

REPORT
on the activity of the Remuneration Committee
of the Supervisory Board of Orange Polska S.A. in 2017

The Remuneration Committee was established by virtue of the Resolution of the Supervisory Board no. 385/04 dated June 16, 2004 regarding TP S.A. Supervisory Board's Remuneration Committee establishment as a consultative body acting under the Supervisory Board.

The task of the Committee is to advise the Supervisory Board and Management Board on the general remuneration policy of Orange Polska Group and to make recommendations on appointments to the Management Board, performance objectives, conditions of remuneration and amounts of bonuses for the Members of the Management Board.

Composition:

In 2017, the Remuneration Committee was composed of the following persons:

Chairman: Dr. Wiesław Rozłucki ("Independent Director")

Members: Marc Ricau
Valérie Thérond
Dr. Maria Pasło-Wiśniewska ("Independent Director")

The Secretary of the Committee was Jacek Kowalski, Management Board Member in charge of Human Resources.

Activity in 2017:

In 2017, the Remuneration Committee (RemCo) held 8 meetings and in particular developed recommendations for the Supervisory Board consideration focused on the following Management Board Members' issues:

I. The employment conditions:

1. RemCo positively recommended to the Supervisory Board the adoption of a standard of a Contract of employment and a standard of Non-Competition Agreement after the expiry of employment for the Management Board Members and also the authorization of the Chairman of the Supervisory Board to conclude the contracts.
2. RemCo accepted the temporary change to Jean-François Fallacher's employment contract.
3. RemCo confirmed the main conditions of the employment contracts and the conditions of non-compete agreements after termination of employment for Mr. Piotr Muszyński, Mr. Jacek Kowalski, Mr. Maciej Nowohoński and Mr. Mariusz Gaca.
4. RemCo positively recommended to the Supervisory Board the appointments of Mariusz Gaca, Jacek Kowalski and Maciej Nowohoński as the Management Board Members for the next term of office from April 2017.
5. RemCo positively recommended to the Supervisory Board the change of the conditions of employment of Jolanta Dudek, the Management Board Member in charge of Customer Care and Customer Excellence.
6. RemCo discussed the composition of Management Board of Orange Polska.

II. Bonus and remuneration-related matters:

1. RemCo accepted the changes in the definition of the Stretch Bonus for the CEO for 2017.
2. RemCo positively recommended to the Supervisory Board the extraordinary reward for Jean-François Fallacher.

3. RemCo approved the evaluation of the MBO goals for the Management Board Members for H2 2016, the establishment of goals for the Management Board Members for H1 2017 and the evaluation of their MBO goals for H1 2017, and the establishment of goals for the Management Board Members for H2 2017.
4. RemCo decided that the target "Market Share" would not be more settled in MBO for the CEO.

III. Remuneration policy and the strategy

1. RemCo accepted the RemCo Annual Report 2016.
2. RemCo approved the part of the Management Board's Report on the Activity of Orange Polska S.A. in 2016, including the remuneration policy in Orange Polska S.A., in accordance with Best Practice for GPW Listed Companies 2016.
3. RemCo was acquainted with the training system for top managers including development offers provided by Orange Group and Orange Polska.
4. RemCo accepted and positively recommended to the Supervisory Board the Orange.One Motivation Program.
5. RemCo positively recommended to the Supervisory Board the Orange SA Group Long Term Incentive Program.

Wiesław Rozłucki

Chairman of the Remuneration Committee