

## **POLICY**

### **FOR ACCEPTING AND GIVING GIFTS**

#### **IN EXALO DRILLING CAPITAL GROUP**

In accordance with the requirements of generally applicable law, ethical standards of ORLEN CG and internal organisational acts adopted in ORLEN CG, in order to counteract corruption and abuse, the *Policy for Accepting and Giving Gifts in EXALO DRILLING Group* (hereinafter: "Gift Policy") is introduced.

#### **1. General provisions**

- 1.1. The Gift Policy is a standard for ORLEN S.A. and ORLEN CG companies and is implemented in ORLEN CG.
- 1.2. The rules set out in the Gift Policy apply to:
  - 1.2.1. *employees of ORLEN CG companies, in the meaning of persons employed under the employment contract*, irrespective of the working hours specified in the employment contract,
  - 1.2.2. natural persons providing services or performing work under civil law contracts within the framework of ongoing, permanent cooperation, including Members of the Management Board of ORLEN S.A. and Members of the Management Boards of ORLEN CG Companies,
  - 1.2.3. External representatives of ORLEN CG companies.
- 1.3. The acceptance of and giving gifts is permitted in accordance with this Gift Policy and separate internal organisational acts adopted in ORLEN CG, including the ones concerning tax and personal data protection.
- 1.4. With the exception of point 5.2., the Gift Policy does not apply to gifts accepted and given within a single ORLEN CG company.

## 2. Definitions

Whenever this Gift Policy refers to:

<b>ORLEN Capital Group or ORLEN CG</b>	means ORLEN S.A. and the commercial companies that are its subsidiaries within the meaning of the <i>International Financial Reporting Standard 10 - Consolidated Financial Statements</i> or any other standard applicable instead of it, including their branches and representative offices;
<b>Counterparty</b>	natural person, legal person or organisational unit without a legal personality: <ol style="list-style-type: none"> <li>1) that is a party to a contract concluded by ORLEN S.A. or an ORLEN CG company or provides services to ORLEN S.A. or an ORLEN CG company on the basis of a contract/order granted,</li> <li>2) with whom ORLEN S.A. or an ORLEN CG company negotiates with a view to potentially concluding a contract, or awarding a contract/order, or settling a contract/order;</li> </ol>
<b>Register of benefits</b>	a function e-mail box or an intranet application (in the TASK system) enabling the persons mentioned in 1.2. of the Gift Policy to record accepted or given gifts;
<b>Electronic Register of Benefits</b>	an intranet application of EXALO DRILLING S.A. available in the TASK system under tab Registers/Register of Benefits, enabling the registration of accepted or given gifts;
<b>TASK</b>	system for the registration and control of the circulation of documents available at: <a href="http://task.exalo.pl">task.exalo.pl</a>
<b>A gift</b>	shall be understood as any financial or personal benefits of a certain value accepted or given by the persons mentioned in point 1.2. of the Policy, in particular in relations with counterparties or representatives of public administration and in relations within the ORLEN CG;
<b>External representative of an ORLEN CG company</b>	any external entity that represents an ORLEN CG company in contacts with counterparties or state or local government institutions, as well as any external entity that supports ORLEN CG company in acquiring counterparties or sells goods, products or services on behalf of an ORLEN CG company; external representatives are persons acting on behalf of or in the interest of an ORLEN CG company, on the basis of the contract concluded with an ORLEN CG company and the powers of attorney granted to represent an ORLEN CG company.

### **3. General guidelines for accepting and giving gifts**

- 3.1. The value of the gift may be considered as income subject to income tax under generally applicable legislation. In exceptional circumstances, income related to acceptance of a gift may be exempt from taxation.
- 3.2. According to the generally applicable legislation, gifts given to business partners are not subject to personal income tax on their part, if the 3 following cumulative conditions have been met:
  - 3.2.1. the gross value of the gift does not exceed PLN 200,
  - 3.2.2. the gift is related to the promotion or advertising of ORLEN CG, e.g. by placing the logo of ORLEN CG permanently on the gift,
  - 3.2.3. the recipient of the gift is not an employee of an ORLEN CG company or a person providing permanent services to that company on the basis of a civil law contract.
- 3.3. An ORLEN CG company may recognise an expense for a gift to a business partner as a tax expense if it even indirectly affects the revenue generated by the ORLEN CG company, e.g. for promotion and advertising, excluding representation.
- 3.4. The person mentioned in point 1.2. of the Gift Policy, when giving a gift with a value of more than PLN 200, is obliged to provide the recipient with information about its value.
- 3.5. The gift values listed under point 3.4. of the Gift Policy, were determined on the basis of the provisions of the Personal Income Tax Act concerning free-of-charge benefits free of income tax in force in Poland on the date the Gift Policy came into force. These thresholds may be subject to change; in particular, differences in amounts may be related to legal regulations in a particular country or time.
- 3.6. In the case of ORLEN CG companies, as well as branches of ORLEN CG companies and their representative offices operating outside Poland, the thresholds mentioned in point 3.4. of the Gift Policy should be determined in accordance with regulations on gratuitous benefits free of income tax in the country concerned.
- 3.7. When deciding whether to accept or give a gift, the following principles should be followed:

3.7.1. The principle of honest intentions:

- a) The circumstances and nature of a gift are intended solely to build or strengthen business relationships or to show courtesy,
- b) a gift is not intended to influence objectivity of the recipient in making business decisions.

3.7.2. The principle of legalism:

the type of gift and the circumstances under which it is given do not violate public decency and national, foreign and international laws.

3.7.3. Proportionality principle:

- a) the unit value of a gift complies with standards adopted in a given case,
- b) a gift is given occasionally and is linked to a specific occasion.

3.7.4. The principle of transparency:

Gifts should not cause: embarrassment about their value, a feeling of having to reciprocate the gesture, a sense of obligation, a desire to hide the fact that they have been received.

- 3.8. In case of any doubts about the rules of conduct regarding the acceptance and giving of gifts, a person should immediately contact their immediate superior or the Anti-Corruption Coordinator at Exalo Drilling S.A. The Members of the Management Board, in case of any doubts about the rules of conduct regarding the acceptance and giving of gifts, shall contact the Economic Security Officer of the Management Board. Questions regarding the Policy at Exalo Drilling S.A. can also be directed to the e-mail address: [upominek@exalo.pl](mailto:upominek@exalo.pl).
- 3.9. Invitations to events shall not be considered as gifts, provided that participation in such events results from the performance of official duties.
- 3.10. Awards granted to ORLEN CG employees as part of competitions organised by ORLEN CG are not subject to registration in the Register of Benefits.
- 3.11. When commemorative gifts are planned to be given, the aim should be to give one gift on behalf of one Area or the whole company.

#### **4. Obtaining permission to give/receive a gift**

- 4.1. Gifts of a gross unit equivalent of more than PLN 200 may be given by the persons mentioned in point 1.2. of the Gift Policy only if they have been approved in advance by the immediate supervisor or persons supervising civil law contracts.

- 4.2. Gifts of a gross unit equivalent of more than PLN 200 accepted by the persons mentioned in point 1.2. of the Gift policy, require the approval of the immediate supervisor or the person who supervises the activities performed by persons providing services under civil law contracts, with whom the manner of handling the gift (e.g. returning the gift, leaving the gift, donating the gift to the foundation, etc.) must be agreed.
- 4.3. The consent/refusal process described in 4.1. and 4.2. is documented in the Electronic Register of Benefits.
- 4.4. The gifts mentioned in points 4.1. and 4.2. received and given by the Members of the Management Board of ORLEN CG Company do not require approval, but only registration in the Electronic Register of Benefits.

## **5. Gift categories**

### **5.1. Gifts that are permitted to be received and given.**

- 5.1.1. It is permitted to accept and give gifts in connection with promotion or advertising, as long as this takes place in accordance with the rules listed in the Gift Policy.
- 5.1.2. Invitations to entertainment events, understood as sports events, theatrical performances, concerts or other cultural or scientific events where ORLEN CG company is a sponsor/partner, are allowed.
- 5.1.3. Promotional gifts, such as e.g. pens, notepads, calendars, other small items, are allowed, if possible, with the logotype of ORLEN CG company or counterparty's logotype respectively.
- 5.1.4. It is permitted to give gifts listed in paragraph 5.1.3 of the Gift policy without the need to register them in the Electronic Register of Benefits during meetings (e.g. trade fairs, conferences, symposia) organised, co-organised by or of which ORLEN CG is a sponsor/partner, during which it is difficult to identify individual gift recipients.

### **5.2. Gifts that are not permitted to be received and given.**

- 5.2.1 It is unacceptable to accept and give gifts that meet one or more of the following conditions:
  - 5.2.1.1. the acceptance or presentation of a gift is contradictory to the laws in force in the country of registration of an ORLEN CG company or in which an ORLEN CG company operates, internal organisational acts in force in the *ORLEN CG companies* or the relevant regulation at the counterparty,

- 5.2.1.2. the gift is in the form of cash or cash equivalent, including but not limited to: gift vouchers, loans, shares, other securities, etc., excluding fleet cards, fuel cards and similar consumer loyalty building products,
  - 5.2.1.3. the gift is inappropriate on ethical grounds,
  - 5.2.1.4. the acceptance/giving of the gift would take place at a time when a decision-making process involving the recipient or the giver is taking place.
- 5.2.2 It is not permissible to accept/give a gift in relations with a Polish or foreign public official with the exception of gifts listed in point 5.1.3. of the Gift Policy, in accordance with the rules set out in paragraph 3.7. of the Gift Policy.
- 5.2.3. It is not permitted to accept or give gifts between ORLEN CG companies, with the exception of permitted gifts as defined in point 5.1. of the Gift Policy.
- 5.2.4 Giving alcoholic beverages is not permitted.

## **6. Register of Benefits**

- 6.1. In order to properly implement the Gift Policy, EXALO DRILLING S.A. maintains the Electronic Register of Benefits designed to record gifts received and given by the persons indicated in point
- 1.2. ORLEN CG Companies are obliged to establish a Register of Benefits for their own use or for their own capital group, in accordance with the principles set out in the Gift Policy.
- 6.2. An accepted or given gift may be registered and, where the equivalent gross value of the gift exceeds PLN 200, must be registered in the electronic register of benefits in accordance with the following provisions, subject to clause 5.1.4. of the Gift policy.
- 6.3. EXALO DRILLING S.A.'s Register of Benefits is maintained by the Security Office of EXALO DRILLING S.A. Gifts are registered by means of the form in the TASK system under tab: Registers/Register of Benefits. If it is not possible to register by means of the electronic form, gifts can be registered using the function e-mail box: [upominek@exalo.pl](mailto:upominek@exalo.pl).
- 6.4. Information entered into the register of benefits includes:
- 6.4.1. the full name of the donor, the organisational unit and the name of the entity represented by the donor,

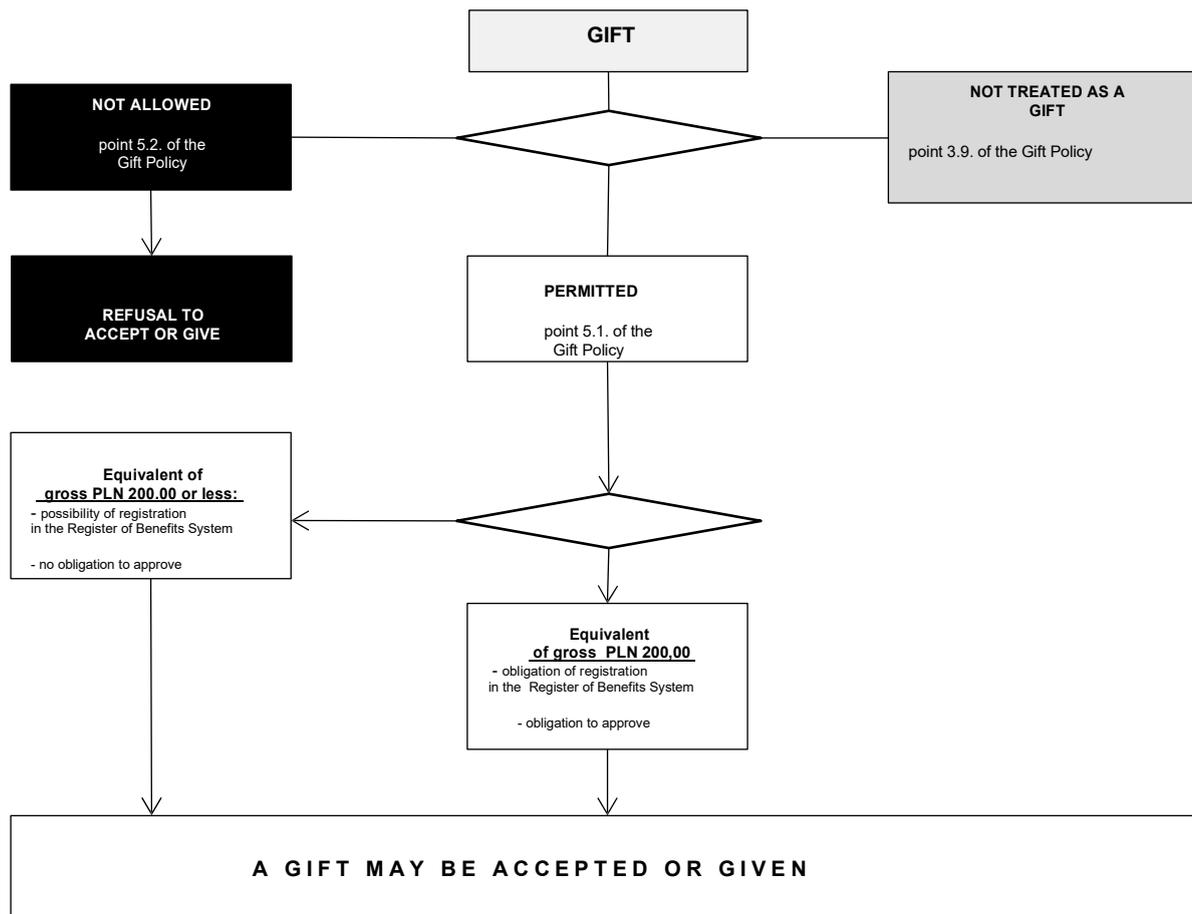
- 6.4.2. the full name of the recipient, the organisational unit and the name of the entity represented by the recipient,
  - 6.4.3. the date on which the gift was given/accepted,
  - 6.4.4. the name of the gift,
  - 6.4.5. the estimated value of the gift,
  - 6.4.6. the position and name of the organisational unit of the person approving the acceptance or granting of the gift,
  - 6.4.7. the manner of handling a gift,
  - 6.4.8. confirmation of the provision of the GDPR information clause.
- 6.5. Persons listed in point 1.2. of the Gift Policy shall, within 7 working days from the date of acceptance or giving of the gift, be obliged to register the gift in the register of benefits. In the case of business trips, the period mentioned in the previous sentence shall start on the date of completion of the business trip.
- 6.6. It is possible to register a gift on behalf of another person with their consent.
- 6.7. Violation of the rules and obligation to register gifts is a reason to hold a person responsible in accordance with the work regulations and other internal acts adopted in an ORLEN CG company.
- 6.8. In the case of gifts of the value determined at the time of giving, the value determined by the donor should be determined in the register of benefits and, in case of doubt, their value shall be determined in accordance with point 6.9.
- 6.9. In the case of gifts which value has not been determined at the time of giving, the recipient is obliged to determine the estimated value of the gift on the basis of the available information, using the prices of the products specified primarily in online stores, excluding auction portals, and information on the valuation method should be included in the register of benefits. If there are no bids for a particular product, it is permissible to estimate the value based on the completed auctions.
- 6.10. In the case of gifts of a gross equivalent face value of more than PLN 200 given by the persons listed in point 1.2 of the Gift Policy, their superior (supervisor) is responsible for fulfilment of obligations under the tax law and providing the information to the Company's Payroll Settlement Office. The Payroll Settlement Office is responsible for issuing a PIT-11 for the recipient. In the case of gifts given by Members of the EXALO DRILLING S.A.'s Management Board, it is the responsibility of the persons designated by them to provide the above-mentioned information.
- 6.11. In the case of giving or accepting a gift to/from to persons who are not employees or external representatives of an ORLEN CG company, there is an obligation to provide them with the information clause attached in constituting Appendix No

2 to this Gift Policy. If the persons referred to in the previous sentence refuse to accept the clause, this should be recorded in the Register of Benefits, anonymising only the details of the donor/recipient.

- 6.12. The pattern of registration obligations, depending on the quota thresholds, and a summary description of the gift categories are set out in Appendix 1 to this Gift Policy.

## **7. Communication, training and reporting**

- 7.1. The main principles of the Gift Policy are published in the internal media and on the websites of ORLEN CG companies.
- 7.2. In ORLEN CG companies, employees, persons working under civil law contracts and external representatives are provided with mandatory training on the Gift Policy regularly on a 2-year basis. Training can have the form of e-learning.
- 7.3. The Security Office provides training materials for external representatives upon request.
- 7.4. Questions regarding the Gift Policy at EXALO DRILLING S.A. can be addressed to the Anti-Corruption Coordinator at Exalo Drilling S.A., including by e-mail: [upominek@exalo.pl](mailto:upominek@exalo.pl).



**Appendix 2 to the Policy for Accepting and Giving Gifts  
in ORLEN CG - Information clause**

**Information clause  
for persons accepting or giving a gift  
who are not employees or persons working under civil law contracts or external  
representatives of EXALO DRILLING S.A.**

*(Fulfillment of the information obligation under Article 14 sec. 1 and sec. 2 of the General Data Protection Regulation of 27 April 2016)*

1. EXALO DRILLING S.A., with its registered office in Piła, pl. Staszica 9, 64-920 Piła (hereinafter: Exalo Drilling S.A.), informs you that it is the controller of your personal data. Contact telephone numbers for the data controller: (+48) 667 174 684.
2. To contact the Data Protection Officer at EXALO DRILLING S.A., please use the following email address: [iod@exalo.pl](mailto:iod@exalo.pl). The Data Protection Officer can also be contacted in writing at the address of EXALO DRILLING S.A.'s registered office indicated in point 1, with information "Data Protection Officer". Data on the Data Protection Officer are also available at [www.exalo.pl](http://www.exalo.pl) under tab "Contacts".
3. Your personal data has been provided to EXALO DRILLING S.A. directly by you or the entity you represent and include your full name and the name of the organisational unit of the represented entity.
4. Your personal data will be processed by EXALO DRILLING S.A. for the purpose of:
  - a) registration of the person giving or receiving a gift in accordance with the rules set out in the *Policy for accepting and giving gifts in the EXALO DRILLING Capital Group*, available at [www.exalo.pl](http://www.exalo.pl) under tab "Compliance Policy" - the legal basis for data processing is the legally justified interest of EXALO DRILLING S.A. (pursuant to Article 6(1)(f) of GDPR);
  - b) issue of PIT-11 information (if required) and fulfilment of other obligations of EXALO DRILLING S.A. under the law, in particular accounting and tax law and archiving of documents (pursuant to Article 6(1)(c) of GDPR);
  - c) handling, investigation and defence in the event of claims arising - the legal basis for the processing of the data is the legitimate interest of EXALO DRILLING S.A. (pursuant to Article 6(1)(f) of GDPR).
5. Your personal data may be disclosed by EXALO DRILLING S.A. to entities cooperating with it (recipients), in particular to entities providing IT services, mail and parcel delivery, security services for persons and property, consultancy, legal, archiving services.
6. Your personal data are processed for the period necessary for the realisation of the legally justified interests of EXALO DRILLING S.A. and the fulfilment of legal obligations. The processing period may only be extended if and to the extent that, it is required by law.
7. You have rights in relation to the processing of your personal data:
  - a) the right of access to the content of your data,
  - b) the right to rectify personal data,
  - c) the right to erase personal data or restrict processing,
  - d) The right to object - in cases where EXALO DRILLING S.A. processes your personal data on the basis of its legitimate interest; an objection can be expressed on the grounds of a particular situation.  
You may send your request concerning the exercise of the aforementioned rights to the e-mail address: [iod@exalo.pl](mailto:iod@exalo.pl) or to the address of EXALO DRILLING S.A.'s registered office indicated in point 1 with the note "Data Protection Officer".
8. You have the right to lodge a complaint with the President of the Personal Data Protection Office.