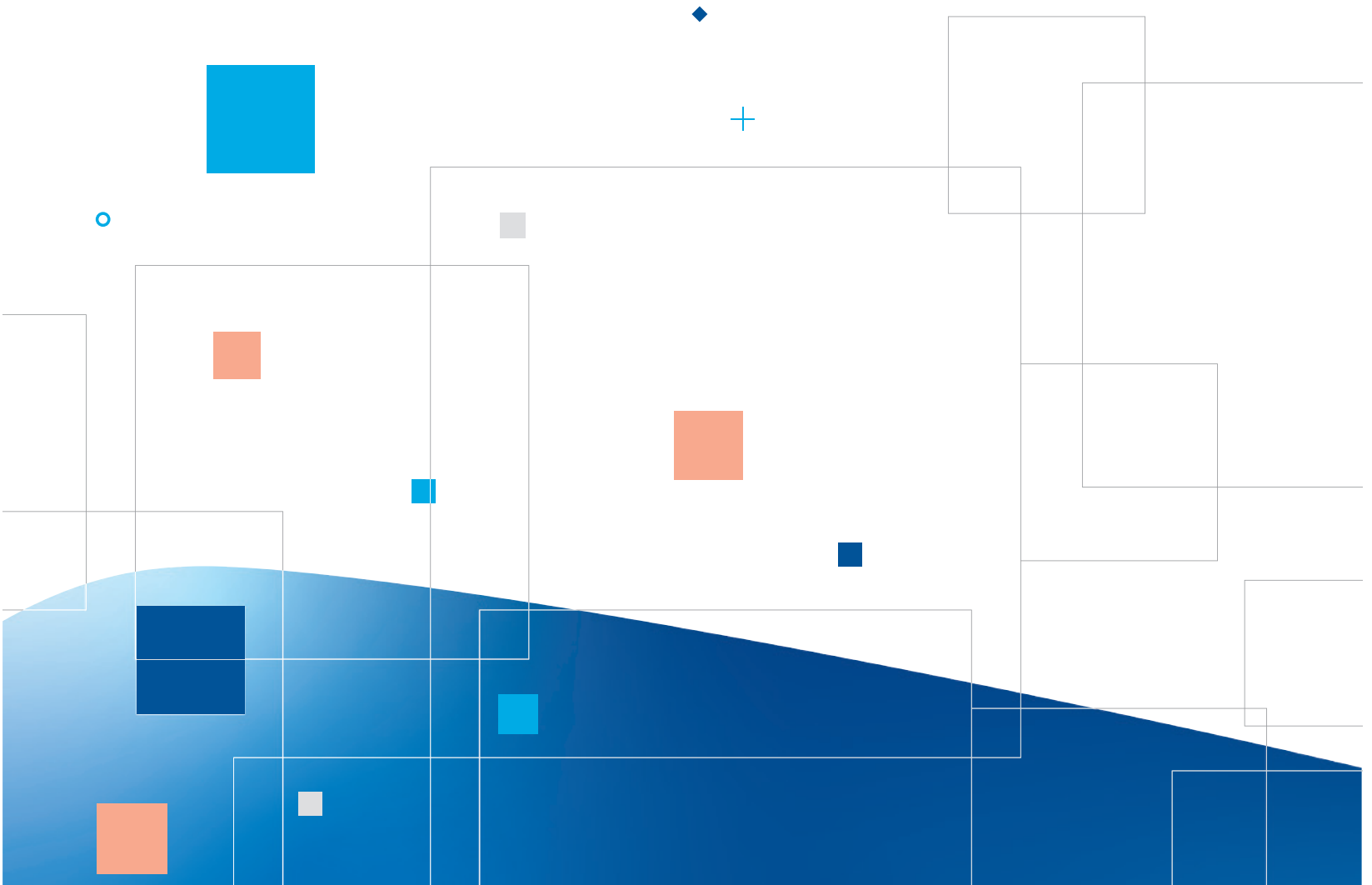


# COMPANY PROFILE

2023

**INA**



# WHO WE ARE

INA is a medium-sized European oil company with a leading role in Croatian oil business and a strong position in the region. INA Group is comprised of several companies completely or partially owned by INA.

INA is committed to doing business in accordance with sustainable development, which means that it strives towards integrating economic, environmental and social factors in its daily operations. Trying to make energy available, INA wants to be a driver of social and economic development, taking care of people and the environment while fostering responsible business operations and local partnerships.





# WHO WE ARE



**Zsuzsanna Ortutay**

President of the Management  
Board of INA

In 2023, in its 60<sup>th</sup> year of existence, INA Group had solid performance amidst steady hydrocarbon prices, showcasing resilience. Investments, supply security, and the development of all business segments with care for maintenance of financial stability were the main pillars of INA's operations in 2023.

Regardless of the market volatility and uncertainty, INA is devoted to its key strategic investments. The most significant one is certainly the modernization of the Rijeka Refinery, worth more than USD 650 million. This marks the largest single investment in INA's history and the most substantial ongoing industrial investment in Croatia. It will enhance the supply security of the Croatian market and the region with oil derivatives, which will be reflected above all in higher production of diesel fuel.

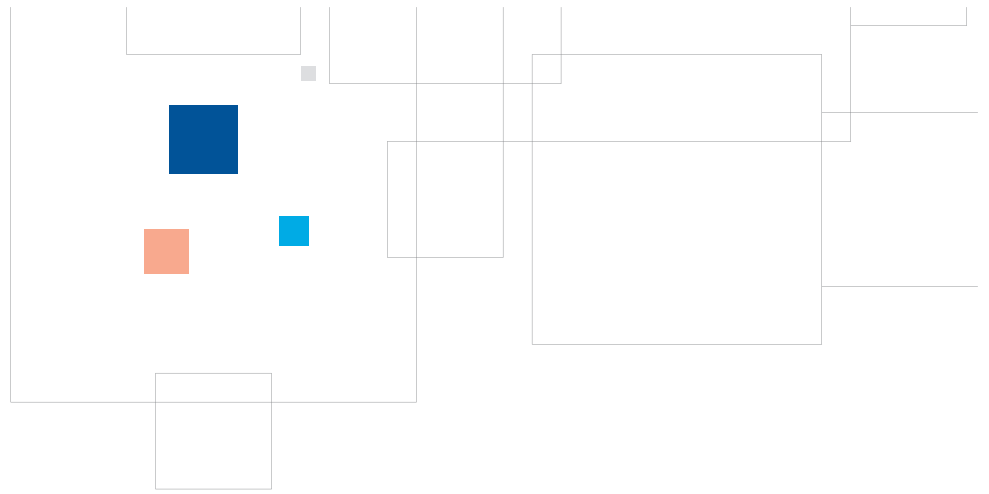
2023 also marked an important business step forward for INA on the Slovenian market. INA and MOL finalized the acquisition of the company OMV Slovenia, now together owning a network of over 130 service stations in Slovenia. Another major business move for INA in 2023 was the historic commencement of commercial electricity production from renewable sources. We inaugurated the second-largest solar power plant in Croatia at our Virje location. With our second solar power plant, one in Sisak, INA will supply about 16,000 MWh of electricity from renewable sources to the energy grid annually.

By winning the license for exploration activities in two geothermal exploration areas in Croatia, Lešćan and Međimurje 5, we have also opened the possibility of potential exploitation of geothermal energy. We also have green hydrogen and biomethane production projects in the pipeline.

In traditional business we are recording successes too. Near Grubišno Polje, we discovered a new gas field, and we were successful abroad as well. For the first time INA participated in gas production in Egypt where with our partners the gas well was put in production on the East Damanhur block in the Nile Delta.

Our investments also extend through our third core business segment, Consumer Services and Retail, which is undergoing a significant transformation and digitalization. We are continuously expanding our offer and services and introducing the Fresh Corner gastro concept to more and more locations. Our customers recognize us and choose us on their trips, and we feel this in the growth of the non-fuel margin.

In 2024, INA will maintain its crucial role as a pillar of the Croatian economy and a guarantor of supply security. Investments will continue, with a particular emphasis on smart, and sustainable ones. Looking ahead, INA is prepared to navigate global uncertainties, seizing opportunities for further enhancement and growth as well as the transformation in the energy sector.



## PEOPLE

We put people first

INA Group is a people-driven company – our colleagues are the foundation our business is built on.



## CUSTOMERS

All for the customer, and for the customers all

Customer service is not just a department - it is part of our brand DNA.



## AGILITY

We drive the change that will shape our future

We make sure we are relevant in new situations and do things better to take the lead.



## OWNERSHIP

Our company, our responsibility

We empower and inspire each other. This is what makes INA Group dynamic and forward-thinking.



At INA Group we share four main values that lead us to make the right decisions, support us in our everyday work, help us create the corporate culture we desire and enable us to transform INA Group for the better.

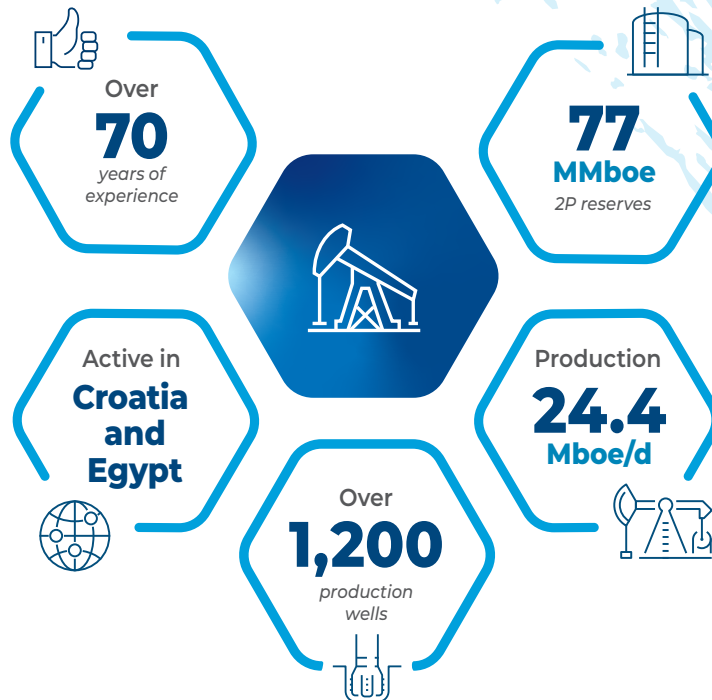
# WHO WE ARE

## INA GROUP AT A GLANCE

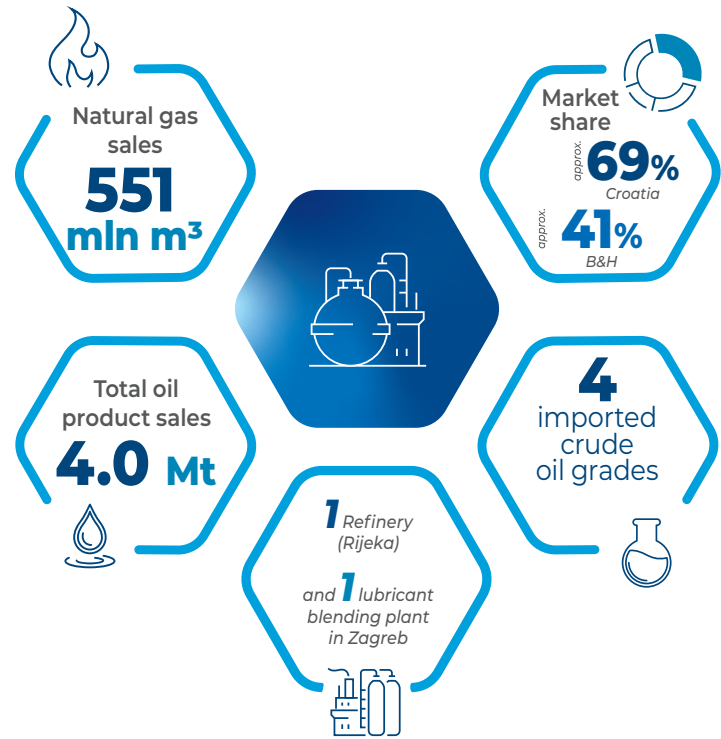


Headquarters  
**Zagreb**  
Croatia

### EXPLORATION AND PRODUCTION



## REFINING AND MARKETING



## CONSUMER SERVICES AND RETAIL



## AWARDS AND RECOGNITIONS

### **Employer Partner Certificate**

The certificate is awarded to companies with high-quality human resource management and standards that are proven to enhance business results and performance quality.

### **Above and Beyond**

Selectio, the leading Croatian group in human resource consulting, has awarded INA the Above and Beyond certificate in four categories: Impact, Inclusion, Innovation and Future. The certificate was launched with the aim of distinguishing strong human resource systems whose bold practices drive positive change in organizations.

### **Mamforce standard**

As of 2015, INA has been a holder of the MAMFORCE standard and the first company in Croatia to introduce a comprehensive wellbeing program through its beneFIT platform, offering benefits that suit their lifestyle needs to all employees. For many years, female employees at INA have enjoyed equal employment and career development opportunities, as evident from the transparent indicators on the participation of women at all management levels. INA remains dedicated to ensuring work experience quality, corporate culture development and principles of equality and inclusion.

### **European “Cycle-Friendly Employer” certificate**

With three (re)certified locations and an active cycling-friendly community, INA continues to be part of the distinguished circle of European

companies and organizations who champion the international initiative of socially responsible companies that encourage and promote sustainable mobility which contributes to the health and quality of life in the cities.

### **Employer Brand Star**

INA received its second Employer Brand Star award in 2023. Data-based algorithms were used to scan each company on the market and to find the best employer branding practices.

### **Best EB Awards Adria**

This regional award was recognition for the extensive employer branding project in the retail segment and the respective communication strategy supporting attraction, engagement and retention.

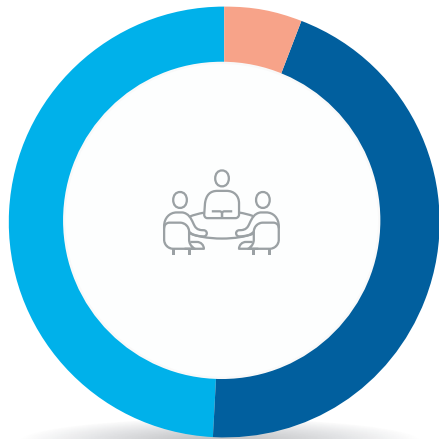
### **INC.Q Equal Pay**

The certificate confirms that the organizational system in INA transparently categorizes salaries by pay grades and positions with a clear system of annual awards in accordance with objectively agreed distributions among departments and individuals.

### **Women’s Choice Awards – category: Gas Station**

INA received an award in the Gas Station category, and the INA Loyalty program was declared the best loyalty program at gas stations. This award is given to brands that are most appreciated by women in Croatia.





## OWNERSHIP STRUCTURE

■ **44.84%** Government of the Republic of Croatia

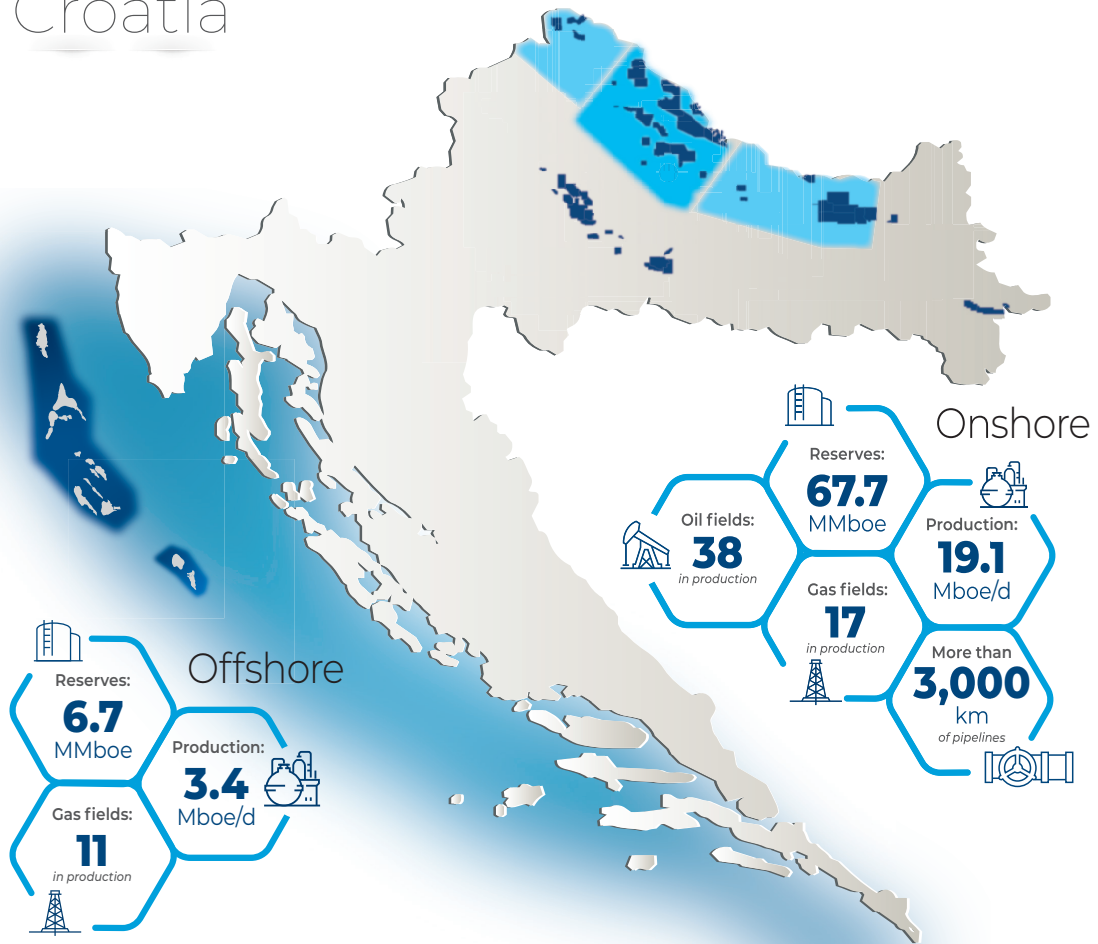
■ **49.08%** MOL Nyrt.

■ **6.08%** Institutional and private investors

INA's share capital is divided into 10,000,000 ordinary shares.

INA was officially listed on the Zagreb Stock Exchange on 30 November 2006 with the ticker symbol INA-R-A.

## Croatia



### EXPLORATION AND PRODUCTION

Engaged in exploration, development and production of oil and gas in Croatia and abroad.

- Experts in exploring complex basins
- Mature fields management
- JV experience, shallow offshore operatorship

**REVENUE: 630 mln USD**

**EBITDA: 446 mln USD**

# International



## UPSTREAM HIGHLIGHTS IN 2023

- Gas discovery Veliki Rastovac-1 in the Drava-03 exploration block in Croatia and on well ED-2X in the international block East Damanhur in Egypt
- Successful commissioning of cross-border project Somogy in September 2023
- Obtained permits for two exploration areas in the latest bid round for the exploration of geothermal waters in Croatia

STRATEGIC TRANSFORMATION TO A SUSTAINABLE INTERNATIONAL OPERATION developing a diversified portfolio as a collection of both organic and inorganic projects

## REFINING AND MARKETING

Manages the entire value chain from crude oil to customers. Responsible for trading and supply, refining of crude oil, lubricants production, investments, purchase and sale of natural gas, managing logistics infrastructure for distributing refined products, and serving wholesale customer needs while maintaining supply security on core markets at the highest level.

- ▶ Production of high quality oil products, which meet the highest European quality standards
- ▶ Market leader in core markets (Croatia and Bosnia & Herzegovina)
- ▶ Leading role among natural gas traders and suppliers in Croatia



More than  
**250**

*road tanker cars*



More than  
**500**

*rail tanker cars*



**3**

*own vessels*

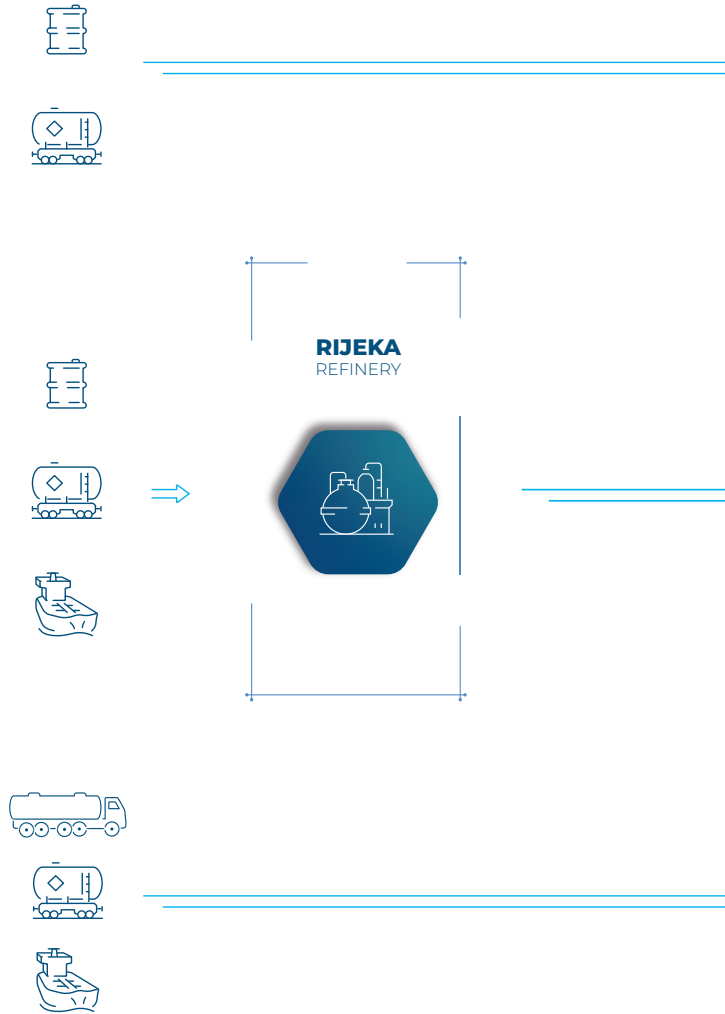
**EBITDA (Refining and Marketing incl. Consumer Services and Retail): 101 mln USD**

**TOTAL REFINING PRODUCTION: 2.3 mln tons**

**CAPEX (Refining and Marketing incl. Consumer Services and Retail): 207 mln USD**

## DOWNSTREAM HIGHLIGHTS IN 2023

- Continuation of the Rijeka Refinery Upgrade Project
- Strong market position on core markets
- In a challenging market environment, INA stood out as a reliable supplier for all products



## STRATEGIC TRANSFORMATION

The focus of INA Refining and Marketing is to further improve the competitiveness of Rijeka Refinery by maximization of high value products share through implementation of Delayed Coker Unit and improving energy efficiency, but also transformation of Sisak site into direction of sustainable energy sources.

USD 650 mln

### **RIJEKA REFINERY UPGRADE PROJECT**

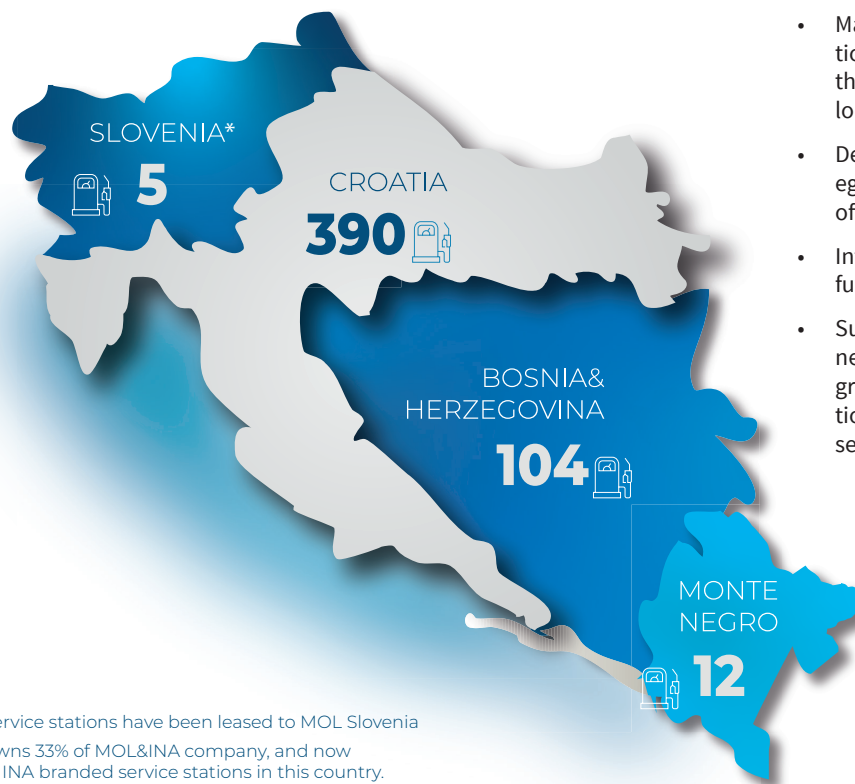
Rijeka Refinery will become a top-level European refinery.

## CONSUMER SERVICES AND RETAIL

Operates a regional retail network in Croatia and neighbouring countries, offering high quality motor fuels and a wide range of consumer goods and services.

- Expanding new initiatives to provide the best and most desirable services for people on the move
- Establishing Customer Relations Management with the focus on customer needs, data management, digitalization and card centre

### LEADING RETAILER IN CROATIA AND BIH



\*five service stations have been leased to MOL Slovenia

\*INA owns 33% of MOL&INA company, and now has 30 INA branded service stations in this country.

### HIGHLIGHTS IN 2023

- Maintaining the market leader position, expanding, and strengthening the INA retail network through new locations and gastro program
- Development of our Fresh Corner strategy through an excellent gastronomic offer for people “on the go”
- Introduction of improved Class Plus fuels with new Expert additives
- Successful continuation of attracting new members to the INA Loyalty program with further digital implementation of new innovative solutions and services at service stations



## GROWTH WITH STRONG INVESTMENT POTENTIAL

**REVENUE: 4.2 bln USD**

**CCS EBITDA: 536 mln USD**

**CAPEX: 336 mln USD**

**12 %**  
GEARING RATIO



People are our greatest assets: the professional knowledge and agility of the experts working in INA, but also the commitment of the company in a challenging situation, played a significant role in ensuring business continuity and ultimately in the results we achieved.





## OUR RESPONSE TO CLIMATE CHANGE

INA is making great efforts to upgrade the traditional value chain with various profitable renewable energy projects. We have continued to develop several projects that will contribute to the reduction of greenhouse gas emissions, the promotion of renewable energy sources, and the decarbonization of industry and transport in the Republic of Croatia.

### BIOMETHANE AND GREEN HYDROGEN PRODUCTION

In April 2024 INA has signed two contracts - one for construction of a green hydrogen plant at the Rijeka Refinery, and another one for a biomethane production facility in Sisak. The combined value of these two new strategic projects that will significantly contribute to the company's green transition efforts is EUR 98 million. Construction of both plants is expected to be completed in 2026. The first one is an installation of a 10 MW electrolyser to produce green hydrogen at the Rijeka Refinery, coupled with a solar power plant that would partially power the production unit. By producing green hydrogen, which is meant for use in transportation, INA will become the first producer of commercial green hydrogen in Croatia. The second project refers to the industrial location in Sisak where INA is planning to build a facility for production of biomethane, mostly from agricultural residues (straw, manure, slurry) and different types of biodegradable waste. The produced biomethane could be delivered to the gas system of Croatia, while the residue remaining from production could be used as an ecologically acceptable fertilizer.

### SOLAR POWER PLANTS

During 2023, our first commercial solar power plant Virje was put into operation, operating permit was obtained and in the period from commissioning to the end of 2023, it generated more than 8,200 MWh of electricity. Solar power plant at the Sisak location has also been put into test run, and the issuance of a permit for permanent operation is expected by the middle of 2024. With the commissioning of solar power plants, INA becomes a commercial producer of electricity from renewable sources and confirms its commitment towards transition to renewable energy sources. Two solar power plants will annually deliver around 16,000 MWh of renewable electricity to the power grid.

### GEOTHERMAL POTENTIAL

At the end of 2023, in a tender conducted by the Ministry of Economy and Sustainable Development, INA received permits for exploration of geothermal potential in two exploration areas - Međimurje 5 and Lešćan. Permits are obtained for an investigation period of 5 years. Preparations are now underway for various geophysical measurements and interpretations that should give a better insight into the underground. Additionally, we are also testing geothermal potential on our existing oil and gas fields.

### 8 YEARS OF EOR (ENHANCED OIL RECOVERY) PROJECT

CO<sub>2</sub> injection continued in the Ivanić and Žutica fields. In 2023, 269 kt of CO<sub>2</sub> was injected, and the total injected amount exceeded 3.1 million tons, most of which was permanently stored. The main milestone for the existing EOR program is the start of the implementation of the carbon dioxide recompression project at the Fractionation Facilities Ivanić-Grad, which is now in the startup phase. Upon the project completion, additional amounts of CO<sub>2</sub> will be provided for the EOR project and the venting of CO<sub>2</sub> into the atmosphere at the location will be eliminated. The project ensures a closed cycle of CO<sub>2</sub> management and a significant step towards carbon capture, use and storage (CCUS).



## SUSTAINABILITY AS A STRATEGIC PRINCIPLE

INA Group continuously integrates environmental, social and economic factors into day-to-day business with the aim of increasing long-term value for stakeholders and recognizes, prevents, and avoids potential negative impacts on the environment and the community in which it operates.

As changes around us have accelerated, green energy transition is also speeding up considerably, climate related targets and regulations are becoming more ambitious and the importance of ESG topics is growing for the whole society INA Group has defined Key objectives and programs of sustainable development 2021 - 2025 that will help us achieve our development goals.

As a signatory of the UN Global Compact since 2007, we are committed to promoting and supporting the 10 principles of the UNGC in the areas of human rights, labour, environment protection and anticorruption.

## PROUD OF OUR ACHIEVEMENTS



("I LIKE IT")  
average INA rating in customer  
satisfaction survey (1-5 scale)



Fresh Corner  
brand awareness



years of the  
INA Volunteers' Club



tons edible waste oil  
collected in six years



GWh of installed power of Virje  
and Sisak solar power plants



billion m<sup>3</sup> of CO<sub>2</sub> injected  
since the start of EOR project

## WORKING FOR A GREENER ENVIRONMENT



Green Belt project - INA, d.d. publishes an annual open tender for projects of civil society organizations and public educational institutions relating to the preservation of the environment with the financial support with INA's financial and the assistance of INA Volunteers' Club. **170 projects** applied in 2023 and 15 best projects were selected. Over the past eight years, more than 23,900 plants have been planted on **241,203 m<sup>2</sup>** of green fields.

## SUPPORTING AND DEVELOPING LOCAL COMMUNITIES

INA listens to and forms partnerships with our host communities, understanding their needs, priorities and ideas to contribute to their prosperity.

## INVESTING IN HUMAN CAPITAL

INA's success is based on its educated, creative and innovative personnel. The understanding that people are an inexhaustible development resource and an asset determines our business conduct.



## Klub Volontera

Through INA Volunteer's Club, our employees also strengthen their connection to society and help community development initiatives through hands-on or skill-based volunteering, or by personally contributing to individual projects.

In 2023, INA Volunteers' Club organized **25 activities** in which **249 volunteers** participated contributing **1,992 hours** of volunteer work. The Club currently has more than **1,400 members**.


## beneFIT

INA Group enables a series of benefits to its employees through the beneFIT platform, addressing all aspects of employee well-being and importance of work-life balance. Platform provides more than 180 benefits in 20 categories.

# CSR

Internal knowledge sharing is one of the most effective sustainability tools when it comes to human capital. During 2023, INA Academy proved to be one of the most popular development tools. Since its creation in 2016 until 2020, trainings held via INA Academy were classroom trainings, and since 2020 mostly are virtual trainings. In 2023, **101 trainings** were held with over **4,555** training hours.





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