

# Stakeholders' say – important element of reporting process

## Why are stakeholders important to us and how do we identify them?

Our strategic approach to corporate social responsibility is best expressed in building positive relations with all stakeholders, which – to our satisfaction – leads to their growing engagement. We want decision-making processes concerning economic, social and environmental matters to take into account the interests of various stakeholder groups, which are important to our business. We also make sure that our stakeholders have access to timely information that meets their various needs.

We are aware of how important relations with stakeholders are in building company value. By working together with them and being open to communication, we gain valuable understanding of how to develop our organization and build its positive corporate image.

### Our key stakeholders are identified based on:

- their influence on the organization,
- the organization's influence on them,
- our key business regions: Gdańsk Province in the north of Poland, and Czechowice-Dziedzice and Jasło regions in the south.

## Our stakeholders

Internal stakeholders	External stakeholders	Market environment
<b>Employees</b>	<b>Local communities</b>	Contractors and subcontractors
LOTOS Group companies	Non-governmental organizations	Suppliers
Trade unions	Local government institutions	<b>Customers</b>
Works Council	Government administration	<b>Trading partners</b>
	Scientific and research institutions, education centres	Competitive companies
	Employer associations	Industry organizations and international institutions
	The media	Regulatory and monitoring organizations
	Natural environment	<b>Capital market participants</b>
	<b>Potential employees</b>	

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- The group marked in blue has been defined in this year's process as a priority.

## How do we engage our stakeholders?

Discussions with the stakeholders about our organization's influence on the community and environment give us valuable hints on how to improve our performance and better understand the needs of our environment. To gain extensive knowledge of these matters, we conduct surveys among our stakeholders, both internal (employees) and external.

In late 2015 and early 2016, we carried out an opinion survey among the key stakeholder groups of the LOTOS Group. Its ultimate goal was to provide information which would help prepare the new Corporate Social Responsibility Strategy of the LOTOS Group.

In addition, we gained information on how our CSR approach and initiatives were received and assessed. We also learned what our stakeholders expect and need from the LOTOS Group's business.

This qualitative study used in-depth interviews with representatives of the following key stakeholders of the LOTOS Group:

- Public administration and local governments
- Employer associations
- Non-governmental organizations
- Entrepreneurs
- Consultancy firms
- Non-profit public organizations.

The qualitative study complemented the quantitative one carried out in 2015 and 2016 among:

- Inhabitants of Jasło, Czechowice-Dziedzice, and the Gdańsk Province
- Entrepreneurs in the Gdańsk Province
- Residents of districts located in the vicinity of the LOTOS Group's plants in Gdańsk, Jasło and Czechowice-Dziedzice
- Employees of the LOTOS Group companies.

Furthermore, during the 'CSR Day', we talked with representatives of the management staff about the LOTOS Group's approach to CSR issues and other matters significant to our sustainable development.

