

# ESG Strategy of the PLL LOT Capital Group

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## We Recognize the Growing Importance of Sustainability - a foreword from the Company's Management Board

In 2023, LOT Polish Airlines adopted two strategic-level documents that indicated the growing role of sustainability in the company's decision-making.

One of the pillars of the **2024–2028 business strategy** is social responsibility, within which we committed to strengthening efforts in environmental, social, and corporate governance areas.

**The Decarbonization Strategy**, with a timeline extending to 2030, developed in parallel with the work at the PGL Group level, includes specific goals to minimize our operational impact on the environment and climate change.

This ESG Strategy document continues, details, and expands on the commitments planned for 2025–2027. It serves as our (LOT Capital Group) declaration to conduct operations responsibly and in line with the principles of sustainability.

We plan to implement several initiatives, which will be publicly reported starting in 2026 and will help achieve the goals defined in the ESG Strategy.

The ESG Strategy of LOT Polish Airlines is based on three key pillars aligned with the UN Sustainable Development Goals and EU reporting standards. In the environmental area, we will continue actions initiated in the Decarbonization Strategy, investing in modern technologies and activities that reduce CO<sub>2</sub> emissions under the pillar '*LOT for the Environment and Climate*'. In the social aspect, we will focus on the '**Trusted Employer**' and '**Engaged Carrier**' pillars, supporting our employees and responding to the needs of passengers and local communities. In the area of corporate governance, under the '**Transparent and Responsible Organization**' pillar, we focus on implementing the highest standards of management and transparency.

In developing the ESG Strategy, we listened to key stakeholders: passengers, employees, and business partners. The areas they identified form the foundation of our actions. We are also aware of growing regulatory demands such as CSRD, CSDDD, and the EU Taxonomy and are taking action to effectively meet the resulting obligations. This is important not only for a comprehensive approach to responsible business but also for detailed and transparent sustainability reporting.

**Decarbonization Strategy**  
PLL LOT  
2024-2030



**Strategy PLL LOT**  
2024-2028



**ESG Strategy**  
PLL LOT Capital Group  
2025-2027



# Our development directions are aligned with the UN Sustainable Development Goals

- SDGs implemented by LOT through operational activities

## SUSTAINABLE DEVELOPMENT GOALS



In the ESG Strategy, we address the SDGs most relevant to our operations. Key topics were defined based on a double materiality assessment conducted in 2024 in the LOT Capital Group.

The specific goals presented later in the ESG Strategy demonstrate the realization of SDGs and address key ESRS for LOT's operations<sup>1</sup>.

ESRS E1 Climate change

ESRS S1 Own workforce

ESRS E2 Pollution

ESRS S4 Consumers and end users

ESRS E4 Biodiversity and ecosystems

ESRS G1 Business conduct

ESRS E5 Resource use and circular economy



# We built the ESG strategy on three pillars

## - the foundation of the ESG Strategy

A dynamically evolving regulatory landscape and growing stakeholder expectations may lead to market changes that affect the development and competitive position of companies. Today's market continuously raises expectations for enterprises, requiring them not only to deliver high-quality products and services but also to play an integral role in shaping sustainability practices. **Companies are no longer just market participants—they increasingly become active ESG ambassadors in building a more sustainable world.**

As the LOT Group, we are aware of our impact on the environment and society. Through our global operations, connecting people across countries and continents, we fulfill **the mission of a national carrier**. As one of the most recognizable Polish brands globally, we are aviation ambassadors for Poland in dozens of countries, supporting the Polish economy and culture.

To meet regulatory requirements, **we have prepared the ESG Strategy of the LOT Capital Group, addressing sustainability challenges and going beyond legal obligations with a set of development initiatives.**

**The ESG Strategy is closely aligned with other strategic documents in the Group.** A key part of developing ESG directions, goals, and strategic initiatives was referencing the LOT Strategy for 2024–2028 and, especially for the environmental area, the Decarbonization Strategy. The ESG Strategy outlines the goals defined in those documents and indicates which strategic documents each ESG commitment refers to.

*Pillars of the ESG Strategy of the PLL LOT Capital Group*

LOT for the Environment and Climate



Trusted Employer and Engaged Carrier



Transparent and Responsible Organization





# Each of the pillars executed based on overarching goals

## - pillars of the ESG Strategy of the PLL LOT Capital Group

As part of the overarching goals, we have defined 20 commitments, the implementation of which is ensured by completing approximately 90 strategic initiatives within a specified timeframe.

### LOT for the Environment and Climate



- i. LOT – climate aware carrier
- ii. LOT – environment aware carrier

### Trusted Employer and Engaged Carrier



- i. Trustworthy employer
- ii. Committes social partner
- iii. First-choice carrier

### Transparent and Responsible Organization



- i. Responsibility in organizationa management
- ii. Responsibility in supply chain





# LOT for the Environment and Climate

## - pillars of the ESG Strategy of the PLL LOT Capital Group



Material topic in DM



Topic in the business strategy of PLL LOT



Requirements of directives other than CSRD



Market best practices



Overarching goal: LOT – climate aware carrier

Overarching goal: LOT – environment aware carrier

Effective climate and environmental impact management



Improvement in flight operations efficiency



Expansion of circular economy practices



Increase in the use of sustainable aviation fuels (SAF)



Biodiversity protection



Optimization of electricity management





# Trusted Employer and Engaged Carrier

## - pillars of the ESG Strategy of the PLL LOT Capital Group



Material topic in DM



Topic in the business strategy of PLL LOT



Requirements of directives other than CSRD



Market best practices



Overarching goal: Trustworthy employer

Overarching goal: Committed social partner

Overarching goal: First-choice carrier

Creating an attractive and friendly work environment



Supporting social initiatives



Transparent and effective passenger communication



Supporting employee health and well-being



Improving passenger experience



Supporting skill and career development



Maintaining high safety standards



Enhancing employee engagement



Supporting equality, diversity, and inclusion within the LOT Group



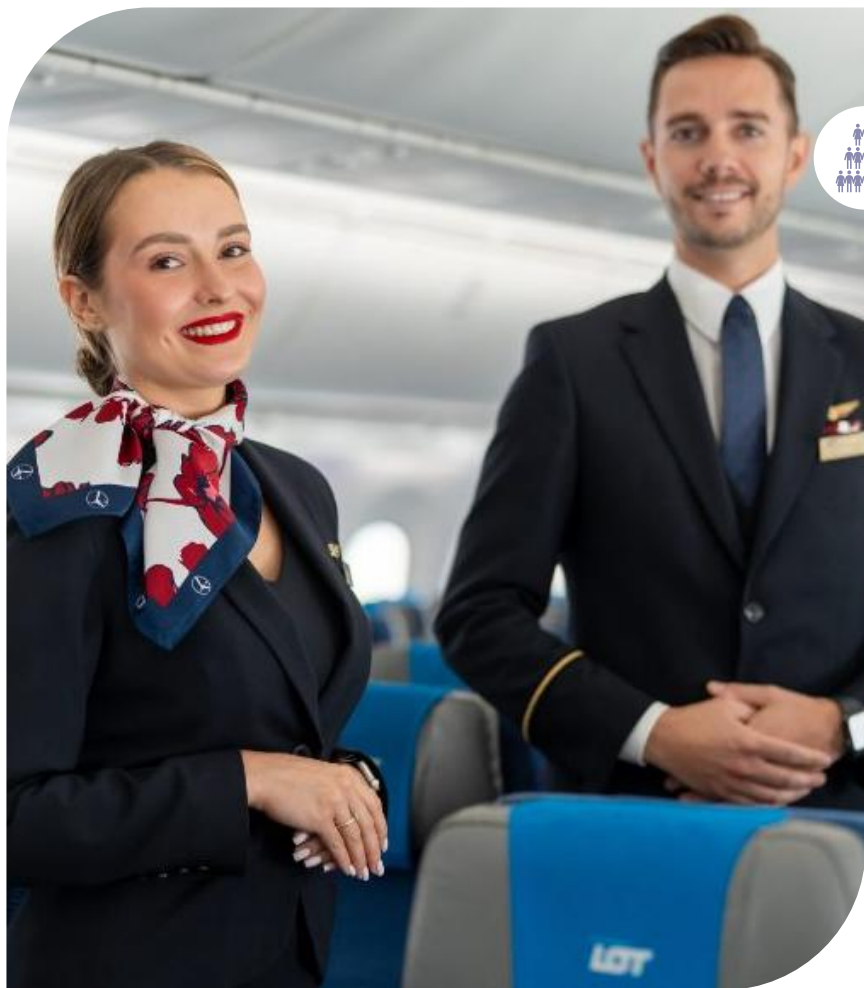
Enhancing workplace safety





# Transparent and Responsible Organization

## - pillars of the ESG Strategy of the PLL LOT Capital Group



Material topic in DM



Topic in the business strategy of PLL LOT



Requirements of directives other than CSRD



Market best practices



Overarching goal: Responsibility in organization management

Overarching goal: Responsibility in supply chain

Effective ESG area management



Responsible collaboration with suppliers and business partners



Ethical organization management



Ambassador of international sustainability initiatives







## Implementation Roadmap of the ESG Strategy – - model of implementation

### LOT for the Environment and Climate



- i. **LOT – Carrier concerned with climate**
  - Effective management of climate and environmental impact
  - Improving flight operations efficiency
  - Increasing the use of sustainable aviation fuels (SAF)
- ii. **LOT – Carrier concerned with the environment**
  - Effective management of climate and environmental impact
  - Expanding circular economy practices
  - Protecting biodiversity

### Trusted Employer and Engaged Carrier



- i. **Trusted employer**
  - Creating an attractive and friendly work environment
  - Supporting employee health and well-being
  - Supporting skills and career development
  - Enhancing employee engagement
  - Promoting equality, diversity, and inclusion within the LOT Group
  - Improving workplace safety
- ii. **Engaged social partner**
  - Supporting social initiatives
- iii. **First-choice carrier**
  - Transparent and effective communication with passengers
  - Improving passenger experience
  - Maintaining high safety standards

### Transparent and Responsible Organization



- i. **Responsibility in organizational management**
  - Effective ESG area management
  - Ethical management of the organization
  - Acting as an ambassador of international sustainability initiatives
- ii. **Responsibility in the supply chain**
  - Responsible cooperation with suppliers and business partners