

## Submission of recommendations

The Company's stakeholders exercise their rights to submit comments and recommendations on its activities.

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The Company has in place mechanisms enabling its shareholders and employees to submit recommendations and other comments directly to members of the bodies supervising the correctness of its management processes. In line with the Polish Commercial Companies Code, the Articles of Association of Grupa LOTOS and the Rules of Procedure for its General Shareholders Meeting address these issues in detail. They define the rules governing participation in the General Shareholders Meeting and exercising voting rights, the manner of convening and closing the General Shareholders Meeting, its opening and proceedings.

Pursuant to the above regulations, shareholders, by virtue of their rights, may influence the Company's operations and review the activities undertaken by the Company's management and supervisory bodies. A key shareholder right is the right to participate in the General Shareholders Meeting, which accrues to all persons who are Company shareholders sixteen days prior to the date of the General Shareholders Meeting, i.e. on the record date. Additionally, the right to participate in the General Shareholders Meeting entitles shareholders to:

- submit motions prior to and during the General Shareholders Meeting,
- request that certain items be placed on the agenda of the General Shareholders Meeting,
- propose draft resolutions concerning items which have been or are to be placed on the agenda prior to the General Shareholders Meeting,
- propose draft resolutions concerning items included in the agenda, or placed on the agenda during the General Shareholders Meeting,
- take the floor during the General Shareholders Meeting,
- object to or appeal against resolutions of the General Shareholders Meeting.

Moreover, shareholders may request that an Extraordinary General Shareholders Meeting be convened and certain items be placed on its agenda.

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## General Shareholders Meetings in 2011

In 2011, the General Shareholders Meeting was held twice: as the Ordinary General Shareholders Meeting on June 27th, and as an Extraordinary General Shareholders Meeting on August 8th.

The Ordinary General Shareholders Meeting of Grupa LOTOS reviewed and approved the financial statements and Directors' Report on the Operations of the Company and of the LOTOS Group in 2011; granted discharge in respect of performance of duties to Members of the Supervisory Board and Members of the Board; and appointed a new Supervisory Board for the 8th joint term of office.

During the Meeting, two persons: Mr J. Kotecki, a shareholder's (Stowarzyszenie Inwestorów Indywidualnych - Polish Retail Investors Association) proxy and a non-controlling shareholder Mr B. Kamola exercised their right to take the floor during the Meeting. The proposals and comments submitted by the shareholders related to the Company's operations, primarily to financial and economic issues, and the YME project. Questions asked by the shareholders and answers provided by the Board have been published on the Company's website.