

To achieve the [mission](#) and strategic goals of Grupa LOTOS and ensure the stable growth of its goodwill, the Company shall be managed in accordance with standards, clearly defined authorisations and related responsibility and efficient communication.

Grupa LOTOS defines, and supervises the implementation of, management standards applicable to all companies of the LOTOS Group based on the following management rules:

- **customer orientation** – actions focus on professional customer service and learning both present and future customer needs so as to fulfil their needs and offer products and services of a quality exceeding their expectations;
- **leadership** – managers set objectives, directions and create and maintain an internal environment where employees may be involved in the achievement of aims;
- **commitment** – employees at all levels are the core and main asset of the organisation. Their commitment allows for their abilities to be used for the benefit of the organisation;
- **process approach** – the Company is committed to identifying processes and process owners. The course of processes is monitored on an on-going basis and the defined measures applied. Analysis results are presented to the Company Management Board during regular meetings;
- **management through goals** – a policy defined by the Management Board is reflected by specific long and short-term goals which accurate fulfilment provides efficient monitoring, evaluation and control tools. Thanks to the regular analysis of goal achievement, the Company obtains signals of irregularities in the organisation's operation and is able to initiate revising and remedy actions;
- **continuous improvement** – the improvement of operating quality is a permanent objective of the organisation;
- **fact-based decisions** – effective decisions are made based on data analysis and reliable information obtained through the implemented reporting system.

The following improvement tools are used for effective management purposes:

- **risk management** – acts as the basis for all systems, analysis of the probability of various threats which may weaken organisation management, and optimal decision making processes;
- **change management** – a modern management system consisting mainly of continuous market tracing and fast adjustment to ongoing

changes, as well as the use of all types of market gaps;

- **knowledge management** – determines organisation development in accordance with world standards in a given field;
- **system tools** – characteristic for systems, based on [ISO](#) 9000, 14000 and other standards, i.e. internal audits, revising and preventive actions, system reviews, etc.

Management improvement is subject to continuous analysis of relations and interdependencies between processes. Adequate communication is an important element of the efficient maintenance and improvement of management systems. Grupa LOTOS holds meetings to discuss management system operation within all Capital Group companies and defines the directions of actions and development in forthcoming years.

To ensure the efficient operation of the LOTOS Group, the Company implemented an effective reporting system. One of its elements consists of cyclical information provision concerning the progress of duties and decisions made. Another element is the preparation and distribution of information allowing for the early identification of adverse trends or events which may impede the strategy implementation schedule and the safe operation and development of the Capital Group.