

Composition

The Company's Articles of Association state that the Supervisory Board should comprise six to nine members, including the chairperson, vice-chairperson and secretary. It is the General Shareholders Meeting's role to determine the number of Supervisory Board members.

Members are appointed and removed from office by the General Shareholders Meeting in a secret ballot, by an absolute majority of votes. The General Shareholders Meeting may appoint new members to the Supervisory Board from an unlimited number of candidates. Notwithstanding the above, as long as the State Treasury remains a shareholder in the Company, it is entitled to appoint and remove from office one member of the Supervisory Board. The Chairperson of the Supervisory Board is appointed by the General Shareholders Meeting. The term of office of the Supervisory Board is a joint term of three years.

As of December 31st 2010 and as of the release date of this report, the Company's Supervisory Board of the seventh term of office was composed of the following persons:

- Wiesław Skwarko – Chairman,
- Leszek Starosta – Vice-Chairman,
- Oskar Pawłowski – Secretary,
- Małgorzata Hirszel – Member,
- Michał Rumiński – Member,
- Rafał Wardziński – Member,
- Ewa Sibrecht-Ośka – Member,
- Rafał Lorek – Member.



Wiesław Skwarko

Chairman of the Supervisory Board

Wiesław Skwarko was appointed Chairman of the Supervisory Board on June 30th 2008. As part of his roles and responsibilities, he coordinates the work of and presides over the Supervisory Board and represents it before the other governing bodies and before third parties. In addition, since August 12th 2008 Mr Skwarko has served as Chairman of the Strategy and Development Committee, and since March 19th 2009 – as member of the Audit Committee.

Under its decision of August 12th 2008, the Supervisory Board delegated Wiesław Skwarko to individually supervise the implementation of the 10+ Programme, including in particular to:

- monitor the progress of work against the schedule,
- oversee the delivery of the raw material procurement strategy,
- oversee the delivery of the finished product sales strategy,
- coordinate the logistics processes.

Wiesław Skwarko graduated from the Faculty of Foreign Trade of the Warsaw School of Economics.



From 1987 to 1994, Mr Skwarko worked as an assistant reader at the Warsaw School of Economics. From 1990 to 1999 he was partner at Access Sp. z o.o., then became member of the Management Board of Rothschild Polska Sp. z o.o. In 2005–2006, Mr Skwarko served as Head of the Privatisation Office at Nafta Polska S.A. In 2006, he took the position of the Financial Strategy and Capital Development Director, initially at CTL Maczki Bór of Sosnowiec and then at CTL Logistics S.A. of Warsaw. In 2008–2009 Mr Skwarko served as Member of the Management Board of Nafta Polska S.A., and since January 1st 2010, he has been acting as the Liquidator at Nafta Polska S.A. w likwidacji (in liquidation). He was Chairman of the Supervisory Board of ZAK S.A., and since October 27th 2010 he has served as Vice-President of the Management Board of ZAK S.A. of Kędzierzyn Koźle.

Leszek Starosta

Vice-Chairman of the Supervisory Board

Leszek Starosta was appointed to the Supervisory Board on June 30th 2008. As Vice-Chairman since August 12th 2008, he may exercise all powers vested in the chairperson of the Supervisory Board under the Articles of Association and the Rules of Procedure for the Supervisory Board if authorised by or in the absence of the chairperson. Mr Starosta is also Chairman of the Organisation and Management Committee and member of the Strategy and Development Committee.

Under the Supervisory Board's decision of August 12th 2008, Leszek Starosta was delegated to individually supervise the implementation of the capital expenditure scheme implemented by Grupa LOTOS, the 10+ Programme, in particular in the areas of contract award procedures and laws governing investment processes.

Mr Starosta graduated from the Faculty of Law and Administration at the Adam Mickiewicz University of Poznań. Professor Extraordinary, Doctor (habilitated) of Law, Dean of the Faculty of Law and Prorector responsible for development at the Academy of International Economic and Political Relations in Gdynia, Head of the Institute of European Studies in Gdynia. In 1991–2000, Mr Starosta was Advisor to the Management Board of Rafineria Gdańska S.A. From 1995 to 1998, he served as Advisor and Consultant to the President of the Management Board of Petrochemia Płock S.A. He has authored over 20 studies and analyses concerning the oil and fuel sector, which he prepared for various entities, including government agencies. Between 1998 and 2007, he was Member and Vice-Chairman of the Supervisory Board of Prokom Software S.A. Mr Starosta is an attorney and a member of the Council of the Bar in Gdańsk. He is also Vice-President of the Employers of Poland organisation, and member of the Sports Law Commission of the Polish Olympic Committee.



Oskar Pawłowski

Secretary of the Supervisory Board

Oskar Pawłowski was appointed to the Supervisory Board on February 11th 2010. As Secretary of the Supervisory Board since March 2nd 2010, he has been charged with coordinating and recording the Board's work and providing organisational and technical support.

Since March 2nd 2010, Mr Pawłowski has been member of the Organisation and Management Committee and the Audit Committee.

Mr Pawłowski is a graduate of the Faculty of Law and Administration at the Adam Mickiewicz University of Poznań, and Cambridge University (majored in British and EU law). In 2006, he completed legal counsel training held by the Board of the District Chamber of Legal Counsels in Poznań and was entered in the list of legal counsels.

Currently, Mr Pawłowski is Managing Partner at Oskar Pawłowski i Wspólnicy Sp. k. law firm; earlier he was a lawyer at D. Janczak i Wspólnicy Sp.k./Domański Zakrzewski Palinka Sp.k. – Ernst & Young Law Alliance – Grupa Energetyczna and Głowacki, Grynhoff, Hałaziński s.j. He specialises in the regulatory environment of the energy sector and in legal services for real estate trade and investment processes. He has extensive experience in company law and mergers and acquisitions. He is Energy Arbitrator at the Arbitration Court of the Chamber of Industrial Power and Energy Customers. He also serves as President of the Management Board of Diabpol sp. z o.o. and Member of the Supervisory Board of Instal Lublin S.A.

He authored the following papers: "The Rights of Electricity Consumers and the Methods of Protecting Them" in Rynek Energii (2/2009); "Legal Due Diligence of Real Estate" in Inwestor (1/2010).



Michał Rumiński

Member of the Supervisory Board

Michał Rumiński was appointed to the Supervisory Board on February 11th 2010. Since March 2nd 2010, he has attended meetings of the Strategy and Development Committee and the Organisation and Management Committee, and since August 2nd 2010 he has served as Chairman of the Audit Committee.

He holds an MBA degree from the University of Chicago, Booth School of Business, a degree in economics from the Warsaw School of Economics and a degree in law from the Warsaw University.

Since 2007, Mr. Rumiński has cooperated with MCI Euroventures (investment fund), holding the following positions: Investment Partner, Member of the Management Board of ABC Data Holding S.A., President of the Management Board and Managing Partner of Cleantech Venture Partners, Member of the Supervisory Board of Grupa Lew Sp. z o.o. In 2000–2007, Mr. Rumiński worked for the KBC Group. In 2004, he assumed the position of Corporate Finance Director at the investment bank KBC Securities N.V.

Mr Rumiński is the author of the following publications: "The 1997 Currency Crisis vs. Restructuring of the Financial and Corporate Sectors in South Korea", Narodowy Bank Polski (September 2004); "Free Flow of Capital in the European Community", INFOR (February 2000).

Małgorzata Hirszel

Member of the Supervisory Board

Małgorzata Hirszel was appointed to the Supervisory



Board under Par. 11.2 of the Articles of Association on July 1st 2008. Since August 12th 2008, she has also served on the Strategy and Development Committee and the Organisation and Management Committee.

Ms Hirszel is a graduate of the Warsaw University, Faculty of Law and Administration, she also completed a post-graduate programme in European Studies run by the Warsaw University Faculty of Journalism and Political Science. Currently Ms Hirszel is pursuing doctoral studies at the Polish Academy of Sciences, the Institute of Legal Sciences.

In 2000, she joined the Chancellery of the Prime Minister, where she was the Chief Specialist/Counsel to the Head of the Chancellery until 2002, and then Counsel to the Vice-President and President of the Council of Ministers (the Prime Minister) in the Economic and Social Department (later transformed into the Council of Ministers Committee Department). In 2002–2006, Ms Hirszel served as Acting Deputy Head of the Economic Division of the Council of Ministers Committee Department, and then as Acting Head of the Programme Department of the Chancellery. In 2007, she became Head of the Council of Ministers Committee Department and Secretary of the Council of Ministers Standing Committee.

Ms Hirszel passed the examination for candidates for supervisory board members in state-stock companies in 2002.



Rafał Wardziński

Member of the Supervisory Board

Rafał Wardziński was appointed to the Supervisory Board on February 11th 2010. Since March 2nd 2010, he has also served on the Strategy and Development Committee. Mr Wardziński holds a master's degree from the Jean Monnet European Integration Department of the University of Szczecin; he completed supplementary studies at the Faculty of Law of the University of Liège, Belgium. He was also awarded a scholarship funded by the European Commission.

In 2003–2004, Mr Wardziński was employed at the European Integration Department of the Marshal's Office of the Province of Szczecin. Then, in 2004–2007, he worked as a consultant for the European Parliament Committee on Industry, Research and Energy in Brussels. From 2007 to 2008, he held the position of Director of the Regional Office of the Province of Szczecin in Brussels. Since 2008, he has worked at the Polish Ministry of State Treasury, currently as Deputy Director of the Department of Strategic Companies.

He was Chairman of the Supervisory of PERN Przyjaźń and Members of the Supervisory Board of Kopalnie i Zakłady Chemiczne Siarki Siarkopol S.A. Currently, he serves on the Supervisory Board of Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A.

Ewa Sibrecht-Ośka

Member of the Supervisory Board



Ewa Sibrecht-Ośka was appointed to the Supervisory Board on June 28th 2010. Since August 2nd 2010, she has also served on the Organisation and Management Committee.

Ms Sibrecht- Ośka graduated from the Law Department at the University of Łódź. She has practiced as a legal counsel since 1994, having completed her legal counsel training held in Warsaw. From 1991 to 2001 she was employed at the Legal Department of the Ministry of Finance. In the same period, she was employed at a bank (1992–1995), at the Baker McKenzie law office (1995–1996), at the Cavere law office (1998–2001) and at the Office of the Committee for European Integration (2000–2001).

In 2001–2006, she worked for Nafta Polska S.A. In 2007, she worked as a legal counsel at the Corporate Supervision Department of the Capital City of Warsaw Municipal Office. Since November 2007, Ms Sibrecht-Ośka served as a legal counsel to the Minister at the Department of Corporate Supervision and Privatisation I of the Ministry of State Treasury. From May 2009 she was Head of the Department of Analyses at the Ministry of State Treasury, and since December 2010 – Head of the Department of Owner Supervision.

Ms Ewa Sibrecht-Ośka participated in the work on the draft Tax Advisory Services Act and on the Act on Compensation Proceedings at Entities of Particular Importance to the Polish Shipyard Industry. She also participated in the preparation of Grupa LOTOS to the listing on the stock exchange and in the process of privatisation of the Polish Heavy Chemical Sector, and more specifically in the project involving preparation of the sale of shares in the Heavy Chemical Sector companies, which included receipt of pre-privatisation analyses, work on agreements with the privatised companies, and negotiation of agreements with investors, including negotiation of public assistance issues.



Rafał Lorek

Independent Member of the Supervisory Board

Rafał Lorek was appointed to the Supervisory Board on June 28th 2010. Since August 2nd 2010, he has also served on the Audit Committee.

Mr Lorek is a graduate of Warsaw School of Economics. Most of his professional career is associated with the capital market in Poland. He worked for a number of leading institutions providing investment banking and wealth management services. Mr. Lorek started his career working as a stockbroker at Bank Handlowy and then at Societe Generale Securities Polska, in the period of 1995–2000. From 2001 to 2005 he worked for CAIB Investment Management S.A. as Account Manager and Deputy Director of Account Managers Team. Between 2005 and 2007, he served as Senior Wealth Manager at Citibank Polska. From 2007 to 2008, Mr Lorek worked for Bank Sal. Oppenheim Jr. & CIE Austria AG as Vice-President Private Banking. Since 2008, he has been running his own consulting company, R.S.P. LOREK. Since June 2010, he has served as President of the Management Board of Lorek Pawlak i Wspólnicy Sp. z

In 2010, the Supervisory Board of the seventh term of office comprised the following persons:

- Wiesław Skwarko – Chairman,
- Leszek Starosta – Vice-Chairman,
- Mariusz Obszyński – Secretary,
- Radosław Barszcz – Member,
- Małgorzata Hirszel – Member,
- Jan Stefanowicz – Member,
- Ireneusz Fąfara – Member.

On February 11th 2010, the Extraordinary Shareholders Meeting of Grupa LOTOS removed from office Mariusz Obszyński, Radosław Barszcz and Jan Stefanowicz, and appointed Oskar Pawłowski, Michał Rumiński and Rafał Wardziński in their place to serve on the Board for the remainder of the term. In the grounds for its request to make this change, the majority shareholder argued that it would help enhance supervision over the Company's activities.

Accordingly, as of February 11th 2010, the Supervisory Board comprised the following persons:

- Wiesław Skwarko – Chairman,
- Leszek Starosta – Vice-Chairman,
- Oskar Pawłowski – Secretary,
- Ireneusz Fąfara – Member,
- Małgorzata Hirszel – Member,
- Michał Rumiński – Member,
- Rafał Wardziński – Member.

Following the resignation of Ireneusz Fąfara on March 29th 2010, until June 28th 2010 the number of the Supervisory Board members remained lower than the number prescribed in Resolution 34 of the Annual General Shareholders Meeting of June 30th 2008, whereby the number of members of the Supervisory Board of the seventh term of office was set at seven. Considering the circumstances and the said resolution of the Annual General Shareholders Meeting, and in order to ensure smooth operation and proper discharge of duties by the Supervisory Board, a need arose to fill the vacancy. Moreover, the State Treasury, acting as a shareholder, recommended that the number of members be increased to ensure more effective operation and discharge of duties by the Supervisory Board. Accordingly, on June 28th 2010, the Annual General Shareholders Meeting adopted Resolution 20, whereby the number of the Supervisory Board members was set at eight, and whereby Ewa Sibrecht-Ośka and Rafał Lorek were appointed members of the Supervisory Board of the seventh term of office.