

## Internal Control System

The Internal Control System in Grupa LOTOS is a set of organisational and procedural solutions regarding the whole organisation as well as of procedures determining the functioning of the individual processes. The system guarantees the organised and effective conduct of the Company's activities in line with its business objectives and in compliance with legal and internal regulations.

The Internal Control System of Grupa LOTOS is organisationally expressed through:

- the organisational structure determining the principles of reporting,
- the rules and regulations determining goals and tasks of the individual organisational sections,
- the scope of duties, rights and responsibilities for all employees,
- varying levels of access to information, documents and stored data,
- systems of authorisations, proxies and formally granted substitutions,
- limitations of access to rooms, especially those of special character where confidential information, personal data etc. are stored, etc.

along with the adapted principles of:

- security and protection,
- defining the goals,
- documenting activities (in particular operational, financial and accounting, and trading activities).
- creating internal regulations,
- internal reporting.

The remaining solutions which form the Internal Control System in the Company are embedded in each of the operational processes defined in the organisation.

Supervision of the system has been allotted to the respective functions within the organisational structure of the Company. Moreover, an internal auditing unit has been put in place which among other things evaluates the solutions adopted in the Internal Control System. The results of its audits are then reported to the Management Board and to the Audit Committee of the Supervisory Board of Grupa LOTOS.