

**THE CONSTITUTION OF THE MANAGEMENT  
BOARD  
POLSKI KONCERN NAFTOWY ORLEN S.A.**

**Attachment  
to the Resolution of the Supervisory Board No. 1290/11  
of 15 September 2011**

## **I. Definitions**

### **§ 1**

For the purpose of this Constitution the following expressions shall mean as follows:

1. "Company" means Polski Koncern Naftowy ORLEN Spółka Akcyjna with its registered office in Płock, Chemików 7;
2. "Articles of Association" means the Company's valid Articles of Association;
3. "General Meeting of Shareholders" means the Ordinary and the Extraordinary General Meeting of Shareholders of the Company;
4. "Management Board" means the Company's Management Board in its current composition;
5. "Supervisory Board" and "Board" mean the Company's Supervisory Board in its current composition;
6. "President" means the President of the Company's Management Board;
7. "Member of the Management Board" means each person belonging to the composition of the Management Board, i.e. President, Vice-President and other members of the Company's Management Board;
8. "Representative" means a Representative for critical infrastructure protection appointed pursuant to the Polish Act of 18 March 2010 on Special Rights of the Minister Competent for the State Treasury and on the Exercising of Such Rights in Certain Companies or Groups of Companies Operating in the Electric Energy, Petroleum and Fuel Gas Sectors.
9. "Critical infrastructure" means the assets of the Company disclosed in the uniform list of objects, installations, appliances and services which belong to the critical infrastructure, drawn up pursuant to the Act of 26 April 2007 on Crisis Management.
10. "Code of Commercial Companies" means the Polish Act of 15 September 2000 – Code of Commercial Companies.

## **II. General provisions**

### **§ 2**

1. This Constitution defines the Management Board's work governance, the manner in which the Company's issues are to be conducted and the principles upon which the Management Board adopts resolutions.
2. The Management Board is a statutory executive body which manages and governs the Company's activities and operations in accordance with the binding Laws, Articles of Association, resolutions of the General Meeting of Shareholders, resolutions of the Supervisory Board and this Constitution. The Supervisory Board cannot address the Management Board with binding instructions regarding the manner in which the Company's issues are to be conducted.
3. The Management Board's principal objective is to realize the Company's interests, which are understood as building the value of its assets entrusted to it by its shareholders, with due respect for the rights and interests of Company's employees and local community.

4. The Management Board ensures the transparency and efficiency of the Company's management system, and also ensures that Company's affairs are managed in accordance with legal regulations and good practices.
5. The Management Board submits to the Supervisory Board information on any crucial matters regarding the Company's activities and the risk associated with the performance of these activities as well as on way of the risk management.

### **III. Principles regarding members of the Management Board**

#### **§ 3**

1. A member of the Management Board who resigns from performing his / her duties on the Management Board shall submit a resignation statement to the Company and notify the Supervisory Board of such resignation in a relevant notice placed with the Head of the Management Board Office.
2. Members of the Management Board are obliged to be loyal to the Company and abstain from any activities leading only to their personal material gains. In the event of receiving information about an investment possibility or other favourable transaction regarding the Company's scope of business, the member of the Board should immediately present such information to the Management Board for the purpose of considering the possibility of the Company taking advantage of it. Such information may be used by the member of the Management Board or passed over to a third party only upon consent of the Management Board and only when this does not infringe the Company's interests.
3. Members of the Management Board shall perform their obligations in accordance with the procedures adopted by the Company and the corporate governance principles which the Company is committed to follow.
4. Members of the Management Board shall notify the Supervisory Board of any conflict of interests connected with the positions occupied by them, or of any possibilities of such conflict of interest.
5. Members of the Management Board are obliged, in accordance with internal procedures, to place declarations required, pursuant to relevant legal provisions and International Accounting Standards, to enable the Company to timely perform their information obligations. The obligation of placing a declaration, as described above, also applies to former members of the Management Board for the period during which they held positions on the Management Board.

### **IV. Representing the Company and powers of attorney**

#### **§ 4**

1. The Management Board represents the Company in its contacts with third parties in accordance with the provisions of the Code of Commercial Companies and the Articles of Association. The right of the member of the Management Board to represent the Company cannot be limited with a legal effect against third parties.

2. The Management Board approves, in the form of a resolution, principles of the issuing and withdrawing of the power of attorney.
3. The President of the Management Board defines, in a separate By-law, specific principles of issuing and withdrawing the powers of attorney, specific principles of running the register of the powers of attorney as well as principles of placing declarations and delivering the letters, however they must be in compliance with the principles of resolution described in item 2.

### **Managing the Company's affairs**

#### § 5

1. All Members of the Management Board are obliged and authorised to manage the Company's affairs.
2. The scope of the Management Board's duties includes conducting all the Company's affairs which are not assigned and attributed by the Code of the Commercial Companies or the Articles of Association to other bodies of the Company. The Management Board can assign managing specific affairs to individual members of the Management Board or the Company's employees, with the exception of affairs which:
  - a) have been assigned by the legal provisions or the Articles of Association or this Constitution to exclusive competences of the Management Board;
  - b) have been assigned by the General Meeting of Shareholders or the Company's Supervisory Board to the Management Board.
3. All affairs beyond the ordinary management require a resolution of the Management Board. However, the consent of the Management Board is not required to pursue actions which are an integral part of another action which had been previously approved by the Management Board, unless the resolution of the Management Board states otherwise.
4. The ordinary management comprises actions set out in § 8, item 12, point 4, letter a) of the Articles of Association and all other actions not set out in item 5 below.
5. The following matters require a resolution of the Management Board:
  1. adoption and amendment of the Constitution of the Management Board;
  2. adoption and amendment of the Organizational By-laws of the Company;
  3. adoption of motions submitted to the Supervisory Board and/or to the General Meeting of Shareholders, in particular any motions for consent to perform certain actions, form opinions, make an assessment or give approval, which are required in accordance with the binding laws and/or the Company's Articles of Association;
  4. convening the General Meetings of Shareholders and adopting the proposed agenda of the General Meetings;

5. approval of annual and long-term financial plans as well as the Company's development strategy;
  6. giving assent for an investment assignment and corresponding liabilities where the total expenditures and encumbrances exceed PLN 10,000,000 (ten million);
  7. incurring liabilities, managing the property rights and any form of encumbrance on the Company's property (assets) where the total value exceeds PLN 20,000,000 (twenty million), excluding liabilities, management and encumbrance described in point 6, 8, 9, 12 and 13 if the Management Board had formerly adopted a resolution concerning these matters;
  8. disposal and purchase of property, perpetual lease or a share in a property and setting a limited property law;
  9. disposal, purchase and encumbering by the Company of stakes, shares or other participation titles in other entities, including shares in the regulated market;
  10. issue of securities by the Company;
  11. approval of the annual report on the Company's performance, Company's yearly, half-yearly and quarterly financial reports, Capital Group's yearly, half-yearly and quarterly financial reports;
  12. adoption and amendment of the Company's employees' remuneration scheme, as well as decisions regarding introduction and fundamentals of incentive schemes;
  13. entering, amendment and termination of a collective employment agreement in the Company, and other agreements with trade unions;
  14. establishing the principles of issuing (granting) and revoking the power of attorney;
  15. determining the so-called Company's donation policy;
  16. issuing (granting) of a commercial power of attorney;
  17. establishing the internal distribution of competences among the members of the Management Board;
  18. foundation of businesses/offices abroad;
  19. other matters which at least one member of the Management Board requests to be adopted in the form of a resolution;
  20. taking decisions on the making of a prepayment against a future dividend.
6. Actions assigned to the competences of the whole Management Board and pursued without resolution of the Management Board can be adopted by the Management Board. Adoption of the decision does not prevent the member of the Management Board from bearing responsibility for going beyond his/her competences.

## § 6

1. Subject to provisions of § 5, item 2 and 5 above, individual members of the Management Board are responsible for self-reliant governance of the Company's affairs within the ordinary management, and within their competences adopted in a resolution described in § 5, item 5, point 17 and Organizational By-laws of the Company.
2. In a matter assigned, in accordance with the Organizational By-laws of the Company, to more than one member of the Management Board, the members of the Management Board concerned appoint from among themselves a member who will be assigned to the common matter. In case of any doubts or a dispute, a dedicated Member shall be appointed by the Management Board of the Company.
3. Self-reliant governance of the Company's affairs, as described in item 1 above, shall mean the authorization of a member of the Management Board to make decisions on

matters within his/her competences, defined in a resolution of the Management Board as described in § 5, item 5, point 17 and the Organizational By-laws of the Company, provided that no other member of the Management Board raises an objection or requests a particular matter to be commonly decided and settled by the Management Board.

4. Members of the Management Board commit themselves to co-operation and informing one another of essential actions pursued within their duties of conducting the Company's affairs, and also of activities which differ from the agreed principles of conduct for certain matters or activities regarding competences assigned to other members of the Management Board.

#### § 7

1. When managing the Company's affairs, the Management Board as a whole as well as individual members of the Management Board make decisions within the boundaries of justified economic risk and after considering all information, analyses and opinions which should be at the moment taken into consideration for the Company's interest.
2. When conducting transactions the Management Board and the Members of the Management Board are obliged to take particular care to ensure these transactions are conducted under market conditions.
3. When electing an expert, especially in the field of financial, fiscal and legal expertise, the Management Board and the members of the Management Board take into account any circumstances that limit the independence of a particular expert in performing his/her dedicated duties, and the rules of fair competition.

### **VI. Competences of the President**

#### § 8

1. The competences of the President include matters restricted neither to the Management Board nor other members of the Management Board, and the competences of the President include, in particular:
  - a) calling meetings of the Management Board;
  - b) establishing the agenda of the meetings of the Management Board;
  - c) altering the order of issues on the agenda of the meetings of the Management Board;
  - d) chairing the meetings of the Management Board;
  - e) ordering breaks during the meetings of the Management Board;
  - f) managing the Company as a workplace in the matters related to labour law, including the appointment of other persons entitled to make declarations on behalf of the employer.
2. The President of the Management Board governs and manages the work of the Management Board.
3. In the case of absence, The President of the Management Board, is substituted by a member of the Management Board, as defined in the resolution specified in § 5, item 5, point 17. The rights of the member of the Management Board who substitutes the President of the Management Board are subject to the provisions of this Constitution of



the Management Board regarding the competences of the President, excluding the right provided for in § 10, item 3, sentence 2.

4. If the President of the Management Board is suspended or recalled or if his/her appointment period expires for other reasons before the end of the term, all the duties of the President of the Management Board, except for the right of the prevailing vote, which is referred to in § 12 item 3 sentence 2 of this paragraph, are to be performed by a person appointed by the resolution of the Supervisory Board until a new President of the Management Board is appointed or the powers of the previous President are restored.

## **VII. Representative for critical infrastructure protection**

### § 9

The provisions of this chapter and the following chapters related to the Representative shall apply in relation to the appointment of a Representative in the Company, in accordance with generally applicable regulations.

### § 10

1. The Representative monitors the Company's activity in the scope of critical infrastructure in accordance with the principles set forth in the Polish Act on Special Rights of the Minister of Treasury and Performance Thereof in Certain Companies or Capital Operating in the Sectors of Electricity, Petroleum and Gas.
2. Within his/her duties the Representative:
  - 1) is authorised to participate, in an advisory capacity, in the meetings of the Management Board in the case when the examined issues refer to disposal of the components of the critical infrastructure,
  - 2) is authorised to demand provision of any documents, information and clarification in the scope of the critical infrastructure from the Management Board,
  - 3) shall draw up a critical infrastructure protection report, quarterly or on every request of the Management Board or Supervisory Board, which contains information on physical, technical, legal, personal and ICT protection, and plans of reconstruction and restoration of operation of the critical infrastructure,
  - 4) shall provide the Management Board with advice in the scope of the Company's current critical infrastructure

when the Management Board:

- a) passes a resolution or takes legal action concerning the disposition of the components of the critical infrastructure,
- b) passes a resolution on:
  - dissolution of the Company,
  - change of the designation or resignation from the use of the critical infrastructure,
  - change of the purpose of the company,
  - disposal or lease of the company's business or its substantial part and establishment of a limited property right thereon,
  - adoption of a budget, investment plan or a long-term strategic plan,
  - transfer of the Company's registered office abroad.

3. In connection with his/her duties, set forth in item 1 and 2, the Representative is provided by the Management Board with the documents or information on the passing of a resolution or legal action taken by the Company, referred to in item 1 and 2, within 3 days thereafter.
4. The Management Board submits the information or clarification to the Representative in written form or otherwise, if necessary, i.e. orally or by means of long-distance communication devices or via e-mail.
5. The Representative is provided by the Management Board with the written information concerning the Company's intention to dispose of a component of the critical infrastructure, including copies of the documents pertaining to it, not later than two days before the planned date of the performance thereof.

### **VIII. Calling and holding meetings of the Management Board**

#### §11

1. The meetings of the Management Board are held as necessary, but at least every two weeks.
2. The meetings of the Management Board are called by the President who determines the date and venue of the meeting as well as the meeting's agenda. In exceptional circumstances, and provided that the President did not designate a substitute in accordance with § 8, item 3, the meeting can be called by two members of the Management Board.
3. The notification of calling a meeting of the Management Board with specified venue, date, time and the meeting's agenda should be delivered to the members of the Management Board at least two working days before the meeting's date. It is permissible to notify a member of the Management Board of a planned meeting via telephone, facsimile or e-mail. Delivery of the notification of calling a meeting of the Management Board to the office of a given member of the Management Board shall be recognised as an effective delivery of the notification to this member.
4. The notification of calling a meeting of the Management Board with specified venue, date, time and the meeting's agenda should also be delivered to the Representative appointed in the Company. The notification for the Representative should be sent to the address specified by the Representative. It is acceptable to inform the Representative of a planned meeting of the Management Board by sending an e-mail to the address specified by the Representative.
5. The notification of calling a meeting of the Management Board should be accompanied by the documents which are the basis for examination of the issues on the agenda, subject to provisions of item 6. Documents to be examined by the Management Board require the acceptance of the member of the Management Board who supervises the organizational unit which prepared these documents.
6. Should any document be submitted after the deadline referred to in item 3, the President of the Management Board determines whether the issue to which such a document pertains will be examined during the meeting or withdrawn from the agenda and included in the agenda of the next meeting of the Management Board.



7. In emergency situations, the President of the Management Board can call a meeting of the Management Board without abiding by the term and manner defined in item 3. However, the Representative should be notified of the meeting and provided with the documents no later than two days prior to the meeting.
8. The Management Board meeting can be held without official call if all members of the Management Board are present and none of them objects against holding the meeting or the proposed agenda of the meeting, with the exception that meetings of the Management Board need to be officially convened if they regard issues referred to in § 10, item 1 and 2.
9. Meetings of the Management Board are held in the Company's registered office or the Company's Headquarters in Warsaw, unless the person who calls the meeting determines a different venue.
10. Each member of the Management Board can submit a written request to call a meeting of the Management Board and/or include certain issues in the meeting's agenda. The motion to call a meeting of the Management Board should contain the suggested agenda and a justification for calling the meeting. The meeting should be held within seven days after submitting the motion.
11. Upon Chairperson's consent, invited employees of the Company, advisors and other persons can participate in the meeting.
12. Detailed principles of the organizational assistance to the Management Board are formulated in the By-laws issued by the President of the Management Board. The Office of the Management Board bears responsibility for the organizational assistance to the meetings of the Management Board.

#### **IX. Adoption of resolutions by the Management Board**

##### **§ 12**

1. The Management Board adopts resolutions at its meetings.
2. It is essential for the validity of the Management Board's resolutions that each member of the Management Board is properly notified of the planned meeting and at least half of the Board members are present at the meeting.
3. Resolutions of the Management Board are adopted by an ordinary majority of votes. In the event of equal number of votes, the vote of the President of the Management Board shall be decisive.
4. Unanimity of all members of the Management Board is required for issuing the commercial power of attorney.
5. The Management Board adopts resolutions in open (public) voting. Secret voting can be ordered upon a motion of any member of the Management Board.

6. A member of the Management Board who votes against the resolution which has been adopted may file a dissenting opinion, which shall be duly justified.
7. Resolutions are signed by all members of the Management Board present at the meeting at which they were adopted. Resolutions are also to be signed by any member of the Management Board who filed a dissenting opinion with the endorsement “dissenting opinion” or “votum separatum”.
8. The manner in which adopted resolutions are to be implemented shall be decided upon by the Chairperson together with the member of the Management Board who introduced the matter to the meeting, unless the resolution of the Management Board contains specific rulings regarding this matter and/or appoints a person responsible for the implementation of the resolution.
9. Should the Company’s interest be in conflict with the personal interests of a member of the Management Board, his/her spouse, relatives and kinsmen of the second degree as well as persons to whom s/he is personally linked, the member in question should abstain from deciding on such matters and request a proper remark to be made in the minutes of the meeting.

#### **Documents for and minutes of the meetings of the Management Board**

##### **§ 13**

1. Documents for a meeting of the Management Board prepared by a relevant organizational unit within the Company should be signed by a person who manages the unit and introduces the document to the meeting, and by the respective member of the Management Board who supervises this unit.
2. Meetings of the Management Board are recorded in the minutes.
3. The minutes of the meeting are prepared by an employee of the Management Board Office appointed by the Director of the Management Board Office.
4. The minutes of the meeting should include:
  - a) reference number, date and venue of the meeting,
  - b) information on notifying the Representative about the Management Board meeting,
  - c) full names of the members of the Management Board present at the meeting (attendance list), the Representative and the guests invited,
  - d) agenda of the meeting;
  - e) summary of issues presented and statements submitted for the minutes of the meeting,
  - f) confirmation of the adoption of a resolution or another settlement of an issue,
  - g) voting results (the number of votes “for”, “against” and “abstained”) for each resolution and dissenting opinions with justification.
5. Adopted resolutions shall be annexed to the minutes of the meeting. Evidence of notification the Representative of the meeting is also enclosed with the minutes.

6. Members of the Management Board present at the meeting sign the attendance list.
7. The minutes are signed by the present Members of the Management Board and the Secretary. Members of the Management Board absent from the meeting should submit a statement in which they confirm having made themselves familiar with the contents of the minutes of the meeting from which they were absent.
8. Resolutions are signed by all members of the Management Board present at the meeting at which the resolution was put to vote.

#### § 14

1. The Management Board Office keeps the file of resolutions and minutes of the meetings.
2. Minutes of the meetings are available to the members of the Management Board, Company's Counsel and Director of Management Board Office. Other persons can obtain access to the files of resolutions upon the decision of the Director of the Management Board Office.
3. After the meeting, copies of the adopted resolutions are to be forwarded to the members of the Management Board, the Company's Counsel and the Directors of the organizational units responsible for introducing the matter to the meeting as well as implementing the resolutions. If an adopted resolution applies to the issues referred to in § 10, item 1 and 2 of the Constitution, a copy of the resolution is also submitted to the Representative. Decisions on issuing copies of adopted resolution to other persons are taken by the Director of Management Board Office.
4. The Director of the Management Board Office deals with all the work related to organising the meetings of the Management Board, keeping record of the resolutions and minutes of the meeting, and monitoring the implementation of adopted resolutions and decisions.
5. The Management Board Office keeps record of documents and written explanations passed to the Representative as well as motions and notes submitted by the Representative to the Management Board. The Management Board Office encloses the evidence of delivery of documents and written explanations submitted to the Representative.

### **XI. Final provisions.**

#### § 15

This Constitution was adopted by the Management Board's resolution No 4657/11 of 6 September 2011.

#### § 16

The Constitution becomes effective on the day of its approval by the Supervisory Board.

#### § 17

Amendments to the Constitution require the same manner and procedure as for its adoption.