

Composition of the Board



Paweł Olechnowicz

President of the Board

Mr Olechnowicz has held the position of President of the Board of Grupa LOTOS since March 12th 2002, as member of the Boards of the fourth, fifth, sixth, seventh and eighth term. Since September 2007, he has served as Chairman of the Board of Directors of LOTOS Exploration and Production Norge AS and since April 2011 – Chairman of the Board of Directors of AB LOTOS Geonaftha.

He is in charge of, and takes responsibility for, the overall management and direction of the LOTOS Group's operations.

Qualifications, professional experience and achievements:

Graduated from Kraków University of Technology (the Faculty of Technology and Mechanisation of Foundry Engineering), completed a post-graduate course in Organization, Economics and Industrial Management at Gdańsk University of Technology, holds an MBA from INSEAD in Fontainebleau, and attended a number of courses in management, both in Poland and abroad.

In 1977, Mr. Olechnowicz began his professional career in Zakłady Mechaniczne Zamech of Elbląg (renamed ABB Zamech Sp. z o.o. in 1990). In 1990–1996, he was President of the Management Board and Director General of ABB Zamech Ltd.; concurrently, in 1994–1996, also served as Vice-President of ABB Polska. Subsequently, for two years Mr Olechnowicz worked at the headquarters of ABB Ltd. Zurich, Switzerland, as Vice-President for Central and Eastern Europe. In 1999–2000, Mr Olechnowicz was Vice-President and Deputy Director General of ZML Kęty S.A., and from 2001, managed his own consultancy firm, Paweł Olechnowicz-Consulting. He was one of the founders of Central Europe Energy Partners (CEEP), an expert organisation established in 2010 in Brussels to represent the interests of energy companies from Central and Eastern Europe. He serves as Chairman of the Board of Directors of CEEP.

After taking the position of President of the Board of Grupa LOTOS, Mr Olechnowicz began the dynamic process of modernising the Company's structures and developing its production and marketing potential. He was responsible for the Company's business consolidation with Petrobaltic, an exploration and production company, and the Czechowice-Dziedzice and Jasło refineries. He also floated Grupa LOTOS shares on the Warsaw Stock Exchange (June 9th 2005) and used the IPO proceeds (approximately PLN 1bn) to carry out the 10+ Programme which involved construction of state-of-the-art liquid fuel production installations at the Gdańsk refinery and increased its throughput capacity from 6 to 10.5 million tonnes. The 10+ Programme, carried out in 2007–2011 and valued at nearly EUR 1.5bn, was one of the largest investment projects to be implemented in Poland in the last 25 years. Mr Olechnowicz led the implementation of the cost-cutting Package of Anti-Crisis Measures developed jointly by the Company's management and staff (2009), as well as the efficiency-enhancement and cost-cutting Optimal Expansion Programme (2012). In late 2014 and early 2015, Mr Olechnowicz as CEO of Grupa LOTOS led a successful follow-up issue of the Company shares. The Company raised approximately PLN 1bn from the issue and plans to use the proceeds to finance investment projects under the '2013-2015 Effective and Rising' Programme. These include mainly the construction of a Delayed Coking Unit (DCU) and auxiliary installations as part of the EFRA Project, and development of the B4/B6 gas fields in the Baltic Sea. In 2014, at the 'Nafta i Chemia' conference devoted to the oil and chemical industries, President of Grupa LOTOS Paweł Olechnowicz was awarded the 'Man of the Decade' title.



Mariusz Machajewski

Vice-President of the Board

Mr Machajewski has held the position of Vice-President of the Board of Grupa LOTOS since June 19th 2006, serving as a member of the Board of the sixth, seventh and eighth term. Since 2006, he has served as Deputy Chairman of the Supervisory Board of LOTOS Paliwa Sp. z o.o., and since 2010 – as Chairman of the Supervisory Board of RCEkoenergia Sp. z o.o.

Since 2013, Mr Machajewski has also been member of the Supervisory Board of Stowarzyszenie Emitentów Giełdowych (Polish Association of Listed Companies).

He is mainly in charge of, and takes responsibility for, the overall management of the Company's economic, financial and accounting activities, as well as all matters related to its asset base and restructuring processes. In addition, he also exercises supervision over matters related to the formulation of corporate guidelines and standardisation of procedures related to the conclusion of agreements, selection and evaluation of trading partners, as well as development of IT systems and telecommunication services.

Qualifications, professional experience and achievements:

Mr Machajewski is a graduate of the Faculty of Economics at Gdańsk University. He also attended a number of courses in management and economics in Poland and abroad.

In 1994–1997, he worked at Stocznia Gdynia S.A. (Gdynia Shipyard). In 1997, he joined Grupa LOTOS (formerly Rafineria Gdańska S.A.), where he was placed in charge of the Company's controlling functions in 1999. Since mid-2002, he has held the position of Chief Financial Officer. From April 2005 to June 2006, he also served as the Company's commercial proxy. Appointed to the Board in June 2006. He was involved in the Company's internal restructuring, which led to the creation (in 2005) of the Finance and Accounting Centre, a body primarily intended to provide accounting services to Grupa LOTOS and its subsidiaries. He assisted in preparations before the floatation of Grupa LOTOS shares on the Warsaw Stock Exchange on June 9th 2005. Mr Machajewski played an instrumental role in formulating and arranging the financing framework for the 10+ Programme. The credit facility executed in June 2008 to finance the 10+ Programme was the largest transaction in the Company's history. It was declared transaction of the year in the European oil industry and named the Best Financing Project of the year by a number of prestigious specialist journals. Mr Machajewski prepared and oversaw the implementation of the cost-cutting Package of Anti-Crisis Measures (2009) and the efficiency-enhancement and cost-cutting Optimal Expansion Programme (2012). In charge of restructuring processes, he is responsible for the implementation of the LOTOS Group's development and capital restructuring programme '2013-2015 Effective and Rising', and oversees the exercise of corporate supervision at subsidiary companies. He supervised the processes of share capital increase at the Company carried out in 2014 and development of the framework for arranging financing for the ongoing 'EFRA – Effective Refining' Project.



Zbigniew Paszkowicz

Vice-President of the Management Board

Mr Paszkowicz has held the position of Vice-President of the Management Board of Grupa LOTOS since June 28th 2012, when he was appointed by the Supervisory Board to the Board of the eighth term.

In October 2012, he was appointed President of the Management Board of LOTOS Petrobaltic and since January 2013 has served on the Board of Directors of LOTOS E&P Norge AS.

He is in charge of, and takes responsibility for, the overall management of the LOTOS Group's exploration and production segment. As part of this role, he is charged with the oversight of companies in that segment.

Qualifications, professional experience and achievements:

In 1989, Mr Paszkowicz completed mechanics studies at the Ship-building Institute of the Gdańsk University of Technology. Graduate of Ecole Nationale Supérieure du Pétrole et des Moteurs, where in 1991 he obtained engineer's diploma at the Faculty of Petroleum and Internal Combustion Engines.

His career with Grupa LOTOS (formerly Rafineria Gdańska S.A.) commenced in 1992, initially as a specialist in the Maintenance Planning and Preparation Department. In 2002–2004, he was head of the Plant Engineering Unit, in charge of reorganisation of overhaul services and maintenance of refinery operation based on advanced prevention methods. In 2004, he was appointed Technical Director of Grupa LOTOS and was directly responsible for the preparation and execution of the Spring 2005 maintenance shutdown, during which the plant's annual processing capacity was increased from 4.5m to 6m tonnes of crude oil. In 2006, he was appointed Head of Refinery Expansion, in charge of execution of the 10+ Programme, the largest industrial project of the last decade in Poland. After completion of the Programme, in April 2011 he took the position of Deputy CEO of Grupa LOTOS, and his responsibilities included monitoring of implementation of the Company's Strategy; supervision of support functions for the Company's governing bodies; development of corporate guidelines and uniform contracting procedures; development of IT and telecommunication systems, and security and physical protection. He also provided support to the CEO within his remit. In January 2012, he was appointed Chairman of the Supervisory Board of LOTOS Petrobaltic. In June 2012, he was appointed Vice-President of Grupa LOTOS, and since October 2012 he has also served as President of the Management Board of LOTOS Petrobaltic. His primary area of focus is development of the exploration and production operations. Since June 2012, he has been directly involved in development of the strategy for and successful completion of negotiations (with Talisman of Canada, licence operator) on removal of a defective rig from the YME field and recovery of invested funds (March 2013). He also monitored the acquisition of an interest in the Heimdal field, which is the hub for processing and distribution of natural gas extracted from the Norwegian Continental Shelf (November 2013). Mr Paszkowicz supervises intensive appraisal work on hydrocarbon deposits in the Baltic Sea to enable full use of the potential and resources available in the Polish economic zone. He supervised the final phase of development of the B8 field, involving in particular conversion of the Petrobaltic drilling rig into a production platform, and construction of subsea production infrastructure. As part of strategy implementation, in March 2014, the then newly acquired LOTOS Petrobaltic rig was transported to the Baltic Sea.



Marek Sokołowski

Vice-President of the Management Board

Mr Sokołowski has served as Vice-President of the Management Board of Grupa LOTOS since April 19th 2002, as member of the Boards of the fourth, fifth, sixth, seventh and eighth term.

Between 2002 and 2009, he was the Chairman of the Supervisory Board of LOTOS Kolej. Since May 2005, he has served as Chairman of the Supervisory Board of LOTOS Terminale (formerly LOTOS Czechowice) and since December 2010 – as Chairman of the Supervisory Board of LOTOS Biopaliwa.

He is in charge of management of production, technical, and technology development units; investments related to technical and technological development; supervision of the processing business in the LOTOS Group.

Qualifications, professional experience and achievements:

Mr Sokołowski graduated from Gdańsk University of Technology (Faculty of Electrical Engineering), completed a post-graduate course in industrial investments and a number of management courses in Poland and abroad.

He has worked at Grupa LOTOS (formerly Rafineria Gdańska S.A.) since 1973. In 1990, Mr Sokołowski was appointed to the Management Board and took the position of Technical Director, in charge of plant engineering and execution of investment projects. At the end of 1994 and beginning of 1995, he participated in the development of the 'Technical Development Programme for Rafineria Gdańska S.A. until 2000', designed to increase the refinery's annual crude processing capacity from 3m to 4.5m tonnes, and to construct conversion installations, including the hydrocracking unit. From 1996, he managed execution of the Programme until its completion at the end of 1999. Until April 2002 Mr Sokołowski held the position of Chief of Technical Services, concurrently serving as the Company's commercial proxy. In April 2002, he was appointed Vice-President of the Management Board of Grupa LOTOS. In 2004–2011, he was responsible for refinery expansion as part of the 10+ Programme (formerly the Comprehensive Technical Development Programme), officially launched in August 2007 by laying the cornerstone for the diesel oil hydrodesulfurisation (HDS) unit.

Once all the new installations built as part of the 10+ Programme came on stream, the refinery's crude processing capacity, depth of crude processing, and feedstock flexibility improved considerably. Completion of the 10+ Programme placed Grupa LOTOS in the elite group of the most advanced refineries in Europe. In recent years, Marek Sokołowski has been the promoter of the idea of enhancing the refinery's energy security by connecting it to mains gas network. Another of his initiatives was organisational changes as part of the Operational Excellence Programme, whose implementation resulted in the Gdańsk refinery being evaluated by international auditors (Solomon Inc.) as one of the most efficient refineries in Europe. Currently, Mr Sokołowski is involved in efforts aimed at building a new unit under the 'EFRA – Effective Refining' Project, the purpose of which is to achieve a significant improvement in refining margin thanks to an increased crude distillate yield. Mr Sokołowski has been a member of the Board of the Polish Chamber of Chemical Industry.



Maciej Szozda

Vice-President of the Management Board

Mr Szozda has served as Vice-President of the Management Board of Grupa LOTOS since July 1st 2009, as member of the Boards of the seventh and eighth terms.

Since August 2009, he has chaired the Supervisory Board of LOTOS Paliwa., and since December 2010 he has served as Deputy Chairman of the Supervisory Board of LOTOS Biopaliwa.

He is responsible for overall management of and responsibility for marketing, procurement and distribution processes at the LOTOS Group. He is also charged with oversight of companies allocated to the LOTOS Group's marketing segment.

Qualifications, professional experience and achievements:

Maciej Szozda graduated from the Warsaw School of Economics (Faculty of Trade).

In 1980, he began work at PHZ Labimex. In 1983–1984, he was Managing Director at KMW Engineering. Then, until 1986, he worked in the United States as contract manager. In 1986, he joined Przedsiębiorstwo Zagraniczne Ipaco, where he held the position of Director, and in

1987–1989 he was Export Manager for Sinexim GmbH of West Berlin. From 1989, he operated as a sole trader, working for Easy Garments UK Ltd. (Easy Jeans) as Head of its Representative Office for Poland and the CIS countries. In 2002, he joined PKN Orlen, where he served as (in chronological order) Director of the Retail Network Planning and Development Office, Director of the Retail Network Development Office – Europe, and Retail Sales Executive Director. From October 2008 to February 2009, Mr Szozda was a member of the Supervisory Board of Orlen Deutschland AG. From 2007 to March 2009, he served as a member and then President of the Management Board of AB VENTUS NAFTA of Vilnius, a company of the ORLEN Group.

He joined Grupa LOTOS in 2009. He supervises efforts aimed at increasing the LOTOS Group's share in the fuel market through development of the service station network, and continued improvement of the stations' efficiency, involving implementation of uniform operating standards.

The network development is also a result of capital expenditure on Motorway Service Areas, which have been built since October 2009 at various motorway sections in Poland. Their current number is 17. LOTOS Dynamic fuels, marketed across the network, became available in all larger Polish towns in December 2009, and won the first place in the fifth edition of the 'Consumer Laurel 2009' programme in the Premium Fuel category.

Mr Szozda implemented the concept of OPTIMA budget service stations, where basic fuels are available at attractive prices. In 2011, the Company beat the national record for the number of stations opened within one year by adding as many as 68 new locations to its network. Between 2009 and 2015, the number of stations in the network doubled. In 2012, LOTOS stations won the prestigious Crystal Emblem of European Trusted Brands. Mr Szozda's other responsibilities include efforts to maintain LOTOS' leading position on the domestic lubricants market; continuous improvement of other products' market shares; and development of aviation fuel sales, which in 2013 resulted in the formation of a joint venture LOTOS-Air BP Polska.

In accordance with the Articles of Association of Grupa LOTOS, the Board may consist of three to seven members. The Supervisory Board appoints and determines the number of members of the Board. Board members are appointed for a joint term of three years.

From January 1st to December 31st 2014 and as at the release date of this Report, the composition of the Board of Grupa LOTOS in its eighth term was as follows:

Pawel Olechnowicz	President of the Board, Chief Executive Officer
Mariusz Machajewski	Vice-President of the Board, Chief Financial Officer
Zbigniew Paszkowicz	Vice-President of the Management Board, Exploration & Production
Marek Sokolowski	Vice-President of the Management Board, Chief Operations Officer
Maciej Szozda	Vice-President of the Management Board, Chief Commercial Officer

Positions held by members of the Board of Grupa LOTOS at other companies in 2014, as at the release date of this Report

Name and surname	Position on the Board of Grupa LOTOS	Company	Function at the company	Term of office
Pawel Olechnowicz	President of the Board	LOTOS Exploration and Production Norge AS	Chairman of the Board of Directors	January 1st–December 31st 2014
Pawel Olechnowicz	President of the Board	LOTOS Geonafta	Chairman of the Board of Directors	January 1st–December 31st 2014
Marek Sokolowski	Vice-President of the Management Board	LOTOS Terminale S.A.	Chairman of the Supervisory Board	January 1st–December 31st 2014
Marek Sokolowski	Vice-President of the Management Board	LOTOS Biopaliwa Sp. z o.o.	Chairman of the Supervisory Board	January 1st–December 31st 2014
Mariusz Machajewski	Vice-President of the Board	LOTOS Paliwa Sp. z o.o.	Deputy Chairman of the Supervisory Board	January 1st–December 31st 2014
Mariusz Machajewski	Vice-President of the Board	RCEkoenergia Sp. z o.o.	Chairman of the Supervisory Board	January 1st–December 31st 2014
Maciej Szozda	Vice-President of the Management Board	LOTOS Paliwa Sp. z o.o.	Chairman of the Supervisory Board	January 1st–December 31st 2014
Maciej Szozda	Vice-President of the Management Board	LOTOS Biopaliwa Sp. z o.o.	Deputy Chairman of the Supervisory Board	January 1st–December 31st 2014
Zbigniew Paszkowicz	Vice-President of the Management Board	LOTOS Exploration and Production Norge AS	Member of the Board of Directors	January 1st–December 31st 2014
Zbigniew Paszkowicz	Vice-President of the Management Board	LOTOS Petrobaltic S.A.	President of the Management Board	January 1st–December 31st 2014