



THE CORE VALUES AND STANDARDS OF CONDUCT  
OF PKN ORLEN

SEPTEMBER 2012



## II PKN ORLEN's core values and standards of conduct

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### OUR MISSION:

We discover and process natural resources to fuel the future.

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### OUR CORE VALUES



#### RESPONSIBILITY

We respect our customers, shareholders, the natural environment and local communities.



#### PROGRESS

We explore new possibilities.



#### PEOPLE

We are characterised by our know-how, teamwork and integrity.



#### ENERGY

We are enthusiastic about what we do.



#### DEPENDABILITY

You can rely on us.

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### OUR CREDO:

ORLEN. FUELLING THE FUTURE.

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### III Internal relations

#### 1. Respect for employee dignity and friendly working conditions

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In order to ensure a friendly work environment at PKN ORLEN we have adopted basic principles of cooperation based on honesty, respect in everyday relations, dialogue, teamwork and commitment to creating a culture reflecting our Core Values.

- a. We foster a work environment underpinned by integrity, mutual respect, tolerance and cooperation.
- b. We reject all forms of discrimination and bullying, including harassment, intimidation and humiliation, and we are strongly committed to counteracting such behaviour.
- c. We oppose all forms of sexual harassment, and we are strongly committed to counteracting them.
- d. We do not accept offensive behaviour or comments.
- e. We never take advantage of our position within the Company to achieve personal gains.
- f. We never give contradictory instructions, and if we receive such instructions we may refuse to act on them, until they are fully clarified by superiors.
- g. We only accept instructions consistent with the remit assigned to our job position.
- h. If we receive an unclear instruction, we have the right to receive additional clarification as to what is expected of us.
- i. As managers, we never give instructions in breach of the law or such that would require employees to overstep their remit.
- j. The management staff are obliged to foster a good atmosphere in the workplace, in particular by:
  - treating employees as individuals and partners,
  - paying attention to any issues and concerns brought up by employees, making sure that there is a suitable place and ample time to discuss them,
  - supporting their subordinates through any difficulties, when they may need special help,
  - doing their best to ensure that all tasks connected with the departure of an employee are performed with due regard to ensuring ethical conduct towards the departing employee.



## 2. Safety and health of employees

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We make every effort to ensure that PKN ORLEN S.A. is a safe workplace. We continuously enhance the systems and procedures put in place to improve work safety and protect employee health, and our goal is zero accidents in the workplace.

- a. We are all responsible for our own safety and the safety of our fellow team members.
- b. We continuously improve our performance in the area of work safety and occupational health in accordance with applicable laws and standards, internal regulations and our best knowledge.
- c. We constantly enhance the methods employed to detect hazards and prevent accidents at work and occupational illnesses.
- d. We raise employee qualifications with regard to health and safety at work, and promote staff commitment to initiatives aimed at improving working conditions.
- e. We clearly communicate our policies and performance in the area of work safety and occupational health, both to employees and the general public.
- f. In situations of danger, our utmost priority is to save lives.
- g. We are committed to unwavering compliance with the regulations, rules and standards applicable to any given job position.
- h. We protect our own lives and health by using the appropriate personal protection equipment, clothes and footwear, as required for a given job position by internal regulations.
- i. We are conversant with the use of personal protection items, keeping up to date with the knowledge concerning their application and manner of use.
- j. We always use the right tools, in accordance with their intended purpose.
- k. While working, we never consume alcohol, drugs or other intoxicating substances, and we never arrive at work under their influence.
- l. We abide by the standards of quality of products and services that we produce.
- m. We report to the relevant persons any breach of health and safety regulations, as well as any accident, injury, illness or uncontrolled release of hazardous substances into the environment.
- n. In the event of danger, we always warn persons found in the potentially affected area.



### 3. Employee communication and interaction

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Communication between PKN ORLEN employees should be based on the exchange of reliable and relevant information, necessary to ensure the proper functioning of the organisation. We firmly believe that open and honest communication helps foster good relations with stakeholders, thereby enhancing the Company's competitive advantage and value.

- a. We keep employees abreast of PKN ORLEN's current strategies, plans and goals.
- b. As superiors, we update employees on any planned changes affecting their present and future careers in the organisation.
- c. We provide our subordinates with relevant information on their performance, clarify and explain reasons for our decisions, and point out areas for improvement.
- d. Our opinions on the way the Company is managed must have a solid factual basis. We provide managers with suggestions on how to improve the Company's internal processes and promote its growth.
- e. A manager has a duty to:
  - address doubts an employee may have regarding the organisation's functioning or, if unable to do so, refer the employee to a competent person who may offer satisfactory answers,
  - explain any changes in the internal rules and regulations relevant to the employee's job,
  - initiate interaction between different organisational units.

### 4. Equal opportunities employment, promotion, career and qualification enhancement and responsibility for subordinates

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At PKN ORLEN, we strive to inspire a culture based on trust, equal opportunities and fair treatment of all employees regardless of their sex, age, job position, length of employment, trade union membership, religion, nationality, beliefs, physical appearance or sexual orientation. We offer employment to the disabled, providing them with adequate working conditions and career opportunities, while seeking to remove all social barriers and promote their integration with other employees. The rules governing employee recruitment, promotion, development, evaluation, remuneration and bonus schemes are straightforward, transparent and fair.

- a. We abide by the rules governing employee recruitment, promotion, development and qualification enhancement.
- b. We evaluate the work of our colleagues and subordinates on the basis of merit.



- c. We are open to and carefully consider any feedback we may receive on the quality of our work.
- d. As managers, we support all qualification enhancement efforts of our subordinates.
- e. We engage in open and constructive dialogue regarding our performance and ways to reward our achievements.
- f. We counteract all forms of discrimination.
- g. We develop and implement rules facilitating employment of the disabled.

#### 5. Employee conduct outside the workplace and working hours

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Our conduct outside the workplace remains a private matter, not to be interfered with by PKN ORLEN. It must not, however, compromise workplace safety, our ability to meet work-related obligations or the Company's reputation.

- a. We acknowledge that our opinions expressed outside the workplace or working hours may be interpreted as PKN ORLEN's official position.
- b. When commenting on anything related to PKN ORLEN outside the workplace or working hours, we must either present the official position of the Company or make it very clear that our opinion is a private one.
- c. We protect the Company's good name and represent it with integrity and discretion, ensuring that our attitudes and conduct outside the workplace or working hours are always appropriate.

#### 6. Misuse of Company time, property and equipment

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It is our duty to promote the Company's welfare and growth. Showing respect for the Company's property, using equipment as intended and spending time at work productively is what makes an honest employee.

- a. We refrain from using the Company's property (including but not limited to phones, fax machines, copiers, other pieces of equipment or machinery, merchandise, and company vehicles) for purposes unrelated to our job, unless separate internal regulations provide otherwise.
- b. We refrain from attending to private business during working hours.
- c. We refrain from using expense accounts for non-business purposes.





## 7. Offering and receiving benefits

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The practice of offering and receiving gifts is acceptable in business if it serves the purpose of building good, sincere relations with commercial partners. However, the pillars of PKN ORLEN's cooperation with customers and business partners are the quality of our products and services, as well as high standards of professionalism in relations with the external stakeholders. We refuse to approve of anything, including financial gratification, gifts and complimentary services, which may affect the objectivity of our business decisions.

- a. We are only allowed to accept low-value gifts (the value cap defined in the PIT Act should be used as a reference), provided they do not affect the way we perform our duties or influence our decisions and do not obligate reciprocity, or if they are promotional items presented officially or publicly (for instance during a formal event).
- b. We refrain from offering benefits to our business partners other than customary gifts, including promotional or other low-value items (the value cap defined in the PIT Act should be used as a reference).
- c. We refrain from attending entertainment events and informal meetings hosted by our commercial partners if this could affect our objectivity in making business decisions relating to such partners.
- d. At the Company, we receive delegations of public authorities, business partners, and potential business partners. This is permitted to advance and present the advantages of using PKN ORLEN's products and technologies, provided this entails no attempt to influence any decisions with a promise of personal gain.
- e. If in doubt whether to offer or accept a gift, follow the internal regulations in place at the Company or, failing that, consult your immediate superior or the Ethics Committee.



## 8. Conflicts of interest and competitors

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At PKN ORLEN, we value integrity and respect for our organisation. As employees, we avoid situations giving rise to conflicts of interest where our private interest could influence the decisions we make. Accordingly, we preserve and implement effective procedures designed to identify potential conflicts of interest. We also strive to ensure that the internal systems, control mechanisms and procedures adequately serve the purpose of identifying and managing conflicts of interest.

- a. We provide no advisory services to competitors of the ORLEN Group.
- b. We provide no services to the Group's competitors under an employment contract or a mandate contract, nor do we hold any positions on the governing bodies of such companies.
- c. We may only hold shares in a competitor in a number that precludes us from exerting any influence on the competitor's business decisions.
- d. We refrain from participating in or exerting an influence on the supplier selection process if we hold any shares in that supplier or if our relative or another closely related person is either an owner or employee of that supplier.
- e. We never invest in shares of a supplier if we are involved, directly or indirectly as a supervisor, in the selection or assessment of, or are in negotiations with, that supplier.
- f. We never invest in shares of a PKN ORLEN supplier if we are responsible, directly or indirectly as a supervisor, for dealing with that supplier.
- g. Any other relations with the Company's competitors, customers or suppliers that may involve a conflict of interest must be reported to our manager, and handled in accordance with the relevant internal regulations. In particular, a written approval must be sought and, if doubts persist, the Ethics Committee must be consulted.
- h. At PKN ORLEN, we avoid situations that could raise a suspicion of nepotism, including in the manager/subordinate context, in relation to relatives or other closely related persons.



## 9. Data protection and privacy

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At PKN ORLEN, we exercise the utmost care to protect information that we, as employees, deal with when performing our day-to-day duties, including personal data of the Company's employees and associates. We collect such data only on an "as needed" basis – to the extent necessary for the proper operation of the Company. We take particular precautions when dealing with information protected by law, the Company's internal regulations, or relevant clauses of agreements with the Company's business partners.

- a. As part of our professional duties, we only collect information required for the carrying out of those duties and thus for the Company's operation.
- b. We apply special security measures when storing such information.
- c. We take care to ensure security of information pertaining to the Company, its employees and cooperating partners.
- d. We respect intellectual property, for instance we never copy or use third-party proprietary materials without the author's consent.
- e. An employee has the right to:
  - access to information about himself/herself that is collected and stored by the Company,
  - inspect his or her employee record.

## 10. Financial records

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At PKN ORLEN, we comply with the laws and regulations which govern the keeping of accounting records, filing of invoices, and maintaining clarity and transparency of settlements so they reflect the underlying transactions and use of resources by the Company in a detailed and accurate manner. Those of us who have access to financial and accounting data in connection with their professional duties and use such data in their everyday work are required to exercise particular care to ensure the accuracy of financial and accounting records.

- a. We do not withhold information on transaction balances.
- b. We do not create undisclosed or unregistered funds or accounts for any purpose.
- c. We do not make false entries in accounting records and we do not publish deliberately misleading data in our reports.
- d. We accept and pay only verified invoices, accurately reflecting the underlying transactions.





## IV The Company and its external environment

### 1. Customers

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Customer interests and satisfaction are our top priority. Our customers have the right to expect reliability, superior quality of products and services, and professional assistance of the highest standard.

- a. We fulfil all our obligations towards our customers, we do not abuse their trust, and we do not exploit their possible lack of knowledge or experience.
- b. We give equal treatment to all our customers, regardless of their sex, age, appearance, rank, nationality, religion, creed, or sexual orientation.
- c. Whether our customers contact us in person or by correspondence, they always receive professional and competent service, friendly and responsive to their needs and expectations.
- d. With our customers' interests in mind, we have audit, remedial and prevention measures in place and we apply them on an ongoing basis to identify any organisational or technical deficiencies and eliminate unprofessional conduct.
- e. We take care to ensure that the products we offer to customers meet the highest standards of quality.
- f. In our external communication, we always provide full and accurate information about our products, services and operations, except for information constituting the Company's technical, technological, trade or organisational secret which, if disclosed, could expose PKN ORLEN to losses, and information protected under specific legal regulations.
- g. We accept full responsibility for our products and services, and any defective products are recalled from the market.
- h. We fulfill orders in accordance with the applicable laws and provisions of bilateral agreements.
- i. We provide customers with reliable and accurate information on any possible additional costs, difficulties or delays in scheduled deliveries.
- j. We handle complaints quickly and efficiently, and we inform customers of the outcome of each complaint handling process.
- k. Any comments on our products and services are carefully analysed, and the findings of such analysis serve as a basis for improving our offering and bringing it in line with customer needs and expectations.
- l. We recognise the need to ensure reliable marketing communication and responsible advertising.



## 2. Shareholders

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PKN ORLEN S.A. seeks to deliver continuous growth in shareholder value. We operate in compliance with the adopted Corporate Governance Rules, which support the security and stability of stock exchange trading and relations with our key stakeholder groups.

- a. In our relations with shareholders we apply the majority rule, while also respecting the rights of minorities, within the limits defined in applicable laws and the Company's Articles of Association.
- b. We respect shareholder rights to receive all relevant information on the Company, as required by applicable laws.
- c. We have an open information policy, making an effort to provide answers to all queries on PKN ORLEN's operations to the best of our knowledge.
- d. In our external communication we do not disclose protected information, including information that represents the Company's business or trade secret, personal data, classified information and inside information before it is published in accordance with the disclosure requirements applicable to listed companies.

## 3. Local communities

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We are committed to building lasting relations with local communities, based on integrity, dialogue, partnership and trust. Therefore, we feel obliged to support our immediate environment, local initiatives and local job markets. We want PKN ORLEN not only to contribute to economic development at the local level, but also to be a good neighbour and valued corporate citizen.

- a. We support local level initiatives intended to improve the quality of people's lives, following the principles of partnership and dialogue.
- b. We analyse the long-term impact of our activities and seek to achieve an optimal trade-off between the costs and benefits of our presence in local communities.
- c. We support projects aimed at promoting sports and culture and protecting the natural environment
- d. We support initiatives designed to advance the education of local communities, prevent social and economic exclusion, increase safety, and improve the healthcare system, as well as promotion of health and healthy lifestyles.



- e. We engage in charitable activities, helping those in need and supporting protection of life and health.
- f. We are guided by the principles of corporate social responsibility, and we strive to combine commercial success with care for local communities and the natural environment.

#### 4. Environment

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As Poland's largest corporation and as a business with influence on the entire region of Central Europe, PKN ORLEN has special duties towards the natural environment. We are particularly committed to environmental protection, and we believe it necessary to maintain a healthy balance between industrial operations and the natural environment. Aware of our environmental footprint, we engage in dialogue with organisations and institutions which help us achieve compliance with the principles of sustainable growth. We seek to do so by integrating pollution prevention initiatives with active protection of the environment, and by repairing any damage caused by our activities.

- a. In our business we seek to ensure that production, product storage and distribution processes are as environmentally neutral as possible.
- b. We mitigate the environmental impact related to the use of our products.
- c. We care for the natural environment irrespective of where we work and what we do.
- d. In our everyday work we take every care to comply with the Company's internal regulations and laws concerning environmental protection.
- e. We report any identified incidents harmful to the environment to our superiors and the Company Environmental Inspection System.
- f. We engage in projects and initiatives which aim to protect the environment.

#### 5. Business partners

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We seek to ensure that our relations with business partners are founded on integrity, transparency, mutual respect and professionalism.

- a. We deliver on our promises and commitments.
- b. We make payments and discharge other obligations in a timely manner and in accordance with contractual terms.



- c. Where a difficult situation or a conflict arises, we attempt to solve the issue through dialogue with the parties involved.
- d. When selecting suppliers and other partners to cooperate with, we take care to comply with the applicable laws and regulations, as well as with free market principles (attractive pricing terms, quality of goods and services, degree to which they meet our needs and expectations, reliability and professionalism of the company), while ensuring full transparency of the process.
- e. We evaluate our business partners solely on the basis of their actual merits and business considerations.
- f. We make sure that our business partners are familiar with our standards of conduct.
- g. We are not indifferent to any instances of our partners breaking the law or basic rules of conduct. We report such incidents to our superiors.

## 6. Competition

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As a market leader, we are committed to conducting our business in accordance with the principles of fair competition and in a transparent manner. We believe that market competition should be based exclusively on high quality products and services, offered at fair prices.

- a. We never engage in such practices as industrial espionage, theft or concealment of identity to access confidential information on competitors.
- b. We do not make disparaging comments on the business, financial standing or potential legal issues of our competitors to gain a business advantage.
- c. We only collect information on our competitors regarding their products, services and marketing strategies in compliance with the applicable laws.





## V Closing remarks

### 1. How to use these Standards

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We aim to ensure adherence to the highest ethical standards at PKN ORLEN, making sure that any ethical questions or concerns raised by employees are resolved to their satisfaction. If you have any questions concerning compliance with this Code, you may consult your line manager or other member of the management staff, to seek assistance in resolving your concerns and making the right decisions. However if you still have concerns about the PKN ORLEN Core Values and Standards of Conduct, you may report them to the Ethics Committee.

If you want to report a breach of the PKN ORLEN Core Values and Standards of Conduct, there are four channels at your disposal:

**Option 1** – Firstly, if you believe that the PKN ORLEN Core Values and Standards of Conduct are being breached, report your concern to **YOUR LINE MANAGER**.

**Option 2 and 3** – If there is a strong reason why you cannot turn to your line manager for assistance in resolving an ethical issue, **voice your concerns to the Ethics Committee or the Ethics Officer**. The Ethics Committee and the Ethics Officer have been appointed to effectively deal with any reported violation of the Standards and take effective remedial action.

- To report a breach of the PKN ORLEN Core Values and Standards of Conduct: to the **Ethics Committee / Ethics Officer**, fill in the form (available in two file formats: DOC and PDF) which can be found on the Intranet (see section: NASZA FIRMA/WARTOŚCI I ZASADY POSTĘPOWANIA PKN ORLEN S.A./ZGŁOŚ NARUSZENIE), and send it to the following e-mail address: **komitet\_etyki@orlen.pl** or **rzecznik\_etyki@orlen.pl**, or by regular mail to the following address:

PKN ORLEN S.A.

**Ethics Committee or Ethics Officer**

ul. Chemików 7,

09-411 Płock, Poland

- You may also leave a voicemail message by calling **(+48) 24 256 90 99** – your recorded message will be forwarded to the Ethics Committee.

**Option 4** – You may also raise an issue anonymously with the Control and Security Department by regular mail, e-mail or facsimile, to a dedicated address for correspondence, by telephone or in person.



In addition, you may communicate compliance concerns anonymously to a Control and Security Department employee by calling **(+48) 602 307 162** or **(+48) 0 800 322 323**. Telephone calls are accepted on business days, between 8am and 3pm. Moreover, every Wednesday between 10am and 12 noon, calls are received by a female employee of the Control and Security Department.

Detailed information on reporting compliance concerns anonymously to the Control and Security Department is set out in separate internal regulations.

Breaches of the Core Values and Standards of Conduct may be reported anonymously or along with contact details. However, if a breach is reported without the reporting person's contact details, this may hinder or prevent verification of the submitted information and, in consequence, the investigation of the case.

For more information on the PKN ORLEN Core Values and Standards of Conduct, see the Intranet page: [http://intranet/dokumenty/wartości i zasady postępowania PKN ORLEN S.A.](http://intranet/dokumenty/wartości_i_zasady_postępowania_PKN_ORLEN_S.A.)

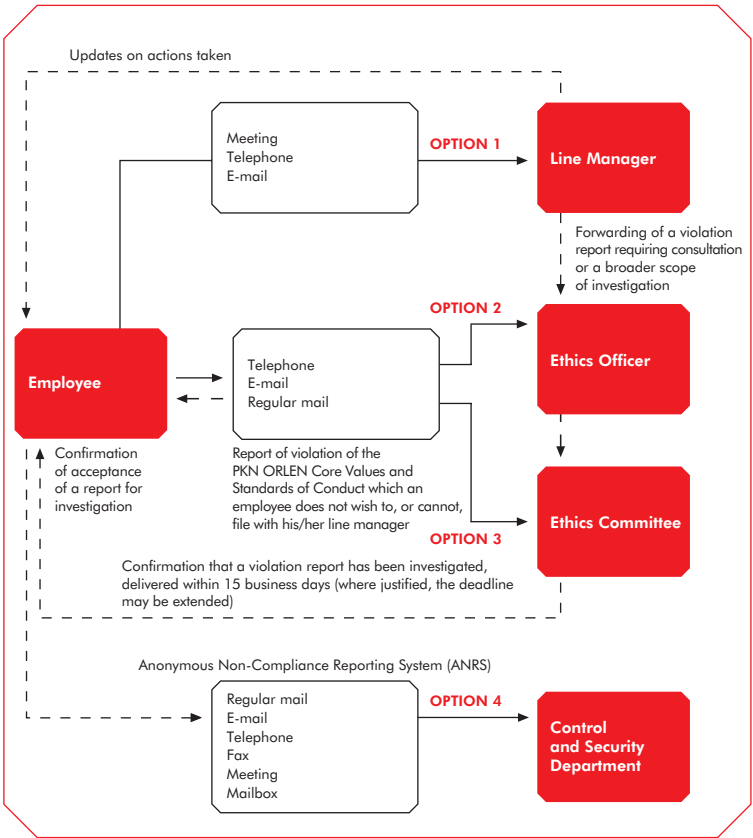
## 2. Confidentiality and data protection

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Remember that when you ask a question to or seek assistance from your line manager or other member of the management staff or the Ethics Committee, you have no need to be concerned about the security and comfort of your work, or the confidentiality of the submitted information. All the above persons are required to protect the confidentiality of such information and your personal data under the provisions of separate regulations on the protection of the Company's business secrets, personal data and classified information.



# **PKN ORLEN Core Values and Standards of Conduct breach reporting and investigation model**



Detailed regulations concerning the implementation and monitoring of compliance with this document are set out in separate PKN ORLEN internal regulations.





THE CORE VALUES AND STANDARDS OF CONDUCT OF PKN ORLEN