

Internal Anti-Corruption Program



Purpose

The objective of the anti-corruption program is to ensure compliance of the conduct of the ORLEN Unipetrol Group with the highest ethical standards. The purpose is to eliminate or to limit as much as possible the conditions that could result in corruption within the frame of the ORLEN Unipetrol Group. The document has a character of a policy, which corresponds to the set general rules for determining internal processes for preventing corruption, its identification and reporting. The internal anti-corruption program (IAP) should lead to a transparent and open company, which can be trusted by its business partners and customers, while protecting those who report corruption behavior within the frame of the labor law.

Anti-corruption measures – preamble

Corruption can complicate economic development of the society, compromise free economic competition, increase the cost of the production of assets and services, and reduce their safety and quality, which can eventually damage all entities of the business life of the given society.

Corruption and other related criminal activities include criminal responsibility of the natural persons as well as legal entities. Committing this kind of criminal activity does not damage only the given economic competition entities, but also the civic society as a whole. Acceptance, passive or active, of a corruption behavior hinders business activities, limits the possibilities of promoting services and products, can stand in the way of obtaining public contracts and leads to severe financial sanctions.

The anti-corruption policy of the ORLEN Unipetrol Group corresponds to the established principles at the mother company PKN ORLEN SA (PKN ORLEN SA and business companies, to which PKN ORLEN SA is, directly or indirectly, the mother company pursuant to the stipulations of the act on business corporations) and to the internationally proven procedures within the frame of prevention and detection of, and reaction to bribery, identification of technological, financial and other threats related to corruption, as well as other conduct of a harmful character, which could hurt the economic interests of the ORLEN Group.

Effective suppression of corruption requires an introduction of system solutions based on an analysis of the information available inside of the company and obtained from external sources.

Fighting corruption prevents corruption activities defined by the law. Furthermore, it also works against uneconomical management, conflicts of interests or agreements among contracting parties when they intend to commit criminal corruption activities.

Enforcement of the anti-corruption policy of the ORLEN Unipetrol Group (hereinafter referred to as the “policy” or “anti-corruption policy”) improves security in relations with the company contracting parties and strengthens communication inside of the organization.

The basic IAP pillar is the environment of the company, which officially rejects corruption practices within the frame of its activities on the market. It does so openly and without exceptions. To enforce this position, it utilizes instruments of a business character, marketing and general promotion of anti-corruption behavior by the means of, for example, declarations of the company statutory bodies and creation and promotion of the Ethical Code. Moral integrity of the employees is strengthened by initial and continuous training sessions, and by including topics related to corruption identification and suppression by all persons within the frame of their activities. ORLEN Unipetrol Group also sets a credible mechanism for reporting suspected corruption behavior and declares protection of the whistleblowers in the area of the labor law.



Basic principles for forming an anti-corruption climate

Declaration of conformity with the legal and ethical standards

This anti-corruption policy is based on the generally acknowledged legal standards, which address corruption and unethical behavior in the countries, in which the ORLEN Unipetrol Group as well as the entire PKN Orlen Group conduct their business activities. These standards particularly include the following:

- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
- Act of the Great Britain Parliament on Bribery (The Bribery Act, 2010);
- Act on Foreign Corrupt Practices Act – FCPA;
- Canadian Corruption of Foreign Public Officials Act, 1999.

Conduct of the ORLEN Unipetrol Group

It incorporates elements that prevent the formation of a corruption environment in the management system in the form of internal documents. It particularly:

- issues the Ethical Code valid throughout the companies of the ORLEN Unipetrol Group and implements anti-corruption elements in it,
- precisely specifies tender procedures,
- suitably monitors and thus eliminates conflicts of interests or possible partiality,
- unambiguously specifies decision-making competencies and signing rights by the means of internal regulations,
- complies with the 4-eye principle when it comes to fundamental issues,
- delegates inspection bodies,
- conducts training,
- creates and openly shares the given anti-corruption system as a part of its marketing promotion,
- thoroughly investigates all reported corruption behavior suspicions,
- adequately protects given information sources,
- evaluates the IAP on an annual basis.

Conduct of the employees

The principle of the conduct of every employee to reject corruption behavior is based on personal integrity and determination. This must be based on the above-mentioned pillars created by the employer. Nevertheless, the combat against corruption in the private sector takes place at the level of individual persons, who particularly:

- act decisively and impartially and comply with the internal organizational and control standards and valid legal regulations,
- do not create conditions for a corruption behavior; to the contrary, they prevent it by their conduct and behavior,
- actively acquaint themselves with the company Ethical Code and comply with it.



Conduct by managerial employees at all management levels

Contrary to the regular employees, managerial employees can submit opinions of the company management and the Ethical Code principles to other employees of the ORLEN Unipetrol Group and to their subordinates. They do that especially by:

- promoting and enforcing anti-corruption behavior,
- creating and encouraging environments that reject corruption behavior, reducing motivation for such a behavior and increasing probability of detecting it,
- not circumventing the procedures specified for approvals, issuing orders or subordinations,
- actively promoting the Ethical Code and addressing its detected breaches,
- thoroughly monitoring activities of their subordinates,
- thoroughly investigating or ordering investigations of initiatives that suggest possible corruption.

Prevention

Appropriate measures related to the determined risks are adopted with the objective to reduce these risks. The basis is formed by compliance with the valid legal and internal regulations, which will be modified and updated in this regard.

Transparency

The ORLEN Unipetrol Group considers transparent stances and business activities to be one of the key instruments for limiting corruption environments in the private sector and in the company itself. Important information is particularly shared by the means of web presentations of the ORLEN Unipetrol Group and by internal communication with all employees.

Solving submitted initiatives

Ethical ombudsman

The company has created the position of an Ethical ombudsman. His/her rights, extent of activities, term of office and manner of solving individual initiatives are addressed by the Ethical Code of the ORLEN Unipetrol Group.

Anonymous line

An anonymous phone line is established. It is run by the security and control section. On this line you can anonymously report suspected corruption behavior as well as other suspicions related to breaches of the valid legislature and internal regulations. The phone number is **+420 736 508 500**. The security and control section guarantees that no steps will be taken with the objective to identify the callers.

Anonymous email address

Anonymous email addresses run by the Ethical ombudsman – anonym@orlenunipetrol.cz, and by the manager of the Internal Inspection Department – securityreport@orlenunipetrol.cz, are established. On these addresses you can anonymously report suspected corruption behavior as well as other suspicions related to breaches of the valid legislature and internal regulations. The security and control section guarantees that no steps will be taken with the objective to identify senders of the given electronic mail.

Protection of the whistleblowers

The companies of the ORLEN Unipetrol Group pledge to provide general protection, specified in the corresponding legal regulations, to all whistleblowers who report on illegal activities. The company management realizes that the whistleblowers who report on illegal activities, including corruption practices, represent a very vulnerable group and can be subjected to various types of discrimination at their respective worksites. Management of the companies of the ORLEN Unipetrol Group thus makes sure that all the fundamental elements of such a protection, such as protection of the identity of the whistleblowers, protection against them being disadvantaged at work, etc., are complied with. The companies of the ORLEN Unipetrol Group protect the whistleblowers who report on illegal activities, provided such reports are made in good faith, including if such reports were not correct. On the other hand, intentionally incorrect reports will be solved with the given whistleblowers pursuant to the valid legal regulations.



Principles for accepting and giving gifts in the ORLEN Unipetrol Group

§ 1

General stipulations

1. The principles apply to the employees employed in the companies of the ORLEN Unipetrol Group based on a contract for work, work agreement or agreement on work activities, and to people who represent the companies of the ORLEN Unipetrol Group in relations to the representatives of individual contracting parties or state authorities, including relations among the companies of the PKN ORLEN CG.
2. Gifts can be only accepted and given in compliance with these principles.
3. These principles do not apply to gifts accepted or given by/to the PKN ORLEN CG employees from/to the employees of the companies of the ORLEN Unipetrol Group and vice versa.

§ 2

Instructions for accepting and giving gifts

1. Gifts can be considered income pursuant to valid legal regulations in individual countries. That is why they can be a subject to the income tax.
2. Prior to given a gift, try to learn:
 - (a) gift acceptance principles valid for the recipient of the gift,
 - (b) gift giving regulations pursuant to the jurisdiction of the country where the recipient is registered or where he/she conducts his/her business activities.
3. When giving a gift, the person stated in Section 1, Paragraph 1 of these principles is obliged to inform the gift recipient about the given gift value. For gifts, value of which do not exceed 2,000 CZK, excluding VAT (market value of the gift), the gift recipient can just be informed that the gift value does not exceed the specified value limit. For gifts, value of which exceeds 2,000 CZK, excluding VAT, you must specify their market value and inform the gift recipient about it.
4. Should the gift recipient consider the information about the gift value to be tactless, this information must be communicated to others in an acceptable manner (referring to the anti-corruption rules of the ORLEN Unipetrol Group, by the means of a label with the given gift value etc.).
5. For the companies of the ORLEN Unipetrol Group, organizational units of the ORLEN Unipetrol Group and representations outside of the Czech Republic, the value stated in Section 2, Paragraph 3 of these principles or its equivalent in a foreign currency must be put in harmony with the regulation binding in the given country, provided it exists. However, the value must not exceed this limit.
6. Catering services (are defined as a delivery of finished or unfinished meals or beverages, possibly including support services, which allow for their immediate consumption, which takes place outside of the facilities of the given service provider) during business negotiations or other business meetings organized at the seat of the companies of the ORLEN Unipetrol Group (or outside of the seat, but at the expense of the companies of the ORLEN Unipetrol Group, or during meetings of the bodies of the companies of the ORLEN Unipetrol Group or committees that operate based on internal arrangements of the companies of the ORLEN Unipetrol Group), are not considered a gift pursuant to these principles, provided this expense can be classified as a general, administrative or another expense that is related to the conducted activities.



7. Invitations to events, trainings and workshops organized by a person who invites you as the host are also permitted and are not considered a gift, provided your participation is not subject to the payment of a participation fee, which would be paid by the host on your behalf.

8. When deciding about gift acceptance, observe the following principles:

(a) Principle of honest intentions of the donor.

- The only objective of the circumstances, handover and character of the gift is to build or strengthen business relations or they are a manifestation of liking.
- The objective of the gift is not to negatively influence the gift recipient and its objectivity when deciding business matters.
- The gift offer does not come at the moment when the gift recipient is participating in a decision process, which the gift donor or a person related to him/het could benefit from.

(b) Legality principle:

- The gift type and circumstances of its handover do not breach proprieties and conventions and domestic or international legal regulations.

(c) Adequacy principle:

- The unit value of the gift does not contradict the principles specified by this policy.
- The gift is given sporadically and is related to a particular occasion.
- The act of giving the gift must not establish any obligation for the gift recipient or create an impression that it does.

(d) Transparency principle:

- It is not permitted to accept gifts that can embarrass the gift recipient due to the value of the gift or that can evoke a feeling that the gift recipient should repay the donor for the gift. It is also not permitted to conceal the gifts from superiors and co-workers.

9. Acceptance or giving of the gifts specified in these principles is permitted, provided it is suitable for particular circumstances and in compliance with the ethical principles that are binding for the companies of the ORLEN Unipetrol Group and the donor himself/herself. The decision about accepting or giving a gift must be preceded by an individual assessment of the person stated in Section 1, Paragraph 1 of these principles. Should the circumstances not allow for making the assessment, they must be preceded by consultations with a superior or the security and control section.

10. Gift categories

(a) Gifts that can be accepted and given without the need to obtain an additional approval (§ 3).

(b) Gifts, acceptance and giving is conditionally permitted (§ 4).

(c) Gifts, acceptance and giving of which is not permitted (§ 5).



§ 3

Gifts that can be accepted and given without the need to obtain an additional approval

1. Gifts related to promotion and advertisement, the unit price of which does not exceed 2,000 CZK, excluding VAT, can be accepted and given without the need to obtain an additional approval, provided the process is conducted in compliance with the rules specified in these principles.
2. Refreshment treats at the facilities of contracting parties of up to 2,000 CZK, excluding VAT, per person are permitted, provided:
 - (a) they are of a sporadic character and can be offered based on a mutuality principle,
 - (b) the treat is attended by the person who invited us or his/her representatives,
 - (c) the treat is not attended by family members, husband/wife, children, parents, relatives or directly blood-related persons of up to the second degree specified in Section 1, Paragraph 1 of these principles,
 - (d) refreshment treats organized by the persons specified in Section 1, Paragraph 1 of these principles must be attended by at least two representatives of the companies of the ORLEN Unipetrol Group, unless the attendance of a single representative is justified by objective circumstances related to the business relations with the given contracting partner or representative of the state administration.
3. Invitations to leisure events, perceived as sport events, theater performances, concerts or other cultural events with a value of up to 2,000 CZK, excluding VAT, are permitted, provided:
 - (a) they are of a sporadic character,
 - (b) the person offering the given ticket is also attending the event.
4. Promotion items, such as pens, notebooks, calendars and other small items, ideally with a logotype of a company of the ORLEN Unipetrol Group, or with a logotype of the given contracting partner, the unit price of which does not exceed 2,000 CZK, excluding VAT, are permitted.
5. Gifts specified in Section 3, Paragraph 4 of these principles can be given without the need to register them in the gift register specified in Section 6 of these principles as a part of a meeting (for example, trade fairs, conferences, symposiums), which is organized, co-organized or sponsored by a company of the ORLEN Unipetrol Group based on special regulations, during which the group of the gift recipients is numerous and individual gift recipients cannot be identified. For meeting of the above-stated kinds observe the following principles:
 - (a) The meeting organizer (a company of the ORLEN Unipetrol Group) is obliged to maintain evidence that will include information about the type, number and unit cost of the promotion items designated for distribution during the event. The evidence must include accounting of all expenses, conducted after the meeting is finished. The accounting records of mass expenses specified in Section 3, Paragraph 5 of these principles are not included in the gift register of the ORLEN Unipetrol Group
 - (b) The unit price of the promotion gifts designated for such meetings must not exceed 2,000 CZK, excluding VAT. When it does, the procedure specified in Section 4 of these principles should be binding.



§ 4

Gifts, acceptance and giving is conditionally permitted

Acceptance and giving of gifts with a value that exceeds 2,000 CZK, excluding VAT, are conditioned by their entry in the electronic gift register specified in Section 6 and by the decision of the given superior related to the gift handling manner, which must be stated in this register prior to using or giving the gift in question. Furthermore, the procedure is governed by the general instructions specified in Section 2 of these principles.

- (a) Acceptance and offering of refreshment treats with a unit price that exceeds 2,000 CZK, excluding VAT, per person requires an approval in the way specified in these principles based on the given accounting documents or list of expenses, in accordance with the regulations that are binding for the companies of the ORLEN Unipetrol Group. Refreshment treats of such a value should be only exceptional.
- (b) Employees of the ORLEN Unipetrol Group can give gifts with a value that exceeds 2,000 CZK, excluding VAT, only if this is approved in advance by their direct superior or employee who oversees the activities conducted by persons employed based on a business relation.
- (c) Gifts must be rejected if the gift recipient believes that their unit price exceeds 2,000 CZK, excluding VAT. Should such a rejection by the gift recipient possibly insult the donor, the gift recipient can accept the gift. Upon the end of a meeting where a gift was accepted, the gift recipient - person specified in Section 1, Paragraph 1 of these principles - must immediately report this fact to his/her superior or the security and control section of ORLEN Unipetrol RPA s.r.o., who/which decides if the gift recipient can keep the gift or must hand it over to the ORLEN Unipetrol Foundation (charity purposes).
- (d) Invitations to leisure events, perceived as sport events, theater performances, concerts or other cultural events with a value that exceeds 2,000 CZK, excluding VAT, are permitted, provided the conditions specified in Section 3, Paragraph 3, Letters a) and b) of these principles are fulfilled.

§ 5

Gifts, acceptance and giving of which is not permitted

1. It is not permitted to accept gifts that comply with at least one of the following conditions:

- (a) The gift has a monetary value or it is in the form of a monetary equivalent, for example, gift cards (with the exception of the Benzina fuel cards), loans, shares, stocks, other securities, etc.
- (b) The gift is not suitable, for example, it has an erotic content or sexual overtones, or it could have a negative impact on the party.
- (c) Acceptance or giving of the gift does not comply with the IAP, which is binding for the companies of the ORLEN Unipetrol Group or for the given contracting partner.
- (d) The circumstances of the gift acceptance or giving process suggest that the other party expects the same behavior, or they create a feeling of being indebted.
- (e) Gift, acceptance or giving of which can result in a conflict of interests.
- (f) Gift given prior to the establishment of business relations, provided its objective is not an introduction of the main activity of the given party. Being particularly careful is recommended in this case.

It is not permitted to give any gifts to Czech or foreign public officials in relation to the position they are in, with the exception of the items specified in Section 3, Paragraph 4 of these principles, giving of which is governed by the general instructions specified in Section 2 of these principles.



§ 6 - omitted

§ 7

Final stipulations

- 1.** You can submit any questions related to the process of accepting or giving gifts at the ORLEN Unipetrol Group to the following email address: securityreport@orlenunipetrol.cz, or you can call the Internal Inspection Department of ORLEN Unipetrol RPA s.r.o.
- 2.** When gifts are accepted or given outside of the Czech Republic and the companies of the ORLEN Unipetrol Group registered in a different country, these principles should be used, while also considering the applicable regulations for the given situation and binding for the given jurisdiction and supranational regulations.
- 3.** For gifts accepted abroad, the use of the 2,000 CZK limit, excluding VAT, is required, while also considering the appropriate standards and purchasing power at the given location.
- 4.** The stipulations of these principles related to tax issues for gift acceptance and giving should be used exclusively in the extent of the country, where the tax entity is the tax resident.
- 5.** Information exchange among the companies of the ORLEN Unipetrol Group in the area addressed by these principles must not breach the corresponding acts on the protection of personal data and protection of the company business secrets.
- 6.** These principles are used while considering the valid legal regulations and special organizational acts, binding for the companies of the ORLEN Unipetrol Group in the area of the information protection.



Contractual anti-corruption clause

1. In relation to the fulfilment of his contract, both parties declare that they will exercise proper care and comply with all legal regulations that are binding for them in the area of preventing corruption, issued by the authorized bodies in the European Union, directly as well as when conducting business via their subsidiaries or interconnected economic entities of the parties.
2. Furthermore, in relation to the fulfilment of his contract, both parties also declare that they will comply with all internal requirements that are binding for them and that apply to the ethical behavior standards, corruption prevention, corresponding to the acts on accounting individual transactions, cost and expenses, conflicts of interests, giving and accepting gifts, and anonymous reporting and explaining of misconducts, directly as well as when conducting business via their subsidiaries or interconnected economic entities of the parties.
3. The parties declare that, in relation to the conclusion and implementation of this contract, neither of the parties or their owners, shareholders, members of the board of directors, directors, employees, subcontractors or any other person who acts on their behalf have conducted, proposed, promised or authorized, and will not make, propose, promise or authorize a payment or any other activity that could result in a financial enrichment or any other profit, directly or indirectly, of anybody of the following:
 - (i) member of a statutory body, director, employee or representative of the given party or any subsidiary or interconnected economic entity of the parties,
 - (ii) state official who is perceived as a natural person who holds a public position in the sense that this terms has in the legal system of the country, in which the contract is being implemented, or in which the registered seats of the parties or any subsidiary or interconnected economic entity of the parties are located;
 - (iii) political party, member of a political movement or applicant for a position in a state administration office;
 - (iv) representative or mediator for the payment to any of the parties stated above; or also
 - (v) any other persons or entities - for the purpose of obtaining their decision, influence or activities that could lead to any illegal favoring or any other undesirable purpose, provided this activity breaches or would breach the legal regulations related to the corruption prevention, issued by authorized bodies in the European Union, directly as well as when acting via subsidiaries or interconnected economic entities of the parties.
4. The parties are obliged to immediately inform each other about all breaches of the stipulations of this paragraph. Upon request of one of the parties, the other party should provide information and answers to the corresponding justified inquiry of the requesting party, provided the inquiry is related to the implementation of this contract pursuant to the stipulations of this paragraph.
5. In order to ensure a due compliance with the above-stated obligation, both parties declare that they will, during the implementation of this contract, allow all persons who act in good faith to submit anonymous misconduct reports via electronic mail of the Anonymous system for reporting unethical conduct: securityreport@orlenunipetrol.cz.

