

**OKTA CRUDE OIL REFINERY
BOARD OF DIRECTORS
RULES OF PROCEDURE**

SKOPJE, December 2023

Based on the provisions of the article 351 of the Law on Trade Companies ("Official Gazette of the Republic of Macedonia" No. 28/2004, 84/2005, 25/2007, 87/2008, 42/10, 48/10, 24/11, 166/12, 70/13, 119/13, 120/13, 187/13, 38/14 и 41/14,138/14, 88/15,192/15, 6/2016, 30/16, 61/16, 64/2018 and 120/2018 and "Official Gazette of the Republic of North Macedonia" nos. 290/2020, 215/2021 and 99/2022) and the provisions of the article 50 of the Charter no. 0201-2718/16-19 dated 31.05.2016 of OKTA Crude Oil Refinery Shareholding Company, (the "**Company**"), the Board of Directors of the Company, at the 208th meeting held on 28.12.2023, on the proposal of the Chairman of the Board of Directors, has unanimously adopted the

RULES OF PROCEDURE
OF THE BOARD OF DIRECTORS OF THE COMPANY
("Rules of Procedure")

1. GENERAL PROVISIONS

Article 1

These Rules of Procedure regulate the manner of operation of the Board of Directors of the Company ("the **Board**" or "the **Board of Directors**"), as well as the rights, obligations, authorizations, and the decision-making procedure of the Board.

These Rules of Procedure further contain provisions regarding matters which, in accordance with the Law on Trade Companies, are not explicitly regulated with the Charter of the Company and are considered a content of other general acts adopted by the corporate bodies of the Company, other provisions of importance for the Company and the Board members in accordance with the Charter and the Law on Trade Companies, as well as the Corporate Governance Code for listed companies on the Macedonian Stock Exchange ("the **Corporate Governance Code**").

These Rules of Procedure are in compliance with the Charter. Unless otherwise defined herein, the terms defined in the Charter shall have the same meaning in these Rules of Procedure.

2. MANNER OF OPERATION OF THE BOARD OF DIRECTORS

Article 2

The Board manages the Company.

The Board manages the Company within the scope of the authorizations provided by the law and the Charter and the authorizations expressly granted by the Shareholders Assembly of the Company. The Board has the broadest authorizations in managing the Company, within its scope of operations, and acting, in all circumstances, on behalf of the Company.

The Board acts and makes decisions according to procedures given in the Charter and these Rules of Procedure. The Board acts with due care, applying high standards of reliability, responsibility and professionalism in its operations, while promoting a corporate culture that encourages ethical behavior, respect and adherence to the regulations by all employees.

The Board acts and makes decisions at the meetings.

The right and obligation of each member of the Board is to attend and to participate in the work at the Board meeting.

The Board member who is excusably restrained to attend the meeting has an obligation to notify his absence to the Chairman of the Board.

2.1 CHAIRMAN OF THE BOARD OF DIRECTORS

Article 3

The Board of Directors elects its Chairman by a majority of votes from the total number of members of the Board of Directors.

If the Chairman is not an independent member, the Board of Directors shall also elect a Deputy Chairman who shall be appointed from among the independent members of the Board of Directors.

The Deputy Chairman shall replace the Chairman in all events of Chairman's inability or unavailability to perform his/her duties.

Article 4

The Chairman has the following duties and responsibilities:

- a. overseeing the work of the Board and its Committees;
- b. determining the agenda of the Board meetings, convening and chair such meetings;
- c. ensuring the provision of complete and timely information to the Board Members so that they have enough time to prepare and make appropriate decisions;
- d. making sure that Board members have sufficient time for discussion at their meetings before making any decisions;
- e. ensuring the proper compilation of the minutes of Board's meetings held;
- f. initiating the procedure for evaluating the work of the Supervisory Board; and
- g. other duties as specified in the law.

Article 5

Other person may attend the Board meetings if invited or if the attendance is approved by the Chairman.

2.2 CORPORATE SECRETARY

Article 6

The role of the Corporate Secretary is to:

- a. provide organizational and professional support to the Chairman and the Board;
- b. advise the Board on their responsibilities and legal requirements;
- c. attend and minute the proceedings of Board meetings;
- d. ensure the proper implementation of procedures laid down in the Rules of Procedure;
- e. assist the Board and, if requested, the executive members in order to improve the efficiency and quality of their work;

- f. organize Shareholders' Assembly Meetings and ensure there is clear communication with shareholders about how they can exercise their rights; and
- g. perform other administrative tasks related to the Company's corporate governance.

The Corporate Secretary shall specifically secure that an agenda and relevant material necessary for a meeting of the Board are sent to the members of the Board; minutes of Board meetings are kept and forwarded to the members of the Board, and the required books and records, are being kept and inspected by the Board and are present at meetings of the Board to the extent required by law or by the Rules of Procedure or requested by the Chairman or the Board.

2.3. CONVENING THE MEETINGS OF THE BOARD

Article 7

The Chairman of the Board shall prepare timetable of Board's meetings that shall be made available to all the Board members at the beginning of the calendar year, in order to ensure they can dedicate sufficient time to their duties and made themselves available for the Board meetings.

The Annual Report of the Company shall specify how many meetings were held and how many each Board Member attended.

The Chairman of the Board shall convene the meetings, and shall be responsible for keeping records of the meetings and organizing other manners (forms) of operation and decision making of the Board as follows in the chapter 2.4. of these Rules.

The agenda and all materials required for a meeting of the Board of Directors shall be provided to all its members, via e-mail, at least 5 (five) days before the meeting, except in rare cases of emergency issues when the materials can be provided in a shorter period of time, but in any event not shorter than 48 hours before the meeting.

The Chairman of the Board convenes the meetings when in his opinion it is necessary, or upon a written request from any member of the Board.

In the event of inability or unavailability of the Chairman, for any reason (objective or personal, including his resignation or in case of illness or death), to convene a meeting when it is required by law or any valid reason, the meetings are convened by the Deputy Chairman, if any, or in the event of inability or unavailability of both the Chairman and Deputy Chairman, if any, by any of the independent members or the Chief Executive Officer.

In the event that the member who has requested to call a meeting obtains the support of at least one third of the members of the Board for calling the meeting, the Chairman of the Board shall call the meeting within fifteen days as of the day the request was filed.

In urgent cases, the members of the Board can request that the meeting is called earlier than fifteen days, but not sooner than seven days. Otherwise, if the meeting is not called by the Chairman within fifteen days or within the requires number of days, the meeting can be called by the member who has submitted the request.

Article 8

The Minutes from the previous Board meeting and the other documents for the meeting in the order as they have been proposed in the Agenda, together with the invitation are delivered to all the members of the Board.

2.4. WORKING MODE AND DECISIONS OF THE BOARD

Article 9

The Chairman of the Board shall chair the meetings.

If the Chairman, for any reason, is not able to perform his functions, or if he is absent, the meetings of the Board shall be chaired by the Deputy Chairman, if any, or in the event of absence of both the Chairman and the Deputy Chairman, if any, the meetings shall be chaired by another non-executive member of the Board, elected by a majority of votes of the members of the Board present at the meeting.

Article 10

The Board may validly operate and adopt resolutions if at least one half of all its members are present at the meeting and provided that the number of the non-executive members of the Board present is higher than the number of present executive members of the Board.

The Board shall adopt the resolutions with the majority votes of the present members of the Board.

The Board shall adopt resolutions without convening a meeting, if all members of the Board give their consent for the resolution to be adopted without convening a meeting. In such case minutes for recording all the resolutions adopted is prepared and shall be signed by the Chairman of the Board, not later than thirty days as of the date of obtaining the consent for the mentioned resolution.

The consent may be confirmed by personal signature and/or by signature sent by fax and/or electronically on the draft resolution.

Article 11

The members of the Board may participate and pass resolutions at a meeting organized via teleconference and/or by using other audio and visual communication equipment, whereby all the persons participating in such meeting can hear, see, and talk to each other. Participation in such meetings shall be deemed as attendance and personal participation of the Board of Directors members who participated in such a decision making.

The participation in the meeting shall be recorded in the minutes of the Board, which shall be signed by all members participating at the meeting organized in the manner referred to in paragraph 1 of this article.

Article 12

Once the Chairman determines a working quorum, the agenda proposed for the Board meeting shall be put to vote for adoption.

After adopting the agenda, each item of the agenda shall be discussed separately.

After the Chairman concludes that a certain item is sufficiently dealt with, he is going to ask the Board members to adopt a decision by voting.

If there are several proposals pending to a certain decision, the Chairman of the Board shall put the proposals on voting in the same order as they have been proposed.

The decisions are adopted by public voting with hand raising, by majority of votes out of the total number of members of the Board present at the meeting, except in cases when the decision is related to a person, a member of the Board or another person present on the meeting. In such cases, secret voting is obligatory the decision is adopted by "for" or "against" voting in closed envelopes that are opened in front of the all members of the Board after the voting finishes. Opening of the envelopes is executed by the oldest member of the Board.

The vote of the Chairman of the Board and in his absence, the vote of the elected chairperson, shall be decisive in case of a deadlock.

The resolutions of the Board shall enter into force on the day of their adoption, unless otherwise stipulated by the law or the Charter.

Article 13

Questions which by their nature are considered as independent items of the Agenda, may not be discussed under the item miscellaneous unless all members agree.

After considering all the items of the Agenda, the Chairman shall close the meeting.

Article 14

The Minutes shall be prepared for the activities of the Board and also for the course of the meeting.

The Minutes shall be prepared within three days as of the date when the meeting was held.

The Minutes shall contain data about the manner of operation of the Board (at a meeting and/or otherwise), the venue and the time of the meeting, the persons in attendance and the agenda of the meeting, the issues put to a vote and the results of each vote, including the names of the members who voted "for" and "against" the resolutions adopted at the meeting. The Minutes may, upon request of the member who voted "for" or "against", state in summary the reason for the vote. If a member has a conflict of interests, he shall be obliged to disclose such conflict at the beginning of the meeting and it shall be recorded in the minutes.

The Minutes shall be kept by the Corporate Secretary or any other person or persons performing the duties of a Corporate Secretary, or, in their absence, another person authorized by the Chairman of the Board of Directors, and it is prepared for signing in Macedonian and English language.

The Minutes, after signing, together with the decisions, conclusions and other acts prepared in writing are submitted to the relevant departments and one copy is saved in the Archive.

The Minutes shall be signed by all members of the Board attending the meeting. The Minutes shall also be signed by the Chairman of the Board, and in his absence, by his deputy / the member of the Board who chaired the meeting. The Minutes shall also be signed by the Minutes keeper.

Article 15

The Minutes from the meeting are document which shall be kept for indefinite period.

3. CONFLICT OF INTEREST OF THE BOARD MEMBERS

Article 16

Before the beginning of the Board meeting, and if, referring to the provisions of the Law, a conflict of interest exists, a member of the Board may ask to be exempted from voting for the particular item of the Agenda.

A member of the Board may abstain from voting only in case the relevant decision which is put on vote considers his own right or his own legal interest. In all other cases, the member of the Board must clearly declare “for” or “against” the proposed decision.

A member of the Board of Directors may resign if there is a continuous existence of conflict of interest or in other cases when such resignation is considered necessary for the operations of the Board of Directors as the management body of the Company.

Article 17

In case of a contract or other business activity of the Company, in which the Company is a party, and in which a member of the Board of Directors is a potential Interested Party (as defined in the Interested Parties Transaction Policy, as further defined), the Board of Directors will act in accordance with the provisions of the Law on Trade Companies applicable to interested parties transactions, as well as in compliance with the Corporate Governance Policy for Interested Parties Transaction (“Interested Parties Transactions Policy”) of the Company and these Rules of Procedure.

Article 18

Any member of the Board of Directors who is a potential Interested Party is obliged to immediately declare such interest in accordance with the Interested Parties Transactions Policy.

If a member the Board of Directors or an interested member of the Board of Directors becomes aware that a circumstance referred to as a conflict of interest occurs, he/she shall immediately notify the Board of Directors.

In the event of an interested parties transaction not exempted from Interested Party transactions rules, the interested member of the Board of Directors shall be entitled to be heard, but he/she cannot participate in the debate or in the decision making related to the respective contract or the other legal matter, nor in the decision-making process.

4. CONVENING OF THE GENERAL ASSEMBLY BY THE NON-EXECUTIVE MEMBERS

Article 19

If the General Assembly is not convened within 30 days before the expiry of the deadlines stipulated in Article 384 paragraph 1 from the Law on Trade Companies or Article 25

paragraph 1 from the Charter of the company, the Chairman of the Board is obliged to convene an urgent and immediate meeting of the non-executive members of the Board which cannot take place later than 3 (three) days from the day of sending of the invitation, with item in the agenda "convening the General Assembly". In such case, the provisions from chapter 2 from the Rulebook referring to convening meetings and the mode of work and decision-making will be applied accordingly, unless something else is provided by the Law, bylaw of the Company or with this Rulebook.

In the interest of time, the non-executive members can decide to convene the General Assembly electronically without the need of additional consent or approval for this kind of decision-making.

The decision will be considered as passed if at least half of the non-executive members of the Board voted "in favor".

5. BOARD COMMITTEES

Article 20

The Board may establish one or more Committees from its members and also from other persons determining their authorizations, in accordance with the Law on Trade Companies and the Corporate Governance Code.

6. CLOSING ARTICLES

Article 21

After receipt of materials from the competent functions, all activities for preparation of the meetings of the Board are performed by the Corporate Secretary or any other person or persons performing the duties of a Corporate Secretary.

Article 22

A copy of these Rules of Procedure shall be delivered to each member of the Board.

Article 23

With the day of empowerment of this Rules of Procedure, the Rules of Procedure of the Board of Directors of OKTA AD Skopje no. 0202-2298/16-16 dated 22.04.2016 by the Board are ceasing.

The Rules of Procedure shall come into force from the day of the adoption.

IN WITNESS WHEREOF, the undersigned have adopted these Rules of this 28.12.2023.