Greenhouse gas emissions

The key source of environmental impacts caused by our operations are gas emissions into the atmosphere. Therefore, we strive to employ the best available techniques and practices to minimise the environmental impacts of our processes involving air emissions.

103-1, 103-2, 103-3

Direct greenhouse gas emissions from the LOTOS Group's industrial units (including those not covered by the emissions trading scheme) are determined based on the methodology set out in Commission Implementing Regulation (UE) 2018/2066. The amount of fuel combusted or source stream processed is multiplied by relevant factors (net calorific value, emission factor or oxidation factor), resulting in total greenhouse gas emissions.

Indirect emissions are determined based on the amount of electricity and heat purchased outside the Group, multiplied by relevant emission factors published periodically by the National Centre for Emissions Balancing and Management (KOBiZE).

305-1, 305-5

TCFD:

Metrics and Targets Disclosure B

Direct GHG emissions at the LOTOS Group (Scope 1)

| Source of emissions | 2017 | 2018 | 2019 |
|---|-----------|-----------|-----------|
| Emissions associated with electricity generation | 64,780 | 27,738 | 78,314 |
| Emissions associated with heat generation | 1,173,839 | 1,319,241 | 1,336,365 |
| Emissions from cooling and steam generation systems | 0 | 0 | 0.0 |
| Emissions from physical and chemical processing | 585,486 | 609,878 | 613,291 |
| Hydrofluorocarbons (HFC) emissions | 0 | 0 | 0.3 |
| Emissions related to transport of materials, products and waste | 0 | 0 | 0.0 |
| Total direct greenhouse gas emissions | 1,824,105 | 1,956,857 | 2,027,970 |

TCFD:

Metrics and Targets Disclosure B

Main processes responsible for direct GHG emissions at the LOTOS Group

| Process | 2017 | 2018 | 2019 |
|---------------------------------------|-----------|-----------|-----------|
| Heat and electricity generation | 337,748 | 355,265 | 351,531 |
| Refining | 1,481,571 | 1,631,027 | 1,639,214 |
| Gas flaring at rigs | 50,540 | 45,550 | 52,098 |
| Total direct greenhouse gas emissions | 1,869,859 | 2,031,843 | 2,042,844 |

 $^{^{\}ast}$ For Grupa LOTOS, Energobaltic, LOTOS Asfalt, RCEkoenergia, LOTOS Petrobaltic.

305-2

TCFD:

Metrics and Targets Disclosure B

Indirect GHG emissions at the LOTOS Group (Scope 2)

| Source of emissions | 2017 | 2018 | 2019 |
|---|---------|---------|---------|
| Electricity purchased outside the Group [MWh] | 672,320 | 704,780 | 716,127 |
| Thermal energy purchased outside the Group [GJ] | 9,446 | 6,248 | 5,225 |
| Emissions from electricity purchased for the organisation's needs [Mg CO ₂ e] | 541,945 | 547,681 | 553,566 |
| Emissions from steam and cooling energy purchased for the organisation's needs [Mg CO ₂ e] | 1,087 | 719 | 601 |
| Total indirect greenhouse gas emissions | 543,032 | 548,401 | 554,167 |

TCFD

Metrics and Targets Disclosure B

Indirect GHG emissions at Grupa LOTOS (Scope 2)

| Source of emissions | 2017 | 2018 | 2019 |
|---|---------|---------|---------|
| Electricity purchased outside the Company [MWh] | 501,513 | 540,740 | 549,689 |
| Thermal energy purchased outside the Company [GJ] | 0 | 0 | 0 |
| Emissions from electricity purchased for the organisation's needs [Mg CO ₂ e] | 404,261 | 420,696 | 424,910 |
| Emissions from steam and cooling energy purchased for the organisation's needs [Mg CO ₂ e] | 0 | 0 | 0 |
| Total indirect greenhouse gas emissions | 404,261 | 420,696 | 424,910 |

Metrics and Targets Disclosure B

Emission intensity

| Grupa LOTOS | | 2018 | 2019 |
|--|---------------------------|-------|-------|
| Greenhouse gas emissions (Scopes 1+2) per tonne of crude oil processed | Mg CO₂e/Mg | 0.214 | 0.205 |
| Greenhouse gas emissions (Scopes 1+2) according to CWT methodology | kg CO ₂ e /CWT | 26.8 | 26.8 |