

**ARTICLES OF ASSOCIATION OF
AKCINĒ BENDROVĒ ORLEN BALTICS RETAIL**

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I. GENERAL PROVISIONS

Article 1. Company

- 1.1. Akcinė bendrovė ORLEN Baltics Retail is an economically, financially and organisationally independent company, which runs its business pursuant to the provisions of these Articles of Association, civil code as well as bills and other acts of legislation.

Article 2. Legal form of the Company

- 2.1. The Company is a public company. The Company is a legal person with limited civil liability. The Company is responsible for its liabilities only up to the amount of its assets. Its Shareholders are responsible for the Company's liabilities in the amount they are obliged to pay for owned shares, except for cases provided for by law.

Article 3. Fiscal year of the Company

- 3.1. The fiscal year of the Company is the calendar year from 1 January to 31 December of each calendar year.

Article 4. Duration of the Company

- 4.1. The Company has been established for an indefinite period.

Article 5. Name and address of the Company's registered office

- 5.1. The name of the Company is Akcinė bendrovė ORLEN Baltics Retail.
- 5.2. The Address of the Company is: J.Jasinskio g. 16B, Vilnius, Republic of Lithuania

Article 6. Purpose and core of the Company's business

- 6.1. The basic aim of the Company is to run and develop a business related to the wholesale and retail trade of refinery products and other activities to the benefit of the Company and its shareholders, including the implementation of the mission and strategy of the ORLEN Capital Group.
- 6.2. The Company strives to achieve the purpose indicated in Paragraph 6.1, guided in the course of its business activity by the interest of the ORLEN Capital Group, in the period of its affiliation with it. The ORLEN Capital Group shall be understood as company operating under business name: Polski Koncern Naftowy ORLEN Spółka Akcyjna with its registered seat in Płock, as well as its direct and indirect subsidiaries.
- 6.3. The Company performs the following economic activities:
 - manufacturing of refined petroleum products;
 - retail sales of vehicle fuels in specialised shops;

- wholesale of solid, liquid and gas fuels and derivative products;
 - intermediate sales of fuels, metal ores, metals and industrial chemicals;
 - intermediate sales of food, beverages and tobacco products;
 - intermediate sales of goods of various types;
 - retail sales in unspecialised shops with emphasis on food, beverages and tobacco products;
 - other retail sales in unspecialised shops;
 - retail sales of beverages in specialised shops;
 - retail sales of tobacco products in specialised shops;
 - purchase and sales of own property;
 - rental of own or leased property.
- 6.4. The Company has the right to engage in other economic activities not specified in these Articles of Association provided that the activities will not contradict the objectives of the Company and applicable law. The Company may carry out licensed (permitted) activities only having obtained sufficient licences (permits) for such activities.

Article 7. Branches and representative offices of the Company

- 7.1. Branches and/or representative offices of the Company are established, whereas their activities are defined by decisions of the Management Board of the Company (hereinafter referred to as the Board). The number of branches and/or representative offices is not limited.
- 7.2. The branch is a business unit of the Company with its own headquarters; it performs all or part of the Company functions. The branch may not be a legal person. The Company is responsible for liabilities of its branches and vice versa. The branch operates pursuant to its Articles of Association, approved by the Company Board. The Director of the Company branch is appointed and dismissed by the decision of the Board.
- 7.3. The representative office is a business unit of the Company with its own headquarters; it has the right to represent and defend the interests of the Company, and to conduct other activities on behalf of the Company based on authorisation. The representative office may not be a legal person. The representative office operates pursuant to its Articles of Association, approved by the Company Board. The Director of the Company representative office is appointed and dismissed by the decision of the Board.

II. SHARE CAPITAL, SHARES AND RIGHTS OF SHAREHOLDERS

Article 8. Share capital

- 8.1. The share capital of the Company is EUR 15,465,265 (fifteen million four hundred sixty five thousand two hundred and sixty five Euros). The share capital of the Company is divided into 5,332,850 (five million three hundred thirty two thousand eight hundred and fifty) shares at the nominal value of EUR 2.90 (two Euros ninety cents) each.
- 8.2. The share capital of the Company may be increased off the Company's funds or through additional contribution of shareholders and/or other persons in the mode specified in applicable legal provisions
- 8.3. If the share capital of the Company is increased by additional contributions, then the General

Meeting of Shareholders will determine, by a majority of votes, but no less than 2/3 (two thirds) of votes cast by the shareholders in attendance at the meeting, the class, number, nominal value and minimum price of newly-issued shares of the Company. New shares are claimed and paid under applicable law.

- 8.4. The share capital of the Company may be decreased following the procedure and in cases provided for by law.

Article 9. Company shares

- 9.1. All shares issued by the Company are ordinary registered ones.
- 9.2. No certificates are issued for Company shares. They are represented with entries on individual securities accounts of Company shareholders. The securities account contains the number of shares owned by a given person and other information required under law.

Article 10. Rights derived from the ownership of Shares. Procedure for providing Shareholders with documents and other information

- 10.1. The ordinary registered share of the Company gives its owner (shareholder) the following property rights:
- 1) to receive a certain part of the Company's profit (dividends);
 - 2) to receive the Company capital if the authorised capital of the Company is decreased in order to withdraw the Company's capital on behalf of shareholders;
 - 3) to receive a part of the Company's stock in case it is liquidated;
 - 4) to receive shares free of charge if the authorised capital of the Company is increased with the Company's own funds (except for cases provided for as overriding requirements)
 - 5) to purchase, by way of pre-emption and proportionally to the nominal value of owned shares, shares or convertible bonds issued by the Company, unless the General Meeting of Shareholders decides to revoke the pre-emption right for all shareholders of the Company in the mode specified in the Commercial Companies Code of the Republic of Lithuania;
 - 6) to grant loans to the Company following the procedure and limits as specified by legal provisions;
 - 7) to have other property rights provided for by legal provisions.
- 10.2. The ordinary registered share of the Company gives its owner (shareholder) the following non-property rights;
- 1) to participate in General Meetings of Shareholders and vote according to the right granted based on owned shares (except for cases provided for by legal provisions);
 - 2) to submit questions to the Company as regards the agenda of the General Meeting of Shareholders;
 - 3) to receive information about the Company following the procedure specified in these Articles of Association and within the scope allowed by applicable legal provisions;
 - 4) to appeal to the court against decisions or actions of the Company's authorities, to submit claims to the court for compensation for losses sustained by the Company if the Company Director General and/or members of the Board fail to perform or improperly perform their duties, as

specified in legal provisions and Articles of Association, and in other cases provided for by applicable legal provisions;

- 5) to have other non-property rights provided for by law or these Articles of Association
- 10.3. Voting rights at the General Meeting of Shareholders are granted only if shares are paid in full.
- 10.4. At the written request of the shareholder, the Company, within 7 (seven) days from the date the request is received, will grant the shareholder the access to and will provide copies of the following documents: Articles of Association, sets of annual and interim financial statements, annual and interim reports, opinions, findings and reports of the auditor on financial statements, minutes of General Meetings of Shareholders or other documents containing resolutions of the General Meeting of Shareholders, lists of Company shareholders, lists of Board members, other documents of the Company which are public under law. If trade secrets are disclosed, such individuals will be held legally accountable. The Board determines what information is Company trade secret (does not apply to information which is public under Lithuanian law). The refusal of the Company to make requested documents available will be in writing, if the shareholder requires so. Disputes related to the shareholder's right to information will be resolved in court.
- 10.5. The shareholder has the right to authorise another person to vote on their behalf at the General Meeting of Shareholders or to perform other legal actions.
- 10.6. The shareholder may sign a contract as regards the assignment of their voting right and other non-property rights to another person. The shareholder who signs such a contract related to the assignment of their voting right and other non-property rights must immediately notify the Company of the fact, by submitting a copy of such an agreement and relevant information to the Director General. Such agreements enter into force the moment they are reported to the Company in the mode and scope specified in applicable legal provisions. The Director General is obliged to inform shareholders having received such a contract at the next General Meeting of Shareholders.
- 10.7. Several shareholders may reach an agreement as regards voting or unanimous voting at the General Meeting of Shareholders and/or authorisation of another person to vote on behalf of the shareholders who have reached the agreement related to voting or exercising other rights of the shareholders.

III. COMPANY MANAGEMENT

Article 11. Company's authorities

The Company's authorities are:

- 1) General Meeting of Shareholders;
- 2) Board;
- 3) Director General.

The Board is a collective management body of the Company, whereas the Director General is a management body which consists of one person only. The Company Board and Director General manage the Company in compliance with adopted industry practices. The Board and Director General organise all activities of the Company and manage its development and all activities.

A. General Meeting of Shareholders

Article 12. Competencies of the General Meeting of Shareholders

12.1. Only the General Meeting of Shareholders has the right to:

- 1) change the Articles of Association (except for cases provided for by law);
- 2) move the registered office of the Company
- 3) approve the selection of and dismiss the auditing company to carry out the annual financial audit and determine conditions for remunerating
- 4) choose members of the Company Board or dismiss the Board or its respective members;
- 5) approve annual financial statements and consolidated annual financial statements (if required under law);
- 6) approve periodic financial statements prepared to make decisions related to the payment of dividends for a period shorter than the financial year;
- 7) make decisions related to the payment of dividends for a period shorter than the financial year;
- 8) make decisions related to increasing the authorised capital of the Company;
- 9) determine the class, number, nominal value and minimum issue price of newly-issued shares;
- 10) make decisions about the cancellation of the pre-emption right for all shareholders as regards the purchase of shares and convertible bonds of the Company for a specific issue;
- 11) make decisions about decreasing the authorised capital of the Company (except for cases provided for by law);
- 12) make decisions as regards the issue of convertible bonds;
- 13) make decisions as regards the exchange of one class of Company shares for other and approve the procedure of their exchange;
- 14) make decisions on behalf of the Company related to the purchases of its own shares;
- 15) make the decision related to the liquidation of the Company, cancel the liquidation of the Company (except for cases provided for by law);
- 16) appoint and dismiss the liquidator of the Company (except for cases provided for by law);
- 17) make the decision related to the reorganisation or division of the Company and its restructuring or change of the legal form, approve conditions of the reorganisation or division (unless the Act states otherwise);
- 18) make decisions as regards the profit (loss) distribution;
- 19) make decisions as regards creation, use, decreasing or liquidation of provisions;
- 20) make decisions as to other matters falling within the competence of the General Meeting of Shareholders under applicable law or these Articles of Association, if not a function of the Company management.

12.2. Additionally the General Meeting of Shareholders shall give a prior approval regarding the following decisions of the Board of Directors on:

- 1) disposal of long-term assets within the meaning of the International Financial Reporting Standards (the IFRS) classified as intangible assets, tangible fixed assets or long-term investments, including bringing them as a contribution in kind to a company or cooperative, if the market value of these long-term assets exceeds 5% of the total assets, determined on the basis of the latest approved financial statements of the Company,

2) transfer of long-term assets within the meaning of the International Financial Reporting Standards (the IFRS) classified as intangible assets, tangible fixed assets or long-term investments for use to another entity for a period longer than 180 days in a calendar year, based on a legal action, if the market value of the subject of the legal action exceeds 5% of the total assets, whereas, in the case of tenancy agreements, leases and other agreements on transfer of asset for paid use to other entities - the market value of the subject of the legal action is understood as the value of benefits for:

- a year - if the asset was transferred based on agreements concluded for an indefinite period of time,
- the entire duration of the agreement - in the case of agreements concluded for a definite period of time,

In case of lending agreements and other free-of-charge agreements for the transfer of an asset for use to other entities - the market value of the subject of the legal action is understood as the equivalent of benefits that would be payable in the event of a tenancy or a lease agreement for:

- a year - if the asset will be handed over under an agreement concluded for an indefinite period of time,
- the entire duration of the agreement - in the case of agreements concluded for a definite period of time;

3) acquisition of long-term assets within the meaning of the IFRS, the value of which exceed:

- EUR 22,000,000, or
- 5% of the total assets, determined on the basis of the latest approved financial statements of the Company;

4) taking up or acquiring shares/stakes in another company, the value of which exceed:

- EUR 22,000,000, or
- 10% of the total assets, determined on the basis of the latest approved financial statements of the Company;

5) disposal of shares in another company;

6) conclusion of an agreement for legal services, marketing services, public relations services, social communication services, and external consultancy services related to management of the Company, if the amount of remuneration for the services provided in this agreement or other agreements concluded with the same entity exceeds in total EUR 110,000 annually;

7) amendment of the agreement for legal services, marketing services, public relations services, social communication services, and external consultancy services related to management of the Company, increasing the remuneration above the amount referred to in clause 6 above;

8) conclusion of an agreement for legal services, marketing services, public relations services, social communication services and external consultancy services related to management of the Company, in which the maximum amount of remuneration is not provided for;

9) the conclusion of a donation agreement or another agreement with a similar effect, the value of which exceed EUR 4,000 or 0.1% of the total assets, determined on the basis of the latest approved financial statements of the Company;

10) release from a debt or conclusion of other agreement or undertaking action of similar effect, the value of which exceed EUR 11,000 or 0.1% of the total assets, determined on the basis of the

latest approved financial statements of the Company.

- 12.3. The General Meeting of Shareholders does not have the right to order the other Company bodies to make decisions when it is the General Meeting's sole competence to handle such matters.
- 12.4. The General Meeting of Shareholders lays down general rules of fixing the remuneration, including its amount, of members of the Company's Board of Directors.

Article 13. Organising the General Meeting of Shareholders

- 13.1 The General Meeting of Shareholders is convened by a resolution of the Company Board following the procedure specified in applicable legal provisions. In specified cases, the General Meeting of Shareholders is convened by a decision made by the Director General and shareholders who, according to the number of owned shares, have over 1/2 of all the votes, alternatively by court.
- 13.2 The notification that the General Meeting of Shareholders is to be convened will be published in the source indicated in the Articles of Association or communicated to each shareholder upon confirmation in the form of signature or sent by registered mail (or publicly announced in the mode provided for by law, if shares of the Company are subject to sales on the market) no later than 21 (twenty one) days before the date of the General Assembly of Shareholders.

Shareholders will be informed about the fact that the General Meeting of Shareholders is to be convened again, following the procedure specified at this paragraph, no later than 5 (five) days, or 14 (fourteen) days if Company shares are subject to sales on the market, before the meeting. The General Meeting of Shareholders may be convened without applying the terms mentioned above, if all the shareholders in possession of shares giving them the voting rights, consent to it in writing.

Article 14. Participation in the General Meeting of Shareholders

- 14.1. Individuals who may participate and vote at the General Meeting of Shareholders must be shareholders of the Company as of the shareholder registration date (that is at the end of the fifth working day before the General Meeting of Shareholders or another General Meeting of Shareholders); they may attend the meeting in person, except for cases provided for by law, or be represented by authorised persons or persons with whom an agreement has been reached as to the voting or another agreement provided for by legal provisions.
- 14.2. Members of the Company Board, auditor selected by the Company (auditor who prepared an opinion and report) and Director General may participate and vote at the General Meeting of Shareholders without the voting right if they are not shareholders of the Company themselves.

Article 15. Decision making at the General Meeting of Shareholders

- 15.1. The General Meeting of Shareholders may make decisions and is considered properly convened provided that it is attended by shareholders with more than a half of all the votes. The quorum is determined based on the registration list of shareholders before opening the general meeting and such quorum is deemed as present throughout the meeting. If there is no quorum, convene the meeting again no sooner than after 5 (five) days, or 14 (fourteen) days if shares of the Company are subject to sales on the market, and no later than within 21 (twenty one) days from the date of the meeting deemed as invalid. The second meeting has the right to make decisions as to matters included in the agenda of the invalid meeting, irrespective of the number of shareholders in attendance at the second meeting.

- 15.2. Decisions of the General Meeting of Shareholders are made when the number of votes "for" exceeds the number of votes "against," except for the following cases:
- 1) election of the Board pursuant to the provisions specified in Clause 17.2 of these Articles of Association and
 - 2) decision making as to matters specified at 1), 7), 8), 9), 11), 12), 13), 15), 17), 18) and 19) of Clause 12.1 of these Articles, requiring the majority and at least 2/3 (two thirds) of the votes of all the shareholders in attendance at the meeting and having the voting right while passing such a resolution; and
 - 3) making decisions specified in Art. 12.1 (10), whose adoption requires the majority and at least 3/4 (three fourths) of the votes of all the shareholders in attendance at the meeting and having the voting right while passing such a resolution.
- 15.3. One ordinary registered share gives its holder one vote at the General Meeting of Shareholders, unless applicable provisions state otherwise.
- 15.4. If all shares of the Company are in possession of one shareholder, their written decisions are equivalent to decisions made at the General Meeting of Company Shareholders.

B. Company Board

Article 16. Position and competencies of the Board

- 16.1. The Board is a collective management body of the Company.
- 16.2. The Board considers and approves decisions related to:
- 1) strategy of the Company's business;
 - 2) annual report of the Company or consolidated annual report of the Company or periodic financial statement (if required under applicable law);
 - 3) general structure of the management and jobs at the Company;
 - 4) jobs at the Company for which employees are accepted through a competition;
 - 5) Articles of Association of Company branches and representative offices;
 - 6) Organisational Rules and Regulations of the Company. The Organisational Rules and Regulations of the Company:
 - specify the general structure of the management at the Company;
 - specify the decision making procedure at the Company,
 - specify rules for issuing (granting) and invalidating powers of attorney for representing the Company;
 - specify the hierarchy and functions of the Company's business units,
 - govern functions, scope of responsibilities and business subordination of managers of business units;
 - govern other matters related to the management of the Company.
 - 7) approves or changes essential accounting practices at the Company;

- 8) index of trade secrets of the Company and classified information;
 - 9) establishment and closure of Company branches and representative offices;
 - 10) approval of the Annual Operating Budget (including the Annual Capital Expenditures Budget) and Midterm Plan or deviations from the Annual Operating Budget or Midterm Plan;
 - 11) issuing bonds (except for convertible bonds);
 - 12) draft annual financial statement or consolidated financial statement (if required under applicable law), draft profit (loss) distribution and their presentation, together with the annual report or consolidated annual report (if required under applicable law), to the General Meeting of Shareholders;
 - 13) refers other matters under its responsibility pursuant to the Articles of Association or applicable right to the General Meeting of Shareholders.
- 16.3. The Board appoints and/or dismisses the Director General, determines the Director General's employment conditions, including remuneration, approves their rules of procedure, grants them bonuses and imposes penalties on them. The Board approves the appointment and/or dismissal of Managers of Company Branches. The Board appoints and dismisses the Deputy Director General and other managers and employees directly subordinate to the Director General, specifies their employment conditions, including remuneration, approves their rules of procedure as well as grants them bonuses and imposes penalties on them. The Organisational Rules and Regulations of the Company may state that the Board will appoint/dismiss or consent to the appointment/dismissal of other managers and employees at the Company to/from their post as well as specify their employment conditions.
- 16.4. The Board makes decisions related to the following matters:
- 1) establishment of other legal persons (companies), purchase of stocks (shares, etc.) by the Company as any person, signing consortium agreements or other similar ones with any entity, sales, pledge or other encumbrance or transfer of shares or stocks held by the Company in other entities;
 - 2) purchase, disposal, investment, lease, pledge, mortgage or other encumbrance or transfer of long-term assets whose value calculated according to one or several transactions exceeds EUR 3,000 (three thousand) without VAT (if charged);
 - 3) assignment or disposal of a functioning enterprise or assets which are an organised part of a specific entity or purchase of such assets irrespective of the value of such a transaction;
 - 4) Company's signing agreements related to capital expenditures (including the purchase of securities) whose value calculated according to one or several transactions exceeds EUR 3,000 (three thousand) without VAT (if charged);
 - 5) assignment or disposal of Company assets, if these are to be leased to the Company or if the Company has the right to repurchase them, or companies directly or indirectly controlling the Company or controlled by the Company have the right to lease or repurchase them;
 - 6) giving sureties or guarantees that third-party liabilities will be covered;
 - 7) Company's signing agreements with related persons, described in international standards Financial reporting (including family members), including shareholders of the Company, subsidiaries, members of the Board, Director General and individuals related to them;
 - 8) signing a collective labour agreement at the Company and other agreements with trade unions;
 - 9) donating funds to charity whose value exceeds EUR 2,000 (two thousand) for one beneficiary

within the period of one calendar year;

- 10) substantial change of the Company's business or companies controlled by the Company (as regards the sales of fuels and other petroleum products and activities related to retail sales);
 - 11) all issues specified in clause 12.2.
- 16.5. In case Articles of Association provide different values for the same contract, transaction, legal actions for which a decision of the Board of Directors is required, it shall be deemed the decision shall be required for all contracts, transactions, legal actions starting with the lower value.
- 16.6. If the decision specified in Art. 16 of these Articles is to be made or approved by the General Meeting of Shareholders pursuant to these Articles or based on the resolution of the General Meeting of Shareholders, the Board must obtain an approval, consent or opinion (where applicable) of the General Meeting of Shareholders in relation to such decisions.
- 16.7. The disposal by the Company of long-term assets within the meaning of the IFRS, with the market value amounting to more than 0.1% of the total assets determined on the basis of the latest approved financial statements of the Company, is made within tender or auction procedure, approved by the Board of Directors, unless the market value of the disposed asset is less than EUR 4,000.
- 16.8. In the situation referred to in clause 16.7. above, the Company may dispose long-term assets without conducting a tender or auction if:
- 1) the disposal is carried out upon prior consent of the General Meeting of Shareholders;
 - 2) the disposal is carried out to subsidiaries, entities indirectly and directly dominant or their subsidiaries;
 - 3) according to the decision of the Board of Directors the necessity of carrying out a tender or auction procedure may expose the Company to incur a loss (in particular, negatively impact terms of potential disposal of long-term assets) or may lead to a breach by the Company of the requirements arising from applicable legal requirements – following the 14 days prior notice to the shareholders regarding the intention to withdraw from tender or auction procedure.
- 16.9. The Board approves the decision/stance of the Company as the Company exercises its voting rights at general meetings of subsidiaries or other entities in the following cases:
- merger with another company or restructuring of a specific entity;
 - amendments to the articles of a specific entity;
 - liquidation of a specific entity;
 - election of members of supervisory and management bodies at a specific entity;
 - approval of the Annual Operating Budget (including the Annual Capital Expenditures Budget) and Midterm Plan;
 - approval of the annual financial statement and profit (loss) distribution;
 - approval, assignment or disposal of an enterprise performing its current activities or assets which are an organised part of an enterprise or purchase of such assets irrespective of the value of such a transaction;
 - changes to the legal form of a specific entity;
 - approval of proper legal actions, transactions or contracts mentioned in Clause 16.4 of these Articles, signed or fulfilled by a specific entity.
- 16.10. The Board has the right to determine that other decisions of the Company within the competence of

the Director General will be subject to prior approval by the Board

16.11. The Board performs other functions and has other competencies provided for in these Articles of Association, applicable law or resolutions of the General Meeting of Shareholders.

Article 17. Board members, appointment and term in office

17.1. The Board consists of 4 (four) members, including the President of the Board.

17.2. The Board is elected by the General Meeting of Shareholders. As Board members are elected, each shareholder has a number of votes equal to the number of owned shares, multiplied by the number of Board members being elected. The shareholder casts their votes at their discretion for one or several candidates. Candidates who have the greatest number of votes are elected. If the number of candidates with the same number of votes exceeds the number of seats in the Board, the election is repeated, whereas each shareholder may only vote for one of the candidates who have the same number of votes.

17.3. Members of the Board are elected for a term of 4 (four) years. The Board member may be dismissed from their post or re-elected for the subsequent term in office. The Board's term in office begins from the moment the General Meeting of Shareholders ends which has elected the Board, except for cases provided for in applicable legal provisions. Members of the Board begin to perform their activities only having signed confidentiality agreements with the Company.

17.4. Members of the Board may only be natural persons with legal capacity.

17.5. The General Meeting of Shareholders has the right to dismiss the Board *in corpore* or its individual members. The Board member may resign from the post before the term in office expires at 14-day written notice submitted to the Company. If the member resigns from the Board, the General Meeting of Shareholders may accept the resignation and elect another Board member before the expiry of the aforementioned period of 14 (fourteen) days.

17.6. A candidate for an executive member of the Company's Board of Directors may be a person who jointly meets the following requirements:

- 1) has a higher education degree (i) achieved at eligible university operating within the system of higher education of a member state of the European Union, Organisation for Economic Co-operation and Development or European Free Trade Association – party to the agreement on the European Economic Area (ii) recognised as equivalent to the higher education degree achieved in Republic of Poland pursuant to an international agreement or (iii) recognised as equivalent to the higher education degree achieved in Republic of Poland in the way of nostrification proceedings carried out in Republic of Poland;
- 2) for at least 5 years has been employed on the basis of an employment agreement, appointment, election, nomination, or has been providing services under a different type of agreement or has been performing business activity on its own account;
- 3) has at least 3-year experience on managerial or independent positions or experience resulting from running a business on its own account;
- 4) meets other than those referred to in clauses 1)-3) requirements specified in applicable generally binding legal regulations, in particular, does not violate restrictions or prohibitions on holding the position of a member of the management body in commercial companies.

17.7. A candidate for an executive member of the Company's Board of Directors cannot be a person who meets at least one of the following conditions:

- 1) is employed in a parliamentary office, senatorial office, other office of the member of legislative

body or a European Parliament member's office under a contract of employment or provides work on the basis of a contract of mandate or other agreement of similar nature;

- 2) is part of the body of a political party representing the political party outside and entitled to incur liabilities;
- 3) is employed by a political party on the basis of an employment contract or provides work on the basis of a contract of mandate or another agreement of similar nature;
- 4) its social or business activity causes a conflict of interest in relation to the Company's operations.

17.8. A candidate for a non-executive member of the Company's Board of Directors may only be a person having a positive opinion of the Council for companies with the Polish State Treasury's share and state legal persons (in Polish: *Rada do spraw Spółek z udziałem Skarbu Państwa i państwowych osób prawnych*).

17.9. The candidate referred to in Paragraph 17.8 above, shall also:

- 1) have a higher education degree referred to in Paragraph 17.6. subparagraph 1) and for at least 5 years have been employed on the basis of an employment agreement, appointment, election, nomination, cooperative employment agreement, or has been providing services under a different type of agreement or has been performing business activity on its own account, and shall also meet at least one of the following requirements:
 - hold a PhD degree in economics, legal or technical sciences;
 - hold a professional title of an advocate, legal counsel, chartered accountant, tax advisor, investment adviser or restructuring adviser;
 - graduate from Master of Business Administration faculty (post-graduate studies);
 - hold a Chartered Financial Analyst (CFA) certificate;
 - hold a Certified International Investment Analyst (CIIA) certificate;
 - hold the Association of Chartered Certified Accountants (ACCA) certificate;
 - hold a Certified in Financial Forensics (CFF) certificate;
 - hold a confirmation of passing an examination before a commission appointed by the Polish Minister of Privatization (in Polish: *Minister Przekształceń Własnościowych*), Polish Minister of Industry and Trade (in Polish: *Minister Przemysłu i Handlu*), Polish Minister of Treasury (in Polish: *Minister Skarbu Państwa*) or the Polish Selection Committee (in Polish: *Komisja Selekcyjna*);
 - hold a confirmation of passing an exam for candidates for members of the supervisory boards of companies, in which Polish State Treasury is a sole shareholder;
 - pass an examination for candidates for the members of supervisory bodies before an examination board appointed by the Polish Prime Minister;
 - pass an examination for candidates for the members of supervisory bodies before an examination board appointed by Polish minister responsible for state assets;
 - another alternative to abovementioned requirements for candidates for the members of supervisory bodies set out in the Polish Act on Rules of Management of State Property.
- 2) not to be employed by the Company or provide work or services to it on the basis of another legal relationship, except for membership in the Board of Directors;
- 3) not to hold shares in the Company's subsidiaries, with the exception of shares admitted to trading on a regulated market recognised by a member state of the European Union or a country being a party to

the agreement on the European Economic Area, on the territory of which such market is maintained, as fulfilling conditions of a regulated market and indicated as such to the European Commission;

- 4) not to be employed by the Company's subsidiaries or provide work or services to them on the basis of another legal relationship, except for membership in their supervisory bodies;
 - 5) not to be engaged in activities that would be in conflict with its duties as a member of the Board of Directors or could arouse suspicion of partiality or self-interest or could lead to a conflict of interest in relation to the Company's operations;
 - 6) meet other requirements than those set out in points 1) – 5) above, set for a non-executive member of the Board of Directors in applicable generally binding legal regulations.
- 17.10. A person may not be a candidate for a position of a non-executive member of the Company's Board of Directors provided such person meets at least one of the following conditions:
- 1) acts as an assistant to member of the parliament or is employed in an office of parliamentary member, office of senate member, parliamentary-senator's office or a European Parliament member's office under a contract of employment or provides work on the basis of a contract of mandate or other agreement of similar nature;
 - 2) is part of the body of a political party representing the political party outside and entitled to incur liabilities;
 - 3) is employed by a political party on the basis of an employment contract or provides work on the basis of a contract of mandate or another agreement of similar nature.
- 17.11. In case any non-executive member of the Company's Board of Directors do not meet any of the criteria described in Paragraphs 17.8, 17.9. and/or 17.10., the shareholder shall be obliged to immediately undertake any action necessary to dismiss such non-executive member of the Company's Board of Directors.
- 17.12. Each candidate for the Board member must inform the General Meeting of Shareholders in writing where and what their post is and how their activities are related to the Company's business and subsidiaries of the Company and provide other information pursuant to requirements of applicable law. This information should be provided at the General Meeting of Shareholders whose agenda includes the election of the Board *in corpore* or its individual members or provided to the Director General before that General Meeting of Shareholders.
- 17.13. Members of the Board are obliged to inform the Board in writing when their private interests are or may be contradictory to the interests of the Company, about agreements signed between members of the Board and Company and to provide information required under applicable legal provisions.
- 17.14. Members of the Board who want to take positions in supervisory or management bodies of other entities and, therefore, receive remuneration, must obtain the consent from the Board, which may not be denied without justification.
- 17.15. The Company may enter into contracts with members of the Board governing their scope of activities and remuneration as members of the Board within the scope specified in applicable legal provisions. All contracts with members of the Board are earlier approved by the Board.

Article 18. Board meetings, decision making and operation mode

- 18.1. The Board elects its President from among all its members; the President organises activities of the Board.
- 18.2. The operation mode of the Board is specified in the Rules of Procedure, adopted by the Board.
- 18.3. The Board may make decisions if there are 2/3 (two thirds) or so members in attendance at the

meeting. Decisions are considered as adopted if more than a half of Board members vote "for" a specific decision. Minutes are prepared during meetings of the Board.

- 18.4. Board members do not have the right to authorise other persons to vote on their behalf
- 18.5. Meetings of the Board may be held also by way of teleconferences, video conferences or with other means, without members of the Board having to meet physically (for instance when decisions made are signed by all members of the Board).
- 18.6. The Company Board may consist of members to whom responsibilities are assigned for specific areas of the Company's economic activity (these are executive members of the Board) and members who do not receive tasks pertaining to responsibilities for respective areas of the Company's economic activity (these are non-executive members of the Board). Executive and non-executive members of the Board, as members of the Board, have equal rights and responsibilities.
- 18.7. The Rules of Procedure for the Board or another document adopted by the Board may provide for the appointment of internal committees (consisting of Board members) within the framework of the Board, which committees will be responsible for specific areas of the Company's economic activity.

Article 19. Other duties and responsibilities of Board members

- 19.1. Members of the Board are obliged to maintain the confidentiality of trade secrets of the Company and classified information which they learned while performing duties.
- 19.2. Members of the Board are responsible for their actions under applicable law.

C. Director General

Article 20. Position and competencies of the Director General

- 20.1. The Director General is the manager of the Company.
- 20.2. The Director General acts in compliance with bills, other acts of legislation, these Articles of Association, decisions of the General Meeting of Shareholders and Board, Organisational Rules and Regulations. According to the Organisational Rules and Regulations as well as decisions of the Company Board, the Director General creates the administration of the Company.
- 20.3. The Director General has all authorities and responsibilities specified for such a post in relevant legal provisions, these Articles of Association, decisions of the General Meeting of Shareholders and Company Board, in the Organisational Rules and Regulations or other internal Company provisions.
- 20.4. The Director General of the Company:
 - 1) organises the activities and achieves objectives of the Company;
 - 2) is responsible for the preparation of annual financial statements and annual consolidated financial statements, as well as for the consolidated annual report of the Company (if required under applicable law);
 - 3) is responsible for preparing the dividend payment scheme for the period shorter than the financial year, preparing periodic financial statements, making the decision related to the payment of dividends for the period shorter than the financial year;
 - 4) is responsible for signing the contract with the auditing company if legal provisions or the Articles require that the audit be carried out;

- 5) submits information and documentation to the General Meeting of Shareholders and Board, pursuant to applicable legal provisions or on request of Shareholders;
 - 6) submits documents of the Company together with data to the controller of the Register of Legal Persons of the Republic of Lithuania and to other individuals following the procedure specified in legal provisions;
 - 7) In cases provided for by law, submits documents of the Company and data to the Lithuanian Bank and Central Depository of Securities in Lithuania, following requirements and procedure specified in legal provisions;
 - 8) prepares and issues communications of the Company pursuant to Article 24 of these Articles of Association;
 - 9) submits information to shareholders in cases and following the procedure specified in legal provisions;
 - 10) employs and dismisses all employees, signs and terminates employment contracts with employees. In cases indicated in the Articles of Association, the Board appoints/dismisses or consents to the appointment/dismissal of certain individuals to/from their posts. The Organisational Rules and Regulations of the Company may indicate it is the Board that appoints/dismisses or consents to the appointment/dismissal of other members of the management/employees of the Company to/from their posts.
 - 11) supervises employees of the Company on all tiers;
 - 12) grants bonuses to and imposes penalties on employees of the Company;
 - 13) together with annual financial statements, directly or through the Board of Directors submit to the Company's General Meeting of Shareholders, the report on representation expenses as well as the report on expenses for legal services, marketing services, public relations services, social communication services and external consultancy services related to management of the Company, as well as the report regarding observance of the good practices addressed to entities with Polish State Treasury shareholding, concerning in particular corporate governance rules, corporate social responsibility and rules of conducting sponsorship activity, and issued by the Polish Prime Minister based on article 7.3 of Polish Act on rules of management of state property;
 - 14) exercises all rights, authorities, responsibilities and duties specified for the post of Director General in legal provisions, bills, these Articles of Association, decisions of the General Meeting of Shareholders and Board as well as in the Organisational Rules and Regulations;
 - 15) exercises all authorities not assigned to competencies of other Company bodies pursuant to bills, other acts of legislation, these Articles of Association, decisions of the General Meeting of Shareholders and Board as well as the Organisational Rules and Regulations.
- 20.5. The Director General takes actions within the scope of their competence at their own discretion, unless these Articles of Association, decisions of the General Meeting of Shareholders or Board, provisions of the Organizational Rules and Regulations or other internal Company provisions state otherwise.
- 20.6. Except for situations when decision making is within the scope of the Board's competence or requires the consent from the Board, decisions related to:
- 1) Company's signing agreements or making transactions or incurring a liability or credit risk in any other way whose value according to one or several related legal actions or transactions exceeds EUR 150,000 (one hundred and fifty thousand) without VAT (if applicable);
 - 2) signing agreements for the purchase or sales of petroleum products whose value based on one

or several related legal actions or transactions exceeds EUR 300,000 (three hundred thousand) without VAT (if applicable);

- 3) signing credit agreements or other similar ones generating debts on the part of the Company whose value based on one or several transactions exceeds EUR 150.000 (one hundred and fifty thousand) without VAT (if applicable);
- 4) signing purchase or sales agreements related to fuelling stations operating under franchise agreements whose value based on one or several related legal actions or transactions exceeds EUR 300,000 (three hundred thousand) without VAT (if applicable);

the Director General makes in writing together with the President of the Board or another member of the Board.

Article 21. Appointment of the Director General

- 21.1. The Board elects or dismisses the Director General, or makes them redundant, specifies their remuneration and other employment agreement conditions, approves their rules of procedure, grants them bonuses and imposes penalties on them.
- 21.2. The employment agreement with the Director General is signed on behalf of the Company by the President of the Board or another Board member authorised by the Board. The employment agreement with the Director General who also serves the function of President of the Board is signed by two other members of the Board authorised by the Board.
- 21.3. The Director General must be a natural person fulfilling requirements specified in Paragraphs 17.6 and 17.7 of these Articles of Association, regardless of whether he is a member of the Board of Directors.
- 21.4. The candidate for the position of Director General is obliged to inform the Board where and what their post is and how their activities are related to the Company's business and subsidiaries of the Company and provides other information required under applicable law. The person who under applicable law may not be appointed as a member of the management may not be elected as the Director General of the Company.

Article 22. Other duties and responsibilities of the Director General

- 22.1. The Director General is obliged to maintain the confidentiality of trade secrets of the Company and classified information learned while performing duties.
- 22.2. The Director General is responsible for their actions under applicable law.

IV. REPRESENTIVES OF THE COMPANY

Article 23. Representation of the Company

- 23.1. The Director General, together with one Board member, represents the Company before third parties. If the Director General is a member of the Board, the Company is represented by the Director General and another member of the Board.
- 23.2. Making agreements (transactions) on behalf of the Company is subject to the joint representation rule pursuant to Clause 23.1., in other words agreements (transactions) are made on behalf of the Company by the Director General together with one member of the Board. Transactions made in

violation of the joint representation rule do not create liabilities on part of the Company. The Company, represented by the Director General together with one Board member, may grant powers of attorney to represent the Company.

- 23.3. Upon prior consent of the Board, the Director General and member of the Board may grant powers of attorney. The powers of attorney are subject to registration under legal provisions.
- 23.4. The proxy, acting within the scope of their powers of attorney and under legal provisions, is entitled to represent the Company before third parties and to make agreements (transactions) on behalf of the Company.

V. FINAL PROVISIONS

Article 24. Notification mode

- 24.1. Notifications of the General Meeting of Shareholders, decisions by the General Meeting of Shareholders, information on reorganisation, division, change of the legal form, restructuring or liquidation of the Company and any other information of the Company to be disclosed to shareholders or other individuals as required under applicable law, these Articles of Association or decisions of the Company's bodies, will pursuant to these Articles of Association or decisions of the Company's bodies be submitted to these persons until dates specified in legal provisions, Articles of Association or proper decisions.
- 24.2. In cases in which under law, these Articles of Association and decisions of the Company management, the Company information specified in Clause 24.1 of these Articles of Association is to be announced, it will be announced in the following manner: (i) information which is to be publicly announced in the mode determined by the Government of the Republic of Lithuania, it shall be in the electronic publication "Public Announcements of Legal Entities" issued by State Enterprise *Center of Registers* (ii) in the case where each shareholder (or another person to be informed) is to be informed in person, notifications are to be sent by registered mail or delivered in person upon confirmation of receipt or in another manner allowed under law or other provisions or (iii) in other cases information is to be disclosed in the mode specified by the Company as required by applicable provisions.

Article 25. Applicable law

- 25.1. As to matters not governed by these Articles of Association, provisions of Lithuanian law apply.
- 25.2. In case there are discrepancies between the provisions of these Articles of Association and applicable legal provisions, the overriding are applicable legal provisions

Article 26. Amendments to the incorporation documents of the Company

- 26.1. The amendment and supplementation procedure for the Company incorporation documents is specified in provisions of Lithuanian law and the Articles of Association of the Company.

These Articles of Association have been drafted in Lithuanian.

The Articles of Association were approved by the 30 October 2020 decision of Polski Koncern Naftowy ORLEN S.A., the sole shareholder of Company. The Articles of Association were signed on 30 October 2020.
