

Integrated management system

Grupa LOTOS was the first company in the chemical industry and the second company in Poland to receive the Integrated Management System certificate, as early as in 2003.

With our expertise and experience, we know that properly designed and consistent management and operational processes must be oriented towards:

- Customers – guaranteeing commitment to the quality of products and services;
- Environment – evidencing environmental awareness;
- Employees – bringing benefits in the form of safe working conditions.

Management systems at the LOTOS Group as at December 31st 2015

Company name	Management systems in place
Grupa LOTOS	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards. Implemented requirements of AQAP 2110 (Allied Quality Assurance Publication) and requirements of the Internal Control System for trading in strategic materials (conforming with the PN-N-19001 standard).
LOTOS Asfalt	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards. Implemented and certified Site Production Control System.
LOTOS Kolej	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards, Railway Transport Security Management System (SMS) compliant with Directive 2004/49/EC and national regulations, Rail Vehicle Maintenance Management System (MMS) compliant with Directive 2004/49/EC and Regulation (EU) 445/2011, Quality in Welding Management System compliant with the DIN EN ISO 3834-2 (EN 729-2) and EN 15085-2 standards, and system of Maintaining Freight Cars in accordance with the VPI requirements. In 2015, LOTOS Kolej's Railway Transport Security Management System (SMS) received Safety Certificate - PART B, compliant with Directive 2004/49/EC and national regulations, enabling the company to carry out rail freight operations using German rail infrastructure.
LOTOS Lab	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards. Polish Centre for Accreditation certificate of compliance with the PN-EN ISO/IEC 17025:2005 standard.
LOTOS Ochrona	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards.
LOTOS Oil	Implemented and certified Integrated Quality Management System compliant with the ISO 9001 standard and AQAP 2110 (Allied Quality Assurance Publication). Implemented requirements of the ISO 14001 and PN-N-18001 standards.
LOTOS Petrobaltic	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards. Implemented ISM Code (for compliance with the International Management Code for the Safe Operation of Ships and for Pollution Prevention) and ISPS Code (International Ship and Port Facility Security System).
LOTOS Serwis	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards. Implemented and certified requirements of Quality in Welding Management System, compliant with the PN-EN ISO 3834-2:2007 standard, covering the construction of metal structures and auxiliary elements, EXC1, EXC2, EXC3 class steel structures in accordance with the PN-EN ISO 1090-1:2009+A1:2012 IDT EN 1090-1:2009+A:2011 standard, and covering the requirements for the competence of testing and calibration laboratories in accordance with the PN-EN ISO/IEC 17025:2005 standard.
LOTOS Straż	Implemented and certified Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards.
LOTOS Terminale	Implemented Integrated Management System compliant with the ISO 9001, ISO 14001, and PN-N-18001 standards.
LOTOS Paliwa	Implemented and certified Integrated Management System compliant with the ISO 9001 standard. Implemented requirements of the ISO 14001 and PN-N-18001 standards.
LOTOS Infrastruktura	The company is in the process of implementing the Integrated Management System.
LOTOS - Air BP Polska	The company is in the process of implementing the Integrated Management System.

Key changes in the process management systems and structures that had a bearing on the LOTOS Group's performance in 2015

In 2015, we worked to find innovative solutions for the processes and systems supporting the LOTOS Group's operations. Our activities in that area included performing analyses and holding benchmark meetings to discuss deployment of selected management models and process tools. Additionally, we engaged in the following process management activities:

- We upgraded our web application supporting process monitoring so that it can be more effectively used, for instance in reviews of the Integrated Management System, or as a tool facilitating process management at other LOTOS Group companies.

- We continued regular meetings with heads of organizational units and the LOTOS Group companies to discuss selected regulations and processes.
- We implemented an optimum model for the Company, based on a matrix structure with Grupa LOTOS divided into functional areas, which is consistent with the Grupa LOTOS process map.
- We implemented an Integrated Management System web application to facilitate circulation of documents at the LOTOS Group companies, and an electronic system for circulation of corrective action instructions (using the SharePoint platform).
- We began work to optimize the reporting system.

Energy Management System (EnMS)

- We performed energy consumption reviews at production plants based on Grupa LOTOS' internal regulations.
- We continued activities towards meeting the assumed environmental and energy goals.
- We monitored progress of the legislation process related to amendments to the Energy Efficiency Act and its potential effect on the environment and energy management system at Grupa LOTOS.

Planned activities in relation to the Integrated Management System:

- Adjust the existing systems to amended international standards, including ISO 9001 and ISO 14001;
- Adjust the energy management system to the new requirements of the Energy Efficiency Act;
- Make an explicit allocation of duties to units responsible for corporate tasks within the LOTOS Group structure – development and implementation of a new internal cooperation model (going beyond reporting);
- Foster the image of an organization with management culture that meets global standards by knowledge sharing (at industry meetings);
- Monitor key management indicators – determine and select unique and innovative indicators, based on which relevant measures will be taken to ensure improved performance.

Audits at the LOTOS Group

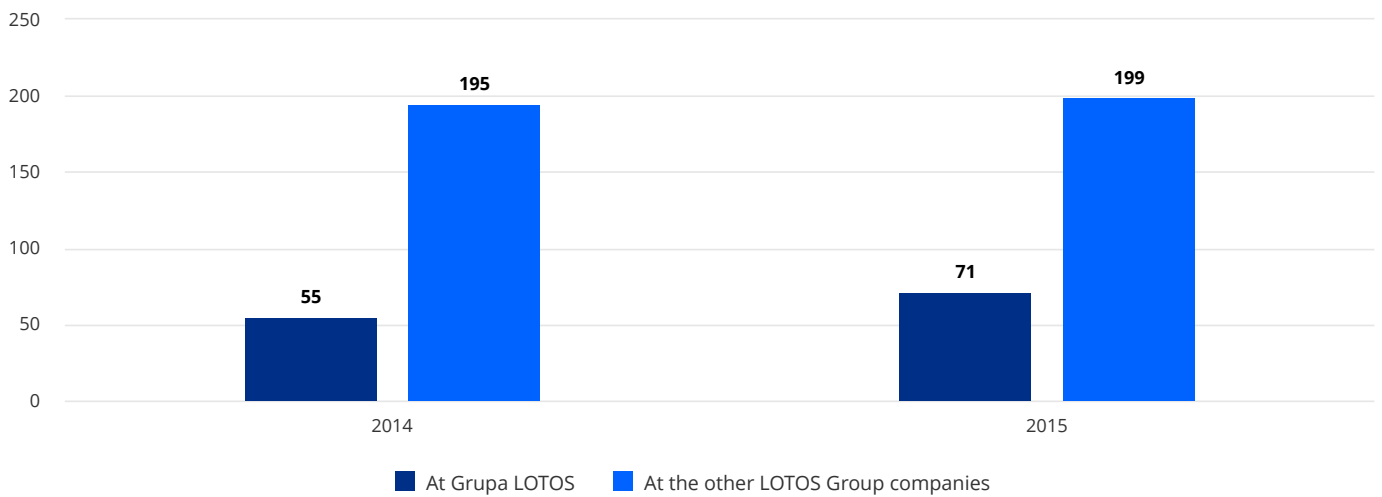
Audits of the LOTOS Group's Integrated Management System provide valuable and objective feedback on the operation of individual areas of the organization.

over

500

number of audits performed at the LOTOS Group in 2014–2015

Audits carried out at LOTOS Group



[More information on the management system](#)

VPN solution improving safety and supporting communication with LOTOS Petrobaltic's platforms

To improve safety on the platforms operated by LOTOS Petrobaltic in the Baltic Sea and to facilitate communication, the company – in cooperation with Orange Polska – created an IP VPN network with a capacity of 10 Mbps. The key objectives of this project were to implement security standards for the network, servers and workstations, and to ensure continuity of operation by using redundant radio and satellite links. The project standardized the applied solutions and made it possible to use the systems and applications on platforms online, just like at Grupa LOTOS' offices. Importantly, the new network allows employees on platforms to keep in contact with their families and friends on land.