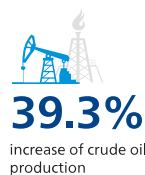


The Organization and its Report



A Well Perceived Company

IN THIS CHAPTER:

Key data 2014

With revenue of ca. PLN 28.5bn in 2014, we rank fourth in the group of 500 largest businesses in Poland.

Letter from the Chairman of the Supervisory Board

In 2014, the most important project of key significance to the Company's further development was its Secondary Public Offering (SPO), which turned out to be a spectacular success. The State Treasury, Grupa LOTOS' majority shareholder, subscribed for all new shares it was entitled to, as did other shareholders.

Letter from the President of the Board

The success of the Grupa LOTOS' SPO was a measure of trust of our shareholders and potential investors in our capacity to effectively operate amid economic and political turmoil. It was a resounding vote of trust of our shareholders and investors in the development strategy of Grupa LOTOS.

The Organization

Apart from Grupa LOTOS (the parent and operator of the Gdańsk-based refinery), the LOTOS Group comprises 14 other companies operating under the LOTOS name. Two of them are based outside Poland, in Lithuania and Norway.

Integrated reporting

Our reporting model follows the guidelines included in Directive 2014/95/EU of the European Parliament and of the Council of October 22nd 2014 as regards disclosure of non-financial and diversity information by certain large undertakings and groups.

Awards and distinctions

According to the Chapter of the ninth edition of 'The Best Annual Report' contest, the 2013 Integrated Annual Report of Grupa LOTOS exemplifies a publication based on which investment decisions can be made at a relatively minimal risk.

Membership in organizations

Representatives of Grupa LOTOS take part in the work of different organizations and we treat our membership in them as strategically important. The goals of these organizations are e.g. to develop new legislative solutions for the energy sector and to actively participate in public consultation of draft acts regulating the sector.

Key data 2014

GRUPA LOTOS – selected information*

FINANCIALS	Unit	For the year ended Dec 31 2014	For the year ended Dec 31 2013	Change
<i>(restated)</i>				
Revenue	PLN '000	26,243,106	26,697,179	-2%
Operating profit/(loss)	PLN '000	(1,294,183)	(352,799)	-
Pre-tax profit/(loss)	PLN '000	(1,545,869)	(77,525)	-
Net profit/(loss)	PLN '000	(1,285,910)	(14,774)	-
Total comprehensive income/(loss)	PLN '000	(1,762,097)	83,242	-2,217%
Net cash from operating activities	PLN '000	561,327	733,621	-23%
Net cash from investing activities	PLN '000	(137,277)	51,026	-369%
Net cash from financing activities	PLN '000	(392,823)	(597,916)	-
Total net cash flow	PLN '000	31,227	186,731	-83%
Basic earnings/(loss) per share	PLN	(8.87)	(0.10)	-
Charitable donations	PLN '000	705	1,811	-61%
Pro-environmental investment	PLN '000	16,040	63,012	-74.5%
FINANCIALS	Unit	As at Dec 31 2014	As at Dec 31 2013	Change
Total assets	PLN '000	14,339,743	15,559,412	-8%
Equity	PLN '000	6,346,776	7,135,595	-11%
NON-FINANCIAL DATA	Unit	Year ended Dec 31 2014	Year ended Dec 31 2013	Change
<i>(comparative data)</i>				
Employees ^{1/}	Number of employees	1,343	1,334	0.7%
Employee turnover	%	9.55	11.8	-2.25 pp.
Lost Time Injury Frequency LTIF index (per 1 million hours worked) ^{2/}		0.9	4.5	-
Total water consumption	m ³	3,610,693	3,737,302	-3.4%
CO ₂ emissions	thousand tonnes per year	1,820	1,689	7.8%

THE LOTOS GROUP – selected consolidated data**

FINANCIALS	Unit	For the year ended Dec 31 2014	For the year ended Dec 31 2013	Change
<i>(restated)</i>				
Revenue	PLN '000	28,501,887	28,559,165	0%
Operating profit/(loss)	PLN '000	(1,393,008)	166,600	-936%
Pre-tax profit/(loss)	PLN '000	(2,123,715)	(58,676)	-
Net profit/(loss)	PLN '000	(1,466,372)	39,428	-3,819%
Net profit/(loss) attributable to owners of the Parent	PLN '000	(1,466,326)	39,415	-3,820%
Net profit/(loss) attributable to non-controlling interests	PLN '000	(46)	13	-454%

Total comprehensive income/(loss)	PLN '000	(1,902,137)	123,450	-1,641%
Total comprehensive income/(loss) attributable to owners of the Parent	PLN '000	(1,902,096)	123,439	-1,641%
Total comprehensive income attributable to non-controlling interests	PLN '000	(41)	11	-473%
Net cash from operating activities	PLN '000	1,380,488	1,416,277	-3%
Net cash from investing activities	PLN '000	(958,338)	(931,051)	-
Net cash from financing activities	PLN '000	(597,271)	(243,864)	-
Total net cash flow	PLN '000	(175,121)	241.362	-173%
Basic earnings/(loss) per share	PLN	(10.11)	0.28	-3,711%
Charitable donations	PLN '000	1,169	2,131	-45%
Pro-environmental investment	PLN '000	17,665	66,348	-73%
FINANCIALS	Unit	As at Dec 31st 2014	As at Dec 31st 2013	Change
Total assets	PLN '000	18,947,157	20,284,754	-7%
Equity attributable to owners of the Parent	PLN '000	8,258,288	9,189,307	-10%
Non-controlling interests	PLN '000	175	289	-39%
Total equity	PLN '000	8,258,463	9,189,596	-10%
NON-FINANCIAL DATA	Unit	Year ended Dec 31 2014	Year ended Dec 31 2013	Change
<i>(comparative data)</i>				
Employees ^{1/}	Number of employees	4,789	4,773	0.33%
Lost Time Injury Frequency LTIF index (per 1 million hours worked) ^{2/}		2.3	4.4	-
Share in the fuel market	%	33.1	33.2	0.1 pp
Crude oil production	thousand tonnes	305.2	219.1	39.3%
Natural gas production	million Nm ³	239.2	16.8	1,324%

* For information on Grupa LOTOS' financial performance, please see our financial statements. (See more <http://inwestor.lotos.pl/en/1744/reports__key_data/annual_reports/2014>)

** For information on the LOTOS Group's financial performance, please see the LOTOS Group's financial statements. (See more <<http://raportroczny.lotos.pl/en/financial-information/consolidated-financial-statements-for-2014>>)

^{1/} Average annual headcount.

^{2/} LTIF – number of occurrences resulting in inability to work x 10⁶ / number of hours worked, for the average annual headcount.

RELATED CONTENT:

Letter from the Vice-President of the Board

2014 ushered in a series of challenges for the companies in the fuel sector. The decisions made by the LOTOS Group have demonstrated that we are able to take rapid steps to adapt to a demanding environment and ensure the desired profitability for our projects.

Go to the page » <<http://raportroczny.lotos.pl/en/results-and-prospects/letter-from-the-vice-president-of-the-board>>

Consolidated Financial Statements for 2014

Go to the page » <<http://raportroczny.lotos.pl/en/financial-information/consolidated-financial-statements-for-2014>>

Letter from the Chairman of the Supervisory Board



Wiesław Skwarko - Chairman of the Supervisory Board

Ladies and Gentlemen,

It is with immense satisfaction that we present the 2014 Integrated Annual Report of Grupa LOTOS. It confirms the right choices we have made for the Company's development, but first and foremost, it proves the managerial skills and high competence of its Board members.

In 2014, the most important project of key significance to the Company's further development was its Secondary Public Offering (SPO). Immaculately prepared and carried out, it turned out to be a spectacular success putting Grupa LOTOS ahead of other companies which have launched an SPO on the capital market in recent years. The State Treasury, Grupa LOTOS' majority shareholder, subscribed for all new shares it was entitled to, as did other shareholders. As a result, the reduction rate for additional orders was 98.33%. Having raised considerable funds in the challenging market environment and having won the trust of shareholders for new investment projects, the Board demonstrated its responsibility for the Company not only in the short term, but also in the long-term perspective. The issue proceeds will be applied towards financing of the EFRA Project (i.e. construction of a delayed coking unit with auxiliary infrastructure) and towards development of the B4/B6 gas fields in the Baltic Sea. These projects will be the drivers of shareholder value creation, strengthening the Company's competitive edge in the coming years.

The Company's transparency, accountability and effectiveness in all areas of operation are of utmost importance to its shareholders. Therefore, in 2014 LOTOS continued to work on projects under its Corporate Social Responsibility (CSR) strategy, but also effectively supported initiatives aimed to improve the living conditions of local communities and protect the natural environment. Once again, the Company won the recognition of its stakeholders, and its outreach initiatives were held up as a model of corporate citizenship of the 21st century.

Looking back from the vantage point of 2015, it is clear that 2014 was a year spent wisely and diligently on building solid foundations for further growth of the entire LOTOS Group. The organization's strategy for the next five years will be communicated to the shareholders and capital market in the second half of 2015. Therefore, congratulations are owed to everyone who contributed to the success of LOTOS in the previous year, when foundations were laid for a new and exciting stage of the Company's development. Words of appreciation go to the Grupa LOTOS Board for taking the Company through a challenging period, and to all employees, whose commitment was one of the forces strengthening the position of LOTOS among the leaders of Poland's economy.

Yours faithfully,



Wiesław Skwarko
Chairman of the Supervisory Board
Grupa LOTOS

RELATED CONTENT:

The Supervisory Board

Members of the Supervisory Board are appointed by the General Meeting. The Supervisory Board performs its duties collectively, but may also set up ad hoc or standing committees to exercise supervision of specific areas of the Company's activities.

Go to the page » <http://raportroczny.lotos.pl/en/ethics-and-corporate-governance/supervisory-board>

Shareholding structure

The State Treasury holds ordinary bearer shares in Grupa LOTOS representing 53.19% of its share capital and the same proportion of voting rights at its GM whereas 8.6% of Grupa LOTOS share capital belongs to ING OFE. In 2014, the remaining 38.21% of the share capital was free float.

Go to the page » <http://raportroczny.lotos.pl/en/the-organization-and-its-report/the-organization/shareholding-structure>

Strategic objectives

The LOTOS Group's Strategy is designed to strengthen our position as a strong, innovative and efficient business which plays a major role in ensuring national energy security.

Go to the page » <http://raportroczny.lotos.pl/en/business-strategy-and-model/strategic-objectives>

Letter from the President of the Board



Paweł Olechnowicz - President of the Board, Chief Executive Officer

Ladies and Gentlemen,

It is a great honour for me to be able to present to you the 2014 Integrated Annual Report of Grupa LOTOS. The document reflects the dramatic developments which shook the oil and currency markets, particularly in the second half of the year. The repercussions of these events posed an enormous challenge to many oil companies, which were forced to react fast to the emerging threats and review their plans.

Although the implementation process of our strategy had to be adapted to these challenging conditions, our development programmes and investment projects were not abandoned, but rather optimised. The situation on global markets is still unstable, but we already know that LOTOS is poised to navigate the turbulence safely, gather momentum and make progress.

The financial performance of the LOTOS Group in 2014 was significantly affected by the changes on the crude oil and currency markets: the oil price slump and the resulting decline of refining product prices (oil price down from USD 111 on June 30th 2014 to USD 55 on December 31st 2014), and the appreciation of USD against PLN by more than PLN 0.20. The situation made recognition of certain impairment losses necessary and affected the size of the Company's debt denominated in USD. Nonetheless, these were purely accounting matters and had no material effect on the financial standing of LOTOS.

As evidenced by the successful public offering of Grupa LOTOS shares, our shareholders believe that we are capable of effective performance in a turbulent market environment. This equity issue also clearly demonstrates that our management strategy is an effective one. We are proud that such a large offering, carried out in challenging circumstances, was a complete success. Among those who cast this important vote of confidence in the Company's growth plans was the Ministry of State Treasury, a majority shareholder of Grupa LOTOS, which subscribed for all of the shares it was entitled to.

With close to PLN 1bn raised, this was the largest equity offering on the Warsaw Stock Exchange in 2014. The proceeds will be applied towards financing of the EFRA Project, which involves construction of a delayed coking unit with auxiliary infrastructure, and development of B4 and B6 gas fields in the Baltic Sea.

The new facility to be created under the EFRA Project will intensify our crude processing capacities and improve our refining margin by some USD 2/bbl. The total cost of the EFRA Project is estimated at ca. PLN 2.34bn, and the issue proceeds are expected to contribute PLN 530m-650m to the project's financing. We plan to complete the project in 2018.

The second objective of the issue is to co-finance the development of the B4 and B6 gas fields in the Baltic Sea, which hold approximately 4bn m³ of natural gas. The project's total capex is projected in the region of PLN 800m. The Company intends to apply PLN 350m-470m from the issue proceeds towards co-financing of the project. We plan to launch production from the fields in late 2017 or early 2018.

The two investment projects will strengthen the position of LOTOS on the increasingly competitive market and help further build the Company's value – to the benefit of its shareholders.

Last year saw LOTOS become more involved in activities designed to support society and its needs, with a view to sustainable development of the environment in which we operate. Thanks to our freshly developed and consistently implemented CSR strategy, we can address social and environmental challenges, contributing to improving the life quality of our key stakeholder groups. Driven by our responsible approach to doing business, we have developed in Poland a modern sports sponsorship model. The model centres around strict adherence to law, transparency and clear-cut rights and responsibilities of both sides of the relationship. 2014 was an especially successful year, as the athletes sponsored by Grupa LOTOS – Kamil Stoch and Justyna Kowalczyk – won three gold medals at the Winter Olympics in Sochi, in what has been Poland's best result in the history of the Winter Olympic Games. It has also been for the first time that a Polish athlete picked up two gold medals during the winter games. Through our CSR programme entitled 'In Search for the Champion's Successors', we gathered a group of talented ski jumpers, who now enjoy great success and make millions of Polish fans happy. Another of our initiatives – 'White and Green Future with LOTOS' – helps foster future football talents and encourages children and youths to take up the sport. On February 17th 2015, as a crowning achievement in our football adventure, we signed an agreement with the Polish Football Association (PZPN) which saw us become the sponsor of Poland's football

team. We hope that our support will help our players advance to the final tournament of the UEFA European Championship, which will be held next year in France.

Experts believe that the only good thing about a crisis is that it is bound to end eventually. Keeping a close eye on the market, we can already see the first signs of normalisation. It gives me great satisfaction to say that LOTOS, once again, has not only drawn the right conclusions, but has also been able to implement effective mechanisms to protect us in this challenging macroeconomic environment. Thanks to these actions, we can now conduct business operations in a stable manner, as well as enhance our competitive position by investing in technological facilities designed to intensify our crude oil processing capabilities and by expanding operations in the upstream sector.

LOTOS is growth and life. The motto has been our guiding principle since the very beginning, enabling us to create a robust and resilient organism, capable of withstanding the most challenging of circumstances. We will continue to deliver the same performance, working together, supported by motivation and commitment, to achieve success again.

Ladies and Gentlemen,

Reviewing our operation in 2014, I wish to thank all employees of the LOTOS Group. Our growing market position is a tangible confirmation of their dedication and commitment to work for the benefit of LOTOS. We put a lot of effort into building our internal and external relations in line with the concept of corporate social responsibility. Our system of ethical values, such as cooperation, respect, professionalism and transparency, supports us in achieving these goals. To the LOTOS stakeholders, our values are a guarantee of high standards of conduct.

With kindest regards,



Paweł Olechnowicz
President of the Board
Chief Executive Officer
Grupa LOTOS

RELATED CONTENT:

The Board

The Board is appointed by the Supervisory Board. It manages the Company's affairs and represents it in relation to all its business, with the exception of matters reserved for the General Meeting or Supervisory Board, as well as matters falling outside the scope of ordinary management of the business.

Go to the page » <http://raportroczny.lotos.pl/en/ethics-and-corporate-governance/the-board-of-grupa-lotos>

System of values

At the LOTOS Group, in our business and CSR activities we are guided by the key principle of legal compliance and responsibility for the impact of our operations on the world around us. We improve our organizational culture by rooting it in a strong and coherent value system.

Go to the page » <http://raportroczny.lotos.pl/en/ethics-and-corporate-governance/ethics/system-of-values>

Awards and distinctions

According to the Chapter of the ninth edition of 'The Best Annual Report' contest, the 2013 Integrated Annual Report of Grupa LOTOS exemplifies a publication based on which investment decisions can be made at a relatively minimal risk.

Go to the page » <http://raportroczny.lotos.pl/en/the-organization-and-its-report/awards-and-distinctions>

The Organization

About us

The LOTOS Group's main market is Poland, but our foreign sales are also steadily rising. In 2014, we ranked third among Poland's largest exporters.

Go to the page »

<http://raportroczny.lotos.pl/en/the-organization-and-its-report/the-organization/about-us>

Shareholding structure

The State Treasury holds ordinary bearer shares in Grupa LOTOS representing 53.19% of its share capital and the same proportion of voting rights at its GM whereas 8.6% of Grupa LOTOS share capital belongs to ING OPE. In 2014, the remaining 38.21% of the share capital was free float.

Go to the page »

<http://raportroczny.lotos.pl/en/the-organization-and-its-report/the-organization/shareholding-structure>

Structure

Within the LOTOS Group, the role of Grupa LOTOS is to integrate the key management and support functions. To perform its role, Grupa LOTOS has implemented a segmental management model.

Go to the page »

<http://raportroczny.lotos.pl/en/the-organization-and-its-report/the-organization/structure>

About us

This 2014 Integrated Annual Report provides an overview of the activities of the LOTOS Group (the "LOTOS Group"), with a particular focus on the LOTOS Group's parent – Grupa LOTOS S.A. ("Grupa LOTOS", the "Company" or "we").

We are one of Europe's major and most efficient oil companies and the second largest producer of fuels in Poland. We are the sole company producing hydrocarbons in the Polish Exclusive Economic Zone of the Baltic Sea, and have almost exclusive rights to carry out exploration and production work in the Baltic Sea. We also produce crude oil in the Norwegian Continental Shelf and have access to onshore oil deposits in Lithuania. Our refinery in Gdańsk is one of the newest and most advanced refineries in Europe in terms of applied technologies and environmental protection.

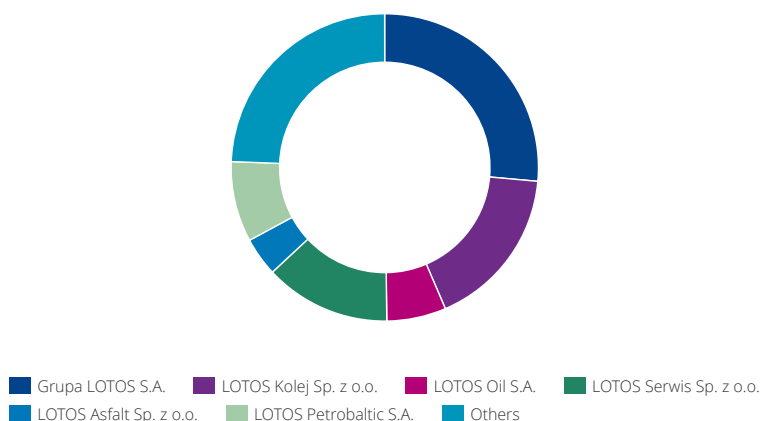
With revenue of ca. PLN 28.5bn in 2014, we rank fourth in the group of 500 largest businesses in Poland.¹

Grupa LOTOS shares have been listed on the Warsaw Stock Exchange since June 2005. Since November 2009, LOTOS shares have also been a constituent of the Warsaw Stock Exchange's RESPECT Index of socially responsible companies.

The LOTOS Group employs more than 5,000 people in Poland and abroad.

¹ 500 largest companies listed by the *Rzeczpospolita* daily as at May 13th 2015.

LOTOS Group workforce structure by key companies
As at December 31st 2014

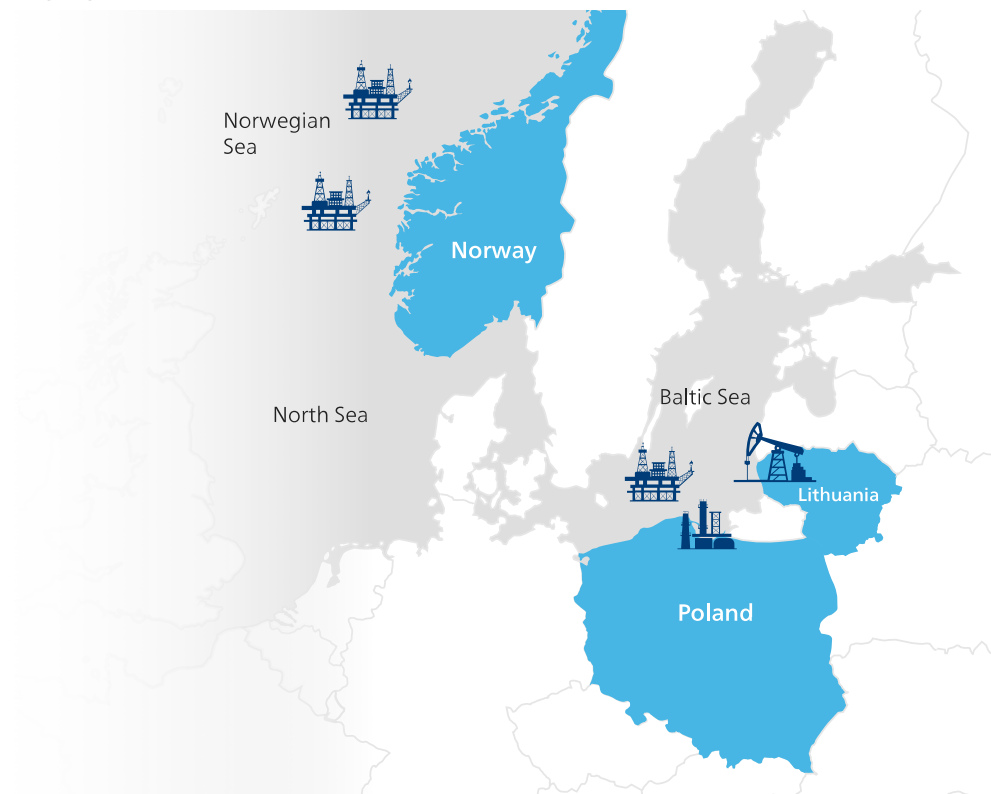


LOTOS Group workforce structure by sex as at December 31st 2014

Item	Men	Women	Total
blue-collar jobs	2,537	168	2,705
white-collar jobs	1,409	992	2,401
Total	3,946	1,160	5,106

Apart from Grupa LOTOS (the parent and operator of the Gdańsk-based refinery with a nominal throughput capacity of 10.5m tonnes of crude oil per year), the LOTOS Group comprises 14 other companies operating under the LOTOS name. Two of them are based outside Poland, in Lithuania and Norway.

Territory of the LOTOS Group's operations

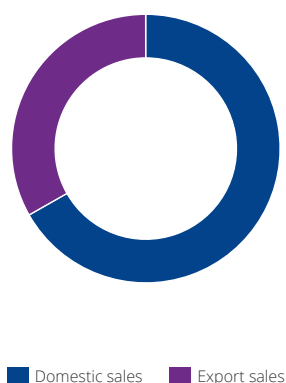


The LOTOS Group's Strategy is designed to strengthen our position as a strong, innovative and efficient business which plays a major role in ensuring national energy security. Our operations consist in crude oil production and processing, as well as wholesale and retail sale of petroleum products. We achieve our business objectives with due regard to corporate social responsibility and sustainable development, and contribute to the development of local communities in the areas where we are present and economic growth of the entire country. In 2014, the LOTOS Group paid taxes in the total amount of PLN 11,403,606,000.

The LOTOS Group's main market is Poland, but our foreign sales are also steadily rising. In 2014, we ranked third among Poland's largest exporters, with exports revenue of ca. PLN 9.5bn. ²

² 500 largest companies listed by the *Rzeczpospolita* daily as at May 13th 2015.

LOTOS Group's revenue by markets (PLN '000)



We export our products to 75 countries all over the world.

RELATED CONTENT:

At the LOTOS Group, in our business and CSR activities we are guided by the key principle of legal compliance and responsibility for the impact of our operations on the world around us. We improve our organizational culture by rooting it in a strong and coherent value system.

Our operations consist in crude oil production and processing, as well as wholesale and retail sale of petroleum products, among which are: fuels (unleaded gasoline, diesel oil and light fuel oil), heavy fuel oil, bitumens, aviation fuel, naphtha, propane-butane LPG and base oils.

Employees

Our objective is to ensure the availability of highly qualified staff required for successful implementation of the LOTOS Group's business strategy and enhancement of the corporate culture based on adopted values. It is our priority to raise awareness and commitment among our employees and contractors to improving their work safety.

Go to the page » <<http://raportroczny.lotos.pl/en/business-strategy-and-model/employees>>

Shareholding structure

The share capital of Grupa LOTOS did not change relative to 2013 and comprised 129,873,362 fully paid-up ordinary shares with a par value of PLN 1 per share. Each share confers the right to one vote at the General Meeting (GM) and carries the right to dividend.

On April 29th 2013, the Company was notified that, as a result of acquisition of Grupa LOTOS shares in transactions on the Warsaw Stock Exchange settled on April 24th 2013, the open-end pension fund ING Otworthy Fundusz Emerytalny increased its shareholding in the Company so that it exceeded the threshold of 5% of the total voting rights at the Company's General Meeting. ING OFE announced that as at December 31st 2014 it held 8.57% of total voting rights at the Company's General Meeting.

Shareholding structure of Grupa LOTOS as at the end of 2014

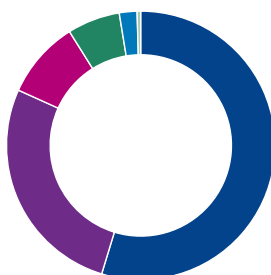


■ State Treasury ■ ING OFE* ■ Other shareholders

*Based on the investment funds' annual asset structures as at December 31st 2014 (Polish Press Agency).

On January 9th 2015, the District Court for Gdańsk-Północ in Gdańsk, 7th Commercial Division of the National Court Register, registered an increase in the share capital of Grupa LOTOS from PLN 129,873,362 to PLN 184,873,362, effected through the issue of 55,000,000 Series D ordinary bearer shares with a par value of PLN 1 per share pursuant to Resolution No. 2 of the Extraordinary General Meeting of September 8th 2014 on increasing the Company's share capital by way of issue of new shares, public offering of new shares, setting the record date for determining the pre-emptive rights to new shares for November 18th 2014, conversion into book-entry form and seeking admission of pre-emptive rights, allotment certificates and new shares to trading on the regulated market of the Warsaw Stock Exchange, amending the Company's Articles of Association and authorising the Supervisory Board to prepare a consolidated text of the Company's Articles of Association.

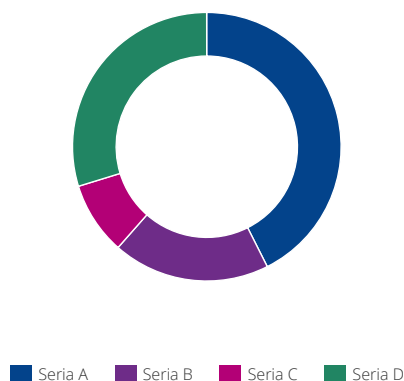
Geographical distribution of non-controlling interests



■ Polska ■ North America ■ Rest of Europe ■ UK and Ireland ■ Asia ■ Australia and New Zealand

At present, the share capital of Grupa LOTOS comprises 184,873,362 fully paid-up ordinary shares with a par value of PLN 1 per share. Each share carries the right to one vote at the General Meeting of Shareholders and the right to dividend.

Grupa LOTOS share capital structure by series



In 2013-2014 and until the date of this Report, the State Treasury held ordinary bearer shares in Grupa LOTOS representing 53.19% of its share capital and the same proportion of voting rights at its General Meeting. As at December 31st 2014, ING OFE held 8.6% of Grupa LOTOS share capital. In 2014, the remaining 38.21% of the share capital was free float.

Shareholders holding 5% or more of total voting rights at the Annual General Meeting as at June 30th 2014

Entity	Number of Grupa LOTOS shares	% of total voting rights at GM	% of share capital held
State Treasury	69,076,392	79.06	53.19
ING OFE	8,000,000	9.16	6.16

One share in Grupa LOTOS confers the right to one vote at its GM. However, pursuant to the Company's Articles of Association, the voting rights of Company shareholders are limited so that none of them can exercise more than 10% of total voting rights at the Company as at the date of the General Meeting, with the proviso that for the purpose of determining the obligations of buyers of major holdings of shares provided for in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of July 29th 2005 and the Act on Insurance Activity of May 22nd 2003, such limitation of voting rights is deemed non-existent.

RELATED CONTENT:

Letter from the Chairman of the Supervisory Board

In 2014, the most important project of key significance to the Company's further development was its Secondary Public Offering (SPO), which turned out to be a spectacular success. The State Treasury, Grupa LOTOS' majority shareholder, subscribed for all new shares it was entitled to, as did other shareholders.

Go to the page » <http://raportroczny.lotos.pl/en/the-organization-and-its-report/letter-from-the-chairman-of-the-supervisory-board>

Stock exchange

In 2014, Grupa LOTOS issued 55,000,000 Series D ordinary bearer shares in a public offering. The issue price of offered shares was set at PLN 18.10 per share. The issue proceeds will be applied towards co-financing of the EFRA Project, i.e. construction of a delayed coking unit at the Gdańsk refinery, and towards the development of our gas fields in the Baltic Sea.

Go to the page » <http://raportroczny.lotos.pl/en/results-and-prospects/segment-performance/stock-exchange>

Structure

As at December 31st 2014, the LOTOS Group comprised Grupa LOTOS (the parent), as well as 35 production and service companies, including:

- 14 direct subsidiaries of Grupa LOTOS,
- 21 indirect subsidiaries of Grupa LOTOS.

Composition of the LOTOS Group

Name	Registered office	Principal business activity	Ownership interest (%)	
			Dec 31 2014	Dec 31 2013
Parent				
Grupa LOTOS S.A.	Gdańsk	Production and processing of refined petroleum products (mainly fuels) and their wholesale	Not applicable	Not applicable
Direct subsidiaries				
LOTOS Paliwa Sp. z o.o.	Gdańsk	Wholesale and retail sale of fuels and light fuel oil, management of the LOTOS service station chain	100.00%	100.00%
LOTOS Gaz S.A. w likwidacji (in liquidation)	Kraków	Dormant	100.00%	100.00%
LOTOS Oil S.A.	Gdańsk	Production and sale of lubricating oils and plasticisers, and sale of base oils	100.00%	100.00%
LOTOS Asfalt Sp. z o.o.	Gdańsk	Production and sale of bitumens	100.00%	100.00%
LOTOS Kolej Sp. z o.o.	Gdańsk	Railway transport	100.00%	100.00%
LOTOS Serwis Sp. z o.o.	Gdańsk	Maintenance of mechanical and electric operations and controlling devices, overhaul and repair services	100.00%	100.00%
LOTOS Lab Sp. z o.o.	Gdańsk	Laboratory testing	100.00%	100.00%
LOTOS Straż Sp. z o.o.	Gdańsk	Fire service activities	100.00%	100.00%
LOTOS Ochrona Sp. z o.o.	Gdańsk	Security services	100.00%	100.00%
LOTOS Terminale S.A. (parent of another group)	Czechowice-Dziedzice	Storage and distribution of fuels	100.00%	100.00%
LOTOS Infrastruktura S.A. (parent of another group) ⁽¹⁾	Jasło	Storage and distribution of fuels; renting and management of own or leased real estate	66.95% ⁽²⁾	100.00%
LOTOS Petrobaltic S.A. (parent of another group)	Gdańsk	Acquisition of crude oil and natural gas deposits, extraction of hydrocarbons	99.99% ⁽³⁾	99.98%
LOTOS Park Technologiczny Sp. z o.o. w likwidacji (in liquidation) ⁽⁴⁾	Jasło	Dormant	100.00%	100.00%
Infrastruktura Kolejowa Sp. z o.o.	Gdańsk	Dormant	100.00% ⁽⁵⁾	-
Indirect subsidiaries				
RCEkoenergia Sp. z o.o. ⁽¹⁾	Czechowice-Dziedzice	Production and distribution of electricity, heat and gas	100.00%	100.00%
LOTOS Biopaliwa Sp. z o.o.	Czechowice-Dziedzice	Production of fatty acid methyl esters (FAME)	100.00%	100.00%
Miliana Shipholding Company Ltd (parent of another group)	Nicosia Cyprus	Storage and transport of crude oil, other maritime transport services and management of own financial assets	99.99% ⁽³⁾	99.98%
Technical Ship Management Sp. z o.o. (parent of another group)	Gdańsk	Maritime transport support activities, ship operation advisory services	99.99% ^{(3), (6)}	1.00% ⁽⁶⁾
SPV Baltic Sp. z o.o.	Gdańsk	Drilling services on oil and gas fields	99.99% ^{(3), (6)}	1.00% ⁽⁶⁾

Miliana Shipmanagement Ltd	Nicosia, Cyprus	Provision of sea transport and related services	99.99% ⁽³⁾	99.98%
Miliana Shipping Group Ltd (parent of another group)	Nicosia, Cyprus	Management of own assets	99.99% ⁽³⁾	99.98%
Kambr Navigation Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
Petro Aphrodite Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
Petro Icarus Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
Granit Navigation Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
St. Barbara Navigation Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
Bazalt Navigation Company Ltd	Nicosia, Cyprus	Ship chartering	99.99% ⁽³⁾	99.98%
LOTOS Exploration and Production Norge AS	Stavanger, Norway	Oil exploration and production on the Norwegian Continental Shelf, provision of services related to oil exploration and production	99.99% ⁽³⁾	99.98%
Aphrodite Offshore Services N.V.	Curaçao, Netherlands Antilles	Dormant	99.99% ⁽³⁾	99.98%
Energobaltic Sp. z o.o.	Władysławowo	Production of electricity, heat, LPG and natural gas condensate	99.99% ⁽³⁾	99.98%
AB LOTOS Geonafta (parent of another group)	Gargždai, Lithuania	Crude oil exploration and production, drilling services	99.99% ⁽³⁾	99.98%
UAB Genciu Nafta	Gargždai, Lithuania	Crude oil exploration and production	99.99% ⁽³⁾	99.98%
UAB Manifoldas	Gargždai, Lithuania	Crude oil exploration and production	99.99% ⁽³⁾	99.98%
B8 Sp. z o.o.	Gdańsk	Mining and production support activities	99.99% ⁽³⁾	99.98%
B8 Spółka z ograniczoną odpowiedzialnością BALTIC S.K.A.	Gdańsk	Crude oil and natural gas exploration and production	99.99% ⁽³⁾	99.98%
Equity-accounted joint ventures				
LOTOS-Air BP Polska Sp. z o.o.	Gdańsk	Trade in aviation fuel	50.00%	50.00%
Baltic Gas Sp. z o.o.	Gdańsk	Oil and gas production and support activities for oil and gas production ⁽⁷⁾	49.995% ⁽³⁾	49.99%
Baltic Gas spółka z ograniczoną odpowiedzialnością i wspólnicy sp.k.	Gdańsk	Crude oil and gas production	<i>partnership</i>	<i>partnership</i>
UAB Minijos Nafta	Gargždai, Lithuania	Crude oil exploration and production	49.995% ⁽³⁾	49.99%

Moreover, Grupa LOTOS holds an 8.97% interest in P.P.P. NAFTOPORT Sp. z o.o. (a subsidiary of PERN Przyjaźń S.A. based in Płock).

As at December 31st 2014 and December 31st 2013, the share of the total voting rights held by Grupa LOTOS in its subsidiaries equalled its equity interests.

⁽¹⁾ On January 28th 2014, LOTOS Terminale S.A. sold its entire shareholding in RCEkoenergia Sp. z o.o. (28,305 shares) to LOTOS Infrastruktura S.A. The transaction changed the shareholding structure of RCEkoenergia Sp. z o.o.: LOTOS Infrastruktura S.A. became its majority shareholder with 28,305 shares (99.996% of the company's shares), and Grupa LOTOS, with 1 share (an interest of 0.004%) – its minority shareholder.

⁽²⁾ On November 26th 2013, LOTOS Infrastruktura S.A. and LOTOS Terminale S.A. signed an agreement on acquisition of shares through private placement. Under the agreement, LOTOS Terminale S.A. acquired 2,962,335 new Series B shares in LOTOS Infrastruktura S.A. On January 7th 2014, the District Court in Rzeszów, 12th Division of the National Court Register, registered an increase of the share capital of LOTOS Infrastruktura S.A. pursuant to Resolution No. 3/2013 of its Extraordinary General Meeting. The share capital was increased from PLN 48,000,000 to PLN 71,698,680 (up by PLN 23,698,680) and is divided into 8,962,335 shares:

- 6,000,000 Series A registered shares with a par value of PLN 8 per share,
- 2,962,335 Series B registered shares with a par value of PLN 8 per share.

The transaction changed the shareholding structure of LOTOS Infrastruktura S.A.: Grupa LOTOS became its majority shareholder with 6,000,000 Series A shares (66.95% of the company's shares), while LOTOS Terminale S.A. became its minority shareholder with 2,962,335 series B shares (33.05% of the company's shares).

⁽³⁾ In Q2 2014, the squeeze-out of shares in LOTOS Petrobaltic S.A. from natural persons was completed (squeeze-out process under Article 418 of the Commercial Companies Code). Since June 12th 2014, Grupa LOTOS has held a total of 9,938,913 shares in LOTOS Petrobaltic S.A., and since June 18th 2014 it may exercise its voting rights from the last 286 shares entered in the share register of LOTOS Petrobaltic S.A. (in total, from 9,938,913 shares). Since June 12th 2014, the shareholding structure of LOTOS Petrobaltic S.A. has been as follows:

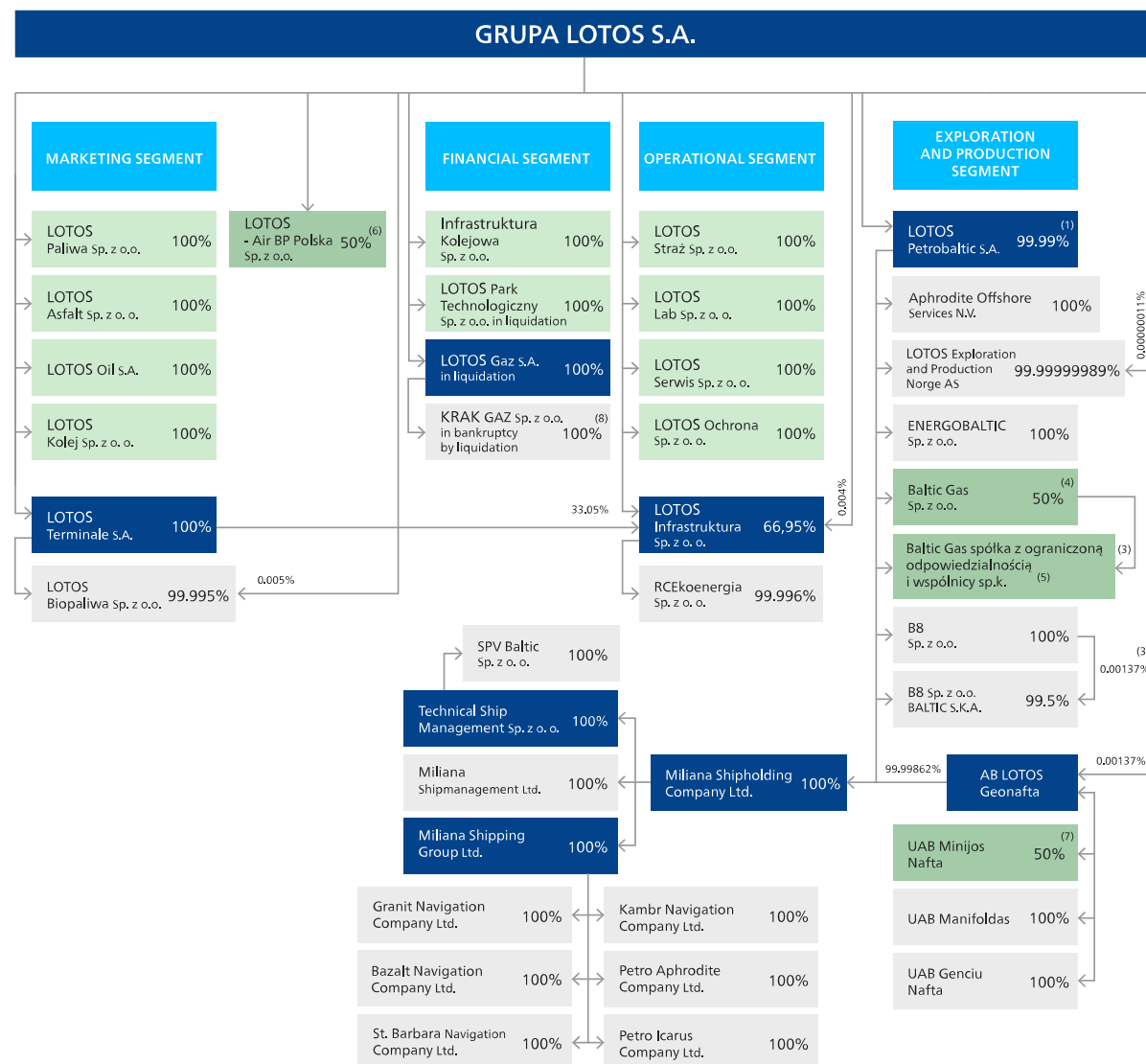
- Grupa LOTOS - 99.99% (9,938,913 shares),
- the State Treasury - 0.01% (1,087 shares).

(4) On March 20th 2014, pursuant to a decision of the Extraordinary General Meeting, LOTOS Park Technologiczny Sp. z o.o. was put in liquidation. As of that day, the company operates as LOTOS Park Technologiczny Spółka z ograniczoną odpowiedzialnością w likwidacji (in liquidation). On December 8th 2014, the Extraordinary General Meeting of LOTOS Park Technologiczny Sp. z o.o. w likwidacji passed a number of resolutions, including a resolution on approval of the company's liquidation report. As at December 31st 2014, the company was entered in the register of businesses of the National Court Register.

(5) On October 6th 2014, Grupa LOTOS acquired 100% of shares in Infrastruktura Kolejowa Sp. z o.o. from Kancelaria Prawna Domański i Wspólnicy s.k. Under its Articles of Association of July 23rd 2014, the principal business activity of Infrastruktura Kolejowa Sp. z o.o. consists in inland transport support services. From the day of its acquisition until December 31st 2014, the company was dormant.

(6) On September 6th 2013, the Extraordinary General Meeting of Technical Ship Management Sp. z o.o. passed a resolution on reducing the company's share capital to PLN 5,000 through voluntary cancellation of 9,900 shares with the total par value of PLN 495,000. On September 6th 2013, Technical Ship Management Sp. z o.o. (the buyer) and Miliana Shipholding Company Ltd (the seller) executed an agreement for sale of 9,900 shares with a total value of PLN 495,000; the shares were cancelled. Miliana Shipholding Company Ltd has full control of Technical Ship Management Sp. z o.o. The 1% interest results from the Company's own shares. The reduction of the share capital was registered in the National Court Register on January 23rd 2014 by the District Court for Gdańsk-Północ in Gdańsk, 7th Commercial Division of the National Court Register.

(7) In 2014, the company commenced operations.



(1) State Treasury – 0.01%

(2) Limited partner

(3) General partner

(4) CalEnergy Resources Poland Sp. z o.o. – 50%

(5) CalEnergy Resources Poland Sp. z o.o. – Limited partner

(6) BP Europa SE – 50%

(7) Odin Energi A/S – 50%

(8) Entity controlled by a bankruptcy administrator; a non-Group company

Entities classified as joint ventures accounted for using the equity method, which are non-Group companies

Additionally, Group LOTOS S.A. hold 8.97% shares in P.P.P. NAFTOPORT Sp. z o.o. (a company of the PERN Przyjaźń group of Płock).

Within the LOTOS Group, the role of Grupa LOTOS as the parent is to integrate the key management and support functions. To perform its role, Grupa LOTOS has implemented a segmental management model. A segment is a separate area of operations managed within the LOTOS Group by a designated member of the Grupa LOTOS Board.

This model enhances management efficiency, delivering cost and revenue synergies across the organization. Segmental management provides for implementation of a uniform strategy, coordinated planning and controlling, integrated operational management and maintenance of uniform corporate standards.

The LOTOS Group comprises the following segments:

Management segment

- **Head:** President of the Board of Grupa LOTOS
- **Tasks:** increasing the LOTOS Group's value through overall management of its operations, including coordination of efforts aimed to formulate corporate strategies, define development directions for the individual business areas and coordinate the process support function.

Exploration and production segment

- **Head:** Vice-President of the Management Board of Grupa LOTOS, Exploration & Production.
- **Tasks:** formulation of development strategies for the LOTOS Group in oil and gas exploration and production, as well as management and supervision of these activities.
- **Companies:** LOTOS Petrobaltic with subsidiaries and affiliates.

Operational segment

- **Head:** Vice-President of the Management Board of Grupa LOTOS, Chief Operation Officer.
- **Tasks:** formulation of a strategy for maintenance and extension of production facilities, supervision and coordination of all matters related to the processing of crude oil, refinery production and technologies, definition of refinery production policy objectives, supervision of production-related R&D work, coordination of technical and technological development projects, ensuring the required technical performance of assets, supervision of environmental protection processes, OHS, safety processes and physical protection.
- **Companies:** LOTOS Infrastruktura and its subsidiary, LOTOS Lab, LOTOS Ochrona, LOTOS Serwis and LOTOS Straż.
- **Changes in 2014:** LOTOS Infrastruktura established its own group of by acquiring shares in RCEkoenergia from LOTOS Terminale. The transaction changed the shareholding structure of RCEkoenergia Sp. z o.o. so that LOTOS Infrastruktura became its majority shareholder.

Marketing segment

- **Head:** Vice-President of the Management Board of Grupa LOTOS, Chief Commercial Officer.
- **Tasks:** formulation of marketing strategies as well as effective management of sales, supplies and distribution of crude oil and petroleum products, development of trading and optimisation activities.
- **Companies:** LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa and LOTOS Terminale and its subsidiary.
- **Changes in 2014:** LOTOS Terminale sold its entire shareholding in RCEkoenergia to LOTOS Infrastruktura. The transaction changed the shareholding structure of RCEkoenergia so that LOTOS Infrastruktura became its majority shareholder holding 99.996% of the company's shares.

Financial segment

- **Head:** Vice-President of the Board, Chief Financial Officer.
- **Tasks:** monitoring of implementation of the LOTOS Group's strategies and overall management of financial and accounting processes, including formulation of financial, legal and insurance strategies and monitoring of their implementation, management of budgeting and controlling, development and implementation of financial risk management strategies, and overall management of assets and restructuring processes.
- **Companies:** LOTOS Park Technologiczny w likwidacji (in liquidation), LOTOS Gaz w likwidacji (in liquidation) and its subsidiary, and Infrastruktura Kolejowa, acquired in 2014, which remains dormant.

For the purpose of analysing the economic efficiency and clear presentation of financial statements, the LOTOS Group's operational activities have been divided into two major reportable segments:

- Upstream operations segment – comprising activities related to the acquisition of crude oil and natural gas reserves, and crude oil and natural gas production.
- Downstream and marketing operations segment – comprising production and processing of refined petroleum products and their wholesale and retail sale, as well as auxiliary, transport and service activities.

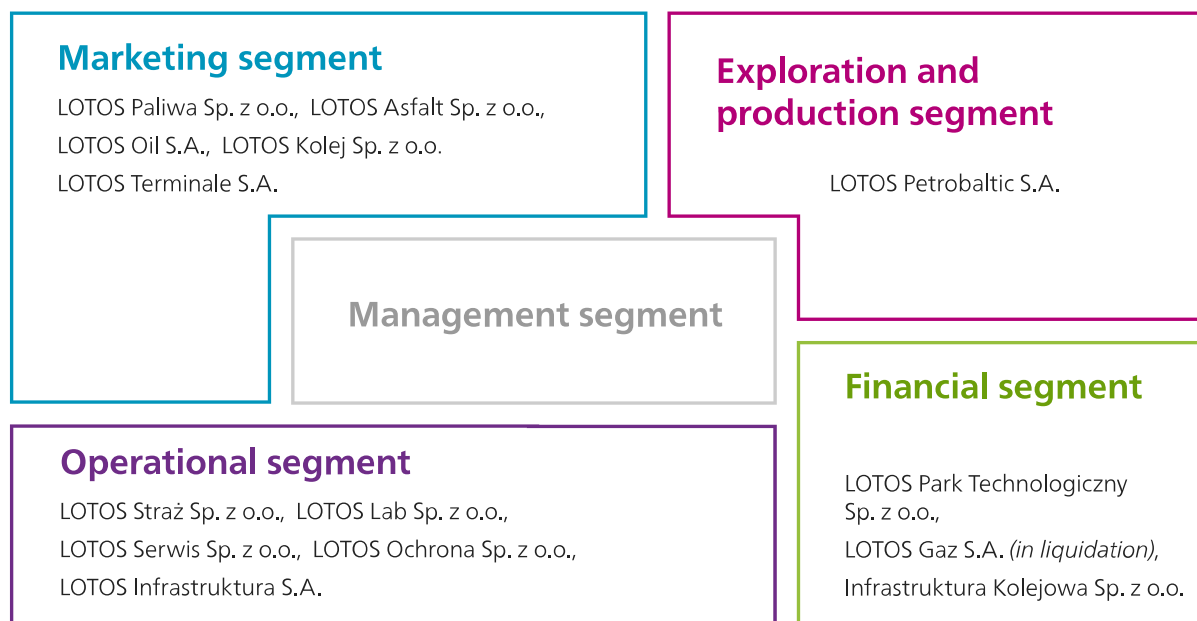
In 2014, there were no significant changes in the management structure of Grupa LOTOS. The organizational changes, resulting from the Effective and Rising Programme launched in 2013, and were aimed to:

- Consolidate and optimise the areas related to the support of procurement as well as social and cultural matters,
- Enhance the communication process at the LOTOS Group,
- Minimise management costs,
- Improve segmental reporting,
- Improve decision-making powers and accountability of corporate departments.

The Grupa LOTOS corporate management structure reflects the division of responsibilities and relations between various functions and tasks at the Company, determining the reporting hierarchy of organizational units and management hierarchy. As at December 31st 2014, the Company's corporate structure comprised the following units:

- 16 divisions, including 5 divisions reporting directly to the Chief Executive Officer,
- 35 offices,
- 15 departments,
- 8 complexes.

Grupa LOTOS



RELATED CONTENT:

Management systems

In 2014, we continued to pursue our Effective and Rising Programme, supported by the well-designed, effective and constantly improved Integrated Management System, linked integrally to the organization's business objectives.

Go to the page » <http://raportroczny.lotos.pl/en/ethics-and-corporate-governance/approach-to-management/management-systems>

Integrated reporting

The 2014 LOTOS Group Annual Report is an integrated report on the organization's operations in the 2014 financial year, which coincides with the calendar year. The previous integrated annual report was released in April 2014.

Prior to 2010, when the Board of Grupa LOTOS resolved to implement a new integrated reporting model for presenting management approach and performance across all aspects of our business, we had published our financial and non-financial (CSR) reports separately. This year's is our sixth integrated report.

We have adopted an integrated approach to presenting our performance so that the stakeholders are able to comprehensively evaluate our sustainable development efforts over the course of the year. Our approach is in line with the best communications practices expected of listed companies:

- **in the area of financial reporting, we follow the International Financial Reporting Standards (IFRS)** as endorsed by the European Union, published and effective as at December 31st 2014;
- **in the area of non-financial reporting, we follow the Global Reporting Initiative's Sustainability Reporting Framework and Guidelines (G3.1 GRI and the Oil and Gas Sector Supplement), and the United Nations Global Compact's Principles.** We have declared the A+ Application Level ¹ under the GRI's tripartite classification. Our reporting model also follows the guidelines included in **Directive 2014/95/EU of the European Parliament and of the Council of October 22nd 2014 as regards disclosure of non-financial and diversity information by certain large undertakings and groups** ('non-financial directive', amending Directive 2013/34/EU). The member states will be required to implement the directive into their respective legal frameworks as of December 2016, and domestic regulations necessary for the performance of the directive are to be applied to the indicated entities from 2017.
- **As regards integrated reporting, we strive to follow the guidelines of the International Integrated Reporting Committee (IIRC).** According to the IIRC, companies should combine their financial performance data with information on the social, environmental and economic setting in which they operate to enable their stakeholders to evaluate their long-term profitability.

When preparing this Report, we adhered to the core principles of accuracy, relevance, completeness, comparability, balance, and reliability. All information presented in this Report has been gathered in a reliable and responsible manner and verified as true.

The consolidated financial statements of the LOTOS Group included in this Report have been audited by Ernst & Young Audyt Polska in accordance with Section 7 of the Accountancy Act of September 29th 1994 (Dz.U. of 2009, No. 152, item 1223, as amended) and the Polish Financial Auditing Standards issued by the National Chamber of Statutory Auditors (Krajowa Rada Biegłych Rewidentów).

To ensure appropriate transparency and reliability of the non-financial data, independent limited-scope external assurance was carried out in 2015 by PwC in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information. ISAE 3000, issued by the International Federation of Accountants (IFAC), is based on the IFAC Code of Conduct and International Standards on Quality Control (ISQC-1), and is used for assuring CSR reports. It defines the key rules and procedures for assurance services, also those limited in scope. The 2014 Integrated Annual Report is our fourth report to undergo independent assurance of CSR data.

In addition to the procedure described above, we seek to ensure an appropriate quality of the reporting data collection process through the management systems in place at our organization.

This Report is published in electronic form only for environmental reasons, as well as to give the readers access to a variety of functionalities so that they can carry out their own analyses with ease. The readers can display selected numerical data by periods, GRI indicators, business segments, and other categories. The information presented in the publication is integrated with the contents of the organization's website, including earlier reports. The readers can also provide feedback. Additional functionalities have been implemented for the disabled, elderly and vision impaired, including a web reader, high-contrast option and adjustable font sizes. Economical printing option is also available to protect the environment.

The Board of Grupa LOTOS resolved to adopt an annual reporting cycle. Earlier reports are available from the www.lotos.pl <<http://www.lotos.pl/en/>> website. For contact details, see the 'Useful information' chapter of this Report. (See more <<http://raportroczny.lotos.pl/en/useful-information>>)

¹ The individual Application Levels are marked as C (lowest), C+ ('+' indicating that the report has been externally assured by an independent body), B, B+, A, and A+. The reporting criteria associated with each Application Level are a measure of the implementation of the Global Reporting Initiative's Sustainability Reporting Framework and Guidelines.

Stakeholder engagement to improve the reporting process

The functionalities implemented in the digital version of the Report and the method of selecting and presenting information are subject to continuous improvement, for example on the basis of opinion surveys carried out among the stakeholders and analysis of traffic on the Report's website.

Integrated Annual Report 2013



the best aspects of the Report

useful information, visual presentation,
clear language / balanced information



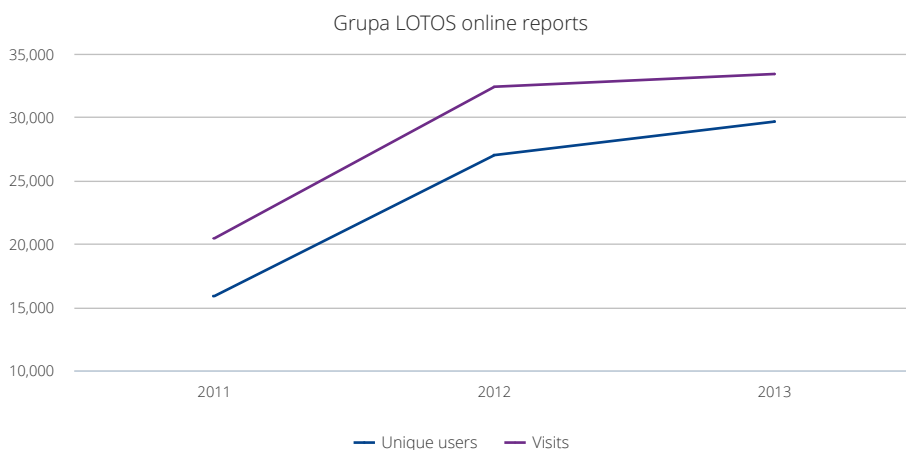
the most useful information

the Organization and its Report, [Human capital](#), Financials / Financial statements,
Approach to management



the most useful functionalities

interactive data, clipboard – saving and
printing pages of the Report, my Report –
downloading specific chapters in the PDF
format / interactive table, [GRI](#) content /
search option, larger font size, book-style
navigation



In the 'Best Annual Report 2013' competition held by the Accounting and Tax Institute, our previous report made the third place in the 'Main Awards for Companies' category.

2014 also saw the announcement of the results of the third edition of the 'ESG Analysis of Companies in Poland' project, organised by the Polish Association of Listed Companies, GES and Crido Business Consulting. The aim of the initiative was to improve the transparency of non-financial data reporting on the Polish capital market by educating listed companies on how to communicate ESG (E – environment; S – social; G – governance) data effectively and build their CSR strategies. Once the results have been summed up, a ranking of listed companies that best reported their ESG data was prepared, where three top companies were selected in two, one sector-based and one index-based, categories. Grupa LOTOS emerged as an ESG reporting leader in both classifications. Additionally, our misconduct risk management policy presented in the 2013 Integrated Annual Report was singled out as an example of good practice in non-financial reporting. A total of 897 companies listed on the Warsaw Stock Exchange were evaluated in terms of their reporting of ESG data.

RELATED CONTENT:

GRI and UN Global Compact Content Index

The Index can prove helpful in finding the exact place where specific information or result data required by the Global Reporting Initiative as well as resulting from the adoption and implementation of ten principles of the United Nations Global Compact by Grupa LOTOS has been published in the Report.

Go to the page » <http://raportroczny.lotos.pl/en/useful-information/gri-content-index>

Stock exchange

In 2014, Grupa LOTOS issued 55,000,000 Series D ordinary bearer shares in a public offering. The issue price of offered shares was set at PLN 18.10 per share. The issue proceeds will be applied towards co-financing of the EFRA Project, i.e. construction of a delayed coking unit at the Gdańsk refinery, and towards the development of our gas fields in the Baltic Sea.

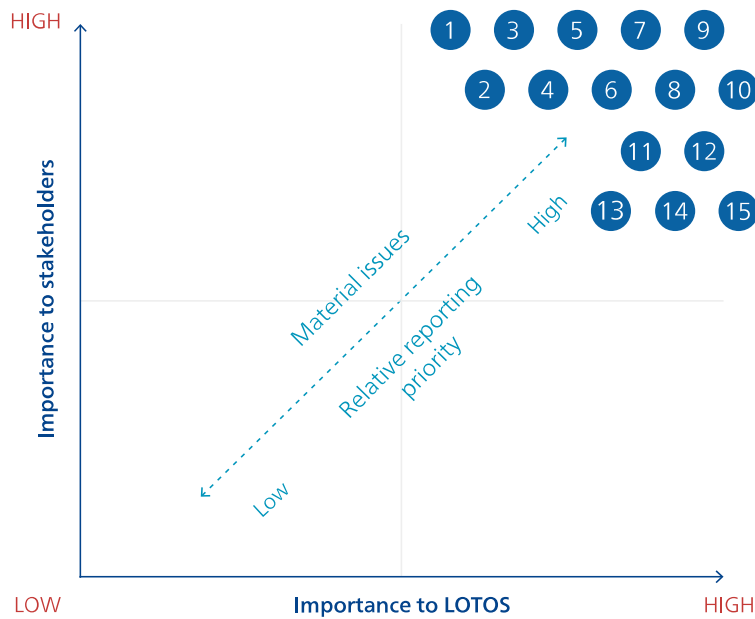
Go to the page » <http://raportroczny.lotos.pl/en/results-and-prospects/segment-performance/stock-exchange>

Scope and extent

When choosing what to include in the Annual Report's chapters devoted to the organization's non-financial performance, we followed the GRI's Sustainable Reporting Framework and the IIRC's integrated reporting guidelines. The Report's contents were chosen based on the principle of materiality, which is understood as the significance and weight that a given variable has for the operation of a company in accordance with the sustainability principles and for external stakeholders, who expect credible, comparable and reliable information on which to base their decisions.

To determine the expected contents of our Integrated Annual Reports, we organised workshops with the stakeholders who had a key role to play in improving our reporting model, where we identified issues particularly important to the organization and its surroundings.

Materiality matrix



- (1) The Company's role in the national and regional energy security system
- (2) High reliability of production units and installations
- (3) Acquisition and development of new production licences
- (4) End product quality
- (5) New investment projects
- (6) Environmental monitoring in the areas where the Company operates
- (7) Investment projects compliant with the Best Available Techniques (BAT)
- (8) Promotion of the best practices among the supply chain actors
- (9) Development of the Ethical Conduct Programme
- (10) Development of a public consultation system
- (11) Building the value of the LOTOS brand
- (12) Implementation of new technologies
- (13) Career development opportunities for employees
- (14) Fostering appropriate relations with employees
- (15) Contributing to social and economic development in the region

In this Report, insofar as it presents our non-financial achievements, we have utilised the majority of GRI core and additional performance indicators covering economic, environmental and social aspects of our business.

As its predecessors, the 2014 Report includes additional indicators from the GRI Oil & Gas Sector Supplement.

For the purpose of calculating the financial data presented in this Report, we have adopted the same methods as in the LOTOS Group's consolidated financial statements for 2014, which are consistent with the International Financial Accounting Standards effective as at December 31st 2014.

In the vast majority of the subjects discussed, the non-financial information and data presented in this Report relate to the parent, i.e. Grupa LOTOS. However, we have made every effort to also include consolidated data on the LOTOS Group wherever possible. In areas of key importance to social and environmental responsibility, we have also presented data on the Group's largest companies from the marketing segment and, as the Sector Supplement was used, also on the LOTOS Petrobaltic Group. In every case, relevant information is provided to indicate which LOTOS Group company is referred to.

The largest (both in terms of revenue and headcount) marketing segment companies of the LOTOS Group are taken to be LOTOS Asphalt, LOTOS

Kolej, LOTOS Oil, and LOTOS Paliwa. In the LOTOS Petrobaltic Group, the largest exploration and production companies, apart from the parent (Poland-based LOTOS Petrobaltic), are LOTOS Geonafra of Lithuania and LOTOS E&P Norge of Norway. Another important entity of the LOTOS Petrobaltic Group covered by this Report is Energobaltic, whose business includes managing the CHP plant in Władysławowo.

In the reporting period, there were no changes or other important circumstances affecting the Group companies which would influence the overall assessment of the organization in certain aspects or relative to other Polish companies operating in the same industry.

Compared to the previous Report, we have made the following changes in the form and scope of the presented data:

- change in EN3 presentation for LOTOS Petrobaltic: based on production reports, the indicator has been expanded to cover gas consumed by the boiler house at the company's onshore facility;
- change in EN16 presentation for LOTOS Petrobaltic: emissions reports now only cover the company's onshore facility;
- exclusion from the EN22 indicator for LOTOS Petrobaltic and LOTOS Geonafra of drilling cuttings and mud, as they are reported through dedicated indicators.

GRI performance indicators are reported by the companies of the LOTOS Group (LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa) and the LOTOS Petrobaltic Group ² (LOTOS Petrobaltic, LOTOS Geonafra, LOTOS E&P Norge, Energobaltic)

GRI aspects	GRI indicators reported in 2012	Subsidiaries
Products and services	EN26	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic
	EN27	LOTOS Asphalt, LOTOS Oil, LOTOS Paliwa
Transport	EN29	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic (Group)
Customer health and safety	PR1	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa
Process safety	OG13	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic
Product and service labelling	PR3, PR5	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa
Marketing communications	PR6	LOTOS Oil, LOTOS Paliwa
	PR7	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa
Customer privacy	PR8	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa
Compliance	PR2, PR4, PR9	LOTOS Asphalt, LOTOS Oil, LOTOS Paliwa, LOTOS Kolej
Biodiversity	EN11, EN12, EN13, EN14, OG4	LOTOS Asphalt, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic
Emissions, effluents, and waste	EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, OG5, OG7	LOTOS Petrobaltic (Group)
Indirect economic impacts	EC9	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic, LOTOS Geonafra
Local community	OG11	LOTOS Petrobaltic (Group)
Reserves	OG1	LOTOS Petrobaltic (Group)
Materials	EN1	LOTOS Petrobaltic (Group)
Energy	EN3, EN4	LOTOS Petrobaltic (Group)
Water	EN8, EN9	LOTOS Petrobaltic (Group)
Market presence	EC5, EC6, EC7	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic (Group)
Employment	LA1, LA2, LA8, LA13, LA14	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Petrobaltic (Group), LOTOS-Air BP Polska
	LA1, LA2, LA8	LOTOS Paliwa
Human rights	HR1, HR2	LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa, LOTOS Petrobaltic (Group)

² Where the performance of all companies of the LOTOS Petrobaltic Group is reported, the phrase 'LOTOS Petrobaltic (Group)' is used, and where a specific indicator is only reported by some companies, names of the relevant companies are given.

A total of 87 GRI indicators were covered in the 2014 Annual Report. We resolved not to report 9 indicators – core indicators HR5, HR9, HR10, HR11, EN2, OG2, OG3, OG9 and additional indicator HR6 – as they are not relevant in the context of our operations.

For an index of specific performance indicators and descriptions of relevant matters, see the GRI content and UN Global Compact table in the 'Useful information' chapter of this Report. (See more <<http://raportroczny.lotos.pl/en/useful-information>>)

Auditing and reviews

TRANSLATION ONLY



Limited assurance report

To the Management Board of LOTOS Group S.A.

Subject matter and criteria

We have been engaged by the Management Board of LOTOS Group S.A. ("the Company") in accordance with our agreement dated 4 February 2013 (the "Agreement") to perform a limited assurance engagement on correctness of selected non-financial data marked with a check symbol ☑, presented in the "LOTOS Group S.A. 2014 Integrated Annual Report – Economy, Society, Environment – Cooperation Inspires Change" ("2014 Integrated Report") prepared for the period of 1 January to 31 December 2014.

The Company's management prepared 2014 Integrated Report ensuring its adherence to the Sustainability Reporting Guidelines of the Global Reporting Initiative version 3.1 and Oil & Gas Sector Supplement (together the "GRI G3.1 criteria, "reporting criteria").

Management's Responsibility

The Company's Management is responsible for the preparation of the 2014 Integrated Report in accordance with the GRI G3.1 criteria.

The responsibility of the Company's Management includes the selection and application of appropriate methods to prepare the non-financial data and the design, implementation and maintenance of systems and processes which ensure the adherence to the GRI G3.1 criteria relevant for the preparation of the non-financial data using assumptions and estimates which are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion as to the correctness of selected indicators marked with a check symbol ☑ and presented in 2014 Integrated Report. We chose performed procedures based on our judgment and take under consideration our assessment of the risk of material misstatement of the selected indicators.

We conducted our work in accordance with International Standard on Assurance Engagements 3000 "Assurance engagements other than audits or reviews of historical financial information" („ISAE 3000").

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PricewaterhouseCoopers Sp. z o.o. is entered into the National Court Register maintained by the District Court for the Capital City of Warsaw, under KRS number 0000044655, NIP 526-021-02-28. The share capital is PLN 10,363,900. The seat of the Company is in Warsaw at Al. Armii Ludowej 14.



Summary of work performed

Our limited assurance procedures included:

- Interviews with management and persons responsible for the reporting of the non-financial data,
- Analytical procedures for the selected non-financial data marked with a check symbol ☑,
- Obtaining sample evidence for the selected indicators marked with the check symbol ☑. Sample analyzed documents included invoices, reports from external service providers, and internal reports including reports from the Company's IT-systems.

In a limited assurance engagement the evidence-gathering procedures are more limited than in a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on performed procedures, nothing has come to our attention that causes us to believe that the selected indicators marked with the check symbol ☑ as presented in the 2014 Integrated Report have not been prepared, in all material respects, in accordance with the GRI G3.1 criteria.

Limitation of use and distribution

Our limited assurance report prepared by PricewaterhouseCoopers Sp. z o.o. („PwC”) for LOTOS Group S.A. in respect of the Agreement is directed to sole use of the LOTOS Group S.A. Management Board. It should not be used to other purposes.

PwC does not take any responsibility in respect of this report (contractual, tort (including that for negligence) or any other) in respect of any parties other than LOTOS Group S.A. Respectively, regardless of the form of the actions, whether in contract, tort or other, within the capacity allowed by the law, PwC does not take any responsibility, and any consequences coming out of the report for any person (excluding the Company, based on rules described above) or for any other decision taken based on this report.

The 2014 Integrated Report should be read together with the Sustainability Reporting Guidelines of the GRI G3.1.

TRANSLATION ONLY

PricewaterhouseCoopers Sp. z o.o.
Warsaw 8 June 2015

Awards and distinctions

In 2014, LOTOS Group companies were honoured with awards and accolades in the key areas of business management, corporate social responsibility, and quality of products and services.

Management quality

1. Paweł Olechnowicz, President of the Grupa LOTOS Board, received the **Crystal Laurel of Skills and Competence** from the Regional Chamber of Commerce in Katowice in recognition of excellence in combining business with social responsibility goals and contribution to Poland's economic growth.
2. For another consecutive year, LOTOS Terminale and LOTOS Lab were awarded **Forbes' Diamonds** in the category of companies with revenue of PLN 50m or less. For the eighth time, the *Forbes* monthly together with Bisnode Polska, a business intelligence agency, compiled a list of companies with the fastest value growth.
3. Grupa LOTOS took the top position in the **Pillars of Polish Economy** ranking, in the Province of Gdańsk. The ranking was compiled by the *Puls Biznesu* daily's editorial team, under the auspices of the Ministry of State Treasury, Polish Investments Programme, and Polish Agency for Enterprise Development. The winner was selected by local governments.
4. The judging panel of the 20th edition of the **'Business Person of the Year in the Pomerania Region'** competition awarded the 'Business Person of the Last 25 Years (1989–2014) in the Pomerania Region' titles to six business people whose achievements gained the highest rating - including Paweł Olechnowicz, President of the Grupa LOTOS Board.
5. The **Polish Success Academy**, run by the Polish Business Club Association, awarded a **Gold Medal** and granted membership to Paweł Olechnowicz, President of the Grupa LOTOS Board, in recognition of his innovative business projects.
6. The winner of **2014 Polish Individual Quality Award** in the Practice category was Halina Stasiewicz, Process Management Office Director, Grupa LOTOS. The awards are organized by the National Chamber of Commerce. The award, named after Professor Edward Kindlarski, is presented to individuals who have made an outstanding contribution to the development of the Total Quality Management concept, succeeded in implementing quality systems in their organizations or made a meaningful contribution to TQM training.
7. Grupa LOTOS received the **Super Leader** award at the 10th Congress of the National Association for the Protection of Classified and Business Information and Personal Data.
8. Grupa LOTOS received a **Top Quality Human Resources** Certificate from the Polish Human Resources Management Association, for implementing the organization's business strategy through the creation of an engaging workplace.
9. Another **Best Annual Report** award was granted to Grupa LOTOS. Having stated that the 2013 Integrated Annual Report of Grupa LOTOS exemplifies a publication based on which investment decisions can be made at a relatively minimal risk, the Chapter of the ninth edition of the contest ranked our Company in the third place in the 'Main Prizes for Large Companies' category.
10. At the grand gala event of the 10th edition of the Nafta/Chemia Conference, the **'Man of the Decade – who Changed the Polish Oil and Chemical Industry'** titles were awarded, with Paweł Olechnowicz, President of the Grupa LOTOS Board, as one of this year's honorees.
11. Paweł Olechnowicz was among Poland's top 20 CEOs with the most successful track records according to *Bloomberg Businessweek Polska*. The **top 20 managers ranking** is based on a survey, with the final rank depending on the overall number of votes cast by respondents (other managers) in favour of a candidate.

1. Grupa LOTOS received the **Patron of Gdańsk Culture** title for its support, as a strategic partner, of projects run by the Baltic Opera House in Gdańsk.
2. Four Grupa LOTOS initiatives were highlighted in the publication by the **Responsible Business Forum (FOB)** on best CSR practices. The Supplier portal was among the 20 examples included in the Fair Operating Practices subject. The Development Initiation Forum, co-founded by LOTOS, and the 'White and Green Future with LOTOS' ('Biało-zielona przyszłość z Lotosem') programme, are our initiatives recognised as part of the Community Involvement and Development subject. The 'Let's Talk About LOTOS' ('Porozmawiajmy o LOTOSIE') practice was presented as part of the long-term Labour Practices subject.
3. Grupa LOTOS topped the **8th Responsible Companies Ranking** in the Fuels, Energy and Mineral Production category, and ranked fifth overall. The Responsible Companies Ranking draws on a comprehensive list of the largest companies in Poland, assessing them for the quality of their Corporate Social Responsibility management. The authors of the ranking are representatives of the Business Ethics Centre of the Akademia Leona Koźmieskiego (Kozmieski University) and the *Dziennik Gazety Prawnej* daily newspaper, while PwC is responsible for checking and verification. Patronage of the ranking is held by the Responsible Business Forum.
4. For the second consecutive time, Grupa LOTOS received the **CSR Golden Leaf** in a ranking of companies whose CSR policies adhere to the ISO 26000 standard, compiled under the auspices of the *POLITYKA* weekly and PwC.
5. For the 15th time, the Pomeranian business community recognised the best companies in the region. In recognition of our consistent and regular sponsorship and patronage of locally-based cultural projects, Grupa LOTOS receives the special **Pomeranian Griffin** award.
6. At the Chemical Industry Forum, the '**Diamonds of the Polish Chemical Industry**' awards were presented, with two equal ranking 'CSR Leader' titles granted to Grupa LOTOS and BASF Polska.
7. Grupa LOTOS won the title of **Sports Patron of Independent Poland**. The award was collected on behalf of the Company by Paweł Olechnowicz, President of the Grupa LOTOS Board, during the 'Sporting Success at the 25th Anniversary of Poland's Independence' gala event.
8. Grupa LOTOS secured a top place in the ranking of listed companies with the best ESG (environmental, social and governance) disclosure standards, compiled as part of the **The ESG Analysis of Companies in Poland** project, aimed to provide comprehensive information on the quality of sustainability reporting by WSE-listed companies and to educate businesses and investors on the importance of non-financial performance.
9. Grupa LOTOS was declared '**A Well-Perceived Company**' in the fifth edition of a contest organized by the Business Centre Club. The purpose of the competition is to honour companies which conduct their business in a socially responsible way and to promote knowledge of CSR and effective methods of its communication. The competition was organized under the honorary patronage of the Ministry of Labour and Social Policy.
10. The Maritime Education Programme, with Grupa LOTOS as one of the partners, received the **EKO Inspiracja 2014** award in the 'Partnership' category.
11. Grupa LOTOS was awarded the title of **Gdańsk Sports Sponsor** at the 12th Gdańsk Sports Gala as the sponsor of the Lechia Gdańsk football team and the LOTOS Trefl volleyball team, and organizer of the 'White and Green Future with LOTOS' ('Biało-zielona przyszłość z Lotosem') initiative sponsoring a number of training centres for young football players.
12. LOTOS Terminale received its fourteenth **Fair Play Company** certificate in what is Poland's longest running business ethics and CSR certification programme.
13. Once again, Grupa LOTOS was included in the **RESPECT Index** of the most socially responsible WSE-listed companies, in its eighth edition. The Company has been part of the Index since its inception in 2009.
14. LOTOS Infrastruktura received a **Patron of Culture 2014** award, which was presented to the company by the mayor of Jasło Ryszard Pabian.
15. LOTOS Petrobaltic received a **Safe Division 2014** award for the Maritime Operations Team in the Logistics and Dispatchers Office. The competition is organized by the State Mining Authority together with the Professor W. Cybulski 'Safe Mining' Foundation. The award means that the Team is considered one of ten safest divisions in Poland's mining sector.

1. LOTOS was recognised as the **Top Brand 2013** in the engine oils category of the **Consumer Laurel 2013** competition. The title was awarded based on the popularity of brands present on the Polish market, as well as their growth dynamics in the last five years. The award confirms the awareness and popularity of the brand among Polish customers.
2. LOTOS-Air BP received an award for the **Most significant event on the ground handling services market at Chopin Airport** in the 'Development of competition in jet fuel supplies' category. The awards are presented by Chopin Airport to its key business partners.
3. The LOTOS brand was named **Leader of the Decade** in the nationwide **Consumer Laurel** award programme in the engine oils category. The title was awarded based on the popularity of brands present on the Polish market, as well as their growth dynamics.
4. In the 2013/2014 edition, LOTOS received the **Business Superbrands** title in recognition of its strong brand image, as well as the special Created in Poland Business Superbrands award, given to Polish brands that have developed an outstanding image enabling them to successfully compete against foreign brands. The Superbrands title, awarded for 18 years in over 87 countries, is granted by Superbrands Ltd., an independent international organization. The purpose of the initiative is to promote and award brands that have achieved success on the market thanks to their unique qualities.
5. The Ministry of Economy and the Office of Technical Inspection awarded enterprises leading in terms of business initiative, growth and technical safety. A recognition certificate and statuette **In Recognition of High Technical Safety Standard** were awarded to Grupa LOTOS.
6. In the 11th **Most Valuable Polish Brands Ranking**, the LOTOS brand was valued at PLN 1,245.3m, and Grupa LOTOS entrenched its position among Poland's top ten most valuable brands.
7. LOTOS Oil was again presented with the **European Medal** award, which honours companies making products and providing services to the highest European standards. The award-winning TRANSMIL EXTRA XSP was the first mineral oil available on the global market to meet the stringent SIEMENS/FLENDEAR Rev.13 criteria. It took the company five years to bring the product to the market.
8. LOTOS Oil won the **2014 Ambassador of the Polish Economy** title in the Exporters category. LOTOS Oil sells its oil and lubricant products to customers in most European and Asian markets, consistently expanding its presence in South America and Middle East. The awards are organized by Business Centre Club and held under the auspices of the Minister of Foreign Affairs.
9. The Modbit 25/55-60CR rubber-modified bitumen product received a distinction at the **20th International Road Construction Fair**. LOTOS Asphalt was additionally recognised for the attractive and original design of its fair stand.
10. The MODBIT 25/55-60CR bitumen received recognition at the **10th Autostrada-Poland Fair**, the 2014 edition. The judging panel headed by prof. dr hab. inż. Wiesław Trąmpczyński of the Kielce University of Technology recognised the technology for producing the rubber-modified bitumen at the refinery for its innovative quality and excellent usability.
11. LOTOS topped the 'Best Economy Service Station Operated by a Fuel Company' category in the third edition of the **Service Station of the Year 2014** ranking. During the 14th PetroTrend Fuel Market Forum 2014, a distinction was awarded to the LOTOS Optima station in Marki.
12. At a gala event held to celebrate the **Railwaymen's Day 2014**, twelve LOTOS Kolej employees received **medals** for their outstanding service to the Polish transport industry and railway industry from the Minister of Infrastructure and Development.
13. LOTOS Kolej received the **MediaKreator 2014** statuette, in an awards programme run by KOW media&marketing, the publisher of the *Kurier Kolejowy* biweekly, for the rail industry's best information and advertising policy. LOTOS Kolej won the first place in the 'Event' category for its Railway Equipment Days organized as part of the Children's Day 2014 celebrations.
14. LOTOS Asphalt received a distinction in the **Construction Company of the Year 2014** competition, and its CEO Piotr Przyborowski won an award in the **Industry Personality** ranking organized by the *Builder* monthly. The company was recognised for bringing innovative products to the market, including WMAs, delivering investment projects (Energy Management System), running education initiatives on modern road building technologies, and implementing efficiency improvements in manufacturing, logistics and trade.

RELATED CONTENT:

Calendar of important events 2014

Go to the page » <http://raportroczny.lotos.pl/en/useful-information/calendar-of-important-events-2014>

Membership in organizations

We are a member of Polish and international trade, business and specialist associations. Through these memberships, we can create a platform for cooperation between energy sector companies, both in Poland and in Europe, actively participate in legislation processes in Poland and in the European Union as well engage in the work on promoting best CSR practices.

Trade associations

Central Europe Energy Partners, CEEP

We are a founding member of CEEP, an international non-profit organization with a regional coverage, registered in 2010 in Belgium, with offices in Brussels and Berlin. CEEP represents energy-intensive companies and the wider energy sector (including oil, gas, coal, power, power networks, renewable energy sources, nuclear energy, etc.) from Central Europe. CEEP's stated mission is to promote the integration of Central Europe's energy and energy-intensive sectors within the framework of the common EU energy and security policy applicable to these sectors. The association brings together 25 members from Poland, Lithuania, the Czech Republic, Romania, Croatia and Ukraine. At the end of 2014, CEEP members had a total headcount of around 300,000 employees and total turnover of close to EUR 50bn. CEEP is in advanced talks with potential new members from other Central European countries.

Grupa LOTOS CEO Paweł Olechnowicz serves as Chairman of the CEEP Board of Directors.

European Petroleum Refiners Association, AISBL – FuelsEurope - CONCAWE

In order to improve the EU refining industry's efficiency and cut operating costs of two large European industry associations CONCAWE and EUROPIA, a single entity was founded with common administration and with two separate yet complementary divisions:

- FuelsEurope, which since June 2014 has been the new name of the European Petroleum Refiners Association (EUROPIA), registered in 1989 in Brussels, which represents pure-play oil refiners from the EU in dealings with EU institutions,
- CONCAWE (Conservation of Clean Air and Water in Europe), founded in 1963 by leading oil companies to carry out detailed and specialist research on environmental, health and safety issues relevant to the oil industry. CONCAWE is currently involved in research related to REACH legislation.

The members of European Petroleum Refiners Association are all the 42 refinery operators located within the European Economic Area. Its mission is to promote economically and environmentally sustainable refining, supply and use of petroleum products in the EU, by providing input and expert advice to EU institutions, Member State governments and the wider community, thus contributing in a constructive way to development and implementation of stable EU policies and regulations.

Polska Organizacja Przemysłu i Handlu Naftowego, POPIHN (Polish Organization of Oil Industry and Trade)

We have been the founding member of the Polish Organization of Oil Industry and Trade since 2003. One of the key objectives of our activity within POPIHN is the sustainable creation and development of a competitive fuel market in Poland, which we achieve by promoting business standards compliant with EU law and equal rights for all participants in the Polish fuel market. These objectives are pursued by initiating own draft bills, as well as providing opinions and comments on draft bills submitted by Polish legislative bodies and on legal acts implementing EU law. Our POPIHN membership allows us to present our stance on various issues directly to members of the parliament, government and government agencies.

Grupa LOTOS has its representatives on the POPIHN management board.

Stowarzyszenie Naukowo-Techniczne Inżynierów i Techników Przemysłu Naftowego i Gazownictwa, SITPNIg (Polish Association of the Oil and Gas Industry Engineers and Technicians)

Through our subsidiaries LOTOS Petrobaltic and LOTOS Terminale we are a supporting member of SITPNIg, an association which furthers the interests of the oil and gas industry and of its members by promoting social value in public projects. The association inspires scientific, technical and organizational projects that benefit the national economy and help deliver environmental protection and sustainable development goals. SITPNIg's aim is to raise the professional qualifications of its members, advance knowledge, technical culture and environmental awareness, and educate the public on the tradition and history of the oil and gas industry.

Windsor Energy Group, WEG

Windsor Energy Group, which we joined in 2009, is an independent think-tank based in London that addresses issues related to the building of security and order within the international energy sector, with a particular focus on the oil and gas and alternative energy subsectors. WEG consists of former policy makers, ambassadors to oil-producing countries, government advisers, and CEOs of oil exploration and production companies. Our membership in WEG is a vital part of our activities in supporting the development of the European energy sector and advocating the position of energy companies from Central Europe in the EU arena.

Paweł Olechnowicz, President of the Grupa LOTOS Board, is a member of WEG's International Advisory Panel.

World Petroleum Council – Polish National Committee

We are part of the Polish National Committee. Formed in 1933, the World Petroleum Council is the only international organization which represents all branches of the oil industry. Its main purpose is to facilitate dialogue amongst internal and external stakeholders aimed at seeking solutions to key technical, social, environmental and management challenges. WPC includes 60 member countries, which account for 95% of oil and gas produced and consumed worldwide.

Organizacja Polskiego Przemysłu Poszukiwawczo-Wydobywczego, OPPPW (Polish Exploration and Production Industries Organization)

We are a founding member of the Polish Exploration and Production Industries Organization, whose focus is on representing the Polish upstream industry in the public dialogue on issues concerning the oil and gas sector. OPPPW actively participates in the social dialogue and provides a platform for sharing knowledge and experiences between national and international experts on conventional and unconventional hydrocarbons resources. The organization was established in 2010.

Atlantic Council

Since 2013, we have been a member of Atlantic Council, a US-based organization promoting constructive leadership and engagement in international affairs in the areas of energy, environment, global economy and economics, as well as cooperation within the Atlantic Community. Through the papers it writes, the programmes it runs and the communities it builds, the Council shapes policy choices and strategies to create a more secure and prosperous world. The Atlantic Council is among the most recognised think-tanks in Washington, known for its extensive experience in the field of transatlantic cooperation, but first and foremost for its effective advocacy policies serving to influence key decision makers.

Business associations

Business Centre Club, BCC

We have been a member of Business Centre Club since 2000. We focus our work in BCC on initiatives designed to foster development of the Polish economy, create jobs and provide assistance to businesses. We support BCC in creating platforms of communication between different social groups in matters that are key to Poland's development, placing a strong focus on promoting the idea of corporate social responsibility.

European League for Economic Cooperation (ELEC), the Polish National Section

We have been a member of the European League for Economic Cooperation since 2002. ELEC is a non-governmental organization with a mission to promote economic integration, strengthen the social and cultural identity of European societies and work towards increasing the role of Europe in the international arena.

Paweł Olechnowicz, President of the Grupa LOTOS Board, is a member of the Board of the Polish National Section of ELEC.

Gdański Klub Biznesu (Gdańsk Business Club)

We have been a member of Gdańsk Business Club, an association of entrepreneurs, business owners and CEOs of leading corporations in the Pomerania region, since 2002. The association's mission is to invigorate the economy in all aspects that have an impact on the financial position of its member companies, as well as to share support in business projects and promote the development of entrepreneurship, infrastructure, culture, education and healthcare for the benefit of Pomerania's local community.

Paweł Olechnowicz, President of the Grupa LOTOS Board, is a member of the Board of Gdańsk Business Club.

Klub Polskiej Rady Biznesu (Polish Business Roundtable Club)

We have been a member of the Polish Business Roundtable Club since 2005. The Club was founded in 1997 on the initiative of the Polish Business Roundtable, an association of Polish entrepreneurs committed to promoting the economic development and integration of the business community in Poland.

Polskie Forum Akademicko-Gospodarcze, PFAG (Polish Higher Education-Business Forum)

We have been a member of the Polish Higher Education-Business Forum since 2004. The association works to strengthen the links between higher education institutions and business, and to promote innovation and knowledge-based economy. It was founded as a platform for building closer ties between academic circles and business community with the ultimate goal of promoting innovative projects financed with domestic and EU funds. The association is a forum for exchanging views and forming opinions on matters important for the country. People involved in the Forum's work are representatives of business and leading universities in Poland.

Stowarzyszenie Pomorskie w Unii Europejskiej ('Pomorskie in the European Union' Association)

We have been a member of the 'Pomorskie in the European Union' Association since 2010. The Association aims to support local government institutions, universities and businesses from the Gdańsk province in the European Union.

Pracodawcy Pomorza (Employers of Pomerania)

Our membership in the organization dates back to 2004. Its main objective is long-term and dynamic economic development of the region and representing the employers' interests in front of the legislative and executive bodies as well as regulatory and controlling institutions.

Forum Odpowiedzialnego Biznesu, FOB (Responsible Business Forum)

We have been a strategic partner of the Responsible Business Forum since 2008. The Forum has a mission to promote corporate social responsibility among Polish businesses as a standard that serves to enhance competitiveness, social well-being and environmental protection. It runs projects that contribute to the development of CSR in Poland and engages in initiatives promoting corporate responsibility and sustainable development.

United Nations Global Compact (UNGC)

We have been a member of the United Nations Global Compact since 2009. It is a global policy initiative calling on businesses to align their operations with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. The organization also supports the implementation of the UN's general goals, including its Millennium Development Goals. Its members include over 12,000 companies and non-government organizations from 145 countries.

Specialist associations

Pracodawcy RP (Employers of Poland)

We have been a member of Employers of Poland since 2004. The association works to further common interests of the business community, supporting initiatives that seek to bolster the role of employers in Poland. By providing opinion on draft legislation, it strives to ensure that both employers and employees can benefit from economic growth, fair and stable employment, job security and social order.

Polskie Stowarzyszenie Zarządzania Kadrami, PSZK (Polish Human Resources Management Association)

In 2014, we joined the Polish Human Resources Management Association as its strategic member. PSZK is Poland's largest and oldest professional association focused on developing and promoting the highest standards in HR management at corporations and other organizations in Poland. It has established a membership network of HR practitioners, by organizing nationwide campaigns, conferences and meetings with experts on the labour market and human resources management.

Stowarzyszenie Emitentów Giełdowych, SEG (Polish Association of Listed Companies)

We have been a member of the Polish Association of Listed Companies since 2006. Representing companies listed on the Warsaw Stock Exchange, the Association provides advice and expertise on stock market regulation and on rights and obligations of stock market participants. As an expert organisation, it aims to advance and share knowledge to further the development of the capital market and a modern market economy in Poland. It connects listed companies and fosters cooperation in building a civic society.

Polskie Towarzystwo Ekonomiczne, PTE (Polish Economic Society)

We are a member of the Polish Economic Society, an independent, professional association of economic practitioners and theoreticians that has a national reach. Its key objectives are to promote economic knowledge, act as an opinion leader, and enhance the qualifications and seek integration of the economist community.

Klub Polskie Forum ISO 14000 (ISO 14000 Polish Forum Club)

We have been a member of ISO 14000 Polish Forum Club since 1997. One of its goals is to develop and promote initiatives, attitudes and actions contributing to development and promotion of environmental management systems, chiefly those based on ISO 14001 and the EMAS Regulation. The association is also engaged in education on environmental protection and environmental management systems, connects people involved in environmental management, and supports organizations implementing environmental management systems. The Club is an independent organization, and membership is voluntary.

Klub Polskie Forum ISO 9000 (ISO 9000 Polish Forum Club)

We have been a member of ISO 9000 Polish Forum Club since 1993. The association brings together manufacturers and service providers who want to implement, refine and further develop their management and compliance assessment systems based on international ISO 9000 standards for quality management systems, other normative documents relating to organization and management systems and the new approach directives. The Club is an independent organization, and membership is voluntary.

Stowarzyszenie Księgowych w Polsce (Accountants Association in Poland)

We are a member of the Accountants Association in Poland, an association of accounting and finance professionals, which is committed to furthering the development of accounting and financial auditing practice to make sure it reflects the changing reality and meets the requirements of globally recognised standards.

Polska Okręgowa Izba Inżynierów Budownictwa (Polish Chamber of Civil Engineers)

We have been a member of the Polish Chamber of Civil Engineers since 2001. The duties of the Chamber as a professional association are to represent and safeguard the interests of its members, particularly by submitting initiatives to legislative and executive bodies to create proper conditions supporting the construction industry, to protect the role of engineers in the process, and to forge partnerships with other professional and engineering organizations active in the field of construction.

RELATED CONTENT:

Energy security

An example of best practice which combines building our international relations with supporting initiatives aimed to improve the energy security in Europe was the publication of the 'Completing Europe - From the North-South Corridor to Energy, Transportation and Telecommunications Union' report in 2014.

Go to the page » <http://raportroczny.lotos.pl/en/results-and-prospects/sustainable-development/energy-security>