



PATVIRTINTA
Akcinės bendrovės „Klaipėdos nafta“
Generalinis direktorius
Darius Šilenskis
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STAKEHOLDER POLICY

No POL015

VERSION 1

STAKEHOLDER POLICY

I. PURPOSE

The *Stakeholder policy* of AB "Klaipėdos Nafta" (hereinafter referred to as the "Company" or KN) provides principles and guidelines for the development of KN relations with stakeholders, ensuring opportunities to identify key issues of importance for the stakeholders for the Company's sustainable business development.

II. FIELD OF APPLICATION

The *Stakeholder Policy* (hereinafter referred to as the "Policy") applies to all employees of the Company and its subsidiaries.

III. REFERENCES

[KN Code of Conduct](#) describes the work in the KN, presents the Company's values and sets standards of conduct and decision-making. The Code of Conduct helps KN to establish and maintain long-term relationships with colleagues, clients, suppliers, authorities, business partners and other stakeholders. The principles and concepts defined in the Code of Conduct reflect a commitment to conduct our business worldwide in accordance with the highest standards of ethics and good faith.

[KN communication guidelines](#) is a document that is aimed at ensuring that the information published by KN complies with the requirements of legal acts of the Republic of Lithuania and the principles of transparency, openness and accountability recognized in accordance with good governance practices, contributes to strengthening the reputation of KN by providing requirements to the published information and its quality.

[KN quality, environmental, health and safety policy](#) is the Company's obligations to clients, employees and the environment to continuously improve the appropriateness, adequacy and effectiveness of the quality, environmental protection and occupational health and safety management system in accordance with standards ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018.

["Nasdaq Vilnius" code of governance](#) defines the principles to be followed in order for investors to have a common understanding of the transparency of the organization's governance and operations, and to increase stakeholder confidence in the organization and its governance system.

[Guidelines to ensure the transparency of SOE \(State Owned Enterprise\) activities](#) regulate the disclosure of data, information and documents of state-owned companies, peculiarities of preparation of financial statements, additional requirements for annual and interim reports of state-owned companies, annual and interim activity reports of state-owned companies, as well as preparation and publication of summary reports and information on state owned companies, their activities and governance.

IV. DEFINITIONS AND ABBREVIATIONS

Stakeholder shall refer to a person or organization that has or is likely to incur in the future a direct or indirect impact from the activities of KN or its subsidiaries, as well as who may have an interest in or influence on KN or its subsidiaries.

Stakeholder engagement shall refer to a two-way process initiated by the Company during which stakeholders provide input for the Company to identify, better understand or respond in a timely manner to the issues of the sustainability of operations and areas of impact. That said, the Company strives to explain properly its decisions, actions or activity results to the stakeholders.

State Owned / Controlled Enterprise (SOE) – as foreseen by The OECD Guidelines on Corporate Governance of State-Owned Enterprises, any enterprise, in which the state exercises ownership, should be considered as an SOE.

Shareholder Letter of Expectations is a document by which the Ministry of Energy of the Republic of Lithuania, representing the government, provides the Company with information on the goals and expectations raised by the state.

V.STAKEHOLDERS

The Company operates in accordance with the highest standards of Corporate governance, including its relations with stakeholders. Sustainable dialogue with stakeholders and mutual value creation are important principles of open and responsible operation of KN.

The main stakeholder groups of KN include, but are not limited to, the following:

- KN employees and their representative organizations.
- KN collegial bodies.
- Shareholders.
- State and municipal institutions.
- Clients.
- Business partners.
- Neighbouring communities.
- Activity supervision and regulatory authorities.
- Decision-makers at national and regional level.
- Opinion leaders and shapers.
- The media.
- Social partners.

The list of stakeholders is not finite and may be updated on a regular basis, especially, if circumstances change. A detailed overview of the Company's stakeholders is provided in Annex No 1 to this Policy.

VI.MAINTAINING RELATIONSHIP WITH STAKEHOLDERS

In its relations with stakeholders, KN is guided by the Company's values, which are *Respect*, *Cooperation*, *Professionalism*, and *Improvement*. In the context of stakeholder relations, this means:

- *Respect* – we value the diversity of the opinions and responsibly accept the feedback provided to us on the aspects of the Company's activities to be improved. As the SOE, KN acknowledges right of the State to be informed on the progress of delegated for the Company strategic objectives, which represent strategic interests of the State. Except from that, the Company considers all stakeholders to be equal from the perspective of information sharing with stakeholders and receiving input from them.
- *Cooperation* - we seek meaningful and multifaceted involvement of stakeholders in the processes of improving the Company's operations and accelerating a positive impact that a Company could contribute to. We understand that status of a Company of strategic importance enables us to use our knowledge, competence and experience to contribute to different aspects of sustainability at both the national and regional levels.
- *Professionalism* – in the relationship with stakeholders Company strives for a shared value. We take responsibility for our words and share commitments responsibly. We use our knowledge and skills

to find a constructive dialogue with stakeholders and to solve the issues they raise, which come from the Company operations.

- *Improvement* - we responsibly evaluate any constructive feedback and integrate it into our business processes, setting ourselves improvement goals and monitoring the progress.

We also seek to adhere to the principles of transparency, accountability, continuity, and political neutrality in our relations with stakeholders.

VII.IDENTIFICATION OF ISSUES RELEVANT FOR THE STAKEHOLDERS

In order to ensure a systematic approach to stakeholder relations, the Company strives to understand stakeholder expectations, taking into account the history and context of their relations with the organization, as well as the relevance of the actions or decision of the Company for the individual stakeholders.

To identify the issues related to the activities of the Company, which may be of relevance for the stakeholders, and to use the most effective ways to develop relationships with stakeholders, the Company applies unilateral or multilateral engagement means, taking into account the goals raised to the specific situation.

The Company shall revise key areas for stakeholders on a regular basis, selecting the most effective channels and ways of communication.

VIII.POLICY IMPLEMENTATION AND CONTROL

The Company's *Stakeholder Policy* is published on the Company's website.

KN *Stakeholder policy* is reviewed and updated periodically, but not less than every two years.