

Mitigation of environmental impact

For many years, the Company has striven to align its environmental policy with the principles of sustainable growth, in compliance with the environmental standards prescribed by law and with due regard to corporate social responsibility.

The achievement of these objectives is possible thanks to orienting the environmental policy towards:

- **cleaner production, involving steady reduction of consumption of utilities and raw materials,**
- **reduction of pollutant emissions,**
- **waste management,**
- **security of industrial processes so as to effectively prevent failures.**

The sustainability and corporate social responsibility principles also entail the delivery of high quality products, leaving the smallest environmental footprint possible.

The Company takes measures aimed at reducing its environmental impact, acting in cooperation and/or consultation with local authorities and social organisations responsible for environmental protection in a given area. Below are examples of measures taken by the Company with a view to minimising its harmful environmental impact:

The negative environmental impact is minimised by:

- on-going monitoring of ambient air and water pollutant concentration and of hydrocarbon concentration in the area immediately surrounding the refinery, enabling quick response if the metrics reflecting the refinery's environmental impact show any undesirable upward trends,
- discharge of wastewater whose quality is fully compliant with legal requirements thanks to a three-stage wastewater treatment plant,
- reuse of treated wastewater to produce process water,
- strict supervision over waste management,
- use of equipment and measures designed to help protect the environment, such as:
 - double sealing of tanks with floating roofs,
 - ensuring air tightness of all process facilities and connecting them to the emergency discharge system, where hydrocarbons are burned in flares,
 - ensuring that the process of pumping fuel to road tankers and railway tank-cars is performed using the airtight vapour recovery system.

The organisational unit within Grupa LOTOS responsible for issues relating to environmental protection is the specialised Environmental Protection Office. Apart from monitoring how and to what extent the Company's production facilities impact the environment and reviewing the quantitative and qualitative compliance of emitted pollutants, produced waste, discharged wastewater and water and emitted noise, the Office is also tasked with the coordination of efforts aimed to ensure compliance with the environmental requirements imposed by law and establishment of environmental standards for the entire LOTOS Group. The scope of the Office's remit also includes monitoring of CO₂ emissions and activities related to the EU Emissions Trading Scheme (ETS). The monitoring and reporting of CO₂ emissions from the Company's industrial facilities covered by the ETS is unobjectionable, as evidenced by positive annual assessments by an accredited verifier – a world leading provider of certification services.

When discussing the Company's approach to environmental management, we should mention its efforts designed to raise the staff's environmental awareness through internal communication channels, which involve education of staff on issues related to environmental protection, understood as at an individual, corporate, regional and global level.