

# MOL GROUP 2030+ SHAPE TOMORROW STRATEGY

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# „MOL HAS A TRANSFORMATION PLAN THAT IS AMONG THE MOST EXPLICIT RESPONSES...“ (WSJ, NOVEMBER 28, 2016)



## What's News

- **What all producers** are preparing for the prospect of a decline in demand by curbing their production, gas and alternative energy. **A1**
- **Oil and gas spending** during Thanksgiving weekend grew as the expense of more spending for a second year in a row. **B1**
- **The U.S. became** a net exporter of gas this week, a milestone of low oil demand every been in industry's past. **B1**
- **Donald Trump** might have held talks with Trump supporters in Texas plans to go to Carter and to see voters jobs in Mexico. **A1**
- **Competition to get** Trump's top support in assessing the impact of Trump's who on trade after a presidential campaign. **A1**
- **Shattered** from a battle to selling its companies in the U.S. due to security concerns over the Chinese firm's networking gear. **B4**
- **U.S. bank** would have stayed on prospects for an aid to the low-cost, which has risen leaders as estimated \$250 billion. **B1**
- **Disney's** "Mulan" took in more \$61 million in the Thanksgiving box office, the second-best opening ever for the holiday weekend. **B1**
- **AT&T** would be the first TV New streaming video service Monday, offering over \$100 in TV channels. **B1**
- **The WTO** is pushing to raise the barrier, but has been pressed to deal with a new deal of a new 77% fee. **B1**

## Trump Takes Aim at 'Millions' of Votes

As recount efforts are stepped up, president-elect responds with new claims of fraud

By Steve M. Levitt

President-elect Donald Trump on Sunday alleged that "millions of people" had voted illegally in the Nov. 8 election, as he responded to requests of state and county officials to review the election results.

Mr. Trump said he would not accept a recount for a re-elected popular vote that the Electoral College is due to cast only one week in December. He said he would have won, even if he had to accept a recount.

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## Flags Unfurled in Miami as an Era Ends in Cuba



## Castro's Death Dials Up Pressure On Trump to Rethink Cuba Thaw

By Peter A. Binkovitz and Clark Kilian

WASHINGTON — The death of Fidel Castro is raising renewed pressure on President-elect Donald Trump to follow through on earlier promises to reverse the more than 50-year-old U.S. embargo on Cuba.

Mr. Trump's top advisers on Sunday said he would not accept a recount for a re-elected popular vote that the Electoral College is due to cast only one week in December. He said he would have won, even if he had to accept a recount.

## Oil Firms Anticipate Day of Reckoning

This month, European oil company MOL Group delivered a stark message to investors: Demand for fuel in its key markets is bound to fall.

By Sarah Kent in London and Brian Spegele in Beijing

Peak oil demand—when global consumption crests and begins a permanent decline—is a mind-bending scenario that global producers such as Royal Dutch Shell PLC and state-owned Saudi Aramco are beginning to quietly anticipate. But MOL has a transformation plan that is among the most explicit responses to the trend, indicating how the landscape may change for big energy providers over the next decade.

The Hungarian company is rethinking its traditional focus on fuel supply and shifting investment to petrochemicals, the key ingredient of everyday plastic products and a sector where MOL believes growth will continue even when its fuel business falters.

## FINANCIAL TIMES



### Climate change

#### EU carbon price soars to record highs

Gains accelerate after rally since November as EU pushes ahead with plans to tackle high emissions



### Oil & Gas industry

#### Big Oil hit by record losses from pandemic and clean fuel

Exxon racks up first annual loss of \$20bn while BP loses \$5.7bn as energy demand plunged last year



### Lex Exxon Mobil Corp

#### Exxon/climate change: feeling the heat

Premium

To be an oil company, it must continue spending money to drill for the stuff



# CHANGES OF THE EXTERNAL ENVIRONMENT

DIRECTIONS REMAIN THE SAME, BUT THE STORY IS ACCELERATING

## CLIMATE CHALLENGE

CLIMATE CHANGE IS A WIDELY ACCEPTED CHALLENGE, AND IT REQUIRES IMMEDIATE MITIGATION

## ESG REVOLUTION

INVESTORS INCREASINGLY INTEGRATE NON-FINANCIAL RISK IN DECISIONS

CLIMATE/CO2 IS A NUMBER ONE CONCERN

THE CONCEPT OF „STAKEHOLDER CAPITALISM“ IS ALSO GAINING TRACTION

OIL&GAS IS A NET LOSER OF ESG-DRIVEN CAPITAL FLOWS

## EU GREEN DEAL

NET ZERO AMBITIONS REQUIRE DRAMATIC POLICY CHANGE AND AN AGGRESSIVE TRANSITION TRAJECTORY

## COVID-19

UNPRECEDENTED CHALLENGES CAUSED BY WORLD-WIDE PANDEMIC

## MACRO CRISIS

OIL & GAS WAS AMONGST THE STRONGEST HIT SECTORS

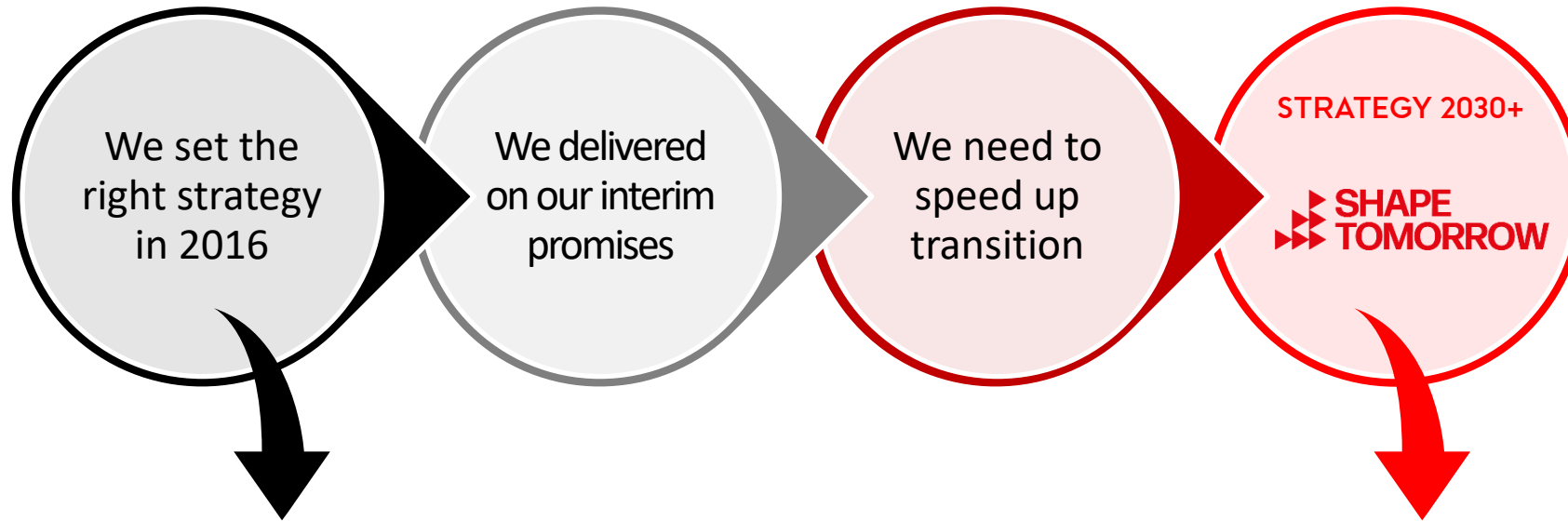
THE EU IS TO SUPPORT THE RECOVERY VIA GREEN INVESTMENTS

## TECHNOLOGY

NO BREAKTHROUGH IN EV PENETRATION YET...  
...BUT RENEWABLE ENERGY HAS BECOME A REAL HOT SPOT...

...AND NEW TECH IS NOW FIRMLY ON THE AGENDA (H2, CCUS)

# MOL 2030+: UNCHANGED DIRECTION, ACCELERATED TRANSITION



## KEY DIRECTIONS UNCHANGED...

- ▶ Downstream transformation: Fuel-to-chemicals conversion to reduce motor fuel yields and output
- ▶ Consumer focus: to become a consumer goods retailer and mobility services provider

## ...WITH ADDITIONAL FOCUS ON

- ▶ Accelerating the transformation of the traditional oil & gas businesses
- ▶ New sustainability/CO2 reduction targets
- ▶ Investing in low-carbon, circular economy to become a key player in CEE



# MOL GROUP VISION 2050

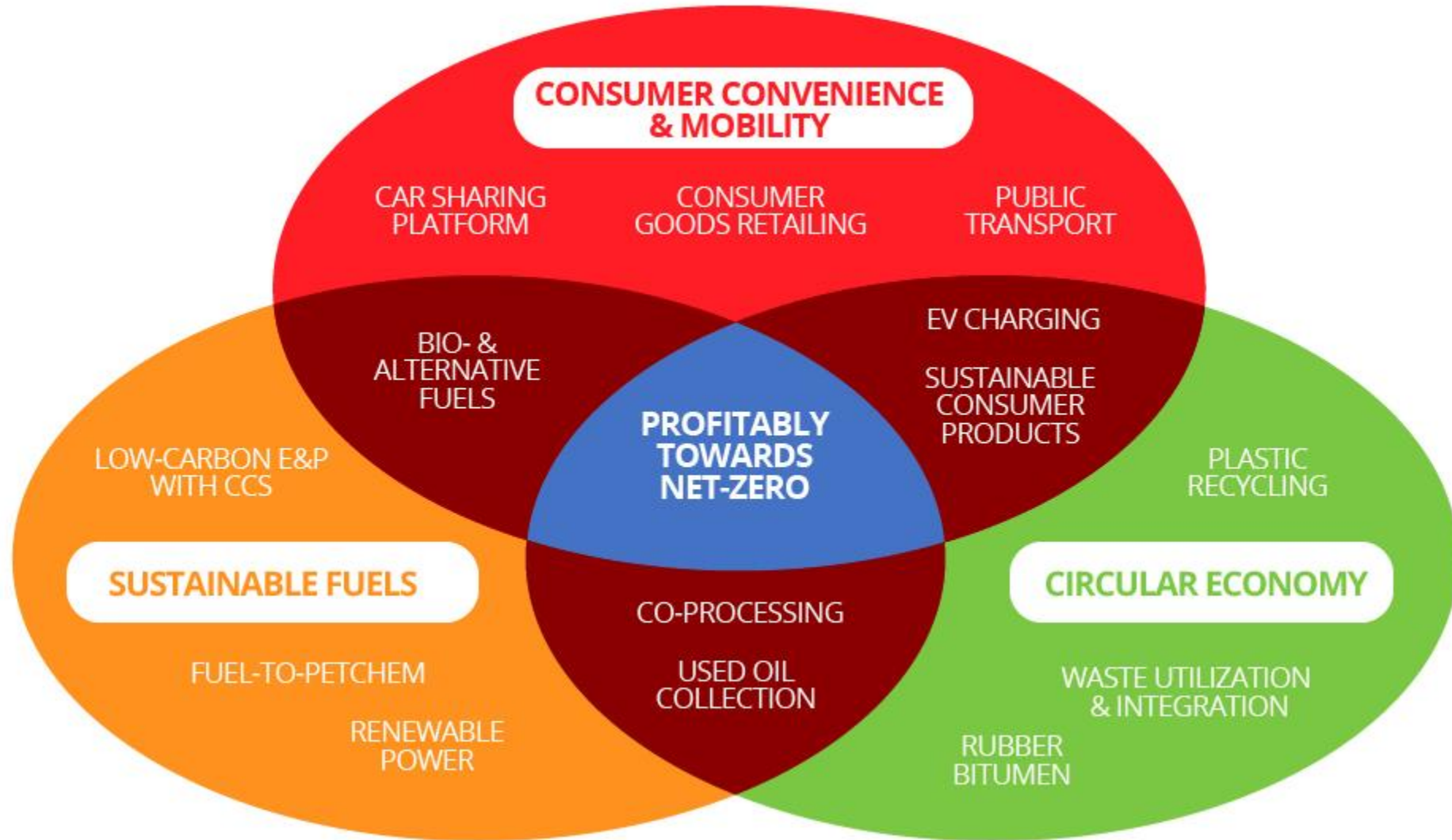


WE WILL BE **A KEY PLAYER OF THE LOW CARBON CIRCULAR ECONOMY** IN CENTRAL AND EASTERN EUROPE. A HIGHLY EFFICIENT COMPANY, PROVIDING SUSTAINABLE MATERIALS FOR THE ECONOMY, LOW CARBON FUELS FOR MOBILITY AND CONVENIENT PRODUCTS AND SERVICES FOR THE PEOPLE ON THE MOVE.

By following this vision, **we start shaping tomorrow.**

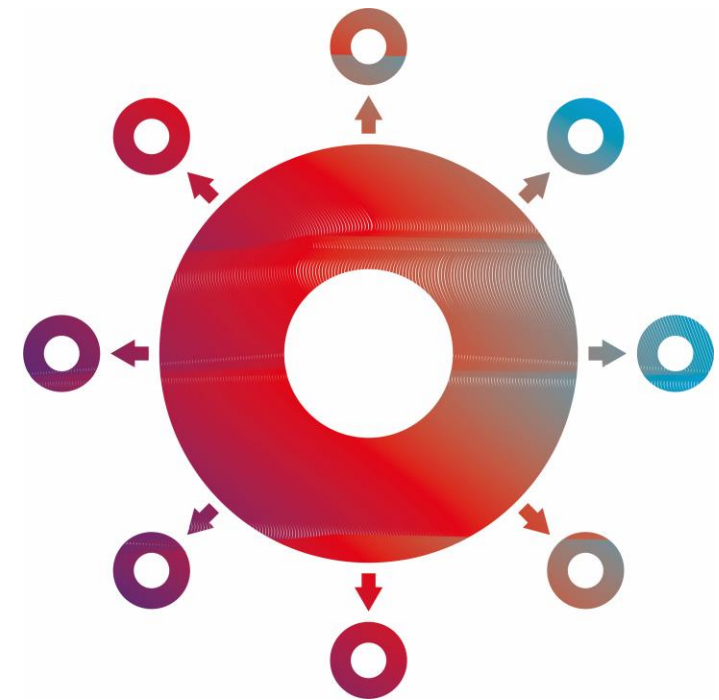
# MOL 2030+: ACCELERATED LOW-CARBON TRANSITION

Profitably towards net-zero



# LONG-TERM BUSINESS STRATEGY IS FULLY INTEGRATED WITH SUSTAINABILITY

- ▶ Key directions of MOL 2030 strategy are reiterated; business transformation to further accelerate
- ▶ Reducing CO2 emissions by 30% by 2030 with net zero ambition on all scopes by 2050
- ▶ At least 50% of CAPEX will be EU taxonomy aligned by 2030, increasing to 100% by 2050 or earlier
- ▶ MOL will invest significantly in new, low carbon and sustainable businesses to become a key player in CEE in circular economy
  - Waste integration and utilisation
  - Carbon capture, utilisation and storage
  - Low carbon energy for own consumption
  - Advanced biofuel production
  - Hydrogen-related opportunities
- ▶ Diversity and Inclusion remains a core strategy enabler, while additional focus will be on employee and community engagement, employee wellbeing and health and safety







## SUSTAINABILITY GOALS



Carbon neutrality by 2030: renewable energy to cover the consumption of the service station network, including the EV chargers



Carbon offsetting initiatives



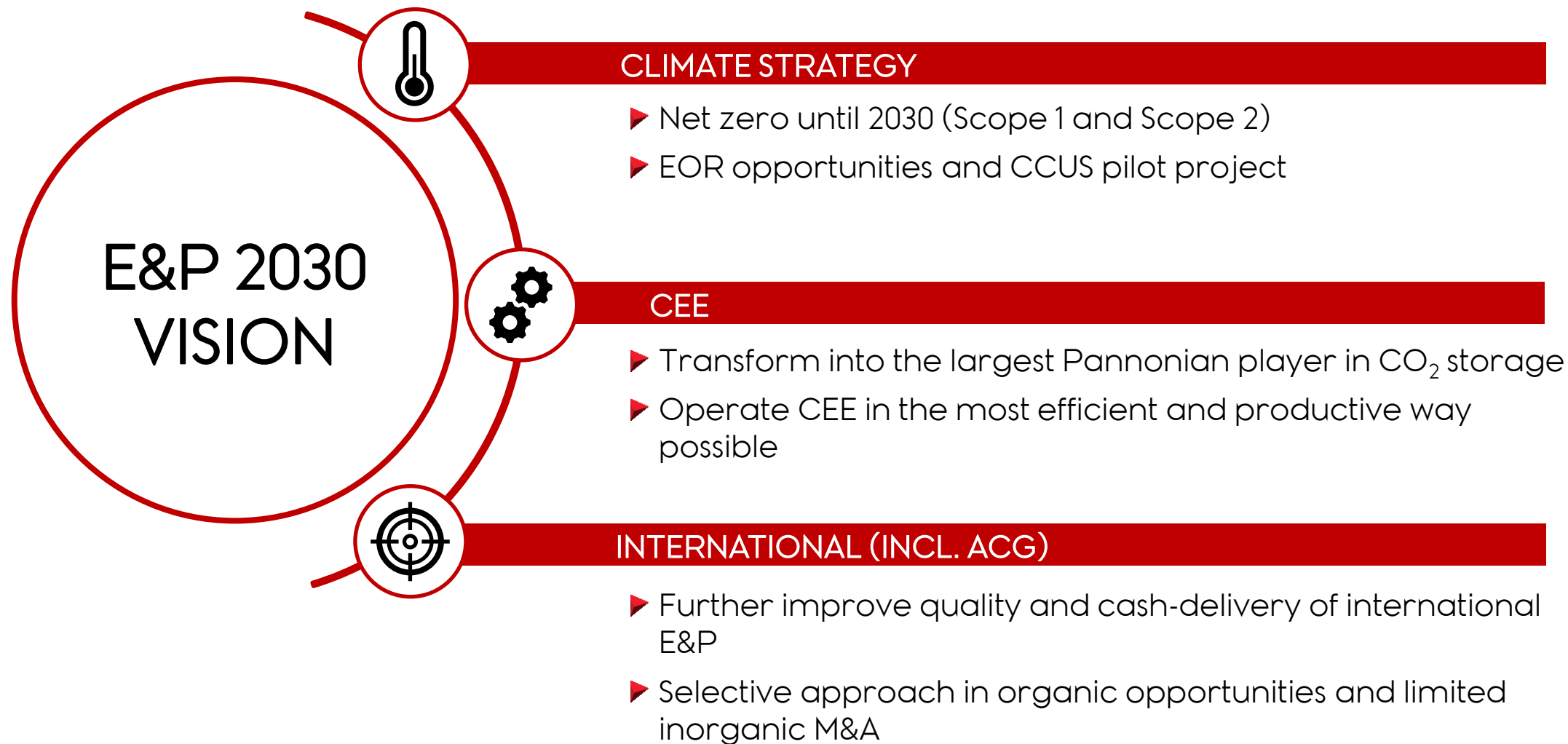
Conscious waste management



Extensive use of recyclable materials (e.g. coffee cups) at Service Stations



# E&P 2030 VISION: STRONG INTERNATIONAL CASH GENERATION AND MANAGED DECLINE IN CEE



# INTEGRATING CIRCULAR ECONOMY INTO OUR CORE BUSINESS

DS TO EVOLVE TILL 2050, INTEGRATING BIO & WASTE-BASED STREAMS IN PRODUCTION AND SCALING UP RECYCLING

In our feedstock...

...in our operations...

...in our product portfolio

