



CORPORATE SOCIAL
RESPONSIBILITY REPORT

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AN INTRODUCTION FROM CEO



Ladies and gentlemen,

The refining and petrochemical industry is undergoing substantial changes, and our company is directly involved in implementing them. Even this traditional industry must become sustainable, innovative, and emission-neutral over time. It is not only about the instinct of self-preservation but also about corporate social responsibility and legacy to the coming generations. As one of the largest companies in the Czech Republic, which is part of the country's critical infrastructure and a pillar of the Czech economy, we fully realize the responsible role our business plays.

However, the transition is not as easy as in other industries. It is mainly due to our robust infrastructure, which needs

to be rebuilt with enormous investments. In the last five years alone, we have invested over CZK 40 billion in modernisation and development, and we intend to continue these investments.

In addition, we are determined to invest an additional CZK 35 billion in green projects and digitisation by 2030. Our 2030 strategy announced last year defined the crucial areas we want to focus on: decarbonisation, increasing energy efficiency, emphasising renewable sources, recycling plastics, and supporting advanced biofuels.

In addition to sustainable business, this transformation also inherently includes environmental protection, supporting local communities, educating the coming generations, and caring for our employees.



Therefore, discussing with our business partners about meeting of the environmental challenges is equally important. Without these issues and activities, the scope of our CSR projects would be far from being complete.

As an international company, we naturally use a global mindset. Yet, we also want to act locally and be a good neighbour wherever we have our operations. That is also where we target most of our CSR projects.

The ORLEN Unipetrol Foundation plays a vital role in our activities. For five years, it has helped meet the material objectives focused on the direct support of students, teachers, and schools and popularising education focused on natural sciences and technology. You will learn more

details about our activities on the following pages. Still, allow me to recall three key events of 2021.

We received the TOP CSR Company of the Year award for the first time. It is presented by Byznys pro společnost, a platform for responsible and sustainable business, to 25 companies across the Czech Republic. In addition, we ranked first in a separate category, "The Environment", with our chemical plastics recycling project. It focuses on reusing plastics based on circular economy principles.

We fully rolled out the "komUNIta" project, in which our employees submit and implement, with the company's contribution, local projects to improve the surrounding areas. Volunteer days were a success, too, with our

employees setting out to give a helping hand in non-profit organisations. I want to also use this opportunity to thank all volunteers for their extraordinary commitment.

Also, we defended the global Responsible Care Certificate for the tenth time. We showed again that we are a responsible company, actively involved in environmental protection and building public trust in our brand and the entire chemical industry.

We will definitely not ease up our efforts with respect to the environment and the world around us because we find them both meaningful and absolutely necessary.

Tomasz Wiatrak
CEO of the ORLEN Unipetrol Group

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ABOUT US

WE ARE THE LARGEST REFINING AND PETROCHEMICAL GROUP IN THE CZECH REPUBLIC. OUR FOCUS IS ON PROCESSING CRUDE OIL, PRODUCING, DISTRIBUTING, AND SELLING FUELS AND PETROCHEMICAL PRODUCTS, ESPECIALLY PLASTICS AND FERTILISERS.

2021





View of the main PKN ORLEN Group's production site

WE HAVE BEEN A MEMBER OF THE ORLEN GROUP SINCE 2005

According to Coface's CEE TOP 500 Report, the ORLEN Group is one of the largest companies in Central and Eastern Europe in terms of revenues. In line with the Strategy 2030, the main objectives of the ORLEN Group include being a regional leader in the energy transformation, developing new capacities for energy generation from renewable sources, and working towards decarbonisation while maintaining operational efficiency and financial strength in the traditional business segments.

The ORLEN Group consistently diversifies its business towards building a multi-energy company.

This process also includes acquiring the Energa Group, one of the largest electricity producers and suppliers in Poland, and ongoing pursuance of other acquisition goals (PGNiG, Grupa LOTOS). The ORLEN Group's principal activities include electricity generation and distribution, crude oil refining, production of fuels, petrochemical and chemical products, and product retail and wholesale.

The ORLEN Group is also engaged in research, evaluation, and extraction of hydrocarbons. It is also one of the largest electricity distributors in Poland. The Group runs a network of more than 2,800 filling stations.

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CERTIFICATIONS AND SELECTED AWARDS



CERTIFICATIONS

- **ISCC PLUS – International Sustainability and Carbon Certification** – a sustainability certification programme for bio-based and recycled raw materials for all markets and sectors not regulated as transport fuels under the European RES Directive (EU RED) or Fuel Quality Directive (FQD), which are covered under the ISCC EU certification scheme.

- **ISO 9001 – QUALITY MANAGEMENT SYSTEM**
- **ISO 14001 – ENVIRONMENTAL MANAGEMENT SYSTEM**
- **ISO 50001 – ENERGY MANAGEMENT SYSTEM (EnMS)**
- **OHSAS 18001 – OHSAS MANAGEMENT SYSTEM**



Signing the Charter
of Diversity

16/11/2021
WE JOINED
THE CHARTER
OF DIVERSITY



SELECTED AWARDS

○ TOP CSR COMPANY OF THE YEAR 2021

- in the TOP 25 chart
- 1st place for an environmental project – pyrolysis unit

○ SODEXO EMPLOYER OF THE YEAR – organised by the Employer Club:

- 3rd place in the Ústí Region for companies with up to 5,000 employees

○ TOP EMPLOYERS STUDY

organised by the Association of Students and Graduates:

- 2nd place in the category of Energy & Gas Industry & Petrochemical Industry

○ CERTIFICATE OF A FAMILY-FRIENDLY COMPANY for the years 2021–2024

○ CZECH INDUSTRY CHALLENGE 2021 – a nationwide competition backed by the Ministry of Industry and Trade of the Czech Republic

- 1st place in the category of 'Remarkable Ambassador': Peregrine falcons
- 2nd place: Industrial Photograph
- 3rd place: Recruitment Video

○ HONEY FROM THE SPOLANA PLANT

– a gold medal in the Czech Honey 2021 competition for the fourth time

○ WE ARE A SIGNATORY OF THE CHARTER OF DIVERSITY

The European Charter of Diversity is a European Commission's project. Its aim is to encourage, support and implement diversity, flexibility, and inclusion as essential values in the Member States' labour markets. Mutual interaction is equally important – inspiring and sharing know-how, experience and best practice.



SUSTAINABLE BUSINESS UNTIL 2030

In 2021, we unveiled a new sustainable business strategy, which specifies the significant positive impact of our technologies on the environment. Besides reducing emissions such as NO_x, carbon dioxide, sulphur oxides and solid particles, we are also committed to substantially reducing our carbon footprint. The ultimate goal is to become carbon-neutral by 2050. We have set a roadmap enabling us to meet the gradual targets for 2030 to which we are committed. We are ready to dedicate substantial funding to meet this goal.

SIGNIFICANT ACTIVITIES UNTIL 2030

Decarbonisation

Decarbonisation is a crucial part of our strategy, including energy and mobility.

Increasing energy efficiency

- We want to lower CO₂ emissions by 200,000 tonnes, equivalent to heat and electricity savings for 28,000 Czech households.

Emphasis on low-emission fuels and renewables

- We will fully replace coal – we will not burn 1.1 million coal per year.
- We want to process bio-methane as a replacement for fossil gas.

Advanced biofuels

- We will replace fossil car fuels with fuels manufactured from renewables. We want to produce 230 million litres of fuel from renewables, which would drive about 220,000 passenger cars.

- Our projects will effectively use renewables such as waste biomass, waste cooking oil, and municipal waste. We want to process up to 1,000,000 tonnes of mass yearly.

Hydrogen-based mobility

- Green hydrogen production will help reduce the standard fuels' carbon footprint and represent significant potential for clean and renewable transport. We plan to produce 4,500 tonnes of hydrogen a year, which would drive about 30,000 cars.
- The infrastructure development for hydrogen-fuelled cars will ensure stable comfort for drivers. We will expand the network of hydrogen refuelling stations. In 2030, there will be 28 stations in the Czech Republic and 26 sites in Slovakia.



Circular economy

Circular economy – a responsible production and use of plastics. The future of plastics is growing. But this growth will be accompanied by the introduction of recyclable materials. The current widely used mechanical recycling will be supplemented by chemical recycling. These technologies will enable producing high-quality plastics suitable for the construction industry and food sector. The future is in the maximum plastics recycling.

We want to be a driving force behind this development and produce up to 200,000 tonnes of recycled plastics.

This volume accounts for about 33 billion plastic cups or 50,000 km of water pipes, 1.25 times the Earth's circumference.

The subsequent development is possible thanks to the robust research infrastructure at ORLEN PIB and ORLEN UniCRE.

If we complete all crucial activities, we expect to reduce CO₂ emissions in 2030 by more than 20 per cent compared to 2019. It means the volume of CO₂ discharged each year will be lower by 1,000,000 tonnes.

The ultimate goal is to become carbon-neutral by 2050.

OUR SUSTAINABLE BUSINESS UNTIL 2030



2050

OUR NET ZERO BUSINESS



WE'LL PRODUCE RECYCLED PLASTICS THAT WOULD BE ENOUGH FOR YOGHURT CUPS FOR 45 YEARS

We'll produce **200,000 tonnes** of recycled plastics, equivalent to **33 billion** plastic cups that would cover the entire yoghurt consumption in CR for 45 years. Alternatively, they can be used to make **50,000 km** of water pipes, i.e., 1.25 times the Earth's circumference.



WE'LL SAVE 21,000 WAGONS WITH COAL

We emphasise low-emission fuels and renewable sources. We'll completely replace coal – we will not burn **1.1 million tonnes of coal** a year. We'll process biomethane from organic sources instead of fossil gas.



2030

REDUCING CO₂ BY 20 %



EVERY YEAR, WE'LL PROCESS BIOMASS WEIGHING MORE THAN ALL CR'S INHABITANTS

We'll make fuels from waste biomass, used cooking oil, or municipal waste. It will be **one million tonnes** of biomass a year, more than the weight of all CR's inhabitants.



WE'LL SAVE ENERGY EQUIVALENT TO THE ANNUAL CONSUMPTION OF THE TOWN OF MOST

We'll lower CO₂ emissions by **200,000 tonnes**. This figure is equivalent to the annual heat and electricity savings of **28,000** Czech households, which is around the same size as the town of Most.



WE'LL PRODUCE BIOFUELS FOR 80,000 CARS, WHICH WOULD DRIVE AROUND THE WORLD

We deliver advanced biofuels. By 2030, we want to make **230 million** litres of fuels from renewable sources – **80,000 cars** would use this fuel to drive around the globe.



WE'LL MAKE HYDROGEN-AS-FUEL FOR 30,000 CARS A YEAR

Every year, we'll produce **4,500 tonnes of green hydrogen**. By 2030, we'll operate **28** hydrogen refuelling stations in CR and **26** sites in SR.

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OUR CSR STRATEGY



Our goal is to carry out individual activities ethically and responsibly and constantly build and develop the ORLEN Unipetrol Group and its relations with the public based on the generally recognised values and principles.

We have sustainability at our heart. Environmental issues and societal interests are an integral part of our daily activities. We want to meet our sustainable business plan gradually. Therefore, we have started implementing international CSR standards. All of this forms the basis of our CSR strategy.

We have determined four foundations of our CSR activities: training and education, the environment, local communities and employees.

OUR DEFINITION OF SUSTAINABILITY

ORLEN Unipetrol is a responsible protector of natural sources provided to humankind. Our mission is to drive the future and innovations by providing energy for transport and high-quality polymers. We are a leader in the energy transformation towards sustainability based on the principles of low-carbon and circular economies.

We comply with the strictest environmental protection standards and operational and personal safety norms. We provide our clients with high added-value products, services, and solutions. We do our business with consideration to all stakeholders, partners, employees, society, and the environment.

OUR MISSION

Our mission is to develop innovative, sustainable crude oil processing and alternative energy utilisation methods and maintain high sales and distribution volume for our top-quality fuel and petrochemical products. At the same time, we want to satisfy the needs of our stakeholders and customers through sustained company growth, maximising employee potential and continuing to provide a high standard of quality to society and the environment.

OUR CREDO

We process natural resources to fuel the future.

EDUCATION



CZK 4M
for 62 students,
16 schools and
9 educators



43 SCHOOLS
uses Plastik
a jeho kouzelný
kufřík set

2021 TOP CSR ACTIVITIES



LOCAL COMMUNITIES



27
**TOWNS AND
MUNICIPALITIES**
received
CZK 3.2M



7
ORGANISATIONS
received CZK 600,000
in the employee
Fulfilled Wishes charity

THE ENVIRONMENT



10 CHICKS
of peregrine
falcon born
on our sites



GOLD MEDAL
in the Czech Honey
competition
for Spolana

CZK 19.36M
FOR CSR
PROJECTS AND
ACTIVITIES

EMPLOYEES



**BY SIGNING
THE CHARTER OF DIVERSITY**
we want to improve
working environment



2 TONNES
of new fish
to Bílina
and Elbe



1ST PLACE
TOP Responsible
Company in The
Environment category

200
SUPPORTED
ENTITIES

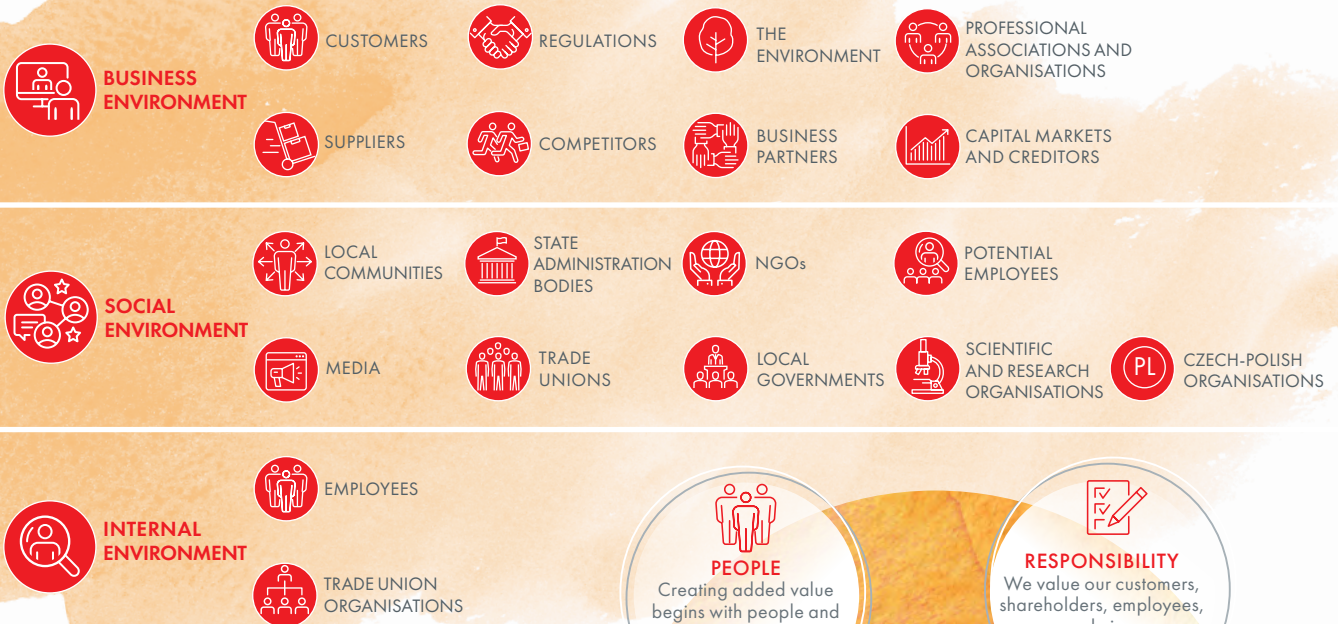


1,600
volunteer hours
worked



200
EMPLOYEES
trained in our
Training Centre

OUR STAKEHOLDERS



5.1. Training and Education



Education is a crucial foundation for the success of every nation. That is why we support remarkable projects and devise new ones. Overall, we designate our comprehensive educational activities as EDU360°. These activities are interconnected and have an extensive and standing impact. We support all levels of education in natural sciences with emphasis on chemistry: pre-school, primary, secondary schools, universities. We cooperate with schools, reward students with above-standard results, and also focus on teachers because we believe that education starts with them.

ORLEN UNIPETROL FOUNDATION

Our Foundation was established in December 2016 and actively started pursuing its goals right in 2017. Throughout its existence, the Foundation has always focused on the three main pillars of support:

Scholarship programme for students

The scholarship programme is intended for talented students of natural sciences with an emphasis on chemistry. During its five years, the programme distributed a total of CZK 7.8 million among 258 secondary and university students of natural sciences and technical disciplines.

In 2021, the ORLEN Unipetrol Foundation handed over scholarships to 62 secondary and university students worth CZK 1.3 million.

Grant programme for schools

Schools, too, can apply for financial grants for interesting projects in chemistry and other natural sciences. The Foundation's grant programme has already distributed CZK 10 million among 65 primary and secondary schools across the country to support their educational and scientific activities. In 2021, CZK 2.3 million went to 16 schools.

Grant programme for teachers

We launched the grant programme for teachers in 2019 to support and motivate chemistry and natural sciences teachers at primary and secondary schools. As part of this programme, we have already distributed almost CZK 1.2 million among 25 educators. In 2021, nine teachers received CZK 400,000.

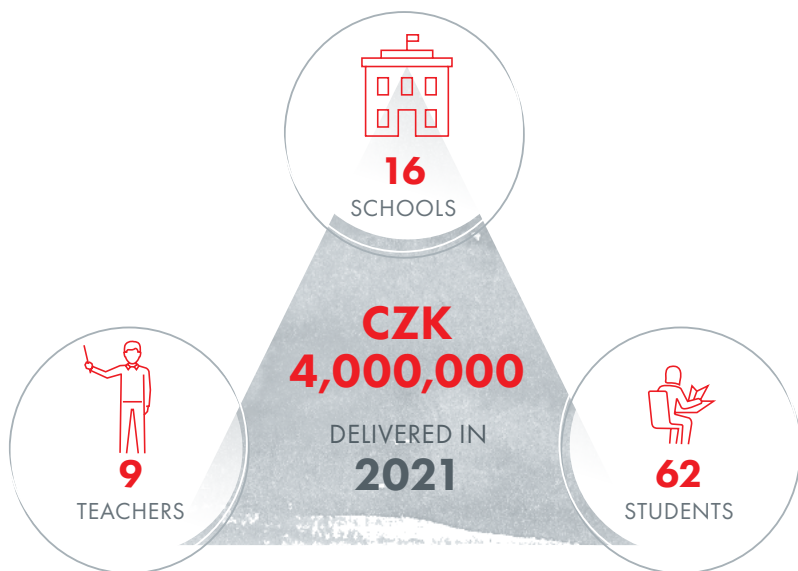
EDUCATIONAL PROJECTS OF THE ORLEN UNIPETROL FOUNDATION

Plastik a jeho kouzelný kufřík

At the end of 2021, 27 primary schools from the Central Bohemian and Ústí



Regions joined for the first time a unique project entitled 'Plastik a jeho kouzelný kufřík'. It offers pupils at the primary school's first level an excursion into the world of chemistry using entertaining experiments. This educational programme is a licensed project of the Plastics Europe Foundation from Germany. We decided to provide this programme exclusively to selected schools in the Czech Republic. Its aim is to raise interest in natural sciences through experiments with plastic materials. In this project, primary schools received an educational set of a suitcase with an experimental kit, worksheets for children, and manuals for teachers. We also organised special workshops for teachers to explain and demonstrate individual experiments.



A Wonderful Chemistry Lesson

Together with UCT Prague and ORLEN UniCRE, the ORLEN Unipetrol Foundation organises an infotainment event for primary school students called A Wonderful Day with Chemistry. Unfortunately, this project was suspended in 2020 due to the pandemic.

That is why the ORLEN Unipetrol Foundation decided to shoot an online version called a Wonderful Chemistry Lesson. Two parts were shot in 2021. They offer interesting experiments for children not only in the Ústí Region but also across the Czech Republic.

EDUbus

EDUbus is a mobile polytechnic laboratory that offers a series of educational programmes and experiments for children and their teachers. Schoolchildren can try out a variety of chemical experiments in a funny way and take a peek at modern methods of teaching chemistry. The Foundation has been a partner of the project since its inception. In 2021, the Foundation arranged that EDUbus visited eight schools in the Ústí Region.



4EDU Conference

A conference on innovative education and its current trends is held by the ORLEN Unipetrol Foundation and the upper-secondary school, Gymnázium Josefa Jungmanna, in Litoměřice under the auspices of the town of Litvínov. The second annual conference took place in 2021. It focused on the innovative forms of education and teaching opportunities in cyberspace. The event attracted 100 participants, including teachers, school principals, representatives of school incorporators, and students. An additional 300 viewers watched the conference online. The main idea was the transition from in-person to digital learning.

Flying Teacher

In the school year 2021/2022, we launched the Flying Teacher project. It helps selected schools in the Ústí Region with chemistry lessons. Thus, we seek to provide assistance to schools lacking qualified chemistry teachers. Following the given school's educational programme, the "flying teachers" prepare engaging chemistry lessons spiced with fascinating experiments to supplement theoretical chemistry lessons. Such experiments could not be performed by teachers

without a chemical background. The Foundation arranges both the teachers and provides funding, including the necessary equipment.

Fridays with Science

The Fridays with Science project is implemented in cooperation with the upper-secondary school in Litoměřice (Gymnázium Josefa Jungmanna) throughout the school year. The initial plan – to enable students to meet significant personalities from science, research, and the academia personally and debate with them – moved online. Thus, it is accessible to students from all over the Czech Republic. Once a month, always on Friday, a lecture by leading Czech experts is presented on the ORLEN Unipetrol Group's YouTube channel.

WHAT ARE THE OTHER ACTIVITIES OF THE ORLEN UNIPETROL FOUNDATION?

Chemical Swap Meet

In this project, we offer used equipment from laboratories, classrooms, small furniture, and chemical consumables free of charge for teaching purposes. These used yet fully functional materials can be used in chemistry lessons. For example, in 2021, the ORLEN Unipetrol Foundation donated unused chemical glass to the Bešov Primary School with Kindergarten in the district of Most. In November, the Brno University of Technology received a 'bander', i.e., a discarded granulation line to be used for teaching purposes.



Horizon Hydrogen Grand Prix



Flying Teacher

2021 ORLEN UNIPETROL FOUNDATION

A
WONDERFUL
LESSON
WITH
CHEMISTRY
2x

FLYING
TEACHER
3 schools

HORIZON
HYDROGEN
GRAND
PRIX
**6 school
teams**
supported

EDUBUS
8 schools

FRIDAYS
WITH
SCIENCE
**9
lectures**

Horizon Hydrogen Grand Prix

We encourage school children and students to participate in the educational project, Horizon HYDROGEN Grand Prix. Every year, student teams compete in this race of self-made hydrogen-powered remote-control cars. We believe that hydrogen is the fuel of the future. In 2021, we supported the participation of six student teams by buying the necessary materials to assemble a hydrogen-powered car model.

Student Scientific Conference

In cooperation with the University of Chemistry and Technology in Prague and ORLEN UniCRE, the sixth annual Student Scientific Conference was held in the Litvínov University Centre in 2021. It is a presentation of student scientific work focused on technical and natural science issues. The awarded students received the ORLEN Unipetrol Foundation's scholarship.



VědaFest

The 'VědaFest' (ScienceFest) project is designed both for schoolchildren and students from primary and secondary schools and the public. It is the largest outdoor infotainment project in Czechia, offering its visitors insights into science in all its forms in an entertaining and playful way. The ORLEN Unipetrol Foundation took part in the project in 2021 with the following topic: Hydrogen – fuelling the presence and the future.

EDUCATIONAL PROJECTS OF THE ORLEN UNIPETROL GROUP

Cooperation with UCT Prague

We established collaboration with the University of Chemistry and Technology in Prague (UCT) 20 years ago.

As a result, we finance many interesting projects, e.g. A Modern Chemistry Lesson, which aims to show that chemistry lessons can be an exciting experience even at primary schools. In exchange, we made a relaxation zone for students at the university. We also finance the Chemistry Olympiads for secondary schools. Our strategic partnership allocation is worth CZK 1.3 million each year.

Litvínov University Centre

The long-term cooperation with UCT in Prague culminated in 2015 with the establishment of the University centre UCT Prague-ORLEN Unipetrol directly on the premises of the Litvínov production site. The Faculty of Mechanical Engineering of the Czech Technical University (FME CTU)



20 years of cooperation





43
JOBBERS



11
LECTURES FOR
SECONDARY
SCHOOLS

joined the cooperation in 2020. That is why the University Centre changed its name. The Litvínov University Centre is a unique combination in the Czech Republic and Europe, where a public institution of higher education is located directly in a commercial production site. It is a remarkable and attractive study opportunity in the Ústí Region. Three Bachelor's and one follow-up study programmes are now available to 50 undergraduates. Future plans include the efforts to obtain accreditation for a new study programme focused on practical instruction and the study's engineering, process, and technological character. This programme aims to provide graduates with broader opportunities to find employment in the labour market.

Memorandum of Cooperation with the Technical University in Košice

We are active in hydrogen mobility, so we signed a memorandum with the Technical University in Košice. This memorandum forms the basis of future cooperation in hydrogen research and development as a suitable energy carrier. Hydrogen's broader use in industry paves the way for greening in industry and public mobility. With this step, we also expand the cooperation with the academia in education, research, and development in Slovakia.

Cooperation with secondary schools

We have been long-term partners of three secondary schools. Litvínov-based **Schola Humanitas**, the secondary school **Educhem** in Meziboří, and the secondary technical school of

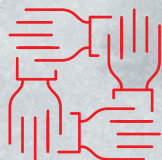
gastronomy and services in Most are located close to our production facility in Litvínov-Záluží. We support students through scholarships, practical training in the plant, or student jobs. We also help modernise the interior and equipment at the schools. Scholarships, practical training, student jobs, and excursions are also available to students from other schools.

Looking for the best young chemist in Czechia 🇨🇪

We traditionally support the nationwide competition called The Young Chemist. It is organised for eighth- and ninth graders at primary schools. We contribute CZK 75,000 to the competition's organisation both in regionals and the national round.

2015 ESTABLISHING THE LITVÍNŮV UNIVERSITY CENTRE

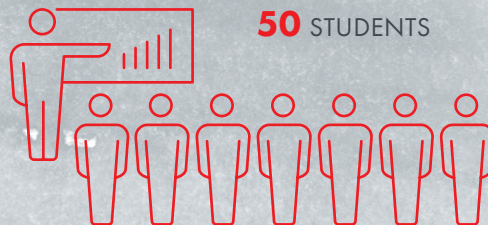
4 PARTNERS



35 RESEARCH PROJECTS
WITH UCT PRAGUE



50 STUDENTS



5.2. Local Communities

EMPLOYEE CHARITY
7 NON-PROFIT ORGANISATIONS
CZK 505,000

We contribute to the well-being and development of the regions where we operate. We want to be seen as responsible neighbours. So, we communicate both with the local authorities about the issues regarding life in towns and cities and with the locals to learn more about what they need.

Cooperation with towns and municipalities

We provide funding to the towns and municipalities located close to our operating plants to support the development of social and cultural life, sports activities, and the modernisation and development of local communities. For example, the funds are allocated to road and cycle path repairs, public lighting modernisation, nursing home furnishings, building a traffic park, etc. In 2021, we donated CZK 3.2 million to 27 towns and municipalities.

Employee charity, Fulfilled Wishes

Our traditional charity helps non-profit organisations care for the people in need. We held the eleventh annual fundraising in 2021. How does it work?

Our employees complete a Fulfilled Wishes form on which they choose an organisation(s) that they want to support and indicate the amount to be donated. Then the form is given to the payroll clerk. The total amount is taken from the employee's pay and forwarded to the account of the selected organisation. The ORLEN Unipetrol Group matches each donated sum. During the charity held at the turn of 2021/22, our employees and we donated over CZK 505,000 to seven non-profit organisations.

Cooperation with the Dagmar and Václav Havel Foundation Vize97

The Dagmar and Václav Havel Foundation covers various interests and activities, including culture and health care. We find many of them exciting, so we have been supporting their activities since 2014. In 2021, the Foundation again received prepaid fuel cards worth CZK 200,000. Also, Ms Dagmar Havlová, our CEO Tomasz Wiatrak, and Karlovy Vary Mayor Andrea Pfeiffer Ferklová launched a tree planting project in the town as part of the International Film Festival in Karlovy Vary. They planted the first tree together.

Konto našeho srdce HC VERVA Litvínov

Konto našeho srdce (Our Heart's Account) promotes sports among children, supports education and cultural projects. In addition, it supports valuable charity projects implemented jointly by HC Verva players and their fans.

In 2021, Our Heart's Account received CZK 512,309 from a transparent account, including CZK 121,069 from an auction of sports outfits and CZK 44,902 from the charity admission fees to the interactive stadium on the eve of the 'Hairy Match'. The total funds spent amounted to CZK 248,293.

Last year, the funds raised in the transparent and collection account helped 34 children and St. Theresa's Home Hospice services, which received an oxygen concentrator. The third annual 'Hairy Match' also helped small Matylda. In cooperation with the Nové Háro association, the funds supported four more children, who received true hair wigs. They did not have their own hair due to chemo.

5.2.1. Collaboration with Organisations and Institutions

Czech-Polish collaboration

We have long encouraged and supported the development of Czech-Polish relations. We collaborate with the Embassy of the Republic of Poland in Prague, the Polish Institute in Prague, the Polish Business Club in the Czech Republic, and many other organisations. Unfortunately, many cultural and social events could not take place due to the coronavirus pandemic. Nonetheless, we are optimists and are looking forward to new organisational challenges, diligent preparations, and beautiful experiences.



Fish stocking

Polish Day in the Gardens

This family day in the garden of the Polish Embassy in Prague, which presents individual Polish regions, was held on the first Saturday in September 2021. Nice weather attracted many visitors, who could learn additional information about Polish traditions, curiosities, and culture. In addition, children could take a look around our EDUbus, a mobile polytechnical laboratory, and try out many exciting experiments.

Membership in the 'Byznys pro společnost' platform

We became a member of the Byznys pro společnost platform in 2019. As a result, we got an opportunity to obtain a prestigious quality mark for social responsibility, inspirational networking and proven best practices, comparative data on CSR strategies not only within our industry. Last year, we further cemented our cooperation, e.g., by participating in the UP! forum about sustainability or joining the Charter of Diversity. We believe we will soon become a leader in corporate social responsibility and be able to pass our insights and experience on to others.

Environmental Centre in Most for the Ore Mountains 🇵🇱

We are one of the founding members of the Environmental Centre in Most for the Ore Mountains (Ekologické centrum Most pro Krušnohoří). We cooperate with them when it comes to informing the public about the current issues in our operations. The centre is also involved in other activities we offer. For instance, they prepare competitions and an educational programme for children attending the fish-releasing projects into the rivers Bílina and Elbe.



Polish day in the gardens

5.3. The Environment



Fish stocking



Nesting of peregrine falcons

Each year, we spend more than CZK 0.5 billion on environmental protection, health and occupational safety.

We continuously modernise our operations, optimise energy efficiency, reduce the volume of emissions and waste substances and dispose of the old environmental burden in cooperation with the Czech Ministry of Finance. The volume of emissions discharged into wastewater has fallen by 83 per cent over the past ten years. The volume of emissions released into the air has dropped by 70 per cent. Details are provided on the website in the Joint Report on Safety, Occupational Health and Safety, and Environmental Protection. 🏠

THE MOST SIGNIFICANT INVESTMENT PROJECTS IN OUR OPERATING SITES

- Construction of a new steam cracker boiler in Litvínov - Záluží
- Addressing sulphide lyes in wastewater from the Litvínov - Záluží refinery
- Industrial sewerage renovation in Litvínov - Záluží
- Installing the Zickert equipment in Sedimentation Tank in Litvínov - Záluží

- Combined sewerage pumping station in Unit 69 in Litvínov - Záluží
- Emergency overflow and storage reservoir for sulphur at PS 2517 in Kralupy nad Vltavou

Environmental protection is essential to us, so we pay great attention to activities in this area over the long term. We closely cooperate with local non-profit organisations and institutions.

EXAMPLES OF OUR ACTIVITIES

Nesting project for peregrine falcons

Peregrine falcons are a critically endangered species. About 120 peregrine couples are living in the Czech Republic. As this bird of prey does not build its nests, we can often see them in the rocks or, surprisingly enough, on industrial sites. ORLEN Unipetrol has cooperated on the peregrine nesting project with the ALKA Wildlife association since 2011. A total of 40 chicks have so far been born on ORLEN Unipetrol premises. Two nest boxes are currently placed on the chimneys of the boiler house and steam cracker in Chempark Záluží. Two more boxes are on the chimneys in Spolana Neratovice, and one in the Kralupy nad Vltavou Refinery.

Stocking the Bílina and Elbe rivers with fish

Releasing fish into the Bílina and Elbe Rivers is part of a joint project of systematic fish-stocking, organised by the refining and petrochemical ORLEN Unipetrol Group, Czech Fishing Union, and the Environmental Centre since 2010. The stocking is also attended by children from the local primary schools, who get both fascinating experience and new information about the environment. We have already stocked the Bílina with ten tonnes of fish worth CZK 1 million and the Elbe with 4.5 tonnes of fish for about CZK 500,000.

Bees

Spolana, a traditional chemicals producer and a member of the refining and petrochemical ORLEN Unipetrol Group, has been keeping bees on its premises since 2018. The local honey's high quality and the delicious taste was again attested by an accredited laboratory of the Bee Research Institute in 2021. The Institute also organises the annual Český med competition (Czech Honey). Spolana was awarded a gold medal for the fourth time in a row. The thriving bees in this location are also documented by the amount of the bottled honey – 90 kg.

PET bottle collection in our sites

In 2020, we started collecting PET bottles into special collection boxes in our Litvínov and Prague locations. We will use them. As part of our PYREKOL project, we are developing a way to best recycle plastic waste and extract a valuable material to be reused. We want to process plastics through chemical recycling and produce new quality materials in the spirit of circular economy.

Treasure out of waste

More than 400,000 tonnes of plastic waste are produced in the Czech Republic every year. Of this volume, 45 per cent is neither reused in energy nor recycled. We are now exploring options for treating this waste and remelting it into a valuable material. We plan to build a pyrolysis unit in our Litvínov plant. We will recycle plastics using a chemical process of pyrolysis. Pyrolysis, or material degradation under high temperatures, is the most interesting technology for treating plastic waste. It provides high gains of fluid products suitable for producing new plastic products of top quality. Plastic waste is currently treated rather mechanically, enabling producing products of lower quality with limited application fields.



Bees



Collecting PET bottles



The planned pyrolysis unit will test various types of input materials, also including single-type plastic waste. These materials include PET bottles that are suitable for this type of treatment and are easily accessible.

Collection of PET bottle caps

In 2020, we started collecting PET bottle caps in all our sites. We will donate the funds raised to a non-profit organisation, Borůvka Praha. We cooperate with them also within the employee charity, Fulfilled Wishes.

ChemTechNext

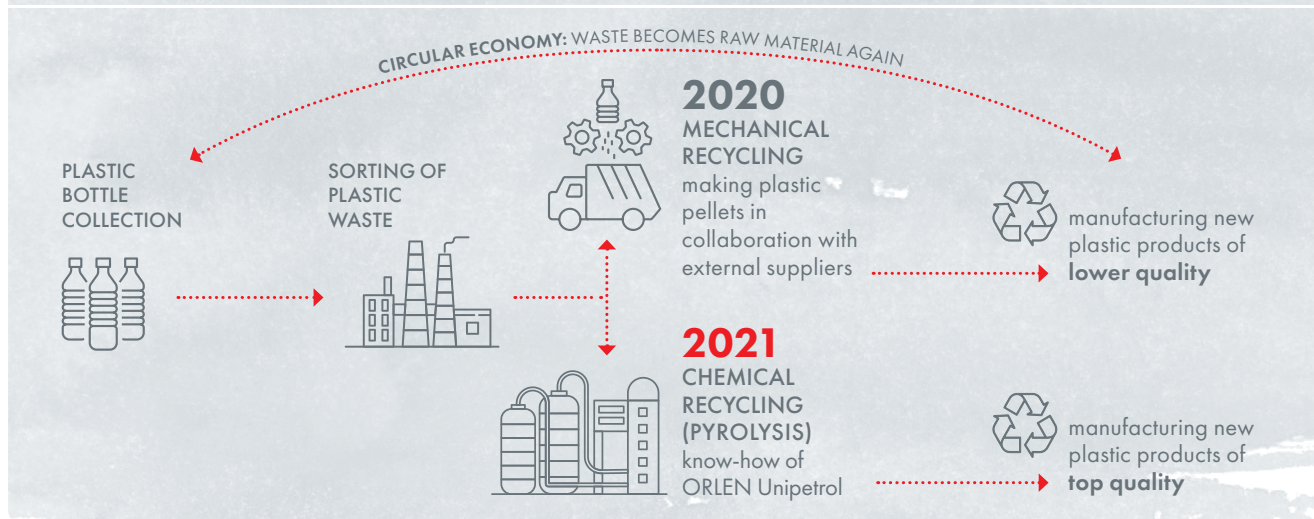
Together with the centre of research and education, ORLEN UniCRE, we launched the first year of the acceleration and investment programme, ChemTechNext, focused

on the future of the chemical industry. With this programme, start-ups, small and mid-sized enterprises can get an opportunity to develop their ideas or be involved in implementing other ideas and tap some funding. With ChemTechNext, we react to the global challenges related to climate and the environment, fast technology development, and progress to sustainable and responsible solutions. Among other things, we aim to help develop new talents, business, and improve the Czech and European economy's competitiveness.

The programme is divided into the following five areas:

- Advanced biofuel production
- Chemical recycling

HOW WE MAKE **TREASURE** OUT OF WASTE



- Hydrogen-based economy
- Industry 4.0
- Other

Let's talk about it

A series of interviews with experts and innovators, 'Let's talk about it', focuses on the latest sustainable development trends. It is an idea-sharing platform exploring new ideas and organising authentic debates about the future and future development. It also allows for a dialogue about the upcoming changes and their impact on consumers and manufacturers. We increasingly realize that the current economic models cannot be sustained from the long-term perspective. That is why we need to cooperate on innovations and the creation of new structures. However, this change requires a well-considered

debate, search for creative solutions, and cooperation. The most recent podcasts focus on issues such as bioplastics, the plastic age, hydrogen fuels, circular economy etc.

UPI Sustainable Business Forum 2021

We were the ambassador of this sustainability forum in 2021. It is organised by Byznys pro společnost. The discussions about the trends that we should reflect TODAY for our sustainable TOMORROW. We were actively involved with our contribution about the circular economy.

Operation Clean Sweep

We joined the initiative to prevent plastic leakages into the environment. We signed an international declaration

entitled Operation Clean Sweep (OCS). Using this declaration as the basis, we started to gradually implement the programme's principles focused on preventing plastic leakages into the environment in 2021. The programme is coordinated by the European association PlasticsEurope. This project reacts to the unfavourable development in environmental pollution with plastics. It aims to prevent plastic particles of all sizes from leaking into the environment along the entire production chain. The OCS programme provides businesses in the plastics industry with guidelines and measures to reduce the risk of leaks into the environment both during standard operations and in emergencies, whenever during processing or transport.

5.4. Employees

Last but not least, we pay attention to our greatest asset – the employees. We are considered one of the top employers in the chemistry industry and one of the best potential employers among students and graduates.

We are proud of our almost 5,000 people on board. That is why we give them outstanding care to make their workplace as friendly as possible. To make sure everything is just and fair, we established the position of the Ombudsman to whom people can report inappropriate behaviour of colleagues, various forms of harassment and bullying, corrupt behaviour or any other acts causing harm to the company and its employees. The Ombudsman also deals with violations of corporate values and acts as a mediator.

IN 2021



EXAMPLES OF OUR ABOVE-STANDARD APPROACH TO EMPLOYEES

We are engaged in a dialogue with our employees

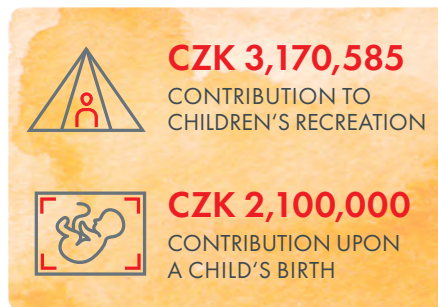
- Our employees can express their views through a discussion forum.
- We regularly organise an employee satisfaction survey and address major issues. We measure employee satisfaction at work and take all comments about their work seriously.
- Each department has a responsible HR Business partner who can deal with any problem.
- We launched the election of the new ethical standards ombudsman for the ORLEN Unipetrol Group at the end of 2021.

We care for the health of our employees

- For our employees, we pay above-standard rooms in hospitals throughout the Czech Republic.
- We completely cover recovery stays for our employees working with self-contained breathing apparatuses.

Our employees have above-standard benefits, such as:

- Family support: We provide a day off on the first day of school of our employee's children, contribute to children's recreation, etc.
- We have an end-to-end offer of employee training: soft skills, language courses, professional seminars, educational and development programmes.



- The weekly hours of work are 37.5 hours. Our employees have five to six weeks of holidays a year.
- For the convenience of our employees, we offer up to 30 home office days a year.
- We provide a financial reward for recommending a new employee.
- We give employees a financial contribution at the birth of a child.
- We pay for a day of volunteering in a non-profit organisation.

We have a transparent remuneration system for all employees.

We use the potential of employees of all ages (age management strategy), primarily through a programme of mentoring and training new employees for the operator position at the Training Centre.

EXAMPLES OF SPECIAL EVENTS AND ACTIVITIES

Training Centre

The Training Centre is an integral part of the learning system. It primarily allows integrating new employees into the Group's structure seamlessly. It provides a unique opportunity to become familiarised with chemistry and production processes and get

ready for the operator's role. Its principal activities include training courses for new operators, theoretical and practical instruction, supervision of the operators' further development, cooperation with foremen and lecturers, arranging qualification exams. The Training Centre is also intensively used for excursions and experience projects for secondary school and university students. The practical training also involves a fire safety incident ground. A total of 354 operators have been trained in the Training Centre over the past four years.

ORLEN Unipetrol Group Award

We present this award to employees of the Unipetrol Group companies for their extraordinary work performance. In 2021, the eleventh annual award was given to 20 employees from production and support organisation units. The number of nominations from the colleagues from the ORLEN Unipetrol Group is the main criterion.

Graduate Programme

The Graduate Programme is for graduates up to two years after graduation. They go through a two-year round in the ORLEN Unipetrol Group companies.



If they prove successful, they can choose a job position they like. Thirteen colleagues participated in the programme in 2021. Ten university graduates from the Graduate Programme got a steady job in 2020/2021. A new graduate programme for control centre operators was established in 2021.

IDEA Platform

It is a platform for our employees to suggest innovative solutions to be adopted by the company. Every year we reward the best initiatives and their implementation. Selected employees

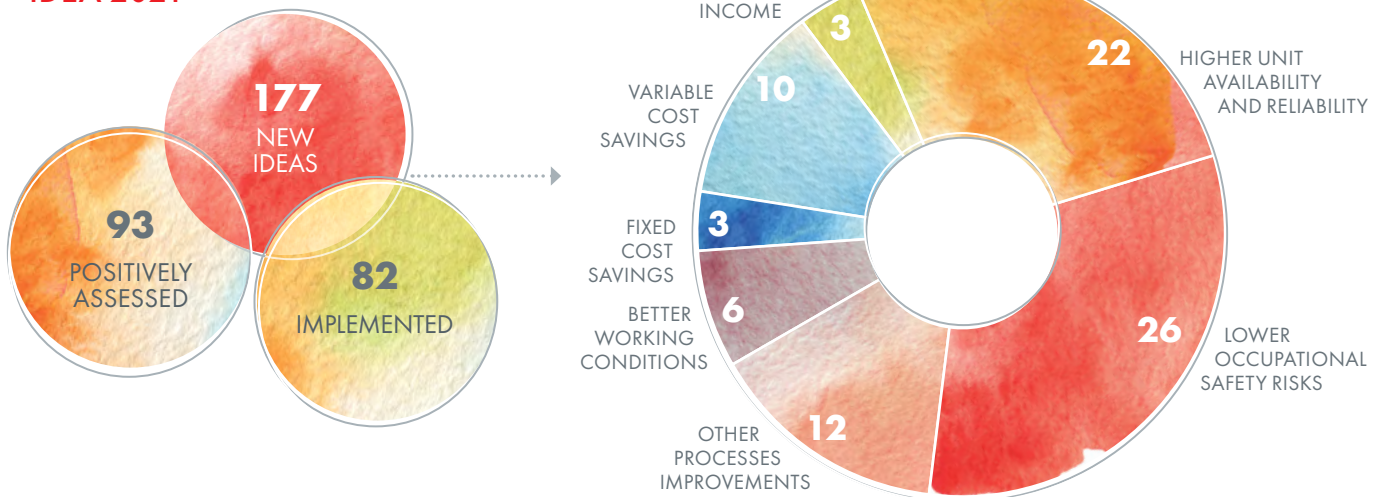
receive a financial reward for their improvement suggestions. In 2021, 93 employee ideas received a positive evaluation, including 83 rewarded ideas. We successfully implemented 82 initiatives in 2021.

For example, we received the idea of saving energy during the wastewater treatment process. After implementing the idea, i.e., decontaminating the inlet pipes, renovating the aeration system in aeration tanks, and decontaminating the degassing chamber, the operations will be optimised, thus saving energy in the blowers' operations.

Safety Week

Halfway through September, employees could participate in the Safety Week, combining online and in-person activities in 2021. Employees could attend two experience days with first aid, online learning, and two side competitions. The experience days offered demonstrations of rescuing people from vehicles, first aid in case of burns, collapse, or massive bleeding. Online lectures brought helpful information about rescuers' behaviour in case of emergencies, healthy lifestyle,

IDEA 2021



and first aid and ergonomics. The e-learning part addressed several safety topics, too. They included first aid, procedural safety, healthy lifestyle, ergonomics of sitting behind a computer and car wheel, safety showers, and rescuers' behaviour during emergencies. The project also offered tutorials on behaving safely behind the wheel and about personal protective equipment.

Financial reward for recommending a new employee

With this programme, we want to increase the involvement of our colleagues. The first part of the bonus (CZK 7,500) is paid to the recommending employee if the recommended colleague remains with the company longer than a probationary period and meets other pre-set criteria. The other part (CZK 10,000) is paid if the recommended employee's employment contract is also extended after the first year of employment. In 2021, we paid total bonuses for recommending a colleague worth CZK 2,250,000.

komUNIta

komUNIta is an internal platform, engaging employees in helping the needy through volunteering. The idea

about the platform was devised by the employees alone. It was launched in 2020 and is based on a simple principle. Any employee can pick a non-profit organisation or institution to help. They contact the organisation and agree on specific needed work. Then they register the project in the platform and state the particular organisation's name and method of help and whether they need other volunteers or funding. If the commission approves the project, the ORLEN Unipetrol Group provides a donation to cover the costs associated with volunteering. We managed to implement 25 out of 38 approved volunteering projects in 2021. And our employees worked more than 530 hours within komUNIta projects.

Uniriders Graceful Ride

The ORLEN Unipetrol Foundation organised the Uniriders Graceful Ride, a fundraising project of the Uniriders bike club, for the first time in 2019. The third annual ride took place in 2021. The ORLEN Unipetrol Foundation prepared a new way for the motorcycle club's members to contribute to diverse charity projects with their passion for motorbikes. The aim was to ride 100,000 km that were turned into financial support.

komUNIta 2021



**OVER
530** HOURS
WORKED



25 IMPLEMENTED
VOLUNTEER
PROJECTS



28 SUPPORTED
ENTITIES



komUNIta



Uniriders
Graceful Ride

The funds were subsequently donated to the Foundation of Police Officers and Firefighters and a three-year-old Vitek, who has Down syndrome.

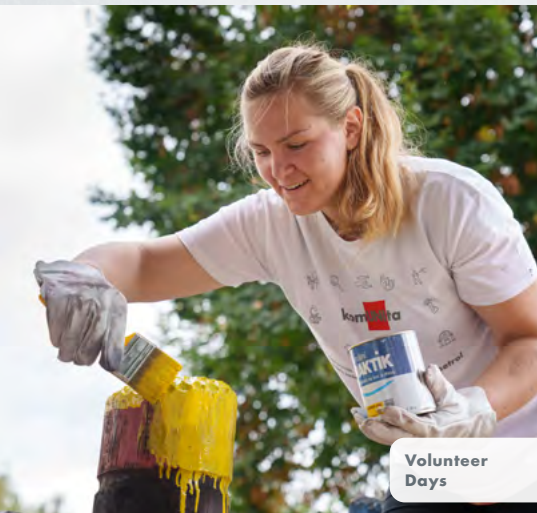
Runners Club of ORLEN Unipetrol Employees

The Runners Club is one of our employee initiatives. We noticed that not only running was among our employees' favourite activities. So, we decided to expand the club activities with biking and hiking. We donate CZK 100 to charity for each kilometre of sports activities. In 2021, we raised CZK 255,000.

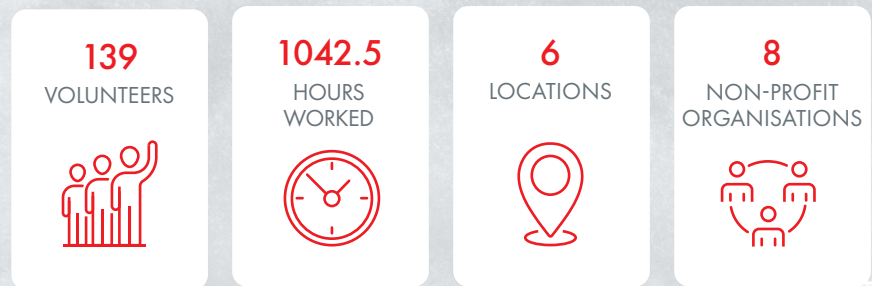
The ORLEN Unipetrol Foundation distributed the money among four individuals and the Klubíčko centre.

Volunteer Days

Once again, we organised volunteer days, during which we helped in eight non-profit organisations. A total of 139 colleagues participated in six localities, who worked together for over a thousand hours. Together we cleaned parks, painted and renovated wooden stalls and gazebos, painted interiors and cleaned the shores around water bodies.

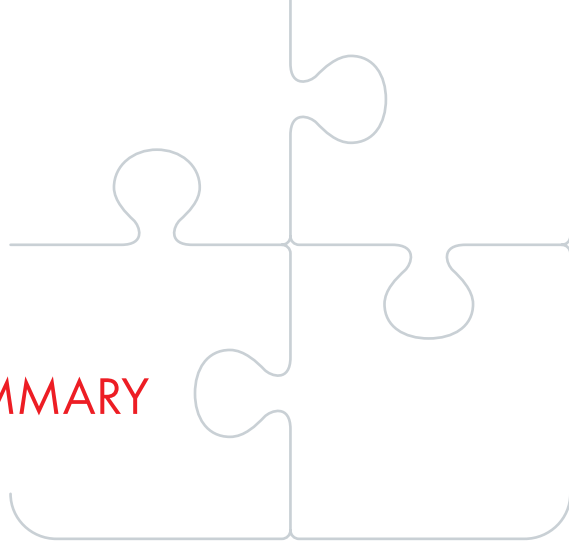


Volunteer Days



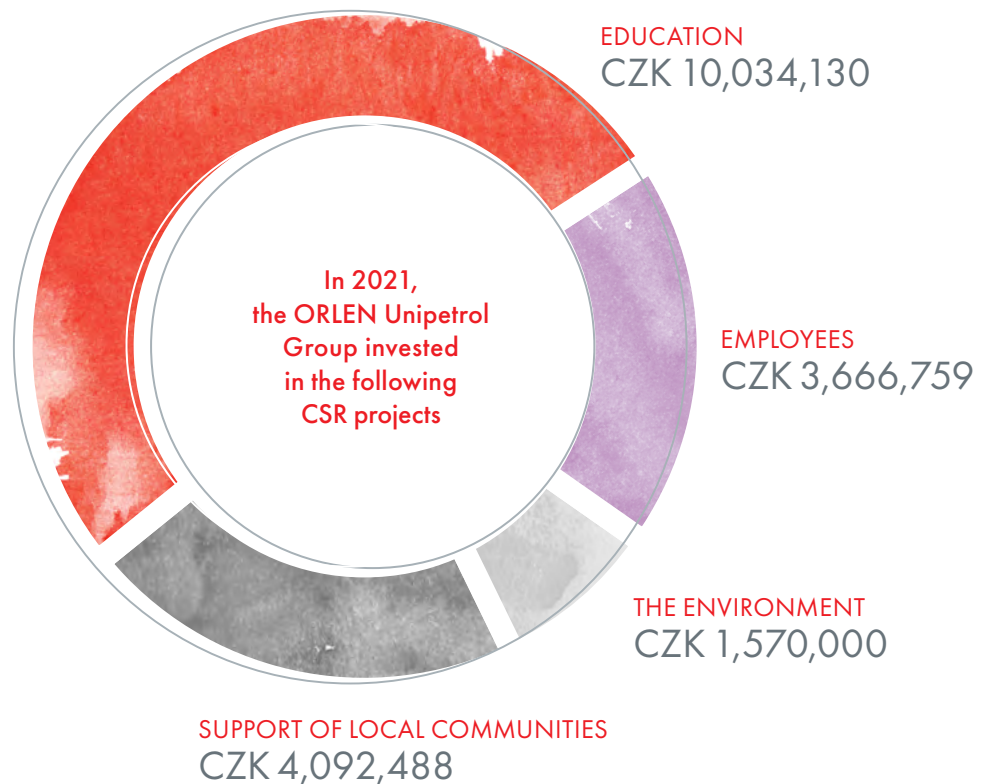


SUMMARY



TOTAL EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES REACHED IN 2021 OF **CZK 19.36 MILLION**

DONATIONS ACCOUNTED FOR **CZK 14.5 MILLION** OF THIS SUM





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