

## Remuneration of the Board

As the State Treasury's equity interest in the Company exceeds 50% (50% of the total number of shares), remuneration paid to members of the Board of Grupa LOTOS is regulated by the Act of March 3rd 2000 on Remunerating Persons Who Manage Certain Legal Entities (Dz.U. of 2000 No. 26, item 306, as amended). In accordance with the Act, the President of the Board's monthly remuneration is determined by the General Meeting, while the remuneration of the remaining Board members is set by the Supervisory Board in line with the Company's Articles of Association.

On November 13th 2009, the Supervisory Board set the remuneration of the Vice-Presidents of the Company's Board at six times the average monthly salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of the preceding year, as announced by the President of the Central Statistics Office (GUS), and proposed to the General Meeting the monthly remuneration of the President of the Board. On December 17th 2009, concurring with the proposal of the Supervisory Board, the General Meeting determined the same level of remuneration for the President of the Board.

Furthermore, in accordance with their individual employment contracts, members of the Board of Grupa LOTOS are entitled to the following additional benefits:

- Life insurance costs (including monthly insurance premiums),
- Access to additional non-public healthcare, both in Poland and abroad, for the Board member and their family.

Although the President of the Board and the Vice-President of the Management Board, Chief Commercial Officer, who reside outside the city where the Company's registered office is located, are entitled to a furnished apartment in the Gdańsk-Gdynia-Sopot metropolitan area (with lease and service costs covered by the Company), they are not using this additional benefit.

Furthermore, in accordance with the Act of March 3rd 2000 and the Regulation of the Minister of State Treasury of March 12th 2001 on specific rules of awarding an annual bonus to persons who manage certain legal entities and the award procedure (Dz.U. of 2001 No. 22, item 259), members of the Board may be awarded an annual bonus equal to no more than three times the average monthly salary in the year preceding the award.

The decision whether to award an annual bonus to the President of the Board is made by the General Meeting, on recommendation of the Supervisory Board. As regards the other Board members, such decision is made by the Supervisory Board.

An annual bonus may be awarded provided that the financial statements are approved by the General Meeting, and the Company has:

- Improved its financial performance,
- Improved its market or industry position,
- Implemented its restructuring or growth plans effectively,
- Not exceeded the maximum average monthly remuneration growth rate,
- Repaid its liabilities to the state budget in a timely manner.

A Board member may be awarded an annual bonus provided that they served on the Board for a full financial year and did not commit a gross breach of their professional duties in that period, their employment contract was not terminated for reasons attributable to the Board member, or their management contract was not terminated and the Board member was not removed from their position for reasons constituting grounds whereby their employment contract could be terminated without notice.

In line with the amended afore-mentioned Act on Remunerating Persons Who Manage Certain Legal Entities (Compensation Cap Act), in 2014 the Board members were entitled to receive monthly remuneration calculated on the basis of the average monthly salary in the non-financial corporate sector, net of bonuses paid from profit, in the fourth quarter of 2009.

### Remuneration of the Grupa LOTOS Board members in 2014

Name and surname	Amount (PLN)
Paweł Olechnowicz	297,000
Marek Sokółowski	254,000
Mariusz Machajewski	273,000
Maciej Szozda	261,000
Zbigniew Paszkowicz	261,000
<b>Total</b>	<b>1,346,000</b>

