The operating segment of the LOTOS Group focuses on refining and marketing high quality products, while optimising the use of the production capacities and minimising the unfavourable impact on the natural environment. The strategy of the LOTOS Group until 2012 for this segment provides for the increase of the economic efficiency of oil processing by increasing the scale of processing and obtaining a higher level of product <u>conversion</u> and desulphurization. Therefore, the refinery in Gdańsk is the scene of the 10+ Programme, which is a construction project of a complex system of refining installations.

The strategic aims of the LOTOS Group within its operating activity include:

- increasing the volume of processed oil to 10.5 million tonnes/year and obtaining a higher level of conversion,
- research and development within oil products and biocomponents,
- optimising overhaul costs,
- · energy savings and environmental protection, and
- expanding the storage depots and developing rail and sea logistics.

The operating segment in the LOTOS Group encompasses the operation of the refinery in Gdańsk as well as the production and supporting subsidiaries. Such companies include LOTOS Czechowice, LOTOS Jasło, LOTOS Serwis, LOTOS Lab, LOTOS Straż and LOTOS Ochrona. The refinery of Grupa LOTOS is the largest production facility within the LOTOS Group.