

ARTICLES OF ASSOCIATION OF PUBLIC COMPANY ORLEN LIETUVA

I. GENERAL PROVISIONS

Article 1. Company

- 1.1. Public Company ORLEN Lietuva (**Company**) is a company having economic, financial, organizational and legal independence and observing, in its activities, these Articles of Association, the Civil Code, laws and other legal acts.

Article 2. Legal Form of the Company

- 2.1. The legal form of the Company is a public company. The Company is a legal person with limited civil liability. It shall be liable for its obligations only to the extent of the assets owned by the Company. A shareholder shall be liable for the obligations of the Company by the amounts which must be paid for the shares subscribed by such shareholder, except for the cases provided for by laws.

Article 3. Fiscal Year of the Company

- 3.1. The Fiscal Year of the Company shall be a calendar year commencing on 1 January and ending on 31 December of each calendar year.

Article 4. Duration of the Company

- 4.1. The Company has been established for an unlimited period of time.

Article 5. Name of the Company

- 5.1. The name of the Company is Public Company ORLEN Lietuva.

Article 6. Purpose of Activities of the Company and Object of Activities

- 6.1. The primary purpose of the Company shall be to ensure efficient and effective operation of the Oil Refinery, Oil Terminals, oil and petroleum product pipelines, Combined Heat Power Plant as well as other facilities that are operated by the Company, to rationally use assets of the Company, to produce and supply products and render services to the Company's customers as well as to carry out any other activities with the aim of enhancing the Company's and its shareholders' interests, 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 shall engage in the following business activities:
 - production of oil processing products;

- production, sales and distribution of electricity;
- production of gas; distribution of gaseous fuels by lines;
- supply of steam;
- specialized wholesale of solid, liquid, gas fuels and additives;
- wholesale on a fee or contract basis;
- retail sale of motor fuels; retail sale of food, beverages, tobacco and other goods in non-specialized stores;
- freight transportation by railways;
- freight transportation by roads;
- transportation by pipelines;
- sea and costal water freight transportation;
- warehousing and storage; services related to transportation activities;
- other business activities necessary to implement the objectives of the Company.

6.4. The Company shall have a right to be engaged in other business activities not indicated therein provided such activities do not contradict to the objectives of the Company and applicable laws. The Company may engage in licensed (permitted) activities only upon obtaining corresponding licenses (permits) for such activities.

Article 7. Branches and Representative Offices of the Company

- 7.1. Branches and/or representative offices of the Company shall be set up and their activities terminated by the decision of the Board of Directors of the Company (**Board of Directors**). Number of branches and/or representative offices shall be unlimited.
- 7.2. A branch shall be a structural division of the Company having its registered office and performing all or part of the functions of the Company. A branch shall not be a legal person. The Company shall be liable for the obligations of its branches and the branches shall be liable for the obligations of the Company. A branch shall act in accordance with the Regulations of the branch approved by the Board of Directors. The head of the branch of the Company shall be appointed and dismissed by the decision of the Board of Directors.
- 7.3. A representative office shall be a division of the Company having its registered office and the right to represent and protect interests of the Company as well as perform other actions on behalf of the Company as authorised thereby. A representative office shall not be a legal person. A representative office shall act in accordance with the Regulations of the representative office approved by the Board of Directors. The head of the representative office of the Company shall be appointed and dismissed by the decision of the Board of Directors.

II. AUTHORISED CAPITAL, SHARES AND RIGHTS OF THE SHAREHOLDERS

Article 8. Authorised Capital

- 8.1. The authorised capital of the Company is equal to EUR 5,793,562 (five million seven hundred ninety three thousand five hundred sixty two). Company's authorised capital is divided into 5,793,562 (five million seven hundred ninety three thousand five hundred sixty two) shares of EUR 1 (one) nominal value each.

- 8.2. The authorised capital of the Company may be increased out of the Company's funds or by additional contributions of the shareholders and/or other persons in accordance with the procedure established by the mandatory provisions of applicable laws.
- 8.3. If the Company's authorised capital is increased by additional contributions, the General Meeting of Shareholders of the Company (**General Meeting of Shareholders**) shall establish, by not less than a 3/4 (three quarters) majority vote of the shareholders present at the meeting, the class, number, nominal value and the minimum issue price of the shares newly issued by the Company. The new shares shall be subscribed and paid for in accordance with the requirements of applicable laws.
- 8.4. The authorised capital of the Company may be reduced in accordance with the procedure and in the cases established by laws.

Article 9. Company's Shares

- 9.1. All the shares issued by the Company are ordinary registered shares.
- 9.2. The shares of the Company shall be uncertificated. They are represented by entries in personal securities accounts of the Company's shareholders. The number of shares held by a person and other information required by laws shall be entered into the securities account.

Article 10. Rights Granted by Shares. Procedure for Submitting Documents and Other Information to Shareholders

- 10.1. An ordinary registered share of the Company shall grant its owner (shareholder) the following property rights:
 - 1) to receive a certain part of the Company's profit (dividend);
 - 2) to receive funds of the Company if the authorised capital of the Company is reduced for payment of the Company's funds to the shareholders;
 - 3) to receive a part of the assets of the Company in liquidation;
 - 4) to receive shares free of charge if the authorised capital of the Company is increased out of the Company's funds (except in the cases established by mandatory provisions of applicable laws);
 - 5) to have the pre-emptive right in acquiring shares or convertible debentures issued by the Company, in proportion to the nominal value of the shares held, unless the General Meeting of Shareholders decides to withdraw such pre-emptive right to all shareholders of the Company in accordance with the procedure established by the Law on Companies of the Republic of Lithuania;
 - 6) to lend funds to the Company in accordance with the procedure and in compliance with the restrictions provided for by laws;
 - 7) to have other property rights provided for by laws.
- 10.2. An ordinary registered share of the Company shall grant its owner (shareholder) the following non-property rights:
 - 1) to take part in the General Meetings of Shareholders and vote in accordance with the right granted by the shares owned (except for the cases provided for by laws);
 - 2) to submit to the Company in advance the questions associated with the issues of agenda of the General Meetings of Shareholders;

- 3) to receive information about the Company in accordance with the procedure established in these Articles of Association and to the extent allowed by mandatory provisions of applicable laws;
 - 4) to appeal to the court against decisions or actions of the bodies of the Company, to file a claim to the court for indemnification of damages incurred by the Company an resulting from the failure to perform or inadequate performance by the General Director of the Company (**General Director**) or members of the Board of Directors of the obligations provided for by the laws and these Articles of Association, as well as in other cases as provided for by applicable laws;
 - 5) to have other non-property rights provided for by laws or these Articles of Association.
- 10.3. Only fully paid shares shall confer voting rights in the General Meeting of Shareholders.
- 10.4. At the shareholder's written request the Company within 7 (seven) days from the receipt of such request shall grant the shareholder access to and/or make copies of the following documents: the Articles of Association, sets of annual and interim financial statements, annual and interim reports, audit opinions/conclusions and audit reports on financial statements, minutes of the General Meetings of Shareholders or other documents whereby the decisions of the General Meeting of Shareholders have been executed, the list of shareholders of the Company, the list of members of the Board of Directors, other Company's documents that are publicly accessible according to laws. The Company may refuse to grant the shareholder access to and/or make copies of the documents containing commercial (industrial) secret and confidential information, except for the cases when Company's information is necessary for the shareholder for performance of mandatory requirements under legal acts and shareholder ensures confidentiality of this information and documents. The Company must provide the shareholder with an opportunity to have access to other information and (or) provide copies of the documents, if such information and documents, including information and documents related to commercial (industrial) secret and confidential information, are necessary to the shareholder for performance of requirements under legal acts and shareholder ensures confidentiality of this information and documents. The Company refuses to make a possibility for shareholder to get acquainted and/or provide with copies of the documents, if it is unable to identify the requesting shareholder. On the event of disclosure of the commercial secrets or confidential information, persons shall be liable in accordance with the procedure established by laws. The Board of Directors shall decide on which information shall be considered as the Company's commercial secret as well as confidential information (except for the information which shall be in public domain as established by the Lithuanian laws). The Company's refusal to grant the shareholder access to and/or make copies of the documents shall be executed in writing at the shareholder's request. Disputes related to the right of the shareholder to receive information shall be settled in the court.
- 10.5. A shareholder shall have the right to authorize other person to vote on his/her/its behalf at the General Meeting of Shareholders, or to perform other legal actions.
- 10.6. A shareholder may conclude an agreement on transfer of the voting and other non-property rights to other person. The shareholder having concluded the said an agreement on transfer of the voting and other non-property rights must promptly notify the Company thereof by submitting a copy of such agreement and providing information thereon to the General Director. Such agreements shall enter into force from the moment of their notification to the Company in the manner and to the extent required by mandatory provisions of applicable laws. The General Director shall notify the nearest General Meeting of Shareholders of the receipt of such agreement.
- 10.7. Several shareholders may conclude a voting agreement or a shareholders' agreement whereby they may agree on the general voting at the General Meeting of Shareholders, and/or on

authorization of other person to vote on behalf of the shareholders who concluded the voting agreement, and/or on implementation of other shareholders' rights.

III. MANAGEMENT OF THE COMPANY

Article 11. Bodies of the Company

The bodies of the Company shall include:

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

The Board of Directors is a collegial management body of the Company, and the General Director is the sole management body of the Company. The General Director and the Board of Directors of the Company shall be responsible for the overall management of the Company and shall carry out such management in accordance with the accepted industry practices. The Board of Directors and the General Director of the Company shall organize the overall business activities of the Company as well as ensure development of the Company and its overall business.

A. General Meeting of Shareholders

Article 12. Competence of the General Meeting of Shareholders

12.1. The General Meeting of Shareholders shall have the exclusive right to:

- 1) amend the Articles of Association of the Company (except for the cases provided for by laws);
- 2) select and dismiss an auditor or an audit company to perform audit of annual financial statements, and establish the conditions of payment for auditing services;
- 3) elect members of the Board of Directors and recall the Board of Directors or members thereof;
- 4) approve set of annual financial statements and set of consolidated annual financial statements (if such is required by the law);
- 5) adopt a decision on increase of the authorised capital of the Company;
- 6) establish the class, number, nominal value and minimum issue price of the newly issued shares;
- 7) adopt a decision to withdraw the pre-emptive right for all shareholders to acquire the Company's shares or convertible debentures of a specific issue;
- 8) adopt a decision to reduce the authorised capital of the Company (except for the cases provided for by laws);
- 9) adopt a decision to issue convertible debentures;
- 10) adopt a decision to convert the shares of one class into the shares of another class, and to approve the shares conversion description;
- 11) adopt a decision for the Company to purchase its own shares;
- 12) adopt a decision to liquidate the Company, cancel liquidation of the Company (except for the cases provided for by laws);

- 13) elect and recall the liquidator of the Company (except for the cases provided for by laws);
- 14) adopt a decision on reorganisation in cases provided for by the laws or division of the Company, as well as to restructure or change the Company's legal form, approve terms and conditions of reorganization or division, except for cases provided for by the laws;
- 15) adopt a decision on profit (loss) appropriation;
- 16) adopt a decision on formation, use, reduction or liquidation of reserves;
- 17) change the legal address of the Company;
- 18) approve set of interim financial statements and set of consolidated interim financial statements (if such is required by the law), composed in order adopt a decision to pay dividends for a period shorter than the financial year;
- 19) adopt a decision to pay dividends for a period shorter than the financial year;
- 20) decide on any other matters falling within the competence of the General Meeting of Shareholders pursuant to applicable laws or these Articles of Association, unless these, in essence, are the functions of the management bodies.

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 - 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 Subparagraph 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 shall not be entitled to charge other bodies of the Company to adopt decisions on the issues falling within the scope of its exclusive competence.
- 12.4. The General Meeting of Shareholders lays down general rules of fixing the remuneration, including its amount, of the members of the Company's Board of Directors.

Article 13. Convening the General Meeting of Shareholders

- 13.1. The General Meeting of Shareholders shall be convened on the decision of the Board of Directors in accordance with the procedure established by effective laws. In cases established by laws the General Meeting of Shareholders may be convened on the decision of the General Director, the shareholders or the court.
- 13.2. The notice of the General Meeting of Shareholders shall be published in a daily indicated in the Articles of Association or delivered in hand to every shareholder against signed acknowledgment of receipt, or sent by registered mail (or announced in public in accordance with the procedure established by laws, if shares of the Company are traded on the regulated market) not later than 21 (twenty one) days prior to the day of the General Meeting of Shareholders. The shareholders shall be informed of the repeat General Meeting of Shareholders pursuant to the procedure specified herein not later than 5 (five) days (or 14 (fourteen) days, if shares of the Company are traded on the regulated market) prior to the meeting. The General Meeting of Shareholders may be convened without observing the said time limits if all the shareholders who hold shares granting the voting rights give their written consent thereto.

Article 14. Attending the General Meeting of Shareholders

- 14.1. General Meetings of Shareholders may be attended in person and voting right exercised by the individuals who were the shareholders of the Company at the close of the shareholders' registration day (i.e. at the close of the fifth business day prior to the General Meeting of

Shareholders or the repeat General Meeting of Shareholders), unless otherwise provided for by laws, or by persons authorised by the above, or persons with whom an agreement on transfer of the voting right or other similar agreement provided for by laws has been concluded. The shareholder's right to attend the General Meeting of Shareholders also includes the right to speak and ask.

- 14.2. Members of the Board of Directors, the auditor elected by the Company (the auditor who has prepared the opinion and report) and the General Director may also attend and speak at the General Meeting of Shareholders without a right to vote, 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 adopt decisions and shall be considered as duly constituted if attended by the shareholders who hold the shares carrying more than a half of all votes. The quorum shall be established on the basis of the shareholder registration list prior to the opening of the General Meeting of Shareholders, and such quorum shall be considered as remaining throughout the meeting. In case a quorum is not present, a repeat meeting must be convened not earlier than 5 (five) days (or 14 (fourteen) days, if shares of the Company are traded on the regulated market) and not later than within 21 (twenty one) days after the failed meeting. Such repeat meeting shall be authorised to adopt decisions on the issues of the agenda of the failed meeting, irrespective of the number of shareholders attending the repeat meeting.
- 15.2. A decision of the General Meeting of Shareholders shall be adopted when the number of votes "in favour" exceeds the number of votes "against", and the number of votes "in favour" constitutes more than a half of the votes of the shareholders present at the meeting, with exception of the following cases:
- 1) election of the Board of Directors in accordance with the provisions set forth in Paragraph 17.2 of these Articles of Association; and
 - 2) adoption of decisions on the issues specified in Subparagraphs 1, 5, 6, 7, 8, 9, 10, 12, 14, 15, 16 and 19 of Paragraph 12.1 of these Articles of Association, the adoption of which requires at least 3/4 (three-quarters) majority vote of all the shareholders present at the meeting and entitled to vote.
- 15.3. One ordinary registered share shall grant its holder one vote at the General Meeting of Shareholders, unless otherwise provided for by applicable laws.

B. Board of Directors

Article 16. Standing and Competence of the Board of Directors

- 16.1. The Board of Directors is a collegial management body of the Company.
- 16.2. The Board of Directors shall approve or take decisions on:
- 1) the business strategy of the Company;
 - 2) the annual report of the Company and consolidated annual report of the Company (if such is required by applicable laws), as well as the interim report of the Company and consolidated interim report of the Company (if such is required by applicable laws);
 - 3) the management structure of and employment positions in the Company;
 - 4) positions in which persons are employed by holding competitions only;

- 5) Regulations of branches and representative offices of the Company;
 - 6) Organisational Regulations of the Company. The Organisational Regulations shall:
 - establish the general management structure of the Company,
 - set forth the decision-making procedure within the Company,
 - establish the principles of issuing (granting) and withdrawal of the powers of attorney to represent the Company;
 - regulate hierarchy and functions of the structural units of the Company,
 - regulate functions, areas of responsibility and reporting lines of heads of the structural units,
 - regulate other issues related to the management of the Company.
 - 7) methods for calculation of depreciation of the Company's tangible and intangible assets as well as decisions on adoption of or amendment to any material accounting principles (practice) of the Company;
 - 8) list of commercial (production) secrets and confidential information of the Company;
 - 9) setting up and closing of branches and representative offices of the Company;
 - 10) approval of the Annual Operating Budget (that includes Annual Capital Expenditure Budget) and Mid-Term Plan, or any deviation from the Annual Operating Budget or Mid-Term Plan;
 - 11) issuing of debentures (except for convertible debentures);
 - 12) analysis and consideration of draft set of annual financial statements and set of consolidated annual financial statements (if such is required by applicable laws), draft profit (loss) appropriation, and presenting those together with comments and suggestions thereon and the annual report and consolidated annual report (if such is required by applicable laws) to the General Meeting of Shareholders;
 - 13) analysis and consideration of draft decision to pay dividends for a period shorter than the financial year and set of interim financial statements composed in order to adopt such decision, and presenting those together with comments and suggestions thereon and the interim report and consolidated interim report (if such is required by applicable laws) to the General Meeting of Shareholders;
 - 14) referral to the General Meeting of Shareholders of any matters falling within the competence of the Board of Directors pursuant to the Company's documents or applicable Lithuanian laws.
- 16.3. The Board of Directors shall appoint and/or remove from the office the General Director, establish his/her employment terms and conditions, including salary, approve his/her work regulations, provide incentives and impose penalties. The Board of Directors shall approve the appointment and/or removal from the office of the heads of the Company's branches and representative offices. Organisational Regulations of the Company may establish that the Board of Directors shall appoint and/or remove from the office or give consent to the appointment and/or removal from the office of other managers of the Company and determine their employment terms and conditions.
- 16.4. The Board of Directors shall adopt decisions on the following:
- 1) entrance by the Company into any contract or transaction or otherwise incurring any liability on the Company, if their value on the basis of one or several related legal actions or transactions exceeds EUR 2,896,200 (two million eight hundred ninety six thousand two hundred Euro), except as otherwise provided for in Subparagraphs 2)-11) of this Paragraph 16.4;

- 2) establishment of other legal persons (companies), acquisition by the Company of any interest (shares, stakes, etc.) in any person, entering into any joint venture or similar agreement with any other entity, sale, pledge or creating of any other encumbrance or disposal of the shares or stakes held by the Company in any other entities;
 - 3) acquisition, sale, transfer, investment, lease, pledge, mortgage, or creating of any other encumbrance or disposal of the long-term assets of the Company which value on the basis of one or several related legal actions or transactions exceeds EUR 5,792,400 (five million seven hundred ninety two thousand four hundred Euro);
 - 4) sale, transfer or other disposal of business “as a going concern” or assets comprising a material part of such entity or acquisition of such assets irrespective of the value of such transaction;
 - 5) entrance by the Company into capital expenditure purchasing agreements (including purchasing of securities) which value on the basis of one or several related legal actions or transactions exceeds EUR 2,896,200 (two million eight hundred ninety six thousand two hundred Euro);
 - 6) entrance into agreements for purchase or sale of crude oil and/or petroleum products which value on the basis of one or several related legal actions or transactions exceeds EUR 52,131,603 (fifty two million one hundred thirty one thousand six hundred three Euro);
 - 7) entrance into any loan agreement or other similar agreement by incurring any indebtedness which value on the basis of one or several transactions exceeds EUR 2,896,200 (two million eight hundred ninety six thousand two hundred Euro);
 - 8) provision of surety or guarantee for the discharge of obligations of third parties the amount whereof on the basis of one or several related legal actions or transactions exceeds EUR 2,896,200 (two million eight hundred ninety six thousand two hundred Euro);
 - 9) entrance by the Company into any agreement with related parties, as they are described by the IFRS (including close members of their families), including Company’s shareholders, subsidiaries, members of the Board of Directors, the General Director, as well as persons related to them;
 - 10) entrance into a collective agreement of the Company, and other agreements with trade unions;
 - 11) granting of charity or support exceeding EUR 2,896 (two thousand eight hundred ninety six Euro) per one recipient per one calendar year;
 - 12) all issues specified in Paragraph 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. In case adoption or approval of any decision indicated in Article 16 falls within the competence of the General Meeting of Shareholders as established by applicable laws, the Board of Directors must receive approval, consent or opinion (as applicable) of the General Meeting of Shareholders for 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 Subparagraph 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 General Meeting of Shareholders regarding the intention to withdraw from tender or auction procedure.
- 16.9. The Board of Directors shall approve the Company's decisions/position related to exercise by the Company of its voting rights at the general meetings of subsidiaries and other entities in the following cases:
- merger with another company and restructuring of a relevant entity;
 - changes to the articles of association of a relevant entity;
 - liquidation of a relevant entity;
 - election of the members of the supervisory and management bodies in a relevant entity;
 - approval of the Annual Operating Budget (that includes Annual Capital Expenditure Budget) and Mid-Term Plan;
 - approval of the set of annual financial statements and profit (loss) appropriation;
 - approval of sale, transfer or other disposal of business "as a going concern" or assets comprising a material part of a relevant entity, or acquisition of such assets, irrespective of the value of such transaction;
 - change of legal form of a relevant entity (transformation);
 - approval of the respective legal actions, transactions or contracts listed in Paragraph 16.4 herein, conducted or entered by a relevant entity.
- 16.10. The Board of Directors shall have a right to establish that other decisions of the Company falling within the competence of the General Director are subject to prior approval by the Board of Directors.
- 16.11. The Board of Directors shall perform other functions and have other competence established in these Articles of Association, the applicable laws or decisions of the General Meeting of Shareholders.

Article 17. Composition, Establishment and Term of Office of the Board of Directors

- 17.1. The Board of Directors shall consist of 7 (seven) members, including the Chairman of the Board of Directors.
- 17.2. Members of the Board of Directors shall be elected by the General Meeting of Shareholders. During election of members of the Board of Directors each shareholder shall have the number of votes equal to the number of votes carried by the shares held, multiplied by the number of members of the Board of Directors being elected. The shareholder shall distribute the votes at his/her/its discretion, giving them for one or several candidates. The candidates who receive the greatest number of votes shall be elected. If the number of candidates who received an equal number of votes exceeds the number of vacancies on the Board of Directors, a repeat voting

shall be held where each shareholder may vote only for one of the candidates who have received an equal number of votes.

- 17.3. Members of the Board of Directors shall be elected for the period of 4 (four) years. A member of the Board of Directors may be at any time recalled, or re-elected for another term of office. The term of office of the Board of Directors shall commence upon the closure of the General Meeting of Shareholders which elected it, except for the cases provided for by mandatory provisions of applicable laws. Members of the Board of Directors shall commence in office only upon conclusion of a confidentiality agreement with the Company.
- 17.4. Only legally capable natural persons may serve as members of the Board of Directors.
- 17.5. The General Meeting of Shareholders shall have the right to recall the Board of Directors *in corpore* or its individual members. A member of the Board of Directors may resign from office before expiry of his/her term by giving a 14 (fourteen) days prior written notice to the Company. If a member of the Board of Directors resigns from office, the General Meeting of Shareholders may accept his/her resignation and elect a new member of the Board of Directors prior to expiry of the said 14 (fourteen) days period. If a member of the Board of Directors is recalled, resigns from office or ceases to carry out his/her duties due to other reasons, and shareholders, having shares that grant not less than 1/10 of all votes, oppose election of separate members of the Board of Directors, the Board of Directors shall lose its mandate and the whole new Board of Directors shall be elected. If separate members of the Board of Directors are being elected, they shall be elected only until the end of the term of the current Board of Directors.
- 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 items 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 requirement 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 to the Board of Directors must inform the General Meeting of Shareholders in writing where and what position he/she holds and how his/her activities are related to the activities of the Company, its affiliates, and submit such other information as may be required by applicable laws. Such information shall be delivered to the General Director prior to the General Meeting of Shareholders or submitted at the General Meeting of Shareholders having on its agenda the issue of election of the Board of Directors *in corpore* or its individual members.
- 17.13. Members of the Board of Directors must notify the Board of Directors in writing of the situation when their personal interests are or may be in conflict with the interests of the Company, as well as of the agreements concluded between the member of the Board of Directors and the Company, and provide such other information as may be required by applicable legal acts.
- 17.14. Members of the Board of Directors wishing to take positions in supervisory or management bodies of other entities and to receive remuneration by virtue of such activities must obtain consent of the Board of Directors which cannot be unreasonably withheld.
- 17.15. The Company may conclude agreements with the members of the Board of Directors regulating their activities and remuneration to be received by virtue of such activities to the extent permitted by applicable laws. Any agreements with members of the Board of Directors shall be approved in advance by the Board of Directors.

Article 18. Meeting, Decision Making and Work Procedure of the Board of Directors

- 18.1. The Chairman of the Board of Directors who shall organise the activities of the Board of Directors shall be elected from among its members.
- 18.2. The procedure of work of the Board of Directors shall be defined in the Work Regulations of the Board of Directors adopted thereby.
- 18.3. The Board of Directors may adopt decisions if its meeting is attended by 2/3 (two thirds) and more of its members. The decisions shall be considered as adopted when the number of votes "in favour" constitutes more than a half of the votes of the elected members of the Board of Directors. Minutes of the meetings of the Board of Directors shall be taken.
- 18.4. Member of the Board of Directors shall have no right to authorise other persons to vote on behalf of the member of the Board of Directors.
- 18.5. Meetings of the Board of Directors may also be held by teleconference, videoconference or other means, without actually convening a meeting of the members of the Board of Directors (e.g. when the decisions taken are signed by all members of the Board of Directors).

- 18.6. The Board of Directors may consist of the members being responsible for the particular field of the Company's business activities (executive members) and members not responsible for the particular field of the Company's business activities (non-executive members). Executive and non-executive members of the Board of Directors, as members of the Board of Directors, shall have equal rights and obligations.
- 18.7. The Work Regulations of the Board of Directors or other document adopted by the Board of Directors may provide that internal committees should be established within the Board of Directors (consisting of the members of the Board of Directors) for dealing with respective areas of the Company's business activities.

Article 19. Other Duties and Obligations of Members of the Board of Directors

- 19.1. Members of the Board of Directors must retain confidentiality of the Company's commercial (production) secrets and confidential information obtained in their capacity as the member of the Board of Directors.
- 19.2. Members of the Board of Directors shall be liable for their actions in accordance with applicable laws.

C. General Director

Article 20. Standing and Competence of the General Director

- 20.1. The General Director is the head of the Company.
- 20.2. The General Director shall follow laws, other legal acts, the Articles of Association of the Company, decisions of the General Meetings of Shareholders, the Board of Directors, Organisational Regulations and Employment Regulations. Pursuant to the Organisational Regulations as well as other decisions of the Board of Directors, the General Director shall form the administration of the Company.
- 20.3. The General Director shall have all powers and duties established for such position by relevant provisions of laws, these Articles of Association, decisions of the General Meeting of Shareholders and the Board of Directors, the Organisational Regulations or other internal regulations of the Company.
- 20.4. The General Director shall:
- 1) organise activities and implement the objectives of the Company;
 - 2) be responsible for preparation of the set of annual financial statements and annual report of the Company as well as the set of consolidated annual financial statements and the Company's consolidated annual report (if such are required by applicable laws);
 - 3) be responsible for preparation of the draft decision to pay dividends for a period shorter than the financial year, set of interim financial statements and interim report of the Company, composed in order to adopt a decision to pay dividends for a period shorter than the financial year;
 - 4) be responsible for conclusion of an agreement with and auditor or an audit company when audit is required by laws or these Articles of Association;
 - 5) submit information and documents to the General Meeting of Shareholders, the Board of Directors, as required by mandatory provisions of applicable laws or at their request;

- 6) submit documents and data of the Company to the administrator of the Register of Legal Entities of the Republic of Lithuania and other persons in accordance with the procedure established by laws;
- 7) in cases provided for by laws, submit documents and data of the Company to the Bank of Lithuania and the Central Securities Depository of Lithuania in accordance with the requirements and procedure established by laws;
- 8) prepare and make the Company's announcements as established in Article 24 of the Articles of Association;
- 9) submit information to the shareholders in the cases and according to the procedure established by laws;
- 10) hire and dismiss all employees, conclude and terminate employment contracts with employees. Organisational Regulations of the Company may establish that the Board of Directors shall appoint and/or recall or give consent to appoint or recall other members of the top management of the Company;
- 11) supervise employees of the Company of all levels;
- 12) apply incentives and impose penalties to 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 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) exercise all other rights, powers, obligations and duties established for the position of the General Director by laws, other legal acts, the Articles of Association of the Company, decisions of the General Meetings of Shareholders, the Board of Directors, and Organisational Regulations;
- 15) exercise all other powers not assigned to the competence of other bodies of the Company by laws, other legal acts, the Articles of Association of the Company, decisions of the General Meetings of Shareholders, the Board of Directors, and Organisational Regulations.

Article 21. Appointment of the General Director

- 21.1. The General Director shall be elected and removed from the office or dismissed, his/her salary and other conditions of the employment contract established, the employment regulations approved, incentives allocated as well as penalties imposed by the Board of Directors.
- 21.2. The employment contract with the General Director shall be concluded on behalf of the Company by the Chairman of the Board of Directors or other two members of the Board of Directors authorised by the Board of Directors. The employment contract with the General Director, who is the Chairman of the Board of Directors, shall be concluded by other two members of the Board of Directors authorised thereby.
- 21.3. The General Director 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. A candidate for the position of the General Director must inform the Board of Directors in writing where and what position he/she holds and how his/her activities are related to the activities of the Company, its affiliates, and submit such other information as may be required by applicable laws. A person, who pursuant to mandatory provisions of applicable laws may not be appointed a member of the management body, may not be elected the General Director.

Article 22. Other Obligations and Liability of the General Director

- 22.1. The General Director must retain confidentiality of the Company's commercial (production) secrets and confidential information obtained in his/her capacity as the General Director.
- 22.2. The General Director shall be liable for his/her actions in accordance with applicable laws.

IV. REPRESENTATION OF THE COMPANY

Article 23. Representation of the Company

- 23.1. The General Director and one member of the Board of Directors, acting jointly, shall represent the Company in relations with third parties. In case the General Director is a member of the Board of Directors, the General Director and another member of the Board of Directors, acting jointly, shall represent the Company.
- 23.2. The conclusion of agreements (transactions) on behalf of the Company shall be subject to the joint representation rule established in Paragraph 23.1 above, i.e. the agreements (transactions) on behalf of the Company shall be concluded by the General Director and one member of the Board of Directors acting jointly. Transactions concluded by violating the rule of the joint representation do not create obligations to the Company. The Company, represented by the General Director and one member of the Board of Directors acting jointly, may issue powers of attorney authorising to represent the Company.
- 23.3. Upon receipt of the advance consent of the Board of Directors, the General Director and a member of the Board of Directors shall issue procurations. A procuration shall be registered pursuant to the procedure established by laws.
- 23.4. The procurator, acting within the limits established by the procuration and laws, shall be entitled to represent the Company in relations with third parties and conclude agreements (transactions) on behalf of the Company.

V. FINAL PROVISIONS

Article 24. Procedure for Communicating Notices

- 24.1. Notices of the General Meeting of Shareholders, decisions of the General Meeting of Shareholders, information on reorganization, division, change of the legal form, restructuring or liquidation of the Company, and any other information of the Company to be disclosed to the shareholders or other persons pursuant to the requirements of mandatory provisions of applicable laws, these Articles of Association or decisions of the management bodies of the Company, shall be announced to such persons within the time limits established by laws, these Articles of Association or the respective decisions.
- 24.2. In cases, where pursuant to the laws, these Articles of Association and the decisions of the management bodies of the Company, certain information of the Company specified in Paragraph 24.1 of these Articles of Association must be publicly announced, it shall be executed in the

following manner: (i) when the information is to be announced in public, it shall be in the, electronic publication “Public Announcements of Legal Entities” issued by State Enterprise *Center of Registers* (ii) when each shareholder (or any other person that has to be notified) is to be notified individually, the notices shall be given by registered mail or handed in person against signed acknowledgment of receipt, or in any other way, permitted by the applicable laws or otherwise, or (iii) in other cases the information shall be disclosed in the manner established by the Company in accordance with the requirements of applicable laws.

Article 25. Governing Law

- 25.1. The issues not addressed in these Articles of Association shall be governed by the laws of the Republic of Lithuania.
- 25.2. In case of any discrepancies between these Articles of Association and mandatory provisions of laws, the mandatory provisions of laws shall prevail.

Article 26. Amendments to the Establishment Documents of the Company

- 26.1. The procedure of amending and supplementing the Company’s establishment documents is set forth in the laws of the Republic of Lithuania and the Articles of Association of the Company.

The Articles of Association were approved by the 26 October 2020 decision of Polski Koncern Naftowy ORLEN S.A., the sole shareholder of Public Company ORLEN Lietuva. The Articles of Association were signed on 28 October 2020.

Michał Rudnicki
Public Company ORLEN Lietuva General Director