



Appendix to the resolution of the Supervisory Board of LPP S.A.
on the approval of the report of the Supervisory Board
on its activity in the financial year 2014

Gdansk, 27 May 2015

**REPORT ON THE ACTIVITY OF THE SUPERVISORY BOARD OF
LPP SA with its registered office in Gdansk [the "Company"] on its activity in the financial year
2014**

On 31 December 2014, the Supervisory Board consisted of the following persons:

Jerzy Lubianiec, Chair of the Supervisory Board,
Krzysztof Fąferek,
Wojciech Olejniczak,
Krzysztof Olszewski,
Maciej Matusiak,

In 2014, in the performance of its obligations of constant supervision over the Company's operations as specified in the Articles of Association, the Supervisory Board specifically:

1. Evaluated and analysed the financial standing of the Company and LPP SA Capital Group on an ongoing basis.
2. Examined the financial statements (including the balance sheet and the profit and loss account) of LPP SA for the financial year 2013, the report of the Management Board of LPP SA for 2013, the Management Board's motion on the distribution of profit generated by the Company and other documents of the Company, both in terms of their compliance with the underlying accounts and documents as well as the actual state of affairs.
3. Carried out a comprehensive assessment of the Company's position in 2013.
4. Read the Management Board's plans for the Company's development.
5. Familiarised itself with the position and development of LPP SA subsidiaries operating outside Poland.
6. Produced its opinion on the matters included in the agenda of the Company's Annual General Meeting.
7. Performed the duties of the Audit Committee.
8. Adopted a resolution approving the Company's internal control plan for 2014 to be implemented by the Company's internal auditor.
9. Adopted a resolution approving the report of the Supervisory Board on its activity in 2013.
10. Adopted a resolution on the matters to be managed by the Supervisory Board of LPP SA in 2014 in the performance of the duties of the Audit Committee.
11. Analysed the results of the internal control reports of the subsidiaries of LPP SA and different departments of LPP SA prepared by the internal auditor of the Company.
12. Adopted a resolution approving the Company's internal control plan for 2015 to be implemented by the Company's internal auditor.
13. Adopted a resolution on the appointment of Vice-President of the Management Board.
14. Adopted a resolution to grant remuneration to a member of the Management Board for serving as a Board Member.
15. Adopted a resolution to amend the Rules of Procedure of the Supervisory Board of LPP SA with its registered office in Gdańsk forming annex to Resolution of the Supervisory Board of 10 May 2011.
16. Adopted a resolution to amend Resolution of the Supervisory Board of LPP SA with its registered office in Gdańsk of 9 August 2011 on the adoption of the Rules of the Incentive Programme.
17. Adopted a resolution on the approval of the acquisition and disposal of real estate.

18. Adopted a resolution on the approval of the Management Board's request on the method of allocation of the Company's net profit earned in the financial year 2013.
19. Adopted a resolution on the approval of the report on the performance by the Supervisory Board of the duties of the Audit Committee in 2013.
20. Adopted a resolution on the approval of the report of the Supervisory Board on its activity in the financial year 2013.
21. Adopted a resolution on the approval to pay special premium to the Management Board.
22. Adopted a resolution: (i) defining the number of shares payable to Eligible Persons in accordance with the Rules of the Incentive Programme for the key managers of the Company for the years 2013-2014 [further the "Rules"]; (ii) defining the number of shares due to Mr. Piotr Dyk, and the number shares due to Mr. Hubert Komorowski in accordance with sections 3.2.5, 3.2.6, 3.3 and 3.4 of the Rules, (iii) confirming the fulfilment of conditions for granting of shares to each participant of the incentive programme under the conditions described in the Rules.
23. Adopted a resolution on the conversion of treasury shares acquired by the Company in 2008.
24. Adopted a resolution on the selection of an auditor to examine the financial statements of the Company and LPP SA Capital Group for 2014, 2015 and 2016.
25. Adopted a resolution on the approval of purchase by LPP SA of 100% of the shares in KOBA a.s. with its registered office in Banská Bystrica, Zvolenská cesta 13, 974 01 Banská Bystrica, Slovakia, identification number (IČO) 31 625 924, a company registered in the Commercial Register of the District Court in Banská Bystrica, Section Sa, entry no. 672/S.
26. Adopted a resolution on the approval to establish subsidiaries of LPP SA with their registered offices in Croatia and Germany by LPP SA.

The Supervisory Board requests that the Annual General Meeting of Shareholders approve the Supervisory Board's report on its activity in 2014 and grant discharge to the following members of the Supervisory Board:

Jerzy Lubianiec, Chair of the Supervisory Board,
 Krzysztof Fąferek,
 Wojciech Olejniczak,
 Krzysztof Olszewski,
 Maciej Matusiak,
 for the performance of their duties as Supervisory Board Members in 2014.

1. Jerzy Lubianiec
2. Krzysztof Olszewski
3. Maciej Matusiak
4. Wojciech Olejniczak
5. Krzysztof Fąferek