


The Consolidated Non-Financial Statement for 2009 is based on the Reporting Framework and the third version of the Guidelines of the Global Reporting Initiative (G3 GRI). Grupa LOTOS declares that within the three-level system of the Application Levels it has achieved Level A^(*).

(*) Specific Application Levels have been marked with letters from C (the lowest level), through C+ (where „+” stands for the external verification of the statements by independent certifying authorities), B, B+, A to A+. The criteria of reporting attributed to every Level provide the measurement of the application level of the Guidelines and implementation of [GRI](#) Reporting Framework Guidelines.

GRI Application Level	C	C+	B	B+	A	A+
Company's assessment						

The Statement of the LOTOS Group concerns operations of the organization throughout the financial year 2009. In relevant cases, information concerns also the events material for the Company that took place in the period preceeding the publication of the Statement, i.e. in Q1 2010.

This Consolidated Non-Financial Statement constitutes the third publication of Grupa LOTOS concerning the non-financial aspects of its operations. Moreover, it is the first publication that constitutes an integral part of the Annual Report of Grupa LOTOS. The previous reports on sustainability were published by Grupa LOTOS independently of the annual reports.

In June 2008 the first [corporate social responsibility](#) Report was published for the LOTOS Group. It contained information for the years 2006-2007. The second CSR Report was published in mid-2009 and dealt with results achieved in the financial year 2008. In 2007 the Environmental Report of Grupa LOTOS was published covering the year 2006. Starting from the CSR Report for 2008, the environmental protection issues have been incorporated into the CSR Report of Grupa LOTOS. The reports are available on the dedicated website of Grupa LOTOS at www.csr.lotos.pl.

Pursuant to the decision of the Management Board of Grupa LOTOS, the organization adopted the annual reporting procedures monitoring

the implementation of the CSR strategy. The consecutive reports are to present the situation of Grupa LOTOS in specific years. Starting from this issue Grupa LOTOS intends to publish integrated reports that contain both consolidated financial and non-financial statements.

The Communication and CSR Office is responsible for coordinating [social reporting](#) procedures in the LOTOS Group. All the parties concerned can contact the Office at: csr@grupalotos.pl. Detailed contact data are available in [Additional Info](#).

Scope and framework of the Report

In the process of defining the content of the Consolidated Non-Financial Statement and other chapters of the Annual Report that present the non-financial results of the operations, the [GRI](#) Reporting Framework Guidelines were followed. The selection on both non-financial measurable indexes and the descriptive aspects contained in the Report was based on the significance rule. By significance, Grupa LOTOS understands the importance and weight of a factor not only for the Concern's operation compliant with sustainability practices but also for all external [stakeholder](#)s who expect and look for reliable, comparable and realistic data and information that affect their choices and decisions.

This Report uses all the basic result indexes concerning separate aspects of operations, i.e. economic, environmental and social ratios as well as major non-obligatory ratios included in the [GRI](#) Guidelines. As there is no separate Sectoral Supplement covering the period of the Report, no indexes dedicated to the sector have been applied other than provided for in the basic list. For the calculation of financial data presented in the Report, same methods have been used as applied in the Consolidated Financial Statement of the LOTOS Group for 2009, i.e. in compliance with the International Financial Reporting Standards applicable as of 31 December 2009.

In most problem areas presented in the Report, information concerns the dominant entity, i.e. Grupa LOTOS. However, as far as possible all efforts have been made to consolidate data for the LOTOS Group. In the areas of key importance for the product responsibility, data have been presented for the commercial companies of the LOTOS Group. In all instances the differentiation has been made in the Report by adding information on the specific subsidiary of the LOTOS Group. Both scope and framework of the Report are being successively extended, in particular by increasing the number of economic, environmental and social indexes of the companies in the LOTOS Group, i.e. the entities that play the most important role in developing the value chain through their individual and institutional customers, suppliers and partners.

In the previous period there have been no changes or any other material circumstances with reference to the subsidiaries of the LOTOS Group that might affect the general assessment of the organization in individual aspects or in the comparison with other domestic entities

from this sector. This Report does not provide any revisions to information given in the previous report for 2008.

The scope of this Report has been extended with regard to the Social Responsibility Report of the LOTOS Group 2008 in two aspects:

1. according to the declaration made in the previous reporting period, the number of result indexes has been augmented to comprise achievements of individual companies of the LOTOS Group, furthermore adding one more reporting entity (5 instead of 4);

The [GRI](#) indexes reported by the commercial companies: LOTOS Asphalt, LOTOS Kolej, LOTOS Oil, LOTOS Paliwa and LOTOS Parafiny for their operation in 2008-2009

2008		2009	
Aspect	Index	Aspect	Index
Products and services	EN26, EN27	Products and services	EN26, EN27
Transport	EN29	Transport	EN29
Health and safety of consumers	PR1	Health and safety of consumers	PR1
Product and service labelling	PR3, PR5	Product and service labelling	PR3, PR5
Marketing communication	PR7, PR8	Marketing communication	PR7, PR8
Privacy of customers	PR8	Privacy of customers	PR8
Compliance with law	PR9	Compliance with law	PR2, PR4, PR9
-	-	Biodiversity	EN11
-	-	Intermediate economic impact	EC9
-	-	Market position	EC5, EC6, EC7

2. the description of Grupa LOTOS operations has been completed by adding information on the EC9 index, relative to the scale of the indirect economic impact of the enterprise. The basis for presenting the results in this regard have been the analysis conducted by Grupa LOTOS with regard to the indirect effects of the key investment project of Grupa LOTOS, the 10+ Programme.

74 [GRI](#) reporting indexes have been considered when drawing up the Annual Report 2009.

Verification

Any and all data presented in the Report have been collected in a reliable and responsible manner and have been certified as conforming to the actual data by the senior management of Grupa LOTOS and the selected subsidiaries of the LOTOS Group supervising the individual reported areas of operation. The financial data comply with information provided in Consolidated Financial Statements for individual periods.

This Consolidated Non-Financial Statement has not undergone any external verifications by an independent certifying authority. However, it is noteworthy that a large part of financial data concerning the previous financial year that is the subject matter of this Report, have been appraised by the licensed auditors of Deloitte, who audited the Consolidated Financial Statement of the LOTOS Group.

Grupa LOTOS has implemented the Integrated Management System based on the requirements of: PN-EN [ISO](#) 9001:2001 Quality Management System, PN-EN [ISO](#) 14001:2005 Environmental Management System and PN-N-18001:2004 Health and Safety Management System. In June 2007 Grupa LOTOS underwent the re-certifying audit aimed at assessing compliance of the management system with the requirements of the standard. The re-certifying audit is conducted every three years. Both the re-certifying audit and the supervision audit (conducted annually in Grupa LOTOS) are carried out by the external independent certifying body. According to the implemented procedures of the IMS, the LOTOS Group carries out planned internal audits to verify if the IMS is implemented and maintained effectively and if it corresponds with the planned actions and standard requirements. Therefore, regular audits cover individual aspects of the operations within environmental protection, health and safety and quality standards presented in this Report.

Moreover, in compliance with the adopted communication transparency policy with [stakeholders](#), Grupa LOTOS undergoes external assessment of its commitment to CSR by participating in professional audits that compare achievements of companies involved in developing CSR ideas. The most important actions executed in this area in 2009 include the participation of Grupa LOTOS in:

1. Ranking of Responsible Firms 2009, organised by the Centre of [business ethics](#) of Kozminski University and the Forum of Responsible Business. The results and achievements of Grupa LOTOS that are the basis for assessment were verified by the auditors of PricewaterhouseCoopers – a partner of the ranking;
2. RESPECT Rating that has been prepared as the basis for selecting companies to be included in the sustainability stock exchange index, the RESPECT Index, a result of joint cooperation of the 'Forbes' monthly, the Warsaw Stock Exchange and the experts of Kulczyk Investments. The actions taken by Grupa LOTOS within CSR have been verified by Deloitte who prepared the results of the Rating.

In both cases mentioned above, auditors revised the information provided by Grupa LOTOS by interviewing Grupa LOTOS representatives but first and foremost based on the presented documentation.