

Process safety

Security is an indisputable priority for the LOTOS Group. This applies to our employees, employees of our contractors, our customers, the environment, and the communities living close to our operation sites alike.

We follow best practices to maintain the highest level of security and integrity of technical infrastructure in all our companies.

THE MOST IMPORTANT OF THEM ARE AS FOLLOWS:

- At the LOTOS Group – zero-testing of materials and equipment, predictive and preventive maintenance, an inspection and surveillance testing programme, non-destructive testing (NDT) – testing of apparatus and pipeline wall thickness, RBI (Risk-Based Inspection) programme, regular plant overhauls, execution of annual preventive equipment inspection plans, corrosion monitoring, functional testing of security systems and process interlocks, equipment criticality management with respect to response times, as well as management of spare part stocks and scopes of preventive testing.
- Security monitoring is in place at LOTOS Asfalt, and any deviations in this area are addressed by means of corrective and preventive measures.
- LOTOS Infrastruktura is equipped with video monitoring of facilities, tank bottom leak detection, and monitoring of tank filling levels – overflow protection and containment tray monitoring.
- LOTOS Oil Sp. z o.o., on the other hand, keeps a record of measuring equipment which includes the required check, calibration or verification intervals. The plants are checked by employees on an ongoing basis. Any operational defects in production plants, such as leaks or damage to structural components of buildings, are reported and addressed on an ongoing basis. The raw materials used and the products obtained are, in most cases, classified as out-of-class in terms of flash point. As a result, the risk of ignition or explosion is low. In case of leaking tanks or plants, negative environmental impact has been minimised by placing the tanks in appropriately sized containment trays. Some of the tanks are additionally equipped with double bottoms with leak monitoring systems. The Company has in place Accident and Emergency Response Procedure OIL.47.01.00.00 to ensure efficient and effective crisis management in order to limit any impacts on human health and the environment and minimise financial losses.

Thanks to our multifaceted preventive measures, accidents at our facilities are extremely rare. We strive to identify any hazardous situations as early as possible.

In 2018, we recorded **32** process safety incidents.

- **24** of them were identified at an early stage (and classified as Tier 2), which enabled us to address them quickly and prevent them from escalating to Tier 1.
- Eight events were classified as Tier 1.