	Batteries	tonnes	433	826	962.2
	Other hazardous waste (including PCB)	tonnes	2.2	13	15.9
	Other non-hazardous waste	tonnes	1,169	848	887.8
	Total waste	tonnes	1,957	2,903	2,379
	Electrical and electronic equipment				
	Collected and recycled handsets	000	37.8	61.2	46.9
	Refurbished and relaunched handsets	000	12.6	15.9	8.5
	Refurbished and relaunched multimedia (broadband) devices	000	655	421.4	437.5
	Electromagnetic field emissions				
	Compliance with the relevant standards		yes	yes	yes

* 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 Company.

** Starting from 2023, Orange Polska changes the calculation method for scope 1 and 2 emissions in order to be more consistent with the GHG Protocol standard. The presented figures concern Orange Polska and all its subsidiaries. They also account for network heat consumption, which was not disclosed before, to supplement scope 2 emissions. Consequently, the historical data, including those for the base year 2015, have been adjusted in order to provide a reliable basis for comparison. The change in the calculation method does not affect the scope 1 and 2 emission reduction goals announced in 2021 (at least 60% of electricity from renewable sources in the energy mix in 2025, and a reduction in scope 1 and 2 emissions by 65% versus 2015).

*** In its report for 2022, Orange Polska, similarly to the entire Orange Group, began 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 2023, the latest available data are for 2022). 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.



Taxonomy

European Taxonomy

These disclosures have been prepared on the basis of the following European regulations (“the 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 “the technical screening criteria”);

- 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”);
- 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) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially

to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives;

- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

The technical screening criteria specify sectors and list economic activities that can contribute substantially to any of the following six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Pursuant to Regulation 2020/852 and Regulation 2021/2178, Orange Polska is required to publish key performance indicators such as the percentage of revenue, capital expenditure (“CapEx”) and operating expenditure (“OpEx”) related to activities that qualify as environmentally sustainable (“performance indicators”).

For the financial year 2023, Orange Polska discloses performance indicators regarding the proportion of the revenue (turnover), capital expenditure (CapEx) and operating expenditure (OpEx) associated with EU Taxonomy-eligible and EU Taxonomy-aligned economic activities with respect to two environmental objectives: climate change mitigation and transition to a circular economy.

No activity of Orange Polska has been recognised as eligible economic activity contributing to the environmental objectives covering climate change adaptation, sustainable use and protection of water and marine resources, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

In its disclosures for 2023, Orange Polska presents its eligible activities and, additionally, aligned activities, that are eligible activities which meet: (i) the criteria of significant contribution to climate change mitigation or adaptation, (ii) the criteria of not causing significant harm to other environmental objectives (Do No Significant Harm – “DNSH”), and (iii) the minimum safeguards, namely the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, including the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights (hereinafter: “aligned activity”).

The lists of EU Taxonomy-eligible and EU Taxonomy-aligned activities has been prepared on the basis of a review of Orange Polska’s business activities portfolio and the alignment criteria, conducted mainly by Orange Polska’s finance team together with its business and CSR (Corporate Social Responsibility) teams and in co-operation with an external consultant.

Currently, most of Orange Polska’s activities related to the provision of telecommunications services to residential and business customers and other telecommunication operators are not covered by the scope of the EU Taxonomy, and no assessment criteria have been determined for them. This results in low levels of the disclosed performance indicators.

It is expected that the analysis of particular sectors will evolve with the progress of the European Commission’s works. Furthermore, it is believed that the Information and Communication Technology (ICT) sector has a potential for reducing its own direct and indirect GHG emissions, while the digital technology may positively contribute to the achievement of the EU climate goals by enabling the reduction of emissions in other sectors.



1. Identification of Taxonomy-eligible activities

Orange Polska has reviewed its entire range of activities to determine which of them meet the technical screening criteria.

Orange Polska’s Taxonomy-eligible activities generating revenue or instrumental in revenue generation are as follows:

Environmental objective	Activity per EU Taxonomy	Description of the activity per UE Taxonomy	Description of Orange Polska’s activity
Climate change mitigation	7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Installation, maintenance and repair of charging stations for electric vehicles as part of the Orange Energy offer.
	7.6. Installation, maintenance and repair of renewable energy technology systems.	Installation, maintenance and repair of renewable energy technology systems on site.	On site professional services related to photovoltaic systems, heat pump and energy storage to residential and business customers as part of the Orange Energy offer.
	8.1. Data processing, hosting and related activities.	Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, including edge computing.	Hosting, cloud, big data and data processing services in data centres.
	8.2. Data-driven solutions for GHG emissions reductions.	Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions. Such ICT solutions may include the use of decentralized technologies (i.e. distributed ledger technologies), Internet of Things (IoT), 5G or Artificial Intelligence.	Intelligent services based on the Internet of Things (IoT) – Smart City services.

Environmental objective	Activity per EU Taxonomy	Description of the activity per UE Taxonomy	Description of Orange Polska’s activity
Transition to a circular economy	5.1. Repair, refurbishment and remanufacturing.	Repair, refurbishment and remanufacturing of goods that have been used for their intended purpose before by a customer (physical person or legal person).	Customer premises equipment (CPE) and smartphone refurbishment line.
	5.4. Sale of second-hand goods.	Sale of second-hand goods that have been used for their intended purpose before by a customer (physical person or legal person), possibly after repair, refurbishment or remanufacturing.	Refurbished smartphones offer.
	5.5. Product-as-a-service and other circular use- and result-oriented service models.	Providing customers (physical person or legal person) with access to products through service models, which are either use-oriented services, where the product is still central, but its ownership remains with the provider and the product is leased, shared, rented or pooled; or result-oriented, where the payment is pre-defined and the agreed result (i.e. pay per service unit) is delivered.	Lease of CPE (modems, set-top boxes, routers and others equipments) to residential and business customers.

The solutions taken into account for the activity 8.2 i.e. data-driven solutions for GHG emissions reductions, refer to the Internet of Things (IoT) services considered as services that enable other sectors of the economy to reduce their GHG emissions.

The IoT-based services include solutions for lighting control, air quality monitoring, noise measurements, photovoltaic energy consumption and flow management, electric vehicle charging control (owing to smart chargers), water consumption monitoring and water meter reading, as well as using a 4G city bike sharing system (without docking stations) equipped with GPS and GSM modules. These services support the development of smart cities.

The Smart Bike and Smart Energy services are based on network technologies and M2M cards (Machine to Machine), enabling real time monitoring and analytics therefore we have classified them as IoT solutions. Until now, hese services were reported under activity 6.4. Operation of personal mobility devices, cycle logistics and 7.6. Installation, maintenance and repair of renewable energy technologies but, starting from 2023, the performance indicators were changed and, taking into account the importance of the technological component contained in these services, they were included in activity 8.2. Data-driven solutions for GHG emissions reductions. This change does not have a material influence on the performance indicators for 2022..

Connected infrastructure elements are able to transmit and analyse data. They enable companies and local

governments to improve operational efficiency and 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. As a Poland-based operator, we provide open and secure API (application programming interface) interfaces for the Internet of Things in the Live Objects platform, which enables user-friendly management of municipal services from a smartphone or a central IT system.

Orange Polska’s circular economy activities include an offer of refurbished smartphones, lease of CPE (Customer Premises Equipment) and other equipment to residential and business customers for the duration of telecommunications services contracts, and a refurbishment line for modems, set-top boxes, smartphones and other devices. As we recognise the environmental impact of the equipment required for the provision of telecommunications services, we try to extend their life cycle. After the service contract expires, the equipment is returned to Orange Polska and refurbished to “as new” condition in the Company’s specialised refurbishment centre. Annually, we refurbish about half a million telecommunication devices (modems, set-top boxes) returned by Orange Polska’s customers upon the contract expiration. In addition to capital and operating expenditure associated with revenue-generating activities, Orange Polska has identified some capital expenditure on EU Taxonomy-eligible activities which do not generate revenue (‘individual’ CapEx):

Environmental objective	Activity per EU Taxonomy	Description of Orange Polska's activity
Climate change mitigation	6.5. Transport by motorbikes, passenger cars and light commercial vehicles.	Fleet of hybrid and electric vehicles.
	7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Chargers for electric vehicles on parking lots at Orange Polska's locations.
	7.6. Installation, maintenance and repair of renewable energy technologies.	Photovoltaic panels in Orange Polska's locations.
	7.7. Acquisition and ownership of buildings.	Lease of office, sales and technical space.

2. Determination of the key performance indicators

Orange Polska has calculated the key performance indicators in accordance with the provisions of Regulation 2020/852 and Regulation 2021/2178, based on the existing reporting processes, systems and assumptions (see Methodology note below).

Orange Polska has applied the methodology indicated in the above regulations to determine the proportion of turnover, capital expenditure and operating expenditure associated with eligible activities.

Proportion of turnover associated with eligible activities

The proportion of turnover associated with eligible activities has been determined by dividing total revenue from the eligible activities described in section 1 above by total revenue specified in the consolidated income statement in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2023 and in the Note 6 ‘Consolidated revenue’ therein.

December 31, 2023	
Revenue from eligible activities	PLN 128 million
Consolidated revenue	PLN 12,970 million
Turnover KPI for eligible activities	1 %

The proportion of turnover associated with eligible activities is 1 %, which reflects minor representation of the telecommunications services sector in the scope of activities currently covered by the EU Taxonomy.

Orange Polska’s eligible turnover in 2023, i.e. presented in the numerator of the turnover KPI, includes revenue from hosting, cloud, big data and data processing services in data centres, revenue from IoT-based smart services, and revenue from lease of CPEs to residential and business customers.

Proportion of capital expenditure associated with eligible activities

The proportion of Orange Polska’s CapEx associated with eligible activities has been determined by dividing the capital expenditure on the eligible activities described in section 1 above by total CapEx specified in the consolidated financial statements of the Orange Polska Group for 2023, determined according to the definition of the EU Taxonomy as an increase in:

- intangible assets (acquisition of intangible assets in Note 11 ‘Other intangible assets’ in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2023);
- 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, 2023); and
- 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, 2023).

December 31, 2023	
Capital expenditure associated with eligible activities	PLN 113 million
Total capital expenditure	PLN 2,720 million
CapEx KPI for eligible activities	4 %

Total capital expenditure (CapEx), as defined above, differs from eCapex presented in the consolidated financial statements of the Orange Polska Group for the year ended December 31, 2023, mainly because eCapex does not include an increase in assets related to telecommunications licenses and the right-of-use assets, and is reduced by proceeds accrued on disposal of assets.

The proportion of capital expenditure associated with eligible activities is 4 %, which represents a small proportion of Orange Polska’s total capital expenditure. This is because the EU Taxonomy, in its current form, does not take into account all activities of the telecommunications sector (in particular telecommunications networks and services) undertaken to mitigate or adapt to climate changes or other environmental goals.

In 2023, Orange Polska’s crucial investments to strengthen environmentally sustainable activities (EU Taxonomy-aligned) were related to lease of real estate for office space, points of sales and technical facilities, as well as development of technical infrastructure of data centres. In addition, eligible CapEx included the cost of deployment of photovoltaic systems in Orange Polska’s properties.

Proportion of operating expenditure associated with eligible activities

In accordance with Annex I to Regulation 2021/2178, operating expenditure taken into account in order to determine Orange Polska’s operating expenditure associated with eligible activities, defined as eligible operating expenditure in the numerator of the indicator to total operating expenditure in the denominator, include:

- non-capitalised costs related to research and development;
- building renovation works;
- short-term leases;
- maintenance and repairs;
- any other direct costs related to the day-to-day operation of property, plant and equipment by the entrepreneur or a third party to whom the activities necessary to ensure the continuity and efficiency of the operation thereof are outsourced.

In line with the definition in Regulation 2021/2178, Orange Polska has not taken into account the costs of purchase of energy to enable operation of, in particular, data centres, as these are neither CapEx nor OpEx according to the EU Taxonomy.

December 31, 2023	
Operating expenditure associated with eligible activities	PLN 18 million
Total operating expenditure	PLN 996 million
OpEx KPI for eligible activities	1.8 %

Operating expenditure included in the KPI are as reported as 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, 2023 and are exclusive of a large portion of operating expenditure included in the consolidated operating income of the Orange Polska Group.

The low level of the OpEx KPI stems from the fact that the EU Taxonomy, in its current form, does not take into account all activities of the telecommunications sector (in particular telecommunications networks and services) undertaken to mitigate or adapt to climate changes ot other environmental goals.

Under the current EU Taxonomy framework, Orange Polska cannot recognise costs of energy purchased for its own needs, particularly for the operation of data centres, from renewable sources, as well as costs related to the operation of leased photovoltaic installations (in the Solar-as-a-Service model) as expenditure associated with eligible activities; therefore, these costs have not been included in the operating expenditure KPI.

Orange Polska’s crucial eligible operating expenditure in 2023, i.e. presented in the numerator of the performance indicator, include costs of smart services based on the Internet of Things and costs of maintenance of the technical infrastructure of data centres.

3. Identification of Taxonomy-aligned activities

As explained in the introduction to this European Taxonomy chapter, aligned activities are eligible activities that meet: (i) the criteria of significant contribution to climate change mitigation or adaptation, (ii) the criteria of not doing significant harm to other environmental objectives (Do No Significant Harm – DNSH), and (iii) the minimum safeguards.

The assessment of alignment of activities with the significant contribution and DNSH criteria has been conducted through the analysis of the requirements in this regard for Orange Polska’s Taxonomy-eligible activities and determination whether particular activities meet these requirements.

The assessment of alignment of Orange Polska’s activities in terms of the minimum safeguards has been conducted through the analysis of the requirements in this regard and determination whether Orange Polska meets them.

Orange Polska respects the minimum safeguards, that is it has implemented and followed solutions and procedures to ensure the compliance of its economic activities with the principles and recommendations set out in the relevant documents, such as the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, as well as the conventions and declarations on human rights, fundamental principles and rights at work indicated in the EU Taxonomy.

Orange Polska has undertaken and continuously enhanced activities aimed at, among others:

- protection of fundamental human rights, rights at work (as described in the Human Rights section above) 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 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, and CSR questionnaire);
- EcoVadis platform for the sustainable development evaluation of suppliers;
- Compliance Programme, the purpose of which is to prevent corruption in Orange Polska (as described in the Anti-bribery and Anti-corruption section above);
- tax strategy of Orange Polska;
- mandatory CSR and anti-corruption and anti-competition practices training for all employees to raise awareness of applicable standards, laws and regulations;
- Orange Polska Human Rights Policy;
- system for reporting irregularities (whistleblowing) regarding ethics, compliance management and corporate social responsibility (CSR).

Proportion of turnover associated with aligned activities

The proportion of Orange Polska’s turnover associated with aligned activities has been determined by dividing total revenue from aligned activities by consolidated revenue. Aligned revenue has been determined through the identification of aligned activities and the assessment of compliance with the significant contribution criteria, DNSH criteria and the minimum safeguards. Consolidated revenue has been equal to the consolidated revenue defined in section 2.1 above.

December 31, 2023	
Revenue from aligned activities	PLN 16 million
Consolidated revenue	PLN 12,970 million
Turnover KPI for aligned activities	0.1 %

In 2023, revenue from aligned activities totalled PLN 16 million.

Consolidated revenue was PLN 12,970 million in 2023.

Orange Polska’s revenue from the activity 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings and the activity 7.6. Installation, maintenance and repair of renewable energy technologies has been considered aligned, as the latter meet the significant contribution and DNSH criteria for these activities and activities are carried out in compliance with the minimum safeguards.

Regarding the activity 8.1. Data processing, hosting and related activities, Orange Polska considers this activity as non-aligned, as the data centres operated by Orange Polska do not comply with some of the technical screening criteria, such as verification by an independent third party of the implementation of the relevant practices listed in the European Code of Conduct on Data Centre Energy Efficiency, and the criterion regarding the Global Warming Potential (GWP) of refrigerants used in the data centres’ air conditioning systems. The refrigerants used in data centres’ cooling systems do not comply with the GWP performance required by the EU Taxonomy.

Regarding the activity 8.2. Data-driven solutions for GHG emissions reductions, Orange Polska considers the Internet of Things, including the IoT services offered by Orange Polska, to be the key element in optimising the management of resources, processes and mobility, which may result in reduction in GHG emissions. At the same time, Orange Polska assesses its IoT services as non-aligned, because Orange Polska has not performed life cycle analyses thereof and does not have access to external data (customers’ data) on the results of the implementation of the IoT-based solutions that would enable the assessment of GHG emissions reductions. Therefore, the relevant calculations have not been verified by an independent third party and, consequently, Orange Polska is not able to meet the technical screening criteria.

The proportion of turnover associated with aligned activities is 0,1%. The non-material proportion of Orange Polska’s aligned activities stems primarily from the small proportion of eligible activities.

Proportion of capital expenditure associated with aligned activities

The proportion of Orange Polska’s CapEx associated with aligned activities has been determined by

December 31, 2023	
Capital expenditure associated with aligned activities	PLN 6 million
Total capital expenditure	PLN 2,720 million
CapEx KPI for aligned activities	0.2 %

In 2023, capital expenditure associated with Orange Polska’s aligned activities which does not generate revenue (‘individual’ CapEx) totalled PLN 6 million.

Total capital expenditure was PLN 2,720 million.

A portion of capital expenditures on the activity 6.5. Transport by motorbikes, passenger cars and light commercial vehicles that is related to electric vehicles meets the technical screening criteria and the DNSH criteria, while Orange Polska’s activities are carried out in compliance with the minimum safeguards. Consequently, this portion of CapEx is considered to be aligned. In order to reduce its environmental impact and transport-related CO₂ emissions, Orange Polska has been implementing an investment plan to replace its fleet with a fleet of electric vehicles and has been co-operating with suppliers in this respect.

Orange Polska has analysed the technical screening criteria against the technical specifications of vehicles and causing no significant harm to other environmental objectives, as well as determined whether the suppliers’ activities are carried out in compliance with the minimum safeguards based on suppliers’ statements and publicly available information disclosed by the vehicle manufacturer with respect to business liability.

Capital expenditure associated with the activity 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings is considered to be aligned, as it meets the technical screening criteria and the DNSH criteria, while Orange Polska’s activities are carried out in compliance with the minimum safeguards.

Capital expenditure associated with the activity 7.7. Acquisition and ownership of buildings is considered as non-aligned, as it does not meet the technical screening criteria.

Capital expenditure associated with the activity 8.1. Data processing, hosting and related activities has been particularly related to the development of technical infrastructure of data centres and modernisation of equipment. It should be noted that this expenditure is not considered to be aligned for the reasons presented in section 3.1 above and related to revenue from the activity 8.1.

The proportion of capital expenditure associated with aligned activities is 0.2%, because of a small proportion of Orange Polska’s aligned activities covered by the current scope of the EU Taxonomy, as well as the reasons presented above and in section 3.1.

Proportion of operating expenditure associated with aligned activities

The proportion of Orange Polska’s operating expenditure associated with aligned activities has been determined by dividing by dividing the operating expenditure on aligned activities by the total operating expenditure defined in section 2.3 above.

December 31, 2023	
Operating expenditure associated with aligned activities	PLN 1.4 million
Total operating expenditure	PLN 997 million
OpEx KPI for aligned activities	0.1 %

In 2023, operating expenditure associated with Orange Polska’s aligned activities totalled PLN 1.4 million.

Total operating expenditure was PLN 997 million.

A portion of Orange Polska’s operating expenditure associated with the activity 6.5.Transport by motorbikes, passenger cars and light commercial vehicles related to electric vehicles that is related to electric vehicles is considered to be aligned for the reasons presented in section 3.1 above.

Operating expenditure associated with the activity 8.1. Data processing, hosting and related activities and the activity 8.2. Data-driven solutions for GHG emissions reductions is considered to be non-aligned for the reasons presented in section 3.1 above.

The proportion of operating expenditure associated with aligned activities is 0.1 %.

Orange Polska does not disclose the tables related to nuclear and gas activities pursuant to the Nuclear and Gas Regulation, because such activities are not part of Orange Polska’s operations. Therefore, the tables may present only null values, which, in the opinion of Orange Polska, could negatively affect the transparency of information.

Table: 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 determination of the performance indicators presented in sections 2 and 3 above is based on the EU Taxonomy regulations. If more specificity has been required, Orange Polska has made the following assumptions:

Performance indicators related to the proportion of eligible and aligned revenue in consolidated revenue

- Under the activity 7.6. Installation, maintenance and repair of renewable energy technology systems, Orange Energy offer revenue includes revenue from installation of photovoltaic systems, heat pumps and energy storage, as well as revenue from the sale of equipment and connectivity services, as it is not possible to separate revenue from equipment sales and connectivity, and this revenue has been included in both eligible and aligned turnover;

- Revenue from the activity 8.1. Data processing, hosting and related activities includes revenue from hosting solutions offered by Orange Polska to business customers, cloud solutions, big data analytics and data processing in data centres for 12 months. A portion of revenue for December 2023 is assessed.
- As part of the activity 8.2 related to IoT services, Orange Polska sells ready-made, comprehensive solutions consisting of hardware, assembly and installation services, and connectivity services, along with access to a platform enabling the management of the comprehensive service environment: devices, connectivity and data. For this reason, it is not possible to separate revenue from equipment sales and connectivity, and this revenue has been included in eligible turnover.

Performance indicators related to the proportion of eligible and aligned capital expenditure

- Capital expenditure on the activity 7.7. Acquisition and ownership of buildings includes an increase in the right-of-use for new leases of offices and sales outlets, as well as an increase in the value of buildings purchased by Orange Polska.

Orange Polska has not doubled-counted revenue, CapEx or OpEx in the key performance indicators.



The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

For example, the Activity “Afforestation” would have the Code: CCM 1.1.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Where an economic activity contributes substantially to **multiple environmental objectives**, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.1%	0.55%
CCA	0%	0%
WTR	0%	0%
CE*	0%	0.35%
PPC	0%	0%
BIO	0%	0%

* According to EU Taxonomy regulations, alignment of activities related to CE objective will be analysed in 2024



Table: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering

				Substantial contribution criteria						DNSH criteria („Does Not Significantly Harm“)										
Economic activities (1)	Code(s) (2)	CapEx (3) [PLN mln]	Proportion of CapEx, 2023 (4) [%]	Climate Change Mitigation (5) [Y; N; N/EL]	Climate Change Adaptation (6) [Y; N; N/EL]	Water and Marine Resources (7) [Y; N; N/EL]	Pollution (8) [Y; N; N/EL]	Circular Economy (9) [Y; N; N/EL]	Biodiversity and ecosystems (10) [Y; N; N/EL]	Climate Change Mitigation (11) [Y/N]	Climate Change Adaptation (12) [Y/N]	Water and Marine Resources (13) [Y/N]	Pollution (14) [Y/N]	Circular Economy (15) [Y/N]	Biodiversity (16) [Y/N]	Minimum Safeguards (17) [Y/N]	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx,, 2022 (18) [%]	Category (enabling activity) (19) [E]	Category (transitional activity) (20) [T]	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3.81	0.14%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.01%		T	
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	CCM 7.4	1.51	0.06%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.04%	E		
Installation, maintenance and repair of renewable energy technology systems	CCM 7.6	0.49	0.02%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		5.81	0.21%	0.2%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0.05%			
Of which enabling		2.00	0.07%	0.07%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0.05%	E		
Of which transitional		3,81%	0.14%	0.14%						N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Repair, refurbishment and remanufacturing	CE 5.1	0.30	0.01%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.92	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.10%		
Acquisition and ownership of buildings	CCM 7.7	77.21	2.84%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									1.30%		
Data processing, hosting and related activities	CCM 8.1	28.47	1.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									2.80%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		106.90	3.93%	3.92%	0%	0%	0%	0.01%	0%									4.20%		
CapEx of Taxonomy-eligible activities (A.1+A.2)		112.71	4.14%	4.13%	0%	0%	0%	0%	0%									4.25%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy non-eligible activities		2 606.99	95.9%																	
TOTAL		2 719.70	100%																	

* CapEx KPI adjusted in connection with a bond issue

Formula for calculating CapEx KPI adjusted in connection with a bond issue:

Total CapEx (z) - F

Total CapEx

%

Total CapEx (z) – Total CapEx associated with environmentally sustainable activities (Taxonomy-aligned)

F – Financing obtained by issuance of green bonds or debt securities

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

For example, the Activity “Afforestation” would have the Code: CCM 1.1.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Where an economic activity contributes substantially to **multiple environmental objectives**, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.2%	3.92%
CCA	0%	0%
WTR	0%	0%
CE*	0%	0.01%
PPC	0%	0%
BIO	0%	0%

* According to EU Taxonomy regulations, alignment of activities related to CE objective will be analysed in 2024



The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
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Where an economic activity contributes substantially to **multiple environmental objectives**, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.1%	1.71%
CCA	0%	0%
WTR	0%	0%
CE*	0%	0%
PPC	0%	0%
BIO	0%	0%

Table: Quantitative breakdown at economic activity aggregated level of the amounts included in the CapEx KPI numerator by categories defined in Regulation 2021/2178 and relevant to Orange Polska in 2023

Taxonomy-aligned activities	Increase in property, plant and equipment [PLN mln] *	Increase in right-of-use assets [PLN mln]	Total CapEx for Taxonomy-aligned activities [PLN mln]	Including under the CapEx Plan [PLN mln]	CapEx expected under the CapEx Plan [PLN mln]	Period of time of the CapEx Plan
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	0.00	3.81	3.81	0.00	0.00	N/A
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	1.51	0.00	1.51	0.00	0.00	N/A
7.6. Installation, maintenance and repair of renewable energy technology systems	0.49	0.00	0.49	0.00	0.00	N/A
Total	2.00	3.81	5.81	0.00	0.00	N/A

Table: Quantitative breakdown of OpEx in 2023

Costs [PLN mln]	
Total capital expenditure	PLN 2,720 million
Total capital expenditure	PLN 2,720 million

* According to EU Taxonomy regulations, alignment of activities related to CE objective will be analysed in 2024

Glossary

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

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 Note 3 to the 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 Note 3 to the 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 100 Mbps

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

ICT – Information and Communication Technologies

IP TV – TV over Internet Protocol

M2M – Machine to Machine, telemetry

Mobile-only services – Revenues from mobile offers (excluding consumer market convergent offers) and Machine to Machine (M2M) connectivity. Mobile only services revenues do not include equipment sales, incoming and visitor roaming revenues

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)

Organic Cash Flow – Key measure of cash generation used by management (for definition please refer to the Note 3 to the IFRS Consolidated Financial Statements of the Orange Polska Group)

PPA – Power purchase agreement

RAN agreement – Agreement on reciprocal use of radio access networks

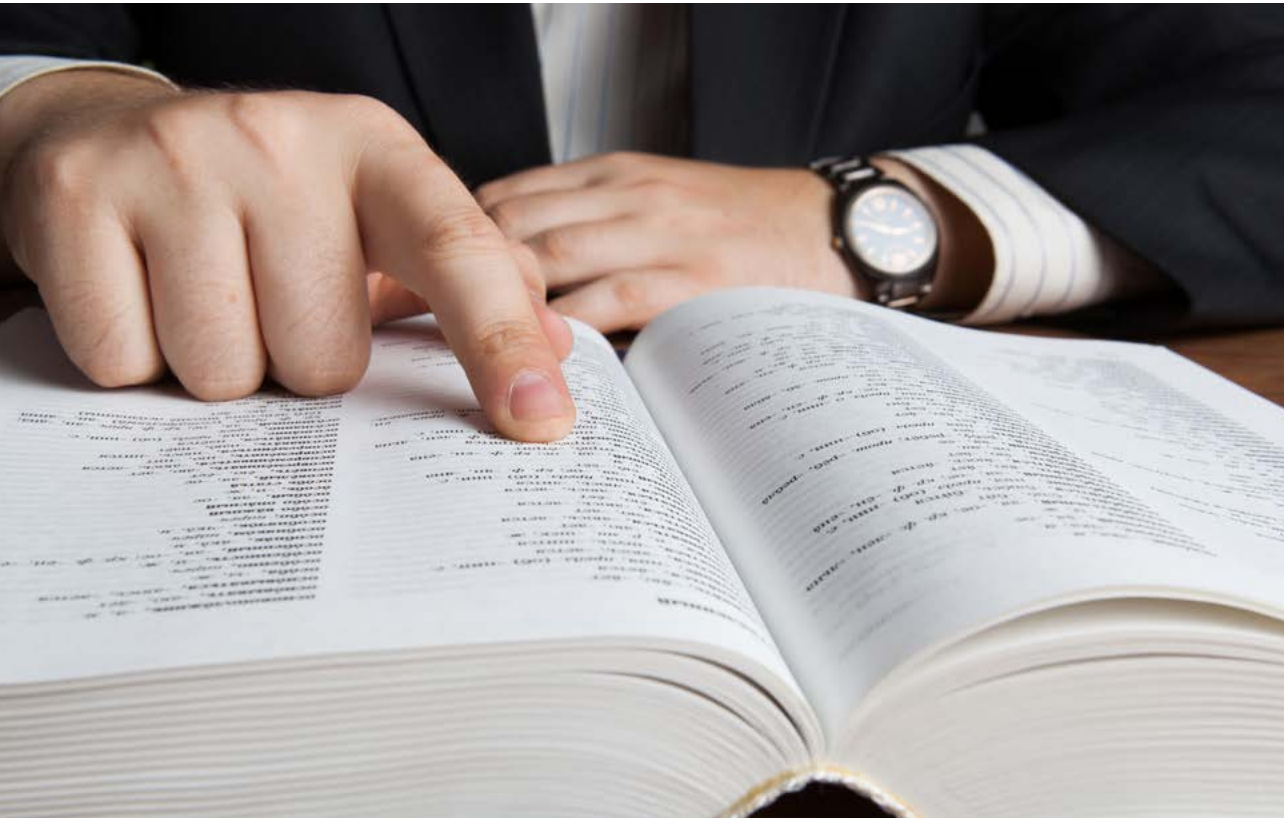
ROCE – Return on capital employed = EBIT (ex. extraordinary items) / (Average net debt + Shareholders Equity)

SMP – Significant market power

UKE – Urząd Komunikacji Elektronicznej (Office of Electronic Communications)

UOKiK – Urząd Ochrony Konkurencji i Konsumentów (Office for Competition and Consumer Protection)

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





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