



SLOVNAFT



Slovnaft



A BRIEF OVERVIEW OF THE SLOVNAFT COMPANY

A B R I E F

A BRIEF OVERVIEW OF THE SLOVNAFT COMPANY

The Slovnaft Company, located in Bratislava, is a member of MOL Group – a leading international integrated oil and gas company from Central & Eastern Europe. For years, Slovnaft has numbered among the five most significant Slovakian export companies. Indeed, it is one of the largest tax payers and employers in the country.

A predecessor of the Slovnaft Company, the Apollo Refinery, with a headquarter in Budapest, was established in 1895, a period when Slovakia was part of the Austro-Hungarian Empire. The Apollo Refinery was in full operation towards the end of World War II, when it was destroyed by Allied bombing. Its successor, the Slovnaft refinery, started to be built in the early 1950s.

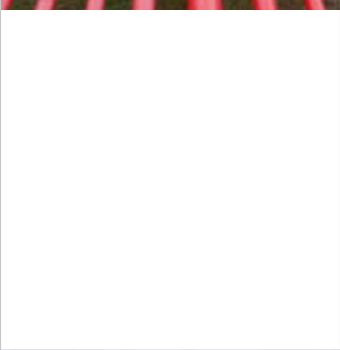
● **5.5 to 6 MILLION** TONNES OF CRUDE OIL PROCESSED PER YEAR

● **209 SLOVNAFT** FILLING STATIONS

● **ONE OF THE MOST** MODERN AND “COMPLEX” REFINERIES IN EUROPE

● **SINCE 2004,** A PART OF THE MOST IMPORTANT CENTRAL EUROPEAN INTEGRATED OIL & GAS CORPORATION – MOL GROUP

● **3,700** EMPLOYEES



AN OUTLINE OF SLOVNAFT PRINCIPAL ACTIVITIES

Refining & Marketing

Slovnaft refines 5.5 to 6 million tonnes of crude oil per annum and produces a broad range of motor fuels, fuel oils and petrochemical products. After intensive modernisation, the refinery is noted today for its high rate of conversion and flexibility and nowadays it is one of three most modern and “complex” refineries in Europe. Slovnaft is domestic market leader in motor fuels and supplies its customers with high quality products which meet even the most stringent European standards. The company has an important position in the markets of neighbouring countries, too.

Petrochemicals

Slovnaft Petrochemicals, s.r.o., represents the Petrochemicals Division of Slovnaft Group. It produces polymers of high quality which are base materials with a broad range of uses. The geographical position of company gives it an important advantage when penetrating the quickly growing polymer markets of Central Europe.

Retail operations

Slovnaft operates 209 filling stations across the whole of the Slovak Republic and offers customers motor fuels of high quality and a broad range of other goods as well as additional useful services through this retail network.

Power

CM European Power Slovakia, s.r.o., a Slovnaft Subsidiary, produces electric heat and power.



Refining & Marketing



Petrochemicals



Retail operations



Power



REFINING & MARKETING

REFINING & MARKETING

Slovnaft Refinery, with an annual crude oil processing output of 5.5 to 6 million tonnes, is situated in Bratislava. The company has a more than 110-year history of crude oil refining. Slovnaft processes REBCO crude oil (Russian Export Blend of Crude Oils) transited through the Družba oil pipeline.

The refinery is ranked among the most technologically advanced and complex in Europe according to the structure and level of production units and the scale of products produced, according to the NELSON Complexity Index and the Wood Mackenzie Study.

REFINING

TIMELY AND SOPHISTICATED INVESTMENTS

EFFICIENCY IMPROVEMENTS IN ALL AREAS OF REFINERY & MARKETING OPERATIONS

REINFORCEMENT OF OUR APPROACH TO SUSTAINABLE DEVELOPMENT AS AN INTEGRAL PART OF OUR BUSINESS POLICY



Today, the company meets very demanding ecological criteria, as defined by the highly competitive EU marketplace, through its ability to produce significant volumes of motor fuels with ultra low sulphur content and by blending motor fuels with bio-components. This capability makes a remarkable contribution to the reduction of negative emissions into the environment. Slovnaft has been supplying bio-gasoline and bio-diesel to domestic and foreign markets since 2006, ensuring Slovakia pole position in the V4 region (the Czech Republic, Hungary, Poland and Slovakia).

Storage capacity, automated motor fuel blending, filling stations, rail tanker deliveries, the pipeline to the Danube port, the Czech

Republic and Central Slovakia, as well as a network of inland trade terminals together enable flexible logistics and the proactive marketing of motor fuels, not only in Slovakia, but in surrounding countries and other EU states.

Slovnaft is a key player in the Slovakian marketplace, supplying more than 60% of all refinery products. High Slovnaft competitiveness is also supported by the fact that nearly 80% of its sales are generated from exports, making the company one of the three biggest Slovak exporters over many years. Refinery products are primarily exported to highly competitive EU markets such as the Czech Republic, Germany, Austria, Poland and Italy.



PETROCHEMICALS

PETROCHEMICALS

Slovnaft Petrochemicals operations are represented by Slovnaft Petrochemicals, s.r.o., a company established as an independent legal entity in July, 2006, after separation from SLOVNAFT, a.s. petrochemical activities. In MOL Group, the Slovnaft Petrochemicals Company (SPC) is integrated with TVK Tiszaújváros Petrochemicals Combine for all trade and marketing activities.

Key SPC products are monomers – ethylene, polypropylene and polyolefins – polypropylene and polyethylene. MOL Group has a polypropylene product portfolio (brand name Bralen) and a polyethylene LDPE product portfolio (brand name Tatren),

PRESENCE IN 40 MARKETS

MOL GROUP IS ONE OF THE BIGGEST PRODUCERS OF PLASTICS IN CENTRAL EUROPE

IN 2005, SLOVNAFT COMPLETED A NEW UNIT WITH A CAPACITY OF 255,000 TONNES OF POLYPROPYLENE PER ANNUM

IN 2010, THE ECO VISION PROJECT WAS FINISHED BY WHICH THE HIGHEST POSSIBLE LEVEL OF ENVIRONMENTAL AND TECHNICAL ETHYLENE UNIT INDICATORS WERE ACHIEVED



produced by SPC together with a polyethylene HDPE and LLDPE product portfolio (brand name Tipplen) produced by TVK, Tiszaújváros. Polymers are basic materials with a wide range of uses from the production of plastic foils for technical and packing applications through various plastic products for everyday consumption to highly-specialised parts for the automobile industry.

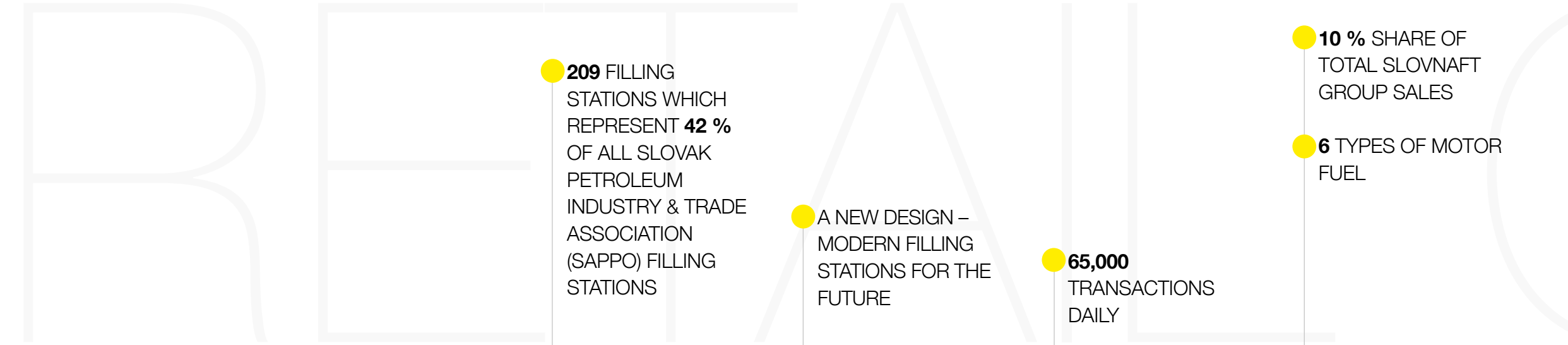
New Slovnaft PP 3 and TVK Tiszaújváros HDPE production units, with a combined annual capacity of 1.2 million tonnes, place MOL Group among the biggest producers of plastics in Central Europe. Slovnaft has decided to modernize the polyethylene production too. In the upcoming years the company is investing more than 300 million euros into a brand new PE unit.



RETAIL OPERATIONS

RETAIL OPERATIONS

Slovnaft operates 209 filling stations across whole of the Slovak Republic offering customers high quality fuels such as TEMPO PLUS and EVO, engine oils such as MOL Dynamic for all types of motorcar and lorry as well as other selected MOL Brand products, a wide assortment of non-fuel goods as well as additional services. Customers running on LPG can buy branded ECO+ Autogas at 101 filling stations. Filling stations nowadays meet the criteria for environmental protection which will only be mandatory from 2015 onwards.



● **209 FILLING STATIONS WHICH REPRESENT 42 % OF ALL SLOVAK PETROLEUM INDUSTRY & TRADE ASSOCIATION (SAPPO) FILLING STATIONS**

● **A NEW DESIGN – MODERN FILLING STATIONS FOR THE FUTURE**

● **65,000 TRANSACTIONS DAILY**

● **10 % SHARE OF TOTAL SLOVNAFT GROUP SALES**

● **6 TYPES OF MOTOR FUEL**



Slovnaft also offers a filling station loyalty programme, “BONUS CLUB”, one of the most sophisticated customer programmes of its type in the Slovak Republic, with more than 360 000 members. “We reward your tempo” – a slogan exactly expressing the BONUS CLUB concept. When you visit Slovnaft filling stations you not only collect bonus points when filling up with branded motor fuel of high quality and enjoying shopping in pleasant filling station environments with broad assortments of goods and services, but you can select prizes for bonus points in the form of goods or services of your own choice.

Towards the end of 2010, Slovnaft started redesigning the exteriors and interiors of its filling stations using MOL Group visual elements with the brand names “NEO” and “Slovnaft” to suit local market conditions.

Using cashless MOL Group fuel cards, Slovnaft customers may now also buy fuels in nine Central European countries at more than 1,600 filling stations.



POWER

POWER

In April 2009, Slovnaft hived off Heating Plant activities to the independent subsidiary company CM European Power Slovakia, s.r.o. (CMEPS). CMEPS operates a heating plant at the Slovnaft Bratislava refinery site which supplies heat and electric power that accounts for all the refinery's heating needs and approximately 60% of its electricity consumption. Hiving off the heating plant was part of a project aimed at increasing refinery power efficiency and self-sufficiency and continues the strategic MOL Group and ČEZ, a.s. partnership in which Slovnaft plays an important role. Apart from important technological modernisation, a significant reduction in impact on the environment and an increase in existing refinery power

● HIVING OFF THE HEATING PLANT IS PART OF A PROJECT AIMED AT INCREASING COMPANY POWER EFFICIENCY AND SELF-SUFFICIENCY

● CONSTRUCTION OF A NEW DESULPHURISING UNIT FOR COMBUSTION PRODUCTS, WITH A PLANNED LAUNCH **IN 2012**, WILL SIGNIFICANTLY REDUCE THE VOLUME OF SULPHUR OXIDE EMISSIONS

● START OF A HEATING PLANT CONSTRUCTION PROJECT WORTH EUR **150 MILLION** AS PART OF PLANT MODERNISATION AND RECONSTRUCTION

● **10 % SHARE OF TOTAL SLOVNAFT GROUP SALES**



plant capacity to 169 MW of electric power, the project also includes the construction of a new modern steam-gas cycle with an installed performance of 860 MW. The project, worth more than EUR 600 million, will significantly contribute to increasing the security of power supply. + [cakam 1 vetu](#)



SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT

Sustainable Development has become a global issue and one of the most important challenges in the 21st century. The concept goes well beyond ethic philosophy or marketing strategy. Its core is a balanced and synchronised orchestration of the three pillars of Sustainable Development – the environment, the economy and society in general – with the objective of ensuring that future generations too will enjoy the same opportunities and possibilities that we do today.

Sustainable Development means Slovnaft Group has an obligation to integrate economic, environmental and social



aspects into its everyday business operations in a balanced way with the objective of engendering similar values among its stakeholders and thus permitting its business activities to proceed on a long-term basis.

MOL Group, of which Slovnaft is an important part, has created its own system of Sustainable Development management. The overall objective is to develop Group activities based on Toxics Use Reduction (TUR) principles, as well as to implement and make use of best international practice. This framework provides an efficient system of planning and support for decision-making as well

as monitoring progress achieved. This system is applicable to the whole of Slovnaft group.

Due to excellent performance in the area of Sustainable Development, MOL Group entered the SAM (Sustainable Asset Management) Gold Class category in 2010, the only Central & East European company to do so.

SUSTAINABLE

● AN INTEGRAL PART OF MOL GROUP STRATEGY

● A HIGH LEVEL OF TRANSPARENCY – INFORMATION ON SUSTAINABILITY PUBLISHED IN ACCORDANCE WITH THE HIGHEST INTERNATIONAL STANDARDS



SOCIAL RESPONSIBILITY

SOCIAL RESPONSIBILITY

Slovnaft focuses systematically on supporting of children and young people, their education and health, as well as supporting of science, the arts, sports and environmental protection. The company has developed its own sponsorship and grants strategy based on international best practice. The foundation of the sponsorship decision-making process is compatibility with the interests of society in general, the fostering of relationships with stakeholders involved, the company's approach to business, environmental concerns and other related principles...

Slovnaft is the most reliable and important partner of Slovak ice hockey on a long-term basis. In addition to supporting the senior

A LARGE COMPANY MEANS HIGHER RESPONSIBILITY

WE SUPPORT THE DEVELOPMENT OF CULTURE ON A LONG-TERM BASIS



league competition since 2011, the largest ice hockey arena in Bratislava is named "The Slovnaft Arena". In addition to ice hockey, in 2011, Slovnaft entered the field of football, too. It is the main partner of the Slovak Cup, now named The Slovnaft Cup.

In addition to culture and sports partnerships, Slovnaft focuses on long-term projects and grant programmes to support children, young people, their education and environmental protection.

In the "Talented Youth of New Europe" grants programme, talented children, pupils and students have been able to obtain

SLOVNAFT IS THE ONLY COMPANY SIMULTANEOUSLY INVOLVED IN TWO MAJOR SPORTS IN SLOVAKIA, NAMELY ICE HOCKEY AND FOOTBALL



financial aid to develop their talents in the categories of sport, the arts and science since 2007, on an annual basis. The objective of the programme is to help young, extraordinarily talented artists, scientists and sportspeople from the ages of 8 to 20 to further develop their talents.

The company augments prevention of negative impacts caused by its operations by engendering new values – "leaving green traces". Slovnaft, together with partner foundation Ekopolis, focuses on reinforcing people's awareness of the importance of environmental protection by citizen involvement in the Green-belt grants programme.

WE ENHANCE SLOVAKIA THROUGH CREATING GREEN OASES

THE "NEW EUROPE PROGRAMME" HELPS THE BEST YOUNG PEOPLE



SLOVNAFT SUBSIDIARIES

Slovnaft Subsidiaries deliver research and development, exports to key markets and other important services to the Company

SLOVNAFT SHAREHOLDER STRUCTURE

MOL NYRT.	98.4 %
OTHER SHAREHOLDERS	1.6 %

Business Name	Country	Scope of Activities
Refinery & Marketing		
SLOVNAFT Polska SA	Poland	Wholesale and retail business
SLOVNAFT TRANS a.s.	Slovakia	Transportation
VÚRUP, a.s.	Slovakia	Research & development
SWS spol. s r.o.	Slovakia	Transportation support services
Petrochemicals		
Slovnaft Petrochemicals, s.r.o.	Slovakia	Petrochemicals production and trading
Other		
SLOVNAFT MONTÁŽE A OPRAVY a.s.	Slovakia	Repairs and maintenance
CM European Power Slovakia, s.r.o.	Slovakia	Electric power and heating

SLOVNAFT SUBSIDIARIES

MOL GROUP IN EUROPEAN COUNTRIES





Slovnaft

Contacts

SLOVNAFT, a.s.

Vlčie hrdlo 1

824 12 Bratislava

Slovenská republika

Tel.: +421 2 4055 1111, +421 2 5859 1111

Fax: +421 2 4524 3750

www.slovnaft.sk

