

CORPORATE GOVERNANCE STATEMENT

(a) Company's corporate governance policy

The Company, as an issuer of securities listed on the Warsaw Stock Exchange (WSE), is obliged to comply with the corporate governance practices set out in the *Code of Best Practice for WSE Listed Companies*, which is available at <http://corp-gov.gpw.pl>.

(b) Corporate governance compliance

In 2014, the Company complied with the corporate governance best practice referred to above.

Furthermore, referring to the Section I of the *Best Practice*, the Company informs that:

- (1) The Company has a remuneration policy as well as rules of defining the remuneration of members of supervisory and management bodies.
- (2) One of the Company's priorities is to ensure equal access of women and men to management positions in the Company (section I.9). Therefore, Orange Polska has introduced new recruitment rules and set the proportion of employing men and women in managerial positions. In addition, a related succession index has been set, determining the percentage of TOP 350 positions with at least one female successor. Orange Polska has followed a policy of appointing persons with proper competence, professional experience and expertise to its supervisory and management bodies.
- (3) The Company has not decided to implement the rule that a company should enable its shareholders to participate in a General Assembly using means of electronic communication, particularly through real-time bilateral communication, as well as exercise their right to vote during a General Assembly either in person or through a plenipotentiary (sections I.12 and IV.10), due to doubts about its compliance with the Commercial Companies Code.

(c) Description of major features of Orange Polska's internal control and risk management systems with respect to the process of development of standalone and consolidated financial statements (please see chapter IV for additional information on key risk factors)

The system of internal control and risk management in the Group has been designed and implemented by the Management Board to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Code of Ethics was adopted within the Group in 2008 which encompasses its relationship with customers, shareholders, employees, suppliers, competition and also with respect to the environment in which the Group operates. A warning system related to ethics and reporting of potential and actual fraud has been enhanced by the Group which is co-ordinated by the Ethics Committee. Training on ethics is provided to employees, which is confirmed by a personal certification. Formal channels for whistle blowing have been established, including reporting to the Chairman of the Audit Committee of the Supervisory Board and the Ethics Committee.

In 2013 in accordance with the approach adopted by Orange Group assuming a gradual implementation of subsequent elements of Compliance Program the Anti-Corruption Policy and Guidelines were introduced in Orange Polska. The implemented Anti-corruption Policy, supplemented by the Guidelines, contains detailed rules and standards for its application and references to specific conditions and circumstances relating to the identification and mitigation of risk of corruption. In addition, a number of information and training actions were carried out in order to raise employees' awareness of anti-corruption laws and rules applicable to the Company.

The Group is diligent in its approach to reporting financial results and its ongoing communication with the Polish and international investment community, as well as fulfilling its disclosure obligations. Key managers responsible for the financial, legal, regulatory and internal control functions review financial statements and make comments thereto at the Disclosure Committee. The purpose of the Committee's meetings is to ensure that financial disclosures are timely, exact, transparent, complete, and presented in accordance with all relevant laws, applicable regulations and recognised practices, as well as being properly representative of the financial and operational condition of both the Company and the Group. In 2014, the Disclosure Committee had six meetings. In addition the Audit Committee review the financial disclosures of the Company and the Group before they are published.

The key elements of the Group's internal control and risk management system include the following procedures:

- (1) An internal audit function, which reports directly to the President of the Management Board. The internal audit programme is annually reviewed by the Audit Committee, which also analyses the Group's Internal Audit reports. In order to promote an appropriate independent outlook for the Internal Audit, Management Board decisions regarding the conclusion and termination of an employment contract with the Group Internal Audit Director as well as his evaluation and remuneration require an opinion of the Audit and Remuneration Committees. The Group Internal Audit Director attends all meetings of the Audit Committee.
- (2) The Group conducts ongoing assessments of the quality of the risk management system and controls. This process includes identification and classification of the Group's financial and non-financial risks – see Chapter 4, section 8.

(3) Procedures were implemented in order to identify, report and monitor significant risks (i.e. legal, regulatory, environmental, financial reporting and operational) effectively on an ongoing basis. It provides a framework for ongoing risk-controlling activities.

In 2014, the Management Board again completed a comprehensive assessment of the Group's internal controls over financial reporting. Main deficiencies were identified and corrected or appropriate action points have been launched. As a result of the assessment, the Management concluded that there were no weaknesses that would materially impact the internal control over the financial reporting at December 31, 2014.

(d) Indication of shareholders holding, directly or indirectly, significant batches of shares, including the number of shares held, the interest in the Share Capital, the corresponding number of votes and the percentage of the total voting power at the General Assembly

Please see section 6.3 above for the information about major shareholders.

(e) Indication of holders of any securities granting special control rights and description of such rights

The Company has not issued any securities granting any special control rights to shareholders or other entities.

(f) Indication of any restrictions concerning the exercise of the voting rights on shares, such as restriction of the voting rights to a certain percentage or number of votes or temporary restriction of the voting rights, or regulations according to which, in conjunction with the Company, the rights on securities are separated from the ownership of securities

The Company has not introduced any specific restrictions concerning the exercise of the voting rights on shares.

(g) Indication of any restrictions concerning transfer of ownership of the securities issued by Orange Polska

The transfer of ownership of the securities issued by the Company is not subject to any restrictions.

(h) Description of procedures for appointment and removal of managing persons and their rights, particularly the right to make decisions regarding the issuance or redemption of shares

The Management Board consists of between 3 and 10 members, including the President. They are appointed and removed by the Supervisory Board by a simple majority of the votes cast. The term of office for the member of the Management Board is three years. The Management Board's remit comprises the management of all aspects of the Company's affairs, with the exception of the matters which under the Polish Commercial Companies Code or the Articles of Association shall be within the competence of the General Assembly or the Supervisory Board. In particular, the powers of the Management Board include development of the Group's strategy, economic and financial plans; establishment, transformation and liquidation of the Company's business units; and governance of the Group subsidiaries. Any decisions regarding the issuance or redemption of the Company's shares are exclusively within the competence of the General Assembly.

The powers of the Management Board are detailed in the Management Board by-laws, available at www.orange-ir.pl

(i) Description of procedures for amending the Articles of Association or the deed of the company

Any amendment to the Articles of Association requires a resolution of the General Assembly adopted by a majority of the three quarters of votes.

(j) Rules of operation of the General Assembly and its major responsibilities, and description of the shareholders' rights and the way of exercise thereof, particularly the rules resulting from the General Assembly by-laws, if any, unless the information in this respect results directly from mandatory regulations

I. General Assemblies shall be held in Warsaw. The General Assembly shall be valid irrespective of the number of shares represented. According to the adopted by-laws, the General Assembly shall be opened by the Chairman of the Supervisory Board or his deputy, or, in case of their absence, by the President of the Management Board or a person designated by the Management Board. Thereafter, the Chairman shall be elected from among the persons entitled to take part in the General Assembly. After each subsequent matter on the agenda has been presented the Chairman of the General Assembly shall open a discussion giving floor to speakers in the sequence in which they have declared their willingness to speak. Upon the consent of the General Assembly several items of the agenda may be discussed jointly. The participants may speak only on the matters which have been put on the agenda and are being considered at that moment.

II. Pursuant to the Regulations of the General Assembly of Orange Polska S.A., the shareholders have the following rights:

(1) The shareholders may take part in the General Assembly and exercise the right of vote in person or by attorneys-in-fact (other representatives).

(2) Each shareholder has the right to candidature for the Chairman of the General Assembly or to put forward one candidature for the position of the Chairman of the General Assembly to the minutes.

(3) When every point on the agenda is considered each shareholder has the right to one speech of 5 minutes and a reply of 5 minutes.

(4) Each shareholder has the right to ask questions on any matters on the agenda.

(5) The shareholder has the right to object a decision of the Chairman of the General Assembly. The General Assembly shall decide in a resolution whether the decision of the Chairman be upheld or reversed.

(6) Each shareholder has the right to suggest amendments or additions to draft resolutions, which are covered by the agenda of the General Assembly, by the time of closing the discussion over the item on the agenda referring to the draft resolution to which the suggestion is related.

(k) Composition and changes thereof in the last financial year, and description of bodies that manage, supervise or administer Orange Polska S.A. and any committees thereof

I. Composition of the Management Board in 2014

Composition on January 1, 2014:

1. Bruno Duthoit - President of the Board
2. Vincent Lobry - Vice President of the Board
3. Piotr Muszyński - Vice President of the Board
4. Jacques de Galzain - Board Member
5. Jacek Kowalski - Board Member

On February 6, 2014 the Supervisory Board appointed Mr. Mariusz Gaca as Member of the Management Board.

On February 24, 2014, Mr. Jacques de Galzain submitted his resignation from the position of Member of the Management Board, effective as of February 28, 2014.

On March 17, 2014 the Supervisory Board appointed Mr. Maciej Nowohoński as Member of the Management Board.

On September 9, 2014, Mr. Vincent Lobry submitted his resignation from the position of Vice President of the Management Board, effective as of October 15, 2014.

Composition on December 31, 2014:

1. Bruno Duthoit - President of the Board
2. Mariusz Gaca - Vice President of the Board
3. Piotr Muszyński - Vice President of the Board
4. Jacek Kowalski - Board Member
5. Maciej Nowohoński - Board Member

Notes regarding Management Board Members:

- Mr. Bruno Duthoit (born 1953) is a graduate of the French *École Polytechnique* and *École Nationale Supérieure des Télécommunications*. He started his professional career as an engineer working for France Telecom SA (currently Orange SA) and soon progressed to become deputy regional director for network development investment in the Lower Normandy Region (until 1983). After six years of work in senior positions in public administration (at DATAR – *Délégation à l'aménagement du territoire et à l'action régionale*), first at regional and then national level, he returned to Orange SA in 1991 to head the Group's office for Czech Republic and Slovakia. From 1996 to 2013 he held positions of Chief Executive Officer or Management Board Member in several international subsidiaries of the Group. Notably, he was the CEO of Orange Slovensko in Slovakia (1996-1999), Orange Moldova (2006-2008), Orange Armenia (2008-2012), and Ethiopia's Ethiotelcom (2012-2013). He was a Management Board Member of Telekomunikacja Polska S.A. between 2001 and 2006 with a scope of responsibilities ranging from transformation to sales, marketing and customer care to investments and strategy.
- Mariusz Gaca (born 1973) is a graduate of the Academy of Agriculture and Technology in Bydgoszcz and Warsaw University. He has also earned an MBA degree at the University of Illinois in Urbana Champaign and AMP at INSEAD. He began his professional career in the Elektrim Group (1995-2000), where he was involved in the development of business plans for local telecommunication operators. In 2001, he joined the TP Group as the Director of Multimedia Branch, responsible for the development of the Internet access portfolio for the mass market. Between 2005 and 2009, he was responsible for TP Group's business market. From 2009 he was the TP Group Executive Director in charge of Sales and Customer Care and CEO of TP Group's mobile arm, PTK Centertel – a position which he held until the recent merger of PTK Centertel with TP S.A. Since November 2013 he has been responsible for Orange Polska's Business Market. Since 2011 he has served as Vice-President of Employers of Poland and the Chairman of the Polish Section of Business Industry Advisory Committee to the OECD.
- Mr. Piotr Muszyński (born 1963) graduated from the Faculty of Law and Administration at the University of Wrocław, completed Postgraduate Study in Management at the Polish International Business School and the

Advanced Management Program organised by IESE Business School, University of Navarra. He started his career in 1990 in Eastern Europe Investment Ltd (EEI) as a Partner and Project Manager responsible for strategy, marketing and business development. From 1993 he was employed in REMA 1000 Poland Ltd. as Managing Director and Member of the Management Board and from 1999 to 2001 as President of the Management Board. In parallel, in 1996-1998 he was a Member of the Management Board of Intersport Poland, taking part in the incorporation and launch of the company. He joined TP S.A. in 2001, holding the position of Director of Customer Care Branch. In 2005 he was assigned to the position of Director of Sales and Services Division. He has been a Member of Orange Polska Management Board since 2008 and a Vice-President and Chief Operating Officer since 2009.

- Mr. Jacek Kowalski (born 1964) has been the Orange Polska Management Board Member in charge of Human Resources since January 2011. Mr. Kowalski has worked for the Group for over 12 years. From November 2009 he served as the TP Group Executive Director in charge of Human Resources. Mr. Kowalski joined the Group in 2001 as Human Resources Manager for Sales and Marketing in PTK Centertel. From 2005 he was the Director of Employee Competence and Development Management Branch. In 1989 he graduated from the History Faculty of the Warsaw University before moving on to postgraduate studies in local government and non-governmental organisation management also at the Warsaw University, which he completed in 1996. Before joining the Group, he was the Director of the Entrepreneurship and Human Resources School in Infor Training (Infor Media Group) and served as Director of the National In-Service Teacher Training Centre, responsible for the implementation of training programmes supporting the development of education in Poland. Jacek Kowalski is a member of the Programme Board of the Polish Human Resources Management Association.
- Mr. Maciej Nowohoński (born 1973) has been the Orange Polska Management Board Member in charge of Finance since March 2014. He has been with Orange Polska since 2003, in a variety of positions in the area of finance of increasing scope and responsibility, most notably that of Orange Polska Group Controller in 2006–2014. He was also Management Board Member at Emitel in 2010–2011 and the Management Board Member in charge of Finance at PTK Centertel in 2011–2013. Mr. Nowohoński also sits on the supervisory boards of several Orange Polska's subsidiaries. Prior to joining Orange Polska, he worked, among others, in Arthur Andersen and Andersen Business Consulting. He graduated from the Foreign Trade Faculty at the Economic University of Poznań and from the Hogeschool van Arnhem en Nijmegen, a Dutch business school.

II. Composition of the Supervisory Board and its Committees and changes thereof in 2014

Composition on January 1, 2014:

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| 1. Maciej Witucki | - Chairman of the Supervisory Board |
| 2. Prof. Andrzej K. Koźmiński | - Deputy Chairman and Independent Board Member |
| 3. Benoit Scheen | - Deputy Chairman and Chairman of the Strategy Committee |
| 4. Marc Ricau | - Board Member and Secretary |
| 5. Timothy Boatman | - Independent Board Member and Chairman of the Audit Committee |
| 6. Dr. Henryka Bochniarz | - Independent Board Member |
| 7. Jean-Marie Culpin | - Board Member |
| 8. Eric Debroeck | - Board Member |
| 9. Dr. Mirosław Gronicki | - Independent Board Member |
| 10. Sławomir Lachowski | - Independent Board Member |
| 11. Marie-Christine Lambert | - Board Member |
| 12. Pierre Louette | - Board Member |
| 13. Gervais Pellissier | - Board Member |
| 14. Gérard Ries | - Board Member |
| 15. Dr. Wiesław Rozłucki | - Independent Board Member and Chairman of the Remuneration Committee |

On April 10, 2014, the mandates of Messrs. Benoit Scheen, Timothy Boatman, Pierre Louette and Gérard Ries expired.

On the same day, Messrs. Benoit Scheen, Russ Houlden and Gérard Ries and Ms. Valérie Thérond were appointed by the Annual General Assembly as Members of the Supervisory Board.

On July 10, 2014, Mr. Benoit Scheen submitted his resignation from the position of Member of the Supervisory Board, effective as of August 31, 2014.

On October 9, 2014, Mr. Ramon Fernandez was appointed by the Supervisory Board as Member of the Supervisory Board.

Composition on December 31, 2014:

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| 1. Maciej Witucki | - Chairman of the Supervisory Board |
| 2. Prof. Andrzej K. Koźmiński | - Deputy Chairman and Independent Board Member |

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| 3. Gervais Pellissier | - Deputy Chairman and Chairman of the Strategy Committee |
| 4. Marc Ricau | - Board Member and Secretary |
| 5. Dr. Henryka Bochniarz | - Independent Board Member |
| 6. Jean-Marie Culpin | - Board Member |
| 7. Eric Debroeck | - Board Member |
| 8. Ramon Fernandez | - Board Member |
| 9. Dr. Mirosław Gronicki | - Independent Board Member |
| 10. Russ Houlden | - Independent Board Member and Chairman of the Audit Committee |
| 11. Sławomir Lachowski | - Independent Board Member |
| 12. Marie-Christine Lambert | - Board Member |
| 13. Gérard Ries | - Board Member |
| 14. Dr. Wiesław Rozłucki | - Independent Board Member and Chairman of the Remuneration Committee |
| 15. Valérie Théron | - Board Member |

At present, Orange Polska has six independent members on the Supervisory Board, namely: Prof. Andrzej K. Koźmiński, Dr. Henryka Bochniarz, Dr. Mirosław Gronicki, Russ Houlden, Sławomir Lachowski and Dr. Wiesław Rozłucki.

Composition of the Committees of the Supervisory Board on December 31, 2014:

The Audit Committee

1. Russ Houlden – Chairman
2. Marc Ricau
3. Sławomir Lachowski
4. Marie-Christine Lambert

The Audit Committee is chaired by Mr. Russ Houlden, an independent Member of the Supervisory Board. He has relevant experience and qualifications in finance, accounting and audit.

The Remuneration Committee

1. Dr. Wiesław Rozłucki – Chairman
2. Andrzej K. Koźmiński
3. Marc Ricau
4. Valérie Théron

The Strategy Committee

1. Gervais Pellissier – Chairman
2. Dr. Henryka Bochniarz
3. Eric Debroeck
4. Dr. Mirosław Gronicki
5. Sławomir Lachowski
6. Gérard Ries

Mr. Maciej Witucki, Chairman of the Supervisory Board, and Mr. Russ Houlden, Independent Board Member and Chairman of the Audit Committee, participate in the meetings of the Strategy Committee on a permanent basis.

III. Operations of the Management Board

The operations of the Management Board is managed by its President. Meetings of the Management Board are chaired by the President of the Management Board or, in case of his absence, another member of the Management Board designated by the President. Resolutions may be adopted if all members of the Management Board have been duly notified about the meeting. Resolutions of the Management Board shall be adopted by absolute majority of votes of all appointed members of the Management Board. Individual members of the Management Board shall manage the areas of the Company's operations assigned to them.

The responsibilities and obligations of the Management Board are detailed in the Management Board by-laws, available at www.orange-ir.pl.

IV. Operations of the Supervisory Board

The work of the Supervisory Board is co-ordinated by the Board Chairman with the assistance of the Board Secretary. The Supervisory Board shall hold a meeting at least once a quarter. The Management Board or a member of the Supervisory Board may demand convening a meeting, specifying a suggested agenda thereof. The Chairman of the Supervisory Board shall call a meeting within two weeks of the receipt of the aforementioned motion. In case the Chairman of the Supervisory Board fails to call a meeting within two weeks, the applicant may

call it on his own, specifying the date, place and suggested agenda of the meeting. The Supervisory Board shall adopt resolutions by a simple majority of the votes cast and in the presence of at least half of all members of the Supervisory Board. In case of equal votes, the Chairman of the Supervisory Board shall have the decisive vote.

Although the Board performs its tasks collectively, it delegates some of the work. The committees to which these tasks are delegated are described in further paragraphs.

The Supervisory Board by-laws are available at www.orange-ir.pl

In particular, the Supervisory Board is responsible for the appointment and remuneration of the members of the Management Board, the appointment of the Company's independent auditors, and the supervision of the Group's business. As part of its supervisory responsibilities, it examines the Group's strategic plan and annual budget, monitors the Group's operating and financial performance, formulates opinions on incurring liabilities that exceed the equivalent of €100,000,000, formulates opinions on disposal of the Group's assets that exceed the equivalent of €100,000,000, evaluates the Management Board's report on the Company's activities and the Management Board's proposals regarding distribution of profits or covering losses. In considering these matters, the Board takes into account the social, environmental and ethical considerations that relate to Group's businesses.

Furthermore, an amendment to the Polish Accounting Act, dated September 29, 1994 was published in 2009 which increased the responsibility of the members of the Supervisory Board in regards to the reliability and fair presentation of the Company's financial reporting.

V. Operations of the Committees of the Supervisory Board

(A) The Audit Committee

The task of the Committee is to advise the Supervisory Board on the proper implementation of budgetary and financial reporting and internal control (including risk management) principles in the Group and to liaise with the auditors of the Group.

The key functions of the Audit Committee include:

- 1) Monitoring the integrity of the financial information provided by the Company and the Group in particular by reviewing:
 - a. The relevance and consistency of the accounting methods used by the Company and the Group, including the criteria for the consolidation of the financial results;
 - b. Any changes to accounting standards, policies and practices;
 - c. Major areas of financial reporting subject to judgment;
 - d. Significant adjustments arising from the audit;
 - e. Statements on going concern;
 - f. Compliance with the accounting regulations;
- 2) Reviewing, at least annually, the Group's system of internal control and risk management systems with a view to ensuring, to the extent possible, that the main risks (including those related to compliance with existing legislation and regulations) are properly identified, managed and disclosed;
- 3) Reviewing annually the Internal Audit programme, including the review of independence of the Internal Audit function and its budget, and coordination between the internal and external auditors;
- 4) Analyzing reports of the Group's Internal Audit and major findings of any other internal investigations and responses of the Management Board to them;
- 5) Making recommendations in relation to the engagement, termination, appraisal and/or remuneration (variable pay) of the Director of the Internal Audit;
- 6) Reviewing and providing an opinion to the Management and/or the Supervisory Board (where applicable) on significant transactions with related parties as defined by the corporate rules;
- 7) Monitoring the independence and objectivity of the Company's external auditors and presentation of recommendations to the Supervisory Board with regard to selection and remuneration of the Company's auditors, with particular attention being paid to remuneration for additional services;
- 8) Reviewing the issues giving rise to the resignation of the external auditor;
- 9) Discussing with the Company's external auditors before the start of each annual audit on the nature and scope of the audit and monitoring the auditors' work;
- 10) Discussing with the Company's external auditors (in or without the presence of the Company Management Board) any problems or reservations, resulting from the financial statements audit;
- 11) Reviewing the effectiveness of the external audit process, and the responsiveness of the Management Board to recommendations made by the external auditor;
- 12) Considering any other matter noted by the Audit Committee or the Supervisory Board;
- 13) Regularly informing the Supervisory Board about all important issues within the Committee's scope of activity.
- 14) Providing the Supervisory Board with its annual report on the Audit Committee's activity and results.

(B) The Remuneration Committee

The Remuneration Committee's task is to advise the Supervisory Board and Management Board on the general remuneration and nomination policy of the Group, determining the conditions of employment and remuneration (including the setting of objectives) of the Members of Management Board and giving recommendations to the Supervisory Board regarding salaries and the amounts of variable pay for the members of the Management Board.

(C) The Strategy Committee

The tasks of the Strategy Committee include:

(1) giving its opinion and recommendation to the Supervisory Board on the strategic plans put forward by the Management Board and any further suggestions made by the Supervisory Board regarding such strategic plan(s), and in particular on the main strategic options involved; and

(2) consulting on all strategic projects related to the development of the Group, the monitoring of the evolution of industrial partnerships within the Group and projects involving strategic agreements for the Group. It then reports and makes recommendations on each of these projects to the Supervisory Board.

In particular, the Committee is invited to consider projects such as:

(1) strategic agreements, alliances, and technological and industrial co-operation agreements, including aspects of the Group's strategic partnership with Orange SA; and

(2) significant acquisitions and sales of assets.