Development and education

The training policy provides each employee with opportunities to increase their competencies and hone their strengths. It helps to discover talent within the organisation and support experts.

103-1, 103-2, 103-3

Well-selected training improves the LOTOS Group employees' satisfaction and engagement.

We run satisfaction surveys to best align training subjects with the needs of our employees. Training programmes take into account each individual's and organisational unit's development plans, as well as the Group's development needs. Our employees' achievements are summarised and discussed using the Periodic Employee Evaluation System (PEES). In 2004, we launched LOTOS Academy, our training and development programme.



404-1

Average number of training hours per employee

	2018		2019		Yoy change	
	Number of training hours	Training hours per employee	Number of training hours	Training hours per employee	Number of training hours	Training hours per employee
Grupa LOTOS						
By gender						
Women	12,881	26.6	11,967	22.7	-7.1%	-14.66%
Men	24,663	24	27,589	24.8	+11.86%	+3.33%

Total	37,514	24.8	39,556	24.1	+5.44%	-2.82%
By job type						
Management	9,349	31.8	10,742	33.1	+14.9%	+4.09%
Other employees	28,165	23.1	28,814	21.9	+2.3%	-5.19%
Total	37,514	24.8	39,556	24.1	5.44%	-2.82%
LOTOS Group						
By gender						
Women	25,085	21.7	25,817	21	+2.9%	-3.4%
Men	79,911	20.5	88,576	21.4	+10.8%	+4.2%
Total	104,996	20.8	114,393	21.3	+8.9%	+2.4%
By job type*						
Management	22,055	22.6	24,808	23.8	+12.5%	+5.3%
Other employees	82,910	20.6	89,105	20.8	+7.5%	+1.1%
Total	104,965	21	113,913	21.4	+8.5%	+2.0%

 $^{^{\}ast}$ AB LOTOS Geonafta data is not included.

The PEES is a valuable source of information on performance against professional and development goals, competency levels and training needs across the organisation.

Indicators used to measure the effectiveness of development initiatives at Grupa LOTOS:

ightarrow average rating of key competencies: 5.1

ightarrow average rating of managerial competencies: 5.0

ightarrow average rating of functional competencies: 5.1

ightarrow performance against development goals: 93.3%

 \rightarrow performance against professional goals: 98.2%

Rating scale:

 \rightarrow 1–3: significantly fails to meet expectations

ightarrow 4: partially meets expectations

- \rightarrow 5: fully meets expectations
- ightarrow 6: exceeds expectations
- ightarrow 7: significantly exceeds expectations

The average ratings of Grupa LOTOS employees' competencies are satisfactory, ranging between 5 and 5.9, which means that expectations associated with a given competency are fully met. The high performance against development goals, of over 90%, and the types of goals set, point to diversity of development opportunities offered to employees. The development options chosen go beyond the training context, facilitating transfer of competencies to the workplace. Also, the Company's employees have strong competency sets.

404-3

In 2019, 97.8% of all eligible employees of Grupa LOTOS were covered by the Periodic Employee Evaluation System (PEES).