

2023 Transparency Act Report

This report has been prepared in accordance with the Norwegian Transparency Act (the “Transparency Act”) section 5 and provides information on the implementation and results of due diligence.

The Norwegian Transparency Act shall promote enterprises’ respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

ABOUT LOTOS EXPLORATION AND PRODUCTION NORGE AS

LOTOS Exploration and Production Norge AS (further: LEPN/the Company) used to be an upstream oil and gas Company until 2 May 2024, established in Norway/Stavanger in 2007. LEPN used to be a licensee on the Norwegian Continental Shelf; partner in the production of hydrocarbons from the following fields: Sleipner, Heimdal and Yme. The Company used to be also an active licensee in the Yggdrasil and Trying developments.

PGNiG Upstream Norway AS acquired all assets from LEPN on 2nd May 2023 and all assets and employees were transferred to PGNiG Upstream Norway AS. From 2 May 2024 the Company neither runs business operations nor hires employees and contractors.

As of 31 December 2023, the Company had no permanent or temporary employees.

GOVERNANCE OF HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Human rights and working conditions were imbedded in the Company’s Management System, including a Human Rights Policy, Ethical Policy and Whistleblowing Policy until 2 May 2023. Guided by these policies, processes for risk assessment and audits could be identified and mitigated the potential for adverse impacts on the human rights of people involved in the Company’s business.

If the company starts operational activity again, LEPN will work towards ensuring that its business operations do not cause or contribute to actual or potential adverse impacts on human rights and decent working conditions. Human Rights matters are going to be addressed according to PKN Orlen’s Human Rights Policy available on <https://www.orken.pl/en/sustainability/human-rights-protection-policy>

DUE DILIGENCE WITH RESPECT TO HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Until 2 May 2023 LEPN human rights were monitored in license meetings, as well as during audits, verifications, and site visits.

RISK ANALYSIS

LEPN's activity was in Norway which is considered to be a low-risk environment with regard to human rights and working conditions. There is a strong legal framework governing employment, guidelines from Norwegian Authorities, and industry specific regulations. These were complied with and were verified (f.e. through Petroleum Safety Authority and internal audits).

LEPN did not operate any assets on the Norwegian Continental Shelf, therefore the company did not procure directly from global suppliers. With regards to office activities, LEPN cooperated with reputable local vendors on a small scale until 2 May 2023.

IDENTIFICATION AND MITIGATION OF RISK

Based on LEPN's risk analysis, no impacts on fundamental human rights and decent working conditions linked to the Company's own operations were identified until 2 May 2023.

FOCUS IN 2023 AND PLANS FOR 2024

Until 2 May 2023 LEPN's efforts with respect to human rights and decent working conditions, were based on risk and focused mainly on reviewing and updating policies related to human rights management, anchoring roles, and responsibilities for human rights management, carrying out risk assessments, and participating in industry Human Rights initiatives.

The Company's activity is limited now and is focused on adjusting its activity profile. The policies will reflect that. Going forward, LEPN's intention is to monitor and update, if needed, the procedures and processes related to safeguarding human rights and decent working conditions. The Company will promote all activities related to respect for fundamental human rights and decent working conditions by close cooperation with its partners.

*The Board of Directors of LOTOS EXPLORATION AND PRODUCTION NORGE AS
Stavanger 25.05.2024*



Chairman of the Board
Piotr Adam Statkiewicz


Board Member
Marcin Jachniewicz

Board Member
Mateusz Lukasz Herstowski