



PETROL

Energy for life

Petrol Group Sustainability Report 2022





Video presentation of the Sustainability Report



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Petrol Group Sustainability Report / 2022



The story of its green transition – with high targets, numerous challenges, and unknowns, but at the same time, with great commitment, is being written by the Petrol Group in the context of a great global story. Our words are backed up by financial, social, and environmental figures disclosed herein.

Petrol together with its employees also writes small human stories. These are small but persuasive steps taken by **Petrol's sustainability ambassadors**, whose daily conduct in various areas contributes to a better today and a greener tomorrow. This serves as proof that we believe in our values and translate them into practice. **Every day and everywhere.**

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On sustainability reporting

The Petrol Group manages sustainable development in a strategic manner under the responsibility of its senior management. Sustainability reporting also forms part of our strategic approach to sustainability. Abbreviated sustainability-related disclosures are published in the annual reports of the Petrol Group, and, since 2012, the Group has also been bi-annually publishing stand-alone sustainability reports, in which our sustainable strategic approaches, achievements, challenges, targets, actions and various programs and projects are presented in depth. This Sustainability Report is the sixth in a row. The reporting has been produced by complying with GRI standards. For the first time, we have tracked areas that include environmental, social, and governance (ESG) aspects, as defined in the draft European sustainability reporting standards (ESRS), which are at the stage of adoption. Reporting elements subject to TCFD have also been included - for each sub-area pertaining to environmental, social and governance (ESG) aspects, key policies of the Petrol Group, targets, metrics and actions aimed at achieving our targets, as well as control and management of the individual sub-area, have been specified. In doing so, we are gradually preparing for reporting in compliance with the Corporate Sustainability Reporting Directive or the CSRD introducing uniform ESRS reporting standards.

The first part of the Sustainability Report discloses the business conduct segment, including, inter alia, our approach to the sustainable and climate management of the parent company Petrol, d.d., Ljubljana, as well as key risks and opportunities, where our approach to placing environmental/climate risks in a comprehensive risk management of the Petrol Group is specified.

The company area is divided into four substantive sections: its own employees, value chain, customers and final customers, and local communities.

Our environmental impact is expressed in two aspects - our own activity and our offer for the market. In the introductory part of the environmental area, our strategic commitments to the natural environment are disclosed, followed by content subject to the areas defined in the ESRS: climate change, pollution, water and marine resources, biodiversity, and use of resources.

All essential departments of the areas included in the Sustainability Report were involved in drawing up the definition of reporting areas and content. Reporting is carried out under the guidance of transparency, clarity, and data reliability. Currently managed data and the key organisational and other changes in the last two years, i.e. since the previous sustainability reporting, are presented.

The senior management supervises the management of sustainable development in the Petrol Group, at the executive level the sustainable development methodology is managed by the organisational unit Sustainable Development, Quality, and Safety (TRKV). Ms. Marta Svoljšak Jerman, PhD, Director of the TRKV, is the administrator of the sustainable development methodology and sustainable development reporting, the manager of the sustainability report drawing-up project, is Ms. Alenka Ott Šaponia, Msc, Head of Sustainable Development.



Governance footprint

2022: **73.5** 2021: **72.5**

Average rating of suppliers

Petrol Group's policies and practices follow ten principles

**of the United Nations
Global Compact**

EUR 698 million is the total estimated amount of investments of the Petrol Group in the 2021-2025 strategic period,

out of which **35%** in energy transition.

More than 4,000 suppliers have been asked to carry out a self-assessment Sustainable development

Evaluation of **468** key suppliers in 2021 and 2022

Petrol Group brands:

38 international brands

11 EU brands

around 100 Slovenian brands
some national brands in Croatia, Serbia, Bosnia and Herzegovina, Montenegro, and North Macedonia

Protection of whistleblowers or

0 reprisals

business compliance

fulfilment of contractual obligations, including timely payment



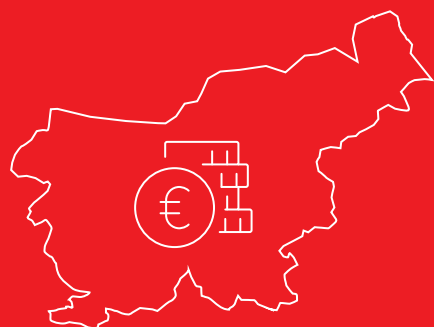


The financial footprint of the Petrol Group in Slovenia

2,059,939,178 EUR

all duties in 2021 and 2022 amount to in total:

2021 EUR 987,691,337
2022 EUR 1,072,247,841



Excise duties

2021 EUR 549,396,833
2022 EUR 573,050,927

CO₂ tax

2021 EUR 71,389,663
2022 EUR 50,241,503

VAT, customs, import duties

2021 EUR 284,318,681
2022 EUR 388,594,850

EE, CHP and RES contributions

2021 EUR 25,750,956
2022 EUR 21,566,509

Membership fees

2021 EUR 21,688,156
2022 EUR 16,094,403

Duties on benefits to natural persons

2021 EUR 10,068,324
2022 EUR 10,992,710

Corporate income tax

2021 EUR 19,353,638
2022 EUR 4,556,211

NUSZ - ground exploitation fee, water contributions

2021 EUR 2,482,622
2022 EUR 2,526,694

Financial Services Tax

2021 EUR 276,681
2022 EUR 1,085,978

Environmental taxes

2021 EUR 342,657
2022 EUR 340,288

Transshipment fees

2021 EUR 1,013,996
2022 EUR 1,403,602

Donations and sponsorships of the Petrol Group

2021 EUR 1,581,268
2022 EUR 1,788,066

Other

2021 EUR 27,862
2022 EUR 66,100

Total

2021 EUR 987,691,337
2022 EUR 1,072,247,841
Total: EUR 2,059,939,178

Data on levied taxes and duties for companies in the Petrol Group established in Slovenia are included: Petrol d.d., Petrol GEO, Petrol Skladiščenje, IGES, mBills, Ekoen, Ekoen GG, Ekoen S.



The social footprint of the Petrol Group in Slovenia



9%

better consumer experience of Petrol customers in 2022 compared to 2021

2022: **6,224** 2021: **6,237**

Number of employees (including employees at managed service stations) in the Petrol Group as at the last day of the year

2022: **121,876** 2021: **87,900**

Total number of hours of education and training of Petrol Group employees

> 2/3

e-invoices for designated purchases

2022: **190** 2021: **15**

Number of managers participating in competence development programs in the Petrol Group

Number of sustainability ambassadors among Petrol Group employees:

40 ambassadors in Slovenia

5 ambassadors in Croatia

2 ambassadors in Bosnia and Herzegovina

1 ambassador in Serbia

1 ambassador in Montenegro

10%

The value of the contract must be allocated by sponsored sports parties to ESG projects

2022 and 2021: **35**

Number of internal certified coaches in Petrol d.d., Ljubljana

Environmental footprint of the Petrol Group in Slovenia

Carbon footprint of Petrol d.d., Ljubljana (excl. EiOR)

2022: 18,775.733 t of CO₂ eq
2021: 21,697.056 t of CO₂ eq

Taxonomy-aligned investments

More than 54% of gross capital expenditure
More than EUR 30 million

Number of service stations as at the last day of the year

2022: 594
2021: 593

Reduction of CO₂ emissions due to the use of biofuels, LPG, and electricity in transport

2022: 112,465 t of CO₂ eq
2021: 182,135 t of CO₂ eq

Q Max fuels

2022: EQTM (European Quality Trade-mark) certificate awarded by the European Organisation for Quality (EOQ)

E-mobility

2022: 417 e-charging stations
2021: 296 e-charging stations

Managed vehicle fleets

Number of e-vehicles for own use and for the market
2022: 106
2021: 93

Environmental savings:

2022: 45 t of CO₂
2021: 45 t of CO₂

Total installed capacity of RES power plants

2022 and 2021: 69 MW

Energy produced from RES

Small-scale photovoltaic power plants

2022: 2,837 MWh
2021: 2,907 MWh

Environmental savings:

2022: 1,314 t of CO₂
2021: 1,346 t of CO₂

Small-scale hydro

2022: 21,419 MWh
2021: 28,351 MWh

Environmental savings:

2022: 10,067 t of CO₂
2021: 13,325 t of CO₂





Wind farms

2022: 121,602 MWh
2021: 80,098 MWh

Environmental savings:

2022: 57,153 t of CO₂
2021: 37,646 t of CO₂

Petrol Green

2022: All necessary permits for the installation of solar power plants on the roofs of service stations at the first 87 locations have been obtained.

Energy renovation of facilities

2022: 19 renovated facilities
2021: 14 renovated facilities

Thermal energy savings:

2022: 3,948 MWh
2021: 3,039 MWh

Electricity savings:

2022: 1,692 MWh
2021: 1,013 MWh

Environmental savings:

2022: 2,116 t of CO₂
2021: 1,932 t of CO₂

Energy savings for final customers

Energy savings
2022: 38,951 MWh
2021: 34,007 MWh

Environmental savings

2022: 11,144 t of CO₂
2021: 9,445 t of CO₂

Optimisation of district heating systems

Energy savings

2022: 13,859 MWh
2021: 18,596 MWh

Environmental savings

2022: 43,933 t of CO₂
2021: 61,283 t of CO₂

Energy renovation of public lighting

Number of projects:

2022: 2 projects
2021: 6 projects

Energy savings

2022: 3,814 MWh
2021: 7,606 MWh

Environmental savings

2022: 2,669 t of CO₂
2021: 4,873 t of CO₂

Water re-use/recycling in car washes of Petrol d.d., Ljubljana

2022: 71,720 m³
2021: 81,629 m³

Treated waste water in Petrol d.d., Ljubljana

Urban water

2022: 3,223,523 m³
2021: 3,644,275 m³

Industrial water

2022: 1,516,257 m³
2021: 1,607,396 m³

“Na poti” own brand water in 100% rPET packaging





Economic footprint of the Petrol Group

The 2021 and 2022 business environment was anything but peaceful for the Petrol Group. 2021 began with the continuation of the covid-19 epidemic and actions to mitigate its effects. In addition to the continuation of the epidemic, the Group also experienced high increased in prices of energy products, especially electricity and natural gas. The reasons for a high growth in energy product prices include an increased energy product demand due to economic growth, high carbon dioxide allowance prices in the European Union (closure of thermal power plants), a limited supply of natural gas from Russia, lower generation of electricity from renewable sources due to weather conditions and a long and cold winter. As early as 2021, price shocks already required state intervention, such as a temporary price limit for heating oil in Slovenia and fuels in Croatia and even led to the exit of some providers from the market. 2022 was also marked by extraordinary developments in the geopolitical and business environment and left a strong mark on the economy, mainly as a result of the war in Ukraine, which further accelerated the growth of energy prices and, as a result, high inflation, which in Slovenia in 2022 amounted to as much as 8.8 percent and in Croatia as much as 10.6 percent. The regulation of energy prices, used by the

governments of the countries in which we operate, to mitigate the consequences of the energy crisis, had a negative impact on the business performance of the Petrol Group, which deviated from the ambitious business plan in 2022. Irrespective of all developments, energy transition and finding a way to transition to a low-carbon society remained high on the list of priorities of the Petrol Group.

In January 2021, the Petrol Group completed the acquisition of E 3, d.o.o., which, as one of the largest sellers of electricity in Slovenia, significantly contributes to strengthening the sale of electricity of the Petrol Group. Including E 3, d.o.o., the Petrol Group constitutes the second largest provider of electricity to final customers in Slovenia, with a total market share of 22.6 percent and a total of more than 210,000 customers.

In the spring of 2021, a new generation of Q Max fuels was launched. These fuels provide for a lower consumption, greater energy efficiency and lower emissions, and constitute another step towards low-carbon mobility.

At the end of July 2021, the Ljubač wind farm providing green electricity for more

than 30 thousand households and already the second wind farm of the Petrol Group was started in Croatia. In October, the acquisition of Crodux Derivati Dva d.o.o. was successfully completed. This is the largest acquisition of the company Petrol d.d., Ljubljana, in the last ten years, which significantly contributes to the expansion of the Petrol Group beyond the borders of Slovenia. This allowed us to consolidate our position as the second largest supplier of petroleum-derived products in Croatia and increase our market share in Croatia to 23 percent. By combining two strong brands, the Petrol Group increased its team to more than 6,000 employees. Through a strong sales network on the Croatian market, we will also expand our energy product and transition service customer portfolio.

In 2021, the Petrol Group generated EUR 5.0 billion in sales revenue, which is 13 percent more than in the pre-pandemic year 2019 and 61 percent more than in 2020. Adjusted gross profit amounted to EUR 543.4 million, which is 15 percent more than in 2019 and 27 percent more than in 2020. The generated EBITDA amounting to EUR 238.1 million is 43 percent higher than in 2020, and the net profit of EUR 124.5 million exceeded the same indicator from the previous year by 72 percent. In 2021,

EUR 5 billion
in sales
revenue in
2021

EUR 124.5 million
in net profit in
2021



the Petrol Group allocated a net amount of EUR 233.2 million for investments in tangible fixed assets and intangible assets as well as long-term financial investments.

In 2022, the regulation of energy product prices did not allow us to achieve the set targets despite record sales. Revenue from sales reached a record 9.5 billion EUR which is even 91 percent more than in 2021, with a 25 percent higher volume sales of fuels and derivatives thereof than in 2021 and in spite of high prices of energy products. Due to the high purchase prices of all energy products and the impact of the regulation of motor fuels and other energy products, the aforementioned increase in revenue from sales is not reflected in the adjusted gross profit or loss. This amounted to EUR 393.4 million or 28 percent less than in 2021. The Petrol Group's EBITDA reached EUR 96.3 million in 2022, which is 60 percent less than in 2021. In 2022, the Petrol Group generated a net loss of EUR -2.7 million. The Petrol Group also had to adapt its investment funds to the changed circumstances. In 2022, it earmarked EUR 59.8 million for investments, out of which 48 percent were allocated to energy transition projects.

Key operating highlights of the Petrol Group in 2021 and 2022

Petrol Group	EM	R 2022	R 2021	2022/2021 index
Revenue from sales	in million EUR	9,456.7	4,960.1	191
Adjusted gross profit or loss	in million EUR	393.4	543.4	72
Operating profit	in million EUR	-7.9	151.1	-
Net profit or loss	in million EUR	-2.7	124.5	-
Equity	in million EUR	860.2	908.7	95
Balance sheet total	in million EUR	2,740.6	2,403.8	114
EBITDA	in million EUR	96.3	238.1	40
EBITDA/adjusted gross profit or loss	in %	24.5	43.8	56
Operating expenses/adjusted gross profit or loss	in %	118.9	79.7	149
Net debt/equity		0.6	0.6	108
Net debt/EBITDA		5.4	2.1	252
ROE	in %	-0.3	14.3	-
ROCE	in %	-0.5	10.8	-
Added value per employee	in thousand EUR	41.3	70.3	59
Net earnings per share	in EUR	0.1	2.9	-
Share price on the last trading day of the year	in EUR	20.0	25.4	79
Quantitative sales of fuels and derivatives thereof	in million t	4.1	3.3	125
Quantitative sales of natural gas	in TWh	18.9	35.4	54
Sales of electricity	in TWh	12.0	13.8	87
Revenue from the sales of merchandise and services	in million EUR	520.1	469.5	111

EUR 9.5 billion
in sales revenue
in 2022

48% of all funds were allocated in 2022
by the Petrol Group for investments in
energy transition projects.



Direct economic value generated and distributed of the Petrol Group and Petrol d. d., Ljubljana, in 2022 (in EUR)

	2022 Petrol Group	Petrol d. d. 2022
A Revenue		
from sales	9,456,733,497	7,325,325,520
Financing	112,577,811	104,971,701
Other revenue	625,515,881	531,508,028
Total	10,194,827,189	7,961,805,249
B Operating costs		
Cost of goods sold	9,063,284,948	6,986,267,630
Costs (excluding labour costs)*	332,337,398	219,261,529
Total	9,395,622,346	7,205,529,159
C Labour costs	135,562,309	82,129,297
D Payments to equity holders and other suppliers of financial assets		
Dividends**	61,667,343	61,667,343
Interest	14,427,380	11,331,719
TOTAL	76,094,723	72,999,062
E Taxes	-7,127,546	-1,559,812
F Investments in the social environment		
Sponsorships and donations***	2,404,579	1,788,066
Climate-related and non-operational levies***	7,891,323	3,567,023
Total	10,295,902	5,355,089

* Costs in 2022 include net adjustments to the value of operating receivables, which were included in other financial revenue and expenses in 2020.

** Payment in 2022 for 2021.

*** Already covered in the cost item (excluding labour costs).

Sales by geographical area for the Petrol Group in 2021 and 2022 (in EUR)

Petrol Group	2022	2021
Slovenia	4,017,985,870	2,318,794,060
Croatia	1,622,605,372	892,630,457
Austria	468,110,434	189,705,906
Bosnia and Herzegovina	355,988,228	157,179,446
Romania	4,279,766	26,828,155
Serbia	233,284,499	126,953,533
Montenegro	83,258,002	42,138,531
North Macedonia	6,457,655	7,185,333
Other countries	2,664,763,671	1,198,710,544
Revenue from sales	9,456,733,497	4,960,125,965

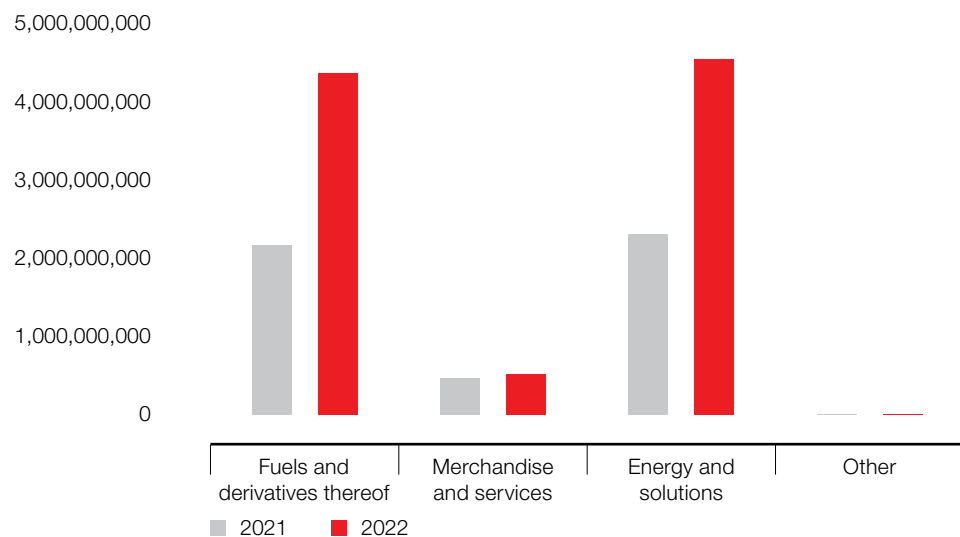


Revenue from sales of the Petrol Group by operating activity in 2021 and 2022 (in EUR)

Operating activity	2022	2021
Fuels and derivatives thereof	4,375,208,430	2,169,532,860
Merchandise and services	520,108,993	469,513,797
Energy and solutions	4,554,235,718	2,314,815,620
Other	7,180,357	6,263,688
Total	9,456,733,497	4,960,125,965

From 2022 onwards, reporting has been carried out subject to a new product hierarchy. Retrospective data have not been adjusted to the new reporting method.

Revenue from sales of the Petrol Group by operating activity in 2021 and 2022 (in EUR)



Shareholder remuneration

Financial year	Gross dividend per share
2018	EUR 18.00
2019	EUR 22.00
2020	EUR 22.00
2021	EUR 30.00
2022	EUR 1.50*

* In November 2022, the split of PETG shares was carried out using the 1: 20 ratio. Comparable to the number of shares before the split, the gross dividend per share would amount to EUR 30.00.

25 percent higher quantitative sales of fuels and derivatives thereof and **91 percent higher** revenue from sales in 2022 than in 2021.



Environmentally sustainable economic activities and sustainable investments

In compliance with the Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088), which entered into force on 12 July 2020 and establishes a classification system for environmentally sustainable economic activities, Taxonomy-eligible or -aligned economic activities are hereby reported for the 2022 financial year. Reporting for the 2022 financial year covers the currently defined environmental targets - climate change mitigation and climate change adaptation - for the Petrol Group in Slovenia and Croatia. Below is a brief summary of Taxonomy-aligned activities defined in more detail in the 2022 Annual report of the Petrol Group and Petrol d.d., Ljubljana (pp. 55–64).

In 2022, activities aligned with the taxonomy contributed 0.90 percent of revenue from the sales of products or services or revenue from sales of the Petrol Group in Slovenia and Croatia (EUR 83,355,863 out of a total of EUR 9,211,089,226 in revenue from sales). The largest share is accounted for by the installation, maintenance and repair of energy efficiency equipment (0.28%), followed by transmission and distribution networks for renewable and low-carbon gases (0.14%) and distribution of district heating/cooling (0.11%) and generation of electricity from wind power (0.10%).

In 2022, capital expenditure of the Petrol Group in Slovenia and Croatia amounted to EUR 55,809,556, out of which 54.17 percent (EUR 30,232,090) accounted for capital expenditure in Taxonomy-aligned activities. Out of which, the majority of capital expenditure is related to generating energy using photovoltaic energy (21.11%) and installation, maintenance and repair of energy-efficiency equipment (18.51%).

More than **54%** or more than **EUR 30 million** in capital expenditure is Taxonomy-aligned.

Environmentally sustainable economic activities and sustainable Taxonomy-aligned investments of the Petrol Group (Slovenia and Croatia) in 2022

Environmentally sustainable activities and Taxonomy-aligned investments

	Share	Value
Revenue from sales in the consolidated revenue from sales in companies included in the analysis*	0.90%	EUR 83,355,863
Gross capital expenditure in all gross capital expenditure in the companies included in the analysis*	54.17%	EUR 30,232,090

* Companies included in the analysis: Petrol d.d., Ljubljana, Petrol Skladiščenje d.o.o., Petrol GEO d.o.o., Ekoen d.o.o., Ekoen S d.o.o., Mbills d.o.o., Geoplin d.o.o. Ljubljana, Atet d.o.o., E 3, d.o.o., Petrol d.o.o., Vjetrolektrane Glunča d.o.o., Vjetrolektrana Ljubač d.o.o. in Zagorski metalac d.o.o.

/ Governance aspect



Keynote address of the President of the Board

Dear business partners, shareholders, colleagues and other stakeholders,

each of us is responsible for our life and actions, with which we contribute to the common house of coexistence of society, nature and our planet as a whole. Adults are expected to assume special responsibility not only for the success of their own lives, but also for the common good. Not only having in mind our generation, but also future ones. The Petrol Group belongs to those economic operators whose energy activity and size in the region brings about higher expectations. We ourselves understand and actively assume responsibility for all aspects of our sustainable development, which is why, in addition to the annual report, which also includes the disclosure of our sustainable practices, a separate sustainability report is also drawn up on a bi-annual basis. The sustainability report presents a more detailed disclosure of our sustainable development-related strategic approaches, governance methods, risks and opportunities, targets, indicators and actions.

Irrespective of the challenging conditions in which we have been operating for the past few years, the Petrol Group is committed to sustainable development and a responsible energy transition. In 2022, mainly due to the regulation of the prices of fuels and energy products, used by the governments of the countries we operate in to mitigate the consequences of the energy crisis, a net negative profit of EUR 2.7 million was generated, despite EUR 9.5 billion or 91 percent more revenue from sales than in 2021.





The outlook for 2023 is better, although the situation remains challenging.

Faced with numerous challenges, we have been upgrading our methods of identifying our significant ESG impacts, as well as managing the risks and opportunities of climate change and other sustainability impacts of the external environment on our organisation.

Our Board stands by our sustainability commitment, which, in accordance with our governance hierarchy, is assumed and implemented by the managers of various areas and, consequently, by all employees. Our orientation towards mitigating and adapting to climate change was written down in the Climate Policy adopted in 2023. The Petrol Group supports the Paris Agreement and the EU's 2050 Net Zero commitments, meaning that it is actively committed to climate change mitigation and adaptation, while at the same time continuing to strive to reliably supply the energy necessary for a social well-being at an affordable price. We strive to reduce greenhouse gas emissions as economically and environmentally as efficiently as possible, with the lowest costs for the economy and the population and beneficial effects on people's health and safety.

We are in the middle of an organizational transformation, which will serve to even more clearly specify the competences and responsibilities of all segments for the management and control of sustainability topics and risks in both Petrol d.d., Ljubljana, and in the Petrol Group. We are aware that the effectiveness in achieving our sustainability targets can only be assessed if a management and control system has been defined and if clear targets are set not only for financial, but also for non-financial indicators. Therefore, the calculation of our ESG score has been commissioned from a reputable international agency, which showed our comparability with the best in the segments of environment, society, and governance (ESG).

The calculation of the organisational carbon footprint of Petrol d.d., Ljubljana, excluding the energy solutions

segment, also constitutes an integral part of our system management and was carried out for the first time in 2021. This indicator is used to annually measure the effectiveness of our decarbonisation, as we are committed to reducing our carbon footprint by 40 percent by 2025 compared to 2021. We plan to carry out internal carbon pricing by no later than 2025, preparing us for uncertain external carbon pricing when it occurs and providing investors with a clearer picture of how we are moving towards a low-carbon society. At the same time, this will constitute an additional internal incentive for more ambitious emission reductions.

The efficient use of energy and the generation of energy from RES constitute important pillars of our decarbonisation process. In 2022, 150 GWh of electricity from RES (wind, hydro, solar, biogas) was generated, which is a sufficient quantity for almost 30,000 users, or about half of Petrol's electricity customers. By 2025, we want to increase the generation of electricity from RES to 500 GWh per year, and thereby meet the needs of more than 100,000 final customers, as well as provide it industry, transport and heat supply needs. Standing out among concrete projects is the successful completion of the Ljubač Wind Farm project in 2021 comprising nine wind turbines with a total capacity of 32.4 MW. Together with Cinkarna Celje, we started the largest solar power plant in Slovenia in 2022. The estimated annual generation of electricity is 1,160 MWh, which is sufficient for about 330 average households.

As part of the Petrol Green project, we started installing solar power plants at our own facilities, namely on the roofs of service stations in Slovenia, Croatia and Serbia. 46 solar power plants are expected to be installed during the first phase by October 2023. Our goal is to gradually equip the entire network of Petrol facilities in Slovenia with solar power plants.

Energy transition is, of course, centred around energy products for transport, where, for a long time, special emphasis has been placed on reducing all types of emissions, as fuel additives and adding biofuels can

generate significant environmental effects. By using the unique new "Dual Action Technology" additive technology, gasoline and diesel fuel users in all markets where we are present with Q Max brand fuels were provided with additional savings in 2021 due to a lower consumption.

As far as e-mobility is concerned, green transition opportunities are recognised and, together with our partners, projects aimed at facing climate challenges are implemented hand in hand with our partners. In 2022, 417 e-charging stations were operated by the Petrol Group. This year, the number of users of e-chargers increased by four times compared to the previous year.

For many years, the Petrol Group has also been actively providing energy and environmental savings for the market, namely according to the energy performance contracting (EPC) model. As an illustration, allow me to tell you that, in 2022, ECP services for 365 facilities of a total surface area of more than 1.1 million m² were provided, which is comparable to the surface area of approximately 95 Petrol office buildings in Ljubljana.

Responsible environmental management in the Petrol Group naturally covers all environmental aspects, including the water cycle. Prudent water management is also extended to car washes, where the consumption of recycled and re-used water is being systematically increased. In manually-operated car washes, the anti-freeze systems have been upgraded and a shift has been made to a water recirculation system, allowing us to make additional potable water savings during periods of low temperatures. Water cycle management services for the market are also provided. In 2021 and 2022, our DISNet-WS services were present in three countries of the region - Slovenia, Croatia and Montenegro, where we cooperate with ten major potable water supply systems.

Many, so far minor, projects have been increasing the circularity of our resources and the Group has been participating in conserving biodiversity. Inter alia, an



agreement committing us to providing on long-term support for the Green Heart of the Karst project, within the framework of which forest restoration will be carried out in the burnt Gorizia and partly in the Komen Karst, has been signed.

The fact that as many as 48 percent of all investment funds in 2022 were spent on energy transition projects speaks about the seriousness of our commitment. More than 54 percent, or more than EUR 30 million, of capital expenditure of the Petrol Group (Slovenia, Croatia) were Taxonomy-aligned, namely with the climate change mitigation and adaptation targets.

All these minor and major shifts have been carried out by the agile employees of the Petrol Group, at the end of 2022 there were 6,224 of us, in close cooperation with our partners - suppliers, customers and other stakeholders. As the sustainable management of the entire value chain in the Petrol Group is coming to the fore, we have been increasingly boldly inviting suppliers and customers, as well as other stakeholders, to sustainable changes and cooperation. In the future, this will be an ever-greater priority.

The organisational climate in the Group remains stable, and a comparison with other Slovenian companies shows that our satisfaction levels are higher than those in other Slovenian companies on average.

It gives us great pleasure that, despite the challenging and unpredictable economic situation, Petrol d.d., Ljubljana, has been able to provide employees with a stable and safe working environment and 31 per cent higher earnings compared to the average gross salary in Slovenia, and a suitable dividend for shareholders.

Respect for human rights constitutes the fundamental basis of our operations, which is reflected in all relationships. Our well-functioning mechanisms are used to vigilantly monitor any possible violations, for which we have zero tolerance. Positive values among employees and with the external environment are enhanced, encouraging a responsible mindset and behaviour on all levels of life.

It gives us great pride that an increasing number of Petrol Group employees have been actively engaged in the sustainability ambassador programme entailing the reduction of their carbon footprint through various activities in their professional and private lives. For us, it is not just about getting the figures right - at Petrol, sustainability has a face and concrete actions. Every action, as small and overlooked as it may be, counts, but, hand in hand, a great story is being written and great targets are being achieved.

Dear reader, the Sustainability Report provides a detailed disclosure of sustainable achievements and targets, as well as challenges during a period of major and unexpected crises, when challenging decisions had to be proactively made on a daily basis, affecting not only our own company and group, but also many stakeholders. Everything is connected to everything, as we often say. Due to our mutual dependence, we are aware that further bold steps towards ambitious sustainability targets can only be taken in agreement with all stakeholders.

Ms. Nada Drobne Popović, President of the Board

It gives us great pride that an increasing number of Petrol Group employees have been actively engaged in the **sustainability ambassador** programme entailing the reduction of their carbon footprint through various activities in their professional and private lives. For us, it's not just about getting the figures right. At Petrol, sustainability has a face and concrete actions. **Every action counts**, as small and overlooked as it may be. But, hand in hand, a big story is being written and great targets are being achieved.

Me too!

I am a volunteer

Petrol employees seek a better integration between sectors and more incentives to shift to more sustainable conduct. This is also achieved through corporate volunteering activities and the Petrolovci project to allow for a 40% smaller carbon footprint. Me too! Sustainability ambassadors are important promoters, as we ourselves strive to lead sustainable lives in various areas. Every single one of us can do something for a sustainable present and future.



Ms. Urška Ojsteršek, Corporate Communications

Me too!

I reduce the consumption of raw materials

I minimise the consumption of raw materials and the generation of waste. I adhere to the principles of re-using, repairing installations and making wooden products in my woodworking workshop. I swear by a whole foods, plant-based diet. Because I want to spread information to others, I have helped publish the currently biggest-selling cookbook for a whole foods, plant-based diet.



Mr. Vid Kuklec, IT department



Me too!

I lead a self-sufficient life

As I grew up with sustainable values, it was a no-brainer to become self-sufficient. At home, we supply ourselves with a solar power plant, drive an electric car, grow all our vegetables, collect rainwater... This is simply our lifestyle and we enjoy it. Self-sufficiency is a personal investment in the future, as it improves the quality of life.

Mr. Gregor Mihevc, Operational Management



About the Petrol Group

The Petrol Group consists of:

- the parent company
- subsidiaries
- joint ventures
- associates

Petrol Group headquarters:

Petrol,
Slovenska energetska družba, d.d.,
Ljubljana
Dunajska cesta 50, 1527 Ljubljana, Slovenia

www.petrol.si

Petrol Group, 31 December 2022

	Fuels and derivatives thereof	Merchandise and services	Energy and solutions	Other
Parent company				
Petrol d.d., Ljubljana	•	•	•	•
Subsidiaries				
Petrol d.o.o. (100%)	•	•	•	•
Petrol javna rasvjeta d.o.o. (100%)			•	
Adria-Plin d.o.o. (75%)	•			
Petrol BH Oil Company d.o.o. Sarajevo (100%)	•	•	•	
Petrol d.o.o. Belgrade (100%)	•	•	•	
Petrol Lumennis PB JO d.o.o. Belgrade (100%)			•	
Petrol Lumennis VS d.o.o. Belgrade (100%)			•	
Petrol Lumennis ZA JO d.o.o. Belgrade (100%)			•	
Petrol Lumennis ŠI JO d.o.o. Belgrade (100%)			•	
Petrol KU 2021 d.o.o. Belgrade (100%)			•	
Petrol Lumennis KI JO d.o.o. Belgrade (100%)			•	
Petrol Crna Gora MNE d.o.o. (100%)	•	•		
Petrol Trade Handelsges.m.b.H. (100%)	•			
Beogas d.o.o. Belgrade (100%)			•	
Petrol LPG d.o.o. Belgrade (100%)	•			
Tigar Petrol d.o.o. Belgrade (100%)	•			
Petrol LPG HIB d.o.o. (100%)	•			
Petrol Power d.o.o. Sarajevo (99.7518%)			•	
Petrol-Energetika DOOEL Skopje (100%)			•	
Petrol Bucharest ROM S.R.L. (100%)			•	
Petrol Hidroenergija d.o.o. Teslić (80%)			•	
Vjetroelektrane Glunča d.o.o. (100%)			•	



The Petrol Group scheme does not include inactive companies as at December 31, 2022.

Petrol Group, 31 December 2022

	Fuels and derivatives thereof	Merchandise and services	Energy and solutions	Other
IG Energetski Sistemi d.o.o. (100%)			•	
Petrol Geo d.o.o. (100%)				•
Ekoen d.o.o. (100%)			•	
Ekoen S d.o.o. (100%)			•	
Zagorski metalac d.o.o. (75%)			•	
Mbills d.o.o. (100%)		•		
Atet d.o.o. (72.96%; 76% of voting rights)			•	
Vjetroelektrana Ljubač d.o.o. (100%)			•	
E 3, d.o.o. (100%)			•	
STH Energy d.o.o. Kraljevo (80 %)			•	
Petrol - OTI - Terminal L.L.C. (100%)	•			
Geoplin d.o.o. Ljubljana (74.34%)			•	
Geocom d.o.o. (100%)			•	
Geoplin d.o.o., Zagreb (100%)			•	
Geoplin d.o.o. Belgrade (100%)			•	
Zagorski metalac d.o.o. (25%)			•	
Joint ventures				
Geoenergo d.o.o. (50%)			•	
Soenergetika d.o.o. (25%)			•	
Vjetroelektrana Dazlina d.o.o. (50%)			•	
Associates				
Plinhold d.o.o. (29.6985%)			•	
Aquasystems d.o.o. (26%)			•	
Knešca d.o.o. (47.27% of the company is owned by E 3, d.o.o.)			•	



The Petrol Group has companies in the following countries:

- Slovenia
- Croatia
- Bosnia and Herzegovina
- Serbia
- Montenegro
- Kosovo
- Austria
- North Macedonia
- Romania

The Group also operates in other countries.

Our mission

Our wide range of energy products, comprehensive energy solutions and a digital approach puts the user centre stage. We want to become the first choice for shopping on the go. Hand in hand with our partners, solutions for an easier transition to cleaner energy sources are designed. We resolutely and actively create a green energy future and increase the long-term value for our customers, shareholders and society.

Our promise

To create a green future and make a significant contribution to the protection of the environment we live in through energy transition.

Our vision

To become an integrated energy transition partner with an excellent user experience.

Our values

- **Respect:** We respect our fellow man and the environment.
- **Trust:** We build partnerships with honesty.
- **Excellence:** We want to be the best in everything we do.
- **Creativity:** We create progress with our ideas.
- **Valour:** We work enthusiastically and courageously.

Petrol feels a special responsibility towards its employees, customers, suppliers, business partners, owners and society as a whole. Their expectations are fulfilled using motivated and entrepreneurial employees, fundamental legal and moral rules in all markets where we operate are taken into account and environment protection is provided for.



Respect



Trust



Excellence



Creativity



Valour



Petrol d.d., Ljubljana, is governed using a two-tier system. The company is managed by a five-member Board whose operations are supervised by a nine-member Supervisory Board. The governance of Petrol d.d., Ljubljana, is based on statutory provisions, the articles of association as the basic legal act of the company, internal acts and established and generally accepted good business practice. The President of the Board and other members of the Board are appointed and dismissed by the Supervisory Board. Other members of the management board, except for the Head of the Works Council, are appointed by the Supervisory Board on a proposal of the President of the Board. Members of the Board are appointed for a five-year term and can be re-appointed. Subject to its rules of procedure, on the proposal of the Commission for Personnel Issues and Evaluation of the Work of the Board, the Supervisory Board lays down general and special criteria to be used for selecting candidates for the President and Members of the Board, and at the same time lays down the framework for concluding contracts with Members of the Board. A more detailed description of the composition and operation of the Board and Supervisory Board is provided in the 2022 Annual Report of the Petrol Group and Petrol d.d., Ljubljana.

As at 31 December 2022, the Members of the Board of Petrol d.d., Ljubljana, are as follows:

Ms. Nada Drobne Popović, President of the Board

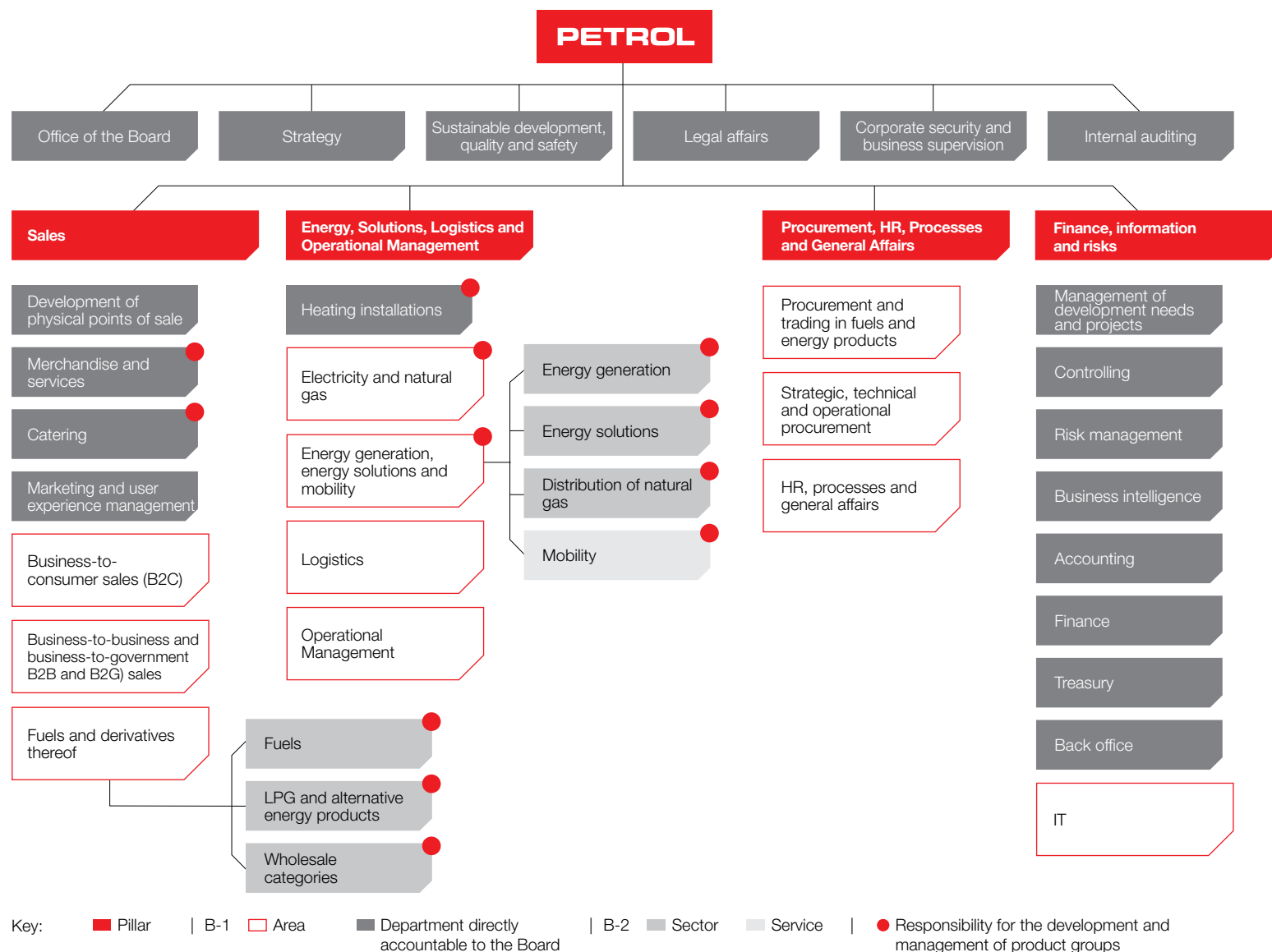
Mr. Matija Bitenc, Member of the Board

Mr. Jože Bajuk, Member of the Board

Mr. Jože Smolič, Member of the Board

Mr. Zoran Gračner, Member of the Board, Head of the Works Council

Organisational chart of the parent company Petrol d.d., Ljubljana (as at 1 March 2023).





The Supervisory Board of the company consists of nine members, six of whom are elected by the General Assembly of the company by a majority of the votes of the shareholders present, and three by the Works Council of the company. The members of the Supervisory Board are elected for a four-year term and can be re-elected after the end of their term. The decision on the early recall of members of the Supervisory Board, representatives of shareholders, must be adopted by a three-quarters majority of the votes present at the General Assembly, and the terms of recall of members of the Supervisory Board, representatives of workers, are laid down by the Works Council in its act of general application.

As at 31 December 2022, the Members of the Supervisory Board of Petrol d.d., Ljubljana, are as follows:

Mr. Janez Žlak,

President of the Supervisory Board

Mr. Borut Vrviščar,

Deputy President of the Supervisory Board

Mr. Mladen Kaliterna,

Member of the Supervisory Board

Ms. Alenka Urnaut,

Member of the Supervisory Board

Mr. Mário Selecký,

Member of the Supervisory Board

Mr. Aleksander Zupančič,

Member of the Supervisory Board

Mr. Alen Mihelčič,

Member of the Supervisory Board

Mr. Robert Ravnikar,

Member of the Supervisory Board

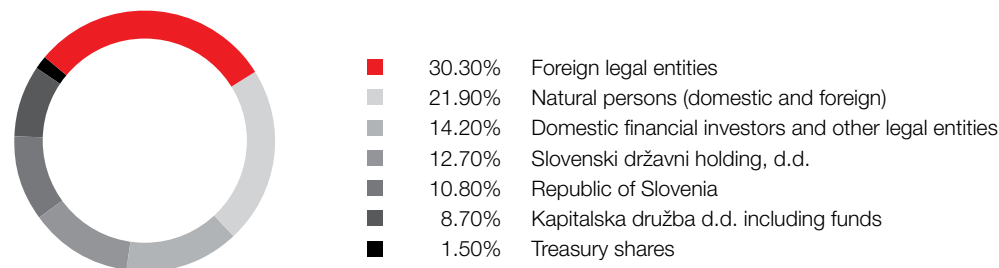
Mr. Marko Šavli,

Member of the Supervisory Board

Ownership structure of Petrol d.d., Ljubljana, end of 2022 and end of 2021

Petrol d.d., Ljubljana	31 December, 2022		31 December, 2021	
	Number of shares	in % (calculation after the split of shares)	Number of shares	in %
Slovenski državni holding, d.d.	5,299,220	12.70%	5,290,320	12.70%
Republic of Slovenia	4,513,980	10.80%	4,513,980	10.80%
Kapitalska družba d.d. including funds	3,642,789	8.70%	3,650,860	8.70%
Domestic financial investors and other legal entities	5,906,011	14.20%	7,084,640	17.00%
Foreign legal entities	12,628,247	30.30%	11,378,840	27.30%
Natural persons (domestic and foreign)	9,121,313	21.90%	9,192,920	22.00%
Treasury shares	614,460	1.50%	614,460	1.50%
Total	41,726,020	100.00%	41,726,020	100.00%

Ownership structure of Petrol d.d., Ljubljana, end of 2022



Brief presentation of our activity

The Petrol Group is one of the largest economic operators in Slovenia and plays a very important role in the wider region as well. The Petrol Group is a Group with the dominant undertaking Petrol d.d., Ljubljana, and subsidiaries, joint ventures, and associates in Central and South-Eastern European countries. The activities of the Group's companies are dominated by the sale of fuels and derivatives thereof, trade goods and services, and energy and solutions. In the Slovenian oil product retail market, it has a 56 per cent market share in terms of the number of service stations.

Petrol's core development activity is the introduction of new energy activities and the generation of electricity from RES. The parent company and some subsidiaries cover several spectra of operation, from the sales of fuels and derivatives thereof to the sales of energy and solutions, whereas other Group companies are focused on a narrower area of specific operating areas.

Brands

We strategically manage the corporate, service and brand marks and signs of Petrol d.d., Ljubljana. 38 international brands, 11 EU brands, around 100 Slovenian brands and several national brands in Croatia, Serbia, Bosnia and Herzegovina, Montenegro and North Macedonia have been registered. Due to their non-use, the validity of some brands has not been extended during the reporting period. Certain signs have been re-registered as brands, namely for new products and services or for products and services whose signs had not been registered as brands before.

The latest brands and signs are listed using their logo or name:



Fuels and derivatives thereof

Merchandise and services

Energy and solutions

(energy solutions, heating systems, natural gas distribution, energy products, electricity generation, and mobility)



Key targets of the business strategy until 2025

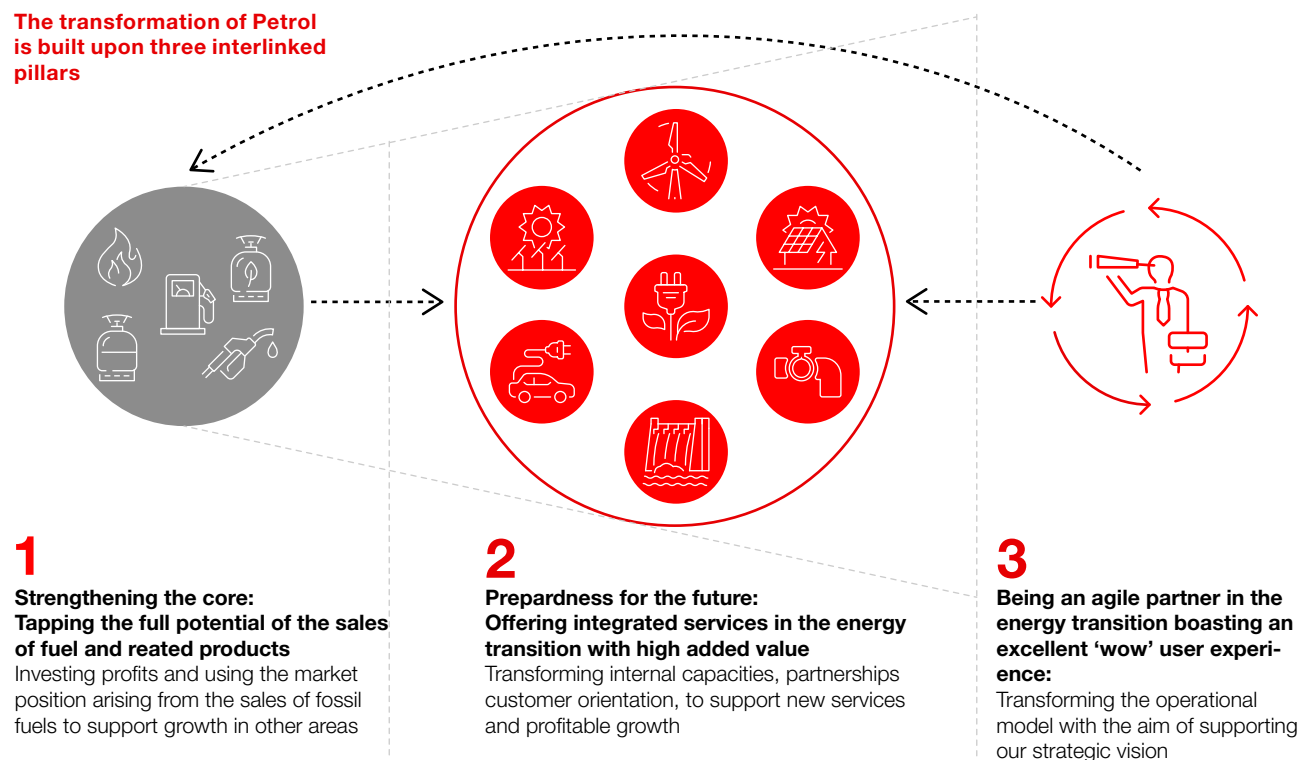
The environment in which the Petrol Group operates has been marked by major changes. The energy transition to a low-carbon society and the development of new technologies bring about a transformation of the established methods of production, sales and use of energy products. Petrol is committed to the transition to green energy on which it has been spending significant investment funds. We will continue to supply the market with hydrocarbons, while at the same time co-creating the opportunities brought by the energy transition.

In 2021, the new 2021-2025 Petrol Group Strategy was adopted. It is an umbrella development document whose established vision, targets, and strategic business plan define the path to a successful future. The strategy sets clear targets for the realization of our vision: "To become an integrated energy transition partner with an excellent user experience". Thereby, the Group is focusing on its core activity of providing energy products, as great potential and opportunities in this area are seen in connection with energy transformation.

Our vision by 2025 is linked to ambitious strategic targets. Building relationships with customers and taking care of them is our priority. Therefore, we will continue to strengthen our sales network in the region. New digital channels, an expanded range of energy products and a personalised offer will allow us to come even closer to our customers and provide them support in transitioning from traditional energy sources to cleaner renewable energy sources. We want to become a key facilitator in the wider ecosystem by offering energy sources adapted to the market and co-shaping it; by increasing operational efficiency, we will free up additional

Strategic Petrol transformation pillars

The transformation of Petrol is built upon three interlinked pillars



funds for investments in the generation of energy from RES. A total of EUR 698 million in investments are foreseen for the 2021-2025 period, out of which 35 percent in energy transition.

The Petrol Group is aware of the importance of sustainable development. In its operations, the Petrol Group in this strategic period is committed to the transition to a low-carbon energy company, a partnership with employees and the social environment, and a circular economy. As a partner of the industry, the public sector and households, Petrol assumes one of the leading roles in achieving environmental targets.

By improving our own processes, new competencies and empowering employees, the Group will address the current and future needs of customers in the energy sector in an even more decisive manner and adapt its operations to the user who is at the centre of our attention. We want to be the first choice for shopping on the go.

During this strategic period, we remain present in all existing markets with a focus on:

- Slovenia, where we will consolidate our leading position as an energy company and a leading energy transition partner,
- Croatia, where, through our sales network, we will expand the portfolio of energy product and transition service customers and invest in the generation of electricity from RES, and
- Serbia, where we will increase our market share in the sales of energy products.

We will strive to remain the first choice for energy transition projects in the region by offering integrated services with a high added value. We will develop and strengthen our presence in the supply and sales of natural gas and electricity, sales of liquefied petroleum gas and energy efficiency projects. We aim to achieve 73 GWh of energy savings for final customers using our energy renovation

Strategic targets by 2025

To exploit the full potential in fuel sales in the region



#1 in Slovenia

in the sales of fossil and alternative fuels



Top 3

in the primary markets of South-Eastern Europe in the sales of fossil and alternative fuels

To be ready for a green future



> 40%

reduction of liabilities arising from the energy balance



35%

investments in energy transition

An agile partner with a great, "wow" user experience



1st choice

for purchases in Slovenia



1st choice

for energy transition projects in the region

Our vision until **2025** is tied to ambitious strategic targets.



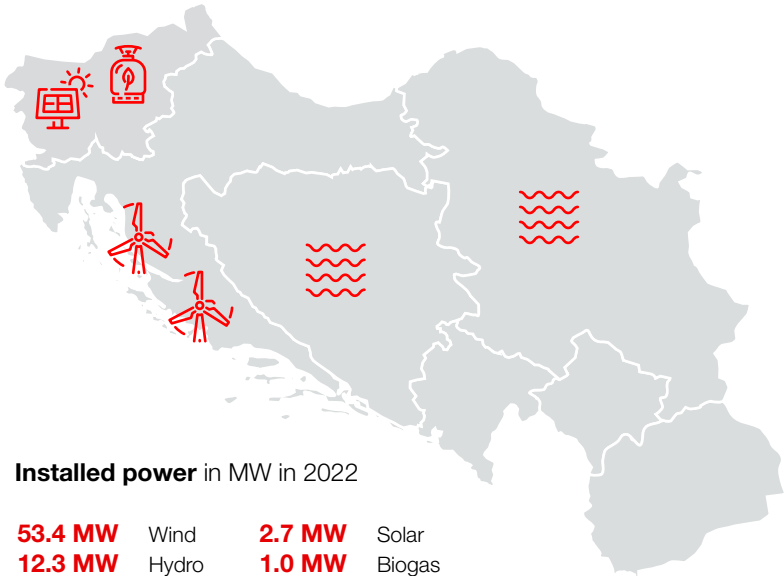
projects. The generation of electricity from RES has a special place in energy transition, where we will pave the way to become one of the most important providers in SE Europe. By the end of 2025, we will have generated 160 MW or 78 percent more in electricity from RES than in 2020.

Our continuous development of fuels will actively help reduce emissions. At the same time, clear sustainability policies will provide for the reduction of the carbon footprint both in the Petrol Group and of our final customers.

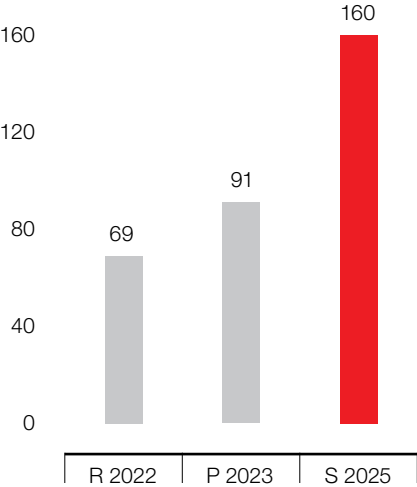
The development of new e-mobility and mobility service solutions is an important pillar of Petrol's sustainable and innovative operations. The Petrol Group focuses on two mobility segments. The first is related to the charging infrastructure, which means the establishment, management and maintenance of the e-vehicle charging infrastructure and the provision of a charging service. Petrol's e-vehicle charging infrastructure will have included 1,500+ e-charging stations by 2025. The second segment are mobility services such as corporate rental, fleet electrification and fleet management services.

By achieving the set targets, the long-term financial stability of the Petrol Group will be strengthened. A stable dividend policy will ensure balanced dividend yields for our shareholders and the use of free cash flow to finance Petrol Group's investment plans. This will ensure long-term growth and development of the Group, thereby maximising owner value.

Generation from RES in the Petrol Group in 2022



Generation capacity (in MW)



Review of the progress made towards achieving Sustainable Development Goals by 2025

Our new strategy, based on the reorganisation and sustainable transformation of Petrol, has served to re-examine our targets set in the past, abandon some and add some new ones. A review of the progress made towards achieving our targets in 2021 and 2022 and the targets we want to achieve by 2025 in line with our commitments pertaining to the transition to a low-carbon energy company, a partnership with employees and the social environment, and a circular economy.



**A low-carbon
energy
company**



**Partnership
with
employees
and the social
environment**



**Circular
economy**



-CO₂

A low-carbon energy company

■ Achieved
 ■ In the implementation phase
 ■ Not achieved
 ■ Not measured

Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Energy independence				
Management of independent energy communities (minimum three). (Target by 2022: Management of independent energy communities (minimum one))	Drawing up an actual quotation for energy communities.	Management of one energy community: Luče.		■
Energy recovery and self-sufficiency: more than 5,000 sustainable solution projects for natural persons. (Target by 2022: more than 3,000 sustainable solution projects for natural persons and more than 300 projects for corporate customers.)	Increasing assembly or implementation capacities.	3,312 projects implemented.		■
New B2B solar power plants with a total installed capacity of 50 MW.	Acceleration of active sales, development and implementation of new products, establishment of a competitive energy management model.	/	Implementation of 5 MW of solar power projects.	■
Energy efficiency				
Presence in more than 90 local communities in the region.	Implementation of energy renovations and optimisation of existing managed facilities. Due to a strict fuel price regulation, there are currently no new investments in 2022.	Presence in 31 municipalities: management contracts with 47 clients for 349 facilities.	Presence in 32 municipalities: management contracts with 49 clients for 368 facilities.	■
Annual growth of energy savings	Use of more energy efficient equipment, technology, and processes.	Energy management of facilities: 3,039 MWh in thermal energy savings and 1,013 MWh in electrical energy savings, a total of 4,052 MWh. Total energy savings for final customers: 34,007 MWh.	Energy management of facilities: 3,948 MWh in thermal energy savings and 1,692 MWh in electrical energy savings, a total of 5,640 MWh. Total energy savings for final customers: 38,951 MWh.	■



Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Annual growth of environmental savings	Increasing the proportion of CO ₂ emission reduction in all projects.	1,932 tons in CO ₂ emission reduction.	2,116 tons in CO ₂ emissions reduction.	

Own generation of electricity from RES

Installed 160 MW in generation from RES (wind, hydro, solar) in all markets.	Investments in renewable energy generation plants. Note: due to circumstances in the market, Petrol withdrew from the Krivača project (wind energy).	Construction of the Ljubač wind farm (32.4 MW) in Croatia; annual generation: 31.9 GWh in electricity; investment in the construction of the Grajiči small-scale hydro (1 MW) in the Republic of Serbia. Total annual electricity generation from RES of the Petrol Group: 130.7 thousand MWh.	Start of construction of solar power plants in Croatia (Suknovci, Vrbnik, and Pliskovo) with a total capacity of 22 MW. Total annual electricity generation from RES of the Petrol Group: 166.8 thousand MWh.	
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A cleaner energy mix

Accelerated use of natural gas as a transitional energy source to a low-carbon society: supply to 24,000 customers, out of which 19,000 household customers and 5,000 corporate customers in Slovenia.	Own and joint marketing campaigns within GIZ ZP (the Economic Interest Grouping for Natural Gas).	Supply to 16,859 customers, out of which 13,442 household customers and 3,147 corporate customers.	Supply to 18,561 customers, out of which 14,734 household customers and 3,831 corporate customers.	
Annual distribution of natural gas including self-use in all markets: 1,300,000 MWh, out of which 630,000 MWh in Slovenia. (Target by 2022: Distribution of natural gas in all markets: 1,412,597 MWh, out of which 600,140 MWh in Slovenia.)	Focus on onboarding new corporate clients. Note: There was a large number of disconnections on the market due to high natural gas prices and transitions to other heating methods.	Distribution in all markets: 1,433,473 MWh, out of which 776,964 MWh in Slovenia.	Distribution in all markets: 1,361,568 MWh, out of which 675,509 MWh in Slovenia.	



Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Plan for all markets: 320 LPG refuelling points (no new ones are planned in Slovenia), 22 CNG refuelling points (10 in Slovenia). (Target by 2022: All markets: 250 LPG refuelling points for LPG and 20 CNG refuelling points, of which Slovenia: 105 LPG refuelling points and 5 CNG refuelling points.)	Installation of LPG and CNG refuelling points.	A CNG refuelling point was installed in Serbia (Kragujevac). A total of 295 LPG charging stations are active.	A CNG refuelling point was installed in Serbia (Čačak). A total of 302 LPG refuelling points, out of which 97 are in Slovenia.	LPG CNG

Sustainable mobility

By the end of 2025, we will have operated 1,575 charging stations in the region. (Target by 2022: more than 387 electric charging stations in Slovenia (300 normal, 75 fast and 12 ultra-fast), more than 280 charging stations in other countries.)	Setting up new own charging stations and taking over the management of charging stations owned by others.	We managed a total of 296 charging stations.	We provide charging and management services in Slovenia at 257 AC charging stations, 53 DC charging stations and 7 UC charging stations, in Croatia at 53 AC and 33 DC charging stations and 4UC, in Serbia at 4 DC and 5 UC charging stations and in Montenegro at 1 DC charging station.	
A minimum of 15% of the electric vehicle fleet (own and rented vehicles) for own use. (Target by 2022: a minimum of 3% of the vehicle fleet powered by electricity (own and rented vehicles).)	Purchase or rental of electric vehicles for the needs of our own vehicle fleet and gradual replacement of internal combustion vehicles.	21% of electric vehicles in the fleet, out of which a 6% share of electric vehicles for our own use.	20% of electric vehicles in the fleet, out of which a 7% share of electric vehicles for own use.	
Reducing the number of LPG-powered vehicles on account of an increase in the number of electricity-powered vehicles. (Target by 2022: 2% of the fleet (own and rented vehicles) using LPG in Slovenia.)	Purchase or lease of electric vehicles for the needs of one's own vehicle fleet and thus the gradual replacement of internal combustion engine vehicles with electric vehicles.	1% of LPG-powered vehicles in the fleet.		



Partnership with employees and the social environment

■ Achieved
 ■ In the implementation phase
 ■ Not achieved
 ■ Not measured

Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Education				
An average of three days of training per employee.	Organization of various trainings.	On average, 3 days per person in the Petrol Group and 7 days per person in Petrol d.d., Ljubljana.	On average, 4 days per person in the Petrol Group and 9 days per person in Petrol d.d., Ljubljana.	■
Every employee participates in at least two forms of education. (Target by 2022: every employee participates in at least one form of education.)	Organization of various forms of training.	Implementation of mandatory training for employees and additional personal development content.	Implementation of mandatory training for employees and additional personal development content. Launch of a platform with more than 1,000 contents from various fields.	■
Every manager (level B1, B2) is trained for at least three days a year. (Target by 2022: continuous and systematic education for managers (leadership program).)	Organisation of trainings that upgrade leadership competencies.	The three-year Energy For Leadership training programme - completed by the final group. Professional development of managers: B-3 leaders and team leaders.	Strategy in Action Programme: Board, B-1 and B-2 Level Managers. Professional development of managers: B-3 leaders and team leaders. Energy Leadership programme: store managers and managing directors.	■
A plan has been developed for the development of young potential. (Target by 2022: continuous programs for the development of young potential.)	Definition of criteria for the selection of young potential and implementation of the development plan.	Implementation of development plan activities. Upgrading of knowledge for employees who perform the role of project managers.		■

Employee development – assessment of strategic competences; identification of talents, potential; mentoring

Establishment of various employee development methods. (Target by 2022: regular measurement of employee competencies and development of development plans.)	Review of the situation, drawing up a plan, development or method upgrade, implementation.	Changed development discussion implementation method.	We continued to use a new method of employee-initiated development discussions.	■
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Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
We have at least 10 mentor pairs every year. (Target by 2022: at least 60% of the management participates in the mentoring program.)	Renovation of the mentoring system.	The leading executives provide mentoring to new employees. For employees who need mentoring as part of development plans, mentoring is organized accordingly.		
Employee satisfaction				
Increase employee survey participation by 20% and increase results by 10%. (Target by 2022: organisational climate and job satisfaction 3.85.)	Leadership development and communication enhancement.	The organizational climate was not measured, as the measurement is carried out every two years.	Participation facilitated to: 100% or all employees of the Petrol Group. Participation: 3,052 employees or 58.85% turnout. Average rating of the organizational climate: 3.41; satisfaction score 3.54 and commitment 3.64.	
Non-discrimination				
Ensuring equal rights and opportunities regardless of gender. No cases of confirmed discrimination.	Implementation of the procedures defined in the Rules on the Prevention, Determination and Elimination of the Consequences of Mobbing.	Two reports of mobbing. Based on the carried out procedure, no violations were found.	One report of mobbing. Based on the carried out procedure, no violations were found.	
Occupational health and safety				
Absence of significant injuries at work.	Making a risk assessment for specific jobs; training workers for occupational safety; control and corrective action.	There were no significant injuries at work.		
Social responsibility and corporate volunteering				
To obtain at least 5,000 new donors every year together with the Red Cross. (Target by 2022: Donate energy for life - more than 20,000 new blood donors.)	Communication and promotion of blood donation among employees.	5,796 new blood donors registered in the Donate blood database.	6,462 new blood donors registered in the Donate blood database. Between 2019 and 2022, there were a total of 27,182 blood donors.	



Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
In addition, up to two Gold Points collection campaigns are carried out per year. (Target by 2022: Our energy connects – at least 200 donations annually.)	Information and promotion among employees about donation activities.	277 donations made as part of Our energy connects.	296 donations made as part of Our energy connects.	
In addition, at least one campaign is carried out per year and the local community is also invited. (Target by 2022: We give back to society - at least four corporate volunteering campaigns per year.)	Invitation to the local community to participate in at least one campaign of corporate volunteering We give back to society.	10 campaigns carried out.	9 campaigns carried out.	
Digitization of business with customers.	Establishment of a user portal for the management of user services through a single point.	As this is a new target, no data are available as of yet.		





Circular economy

■ Achieved
 ■ In the implementation phase
 ■ Not achieved
 ■ Not measured

Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Reduction of primary raw materials				
Implementation of the requirements of the SUP directive regarding single-use plastic products. (Target by 2022: Reduction of the use of primary raw materials in service packaging by 5% per Fresh item compared to 2018.)	Substitution of packaging materials from primary raw materials with sustainable and/or recycled materials.	Replacing PET packaging with rPET, cardboard, wooden and bamboo packaging.		■
25% rPET in PET packaging of own brand products for food products.	Establishment of an own brand control process and implementation of supplier requirements.	As this is a new target, it is yet to be implemented.		■
Reduction of biological waste				
(Target by 2022: 5% reduction in biodegradable food waste per Fresh item compared to 2018.)	Optimisation of stock management and food sales, optimisation of waste management and communication with customers pertaining to the sustainable use of food.	The amount of biodegradable waste has decreased by 39% since 2018.	The amount of biodegradable waste has decreased by 41% since 2018.	■
Reducing the number of waste collections				
Reduction of the number of mixed municipal waste (MKO) collections by three times or under 250 collections per year at five points of sale.	Installation of MKO presses.	As this is a new target, it is yet to be implemented.		■
Reduction of drinking water consumption by 2% based on water consumption and volume of services/sales in 2022.	Awareness campaigns, introduction of new energy-saving technologies, use of rainwater, more effective control of water use, etc.	As this is a new target, it is yet to be implemented.		■



Target by 2025 (target by 2022)	Activities, actions aimed at achieving the target	Implementation in 2021	Implementation in 2022	Status
Recycling and reuse of waste water for our own activity				
Maintaining the waste water recycling system at all automatic car washes in Slovenia and establishing a waste water recycling system at 90% of automatic car washes in Croatia. (Target by 2022: Reuse of waste water at all own automatic car washes in Slovenia.)	Installation of systems in automatic car washes that enable the re-circulation of water.	Water recycling systems are installed in all automatic car washes in Slovenia.		
Municipal waste water treatment (for the market)				
Treatment at municipal waste water treatment plants (WWTP) in the amount of 4,800,000 m³. (Target by 2022: treatment at municipal waste water treatment plants (WWTP) in the amount of 6,500,000 m³ (depending on the abundance of water).)	Management of waste water treatment plants and implementation of actions to increase connections to the waste water treatment plant. Due to a strict fuel price regulation, there are currently no new investments in 2022.	Treatment at WWTP: 3,644,275 m³.	Treatment at WWTP: 3,223,523 m³.	
Treatment and re-use of industrial waste water (for the market)				
Water re-use in Štore in the amount of 19,000,000 m³, treatment of industrial waters in the amount of 2,500,000 m³. (Target by 2022: treatment in the amount of 3,000,000 m³; treatment and reuse in the amount of 19,000,000 m³.)	Cooperation with larger companies to improve or set up new industrial waste water treatment technologies.	Water re-use, Štore: 18,628,646 m³; industrial water treatment: 1,667,520 m³.	Water re-use, Štore: 18,687,912 m³; industrial water treatment: 1,516,257 m³.	

Contributing to the United Nations Global Sustainable Development Goals by 2030

Our activities, projects and solutions serve to contribute to the achievement of the sustainable development goals of the United Nations by 2030.

The UN Global Compact (UNGC), a non-binding global agreement, encourages companies to align their operations with universal principles pertaining to human rights, labour rights, environmental care and anti-corruption, and to follow the 17 United Nations Sustainable Development Goals (UN Sustainable Development Goals - SDGs). Although the Petrol Group is not an official signatory of the UNGC, it follows its guidelines in its policies and practices.

Sustainable Development Goals of the UN the Petrol Group contributes to:





Petrol Group policies and practices that follow the Ten Principles of the United Nations Global Compact:

The Ten Principles of the United Nations Global Compact

Policies and practices of the Petrol Group

Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	We respect all rights guaranteed by the constitution and laws, as well as all international human rights documents, for which several internal regulations that define the rights and responsibilities of employees have been put in place.
	Principle 2: make sure that they are not complicit in human rights abuses.	We operate in accordance with the internal regulations on the prevention and elimination of the consequences of mobbing, where employees are able to report possible perceptions of mobbing or other violations of their rights at the workplace. In accordance with corporate values, we carry out many corporate volunteering activities, where employees are engaged in socially responsible activities and humanitarian causes.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Joint consultations or co-decision procedures with the works council or trade union are organised. Employees join the Petrol Group Workers' Trade Union and the Petrol Workers' Trade Union. Employees in subsidiaries also belong to other trade unions.
	Principle 4: the elimination of all forms of forced and compulsory labour.	A collective agreement, concluded for an indefinite period, that may be terminated subject to one year's notice by either party, has been adopted.
	Principle 5: the effective abolition of child labour.	In accordance with the company-level collective agreement, solidarity is provided to our employees.
	Principle 6: the elimination of discrimination in respect of employment and occupation.	Under employment legislation, the Petrol Group ensures equal opportunities in employment and occupation, and at annual and quarterly appraisals, all employees are encouraged to participate in development discussions and in drawing up a development plan. Key suppliers are also graded according to the sustainable operations criteria, which include governance, social and environmental responsibility and are based on an integrated sustainable supply chain.



The Ten Principles of the United Nations Global Compact

Policies and practices of the Petrol Group

Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Petrol has certified quality management (ISO 9001), environmental management (ISO 14001) and energy management (ISO 50001) systems. The requirements of the HACCP food safety management system, the ISO 45001 occupational health and safety management system and the information security management system in compliance with the SIST ISO 27001 standard are also included in the integrated quality system. We hold POR certificates for the Responsible Environmental Management Programme for the implementation of storage, logistics and retail network activities at service stations in Slovenia, FSC certificates for the sale of FSC-certified products and ISCC certificates for trading in and storing RES. The governance of Petrol has also introduced the Rules of Action, Conduct and Behaviour at Warehouses and Terminals (PURO) managed by Petrol, on the basis of which warning actions are carried out, additional equipment inspections are ordered, including a ban on entering the plant in the event of major deviations. Monitoring indicators have also been introduced and related findings are regularly discussed within the system pathways. The Petrol laboratory is accredited according to the SIST EN ISO/IEC 17025:2017 standard (General requirements for the competence of testing and calibration laboratories), which significantly affects the development and transfer of new state-of-the-art fuels to the Slovenian market. We are a recipient of the EQTM (European Quality Trademark), which demonstrate our efforts to improve fuels and to comply with national and international legislation and standards. Our equipment is updated and new systems are installed in accordance with the guidelines of the best available technologies for reducing the emissions of harmful substances during bunkering.
	Principle 8: undertake initiatives to promote greater environmental responsibility.	
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	In the current strategy, our priority is to manage corruption risks and to promote ethical conduct in both employees and business partners. A system of required internal regulations for ethical business conduct has been established: the Energy of Our Conduct code of conduct, Rules on ensuring business compliance, Rules on preventing corruption, Rules on preventing, identifying and eliminating the consequences of mobbing in the Petrol Group. We have signed the Slovenian corporate integrity guidelines. An independent "Speak Out" line has been established allowing internal and external stakeholders to anonymously report any encounters with unethical actions related to Petrol.



／ Involvement in associations, organisations and initiatives

In pursuance of strategic sustainable development targets, we join various associations and other organisations whereby we strive to achieve our common green transition targets, cooperate constructively, advance our interests and acquire new knowledge. We are also involved in national, regional and global initiatives, through which we are acquainted with fuel, energy solution, and mobility trends. At the same time, where this is useful, we are involved as active actors in the formulation of policies, legislative proposals and the development of innovations, including through various projects.

We are a co-founder and active partner of the Energy Efficient Solution Centre which brings together a network of advanced companies and organisations from various sectors in their efforts and development of a climate-neutral economy.

The Petrol Group is a member of several economic and interest groups, institutes, chambers and societies, such as the Slovenian Chamber of Commerce, the Chamber of Commerce and Industry of Slovenia, the Energy Chamber of Slovenia, the Association of Employers of Slovenia, the Slovenian Quality Association, the Slovenian National Oil and Gas Committee (SNNK), Economic Interest Association for Liquefied Petroleum Gas (GIZ UNP), Slovenian Institute for Standardization (SIST), American Chamber of Commerce, Development Centre for Hydrogen Technologies (TECES), Slovenian Energy Association, Slovenian Corporate

Security Association, Slovenian Water Protection Society, ODEM – Association of Manufacturers, Importers and Users of Packaging, Green Network of Slovenia, Marketing Association of Slovenia (DMS), Slovenian Advertising Chamber, GOMA Croatian Association for Fuels and Lubricants, H2 – Croatian Association for the Development and Application of Hydrogen Fuels, etc.

We also form part of European-level associations: FERMA - Federation of European Risk Management Associations (www.ferma.eu), UPEI - The Voice of Europe's independent fuel suppliers, European forum for energy, IEEE - Advancing Technology for Humanity, global association CIGRE, which operates in the field of energy systems, etc.

We form part of the Slovenian initiative of the Chamber of Municipal Utilities Tap water and hold its certificate, within the framework of which we encourage drinking potable tap among employees, at the workplace and at our own events, which is more environmentally friendly than using pre-packaged water.

We collaborate with the European Institute of Innovation and Technology (EIT, <https://eit.europa.eu/>), which is Europe's largest public-private partnership focusing on climate change through innovation, with the aim of building a carbon-free economy. We also actively cooperate with the Climate-KIC Hub in Slovenia, where environmental topics are raised and innovation is promoted.



Awards and recognitions

We regularly receive awards and recognitions for our achievements, projects, products and efforts related to our activities and sustainable and socially responsible activities. In 2022, the Petrol Group received the following recognitions and awards:

- the 2022 Most energy-efficient project in transport and logistics award by the Finance newspaper (for the electricity storage and fast charging station project at the Kozina point of sale),
- the Purchasing Manager of the Year award, the Purchasing Managers Association of Slovenia and Planet GV,
- the full certificate Family-friendly company recognition upon successful verification, Ekvilib Institute,
- the Most Secure Company Award, Institute for Corporate Security Studies,
- an AGRA 2022 silver medal for Petrol's forest honey, Agra fair,
- a Respectable employer recognition, MojeDelo.si,
- the My country - beautiful and hospitable recognition for the most hospitable Petrol PM Vinica service station, Tourist Association of Slovenia,
- Share of the year - First listing, Ljubljana Stock Exchange,
- the MEGA inspiration 2022 award for intergenerational cooperation in the working environment, the Ministry of Labour, Family, Social Affairs and Equal Opportunities of the Republic of Slovenia and the European Union - European Social Fund.



The 2022 most energy efficient project in transport and logistics by the Finance newspaper.



Sustainable management

Sustainable development is a strategic commitment of the Petrol Group that the Board and all employees are responsible for subject to their competences. Our role is twofold. On the one hand, our core business is carried out with a high level of responsibility towards the natural and social environment, and, on the other, the sustainable transformation of the wider society is actively promoted through our commercial programmes and products. Our business is based on high ethical standards and respect for human rights, where we have zero tolerance for any unethical and corrupt actions. These standards are woven into the entire corporate culture. All employees are obliged to respect and act in compliance with the values of the Petrol Group. Our values are also introduced into all relationships in the value chain.

Sustainable development and climate change pose physical and transition risks and present opportunities for our operations. Sustainability challenges and trends as well as the effects of climate change are considered in our strategic and business planning so as to maximise the value we bring to our customers, investors and the communities where we operate. We also monitor changes in the business environment and markets to understand where there may be opportunities arising from the transition to a low-carbon economy. This allows us to increase our agility and proactive response to changes, which is important for maintaining the resilience of our business model in the long term.

Our Board is responsible for the implementation of the sustainability commitment based on our mission and reflecting our organisational culture.





Such a strategic focus requires sustainable/ESG and climate management, which encompasses a set of relationships between the Supervisory Board, the Board of Petrol d.d., Ljubljana, committees, executive directors and department heads, and other stakeholders. It is based on the structure and processes through which the company's business targets are set, our performance evaluated, results monitored and changes planned.

The key vehicle of sustainable development management is the Sustainability Committee, which consists of three members of the Board and directors of the following departments: products, sales, procurement, risks, human resources, finance, accounting, and sustainable development. If necessary, the Sustainability Committee is joined by internal experts - specialists in various fields.

The committee meets periodically with the aim of creating and monitoring a sustainable strategy, developing policies, assessing risks and checking compliance with regulations and engaging stakeholders in initiatives. It become acquainted with innovations pertaining to sustainability management, sustainability risks and opportunities, and sustainable activities in the company. The Supervisory Board monitors the company's progress pertaining to sustainability and evaluates the performance of the Board. The role of the sustainable development methodology management vehicle in the company is played by the Sustainable Development, Quality and Safety department directly accountable to the Board.

Sustainability management is currently under revision, where the following will be defined:

- the responsibilities of the company's management for strategic planning, assessment and regular audit of the sustainable development management system, which includes the prevention and mitigation of climate change, adaptation to climate change and the approval of the corporate sustainability and climate policy;





- the individual areas of responsibility of Members of the Board, for which action plans regarding the handling of environmental, social and management issues by taking into account climate change are approved and their implementation supervised;
- the expanded role of the Risk Management Committee, which includes the comprehensive identification, assessment and management of risks and opportunities, including sustainability risks and climate change risks and opportunities;
- responsibilities of the Sustainability Committee for the comprehensive identification and strategic coordination of all issues and areas related to the planning of the sustainability/ESG/climate strategy and the implementation of the sustainability strategy, the drawing up of and implementation of sustainability action plans and other issues related to sustainability and climate management, evaluation and reporting;
- managing the sustainable development methodology in the company;
- the competences and responsibilities of the directors of the company's areas and departments directly accountable to the Board, which are involved in the processes pertaining to sustainable and climate management and efficient operation for the purposes of identifying, defining and classifying individual risks (and opportunities);
- professional external support from consultants - specialists when they are involved in programs that form part of the ESG and climate strategy and comprehensive risk management;
- the role of the internal audit service in auditing the sustainable development and climate change management process as well as integrated risks, which also include sustainable and climate risks and opportunities;
- conducting an external audit of ESG and climate strategy areas;

- the role and members of an external advisory board, consisting of distinguished experts in multidisciplinary fields relevant to sustainable and climate management, with the task of providing opinions and proposals regarding strategic documents and decisions of the Petrol Group that correlate with sustainable and climate management.

Key policies, standards and other documents that guide our governance:

- 2021-2025 Strategy of the Petrol Group for the period (2021; adopted by Petrol d.d., Ljubljana, for the Petrol Group)
- Slovenian Corporate Integrity Guidelines (2014; Petrol d.d., Ljubljana)
- Code of conduct in Petrol - The Energy of Our Conduct (2012; Petrol Group)
- Rules on ensuring business compliance (2016; Petrol Group)
- Rules on Prevention of Corruption (2022; Petrol Group)
- Rules on preventing, identifying and eliminating the consequences of mobbing (2020; Petrol Group)
- Rules on the implementation of business control and conducting investigations in the Petrol Group (2020; Petrol Group)

ESG rating

The international rating house S&P Global Ratings awarded Petrol d.d., Ljubljana, based on an in-depth analysis in June 2023, an ESG rating of 56 with an appropriate preparedness, which is above the average rating of the global oil and gas sector, where the average rating in August 2023 was 54.

The ESG rating issued by S&P Global Ratings assesses a company's ability to prepare for future sustainable development risks and opportunities. The obtained ESG rating reflects the commitment of Petrol d.d., Ljubljana, to meet environmental, social, and governance standards.



The credit rating company
S&P Global Ratings
**awarded us an ESG
rating of 56.**



Strategic goals until 2025, business conduct metrics and actions

Targets, metrics and actions to manage business conduct have been defined.

Target	Metrics	Actions
Management of corruption risks in the Petrol Group.	Number of controls Number of investigations Number of labour law actions	Zero tolerance to deviant phenomena with elements of criminal acts. Providing a channel for submitting anonymous reports of unethical practices with a functioning independent "Speak Out" hotline. Implementation of preventive actions (corruption risk training), targeted and extraordinary controls and internal research.
No confirmed conflicts of interest.	Number of cases under consideration Number of confirmed cases	Drawing up rules for managing conflicts of interest at all levels of the company. Annual statements regarding activities in any related companies or regarding possible conflicts of interest of members of the Board and Supervisory Board. Members of the Board or Supervisory Board or in the event of a potential conflict of interest, the members of the Supervisory Board are excluded from a certain item on the agenda under consideration - the approach of correctness as a precaution.
100% whistleblower protection or zero reprisals.	Independent "Speak up" hotline Number of anonymous reports	Established and functioning independent anonymous reporting "Speak up" hotline.
ESG management and annual sustainability reporting aligned with a double materiality matrix.	Double materiality matrix, updated at two-year intervals	Implementation of a double matrix every two years as a management and reporting tool. Annual review of ESG management based on a double materiality matrix. Annual audit of sustainability reporting against the double materiality matrix.
One internal sustainable management audit per year.	Number of internal sustainable management audits	Implementation of activities in accordance with the regular work plan of the Internal Audit.
100% business compliance.	Number of performed regular and extraordinary audits Number of performed internal and external audits Number of non-compliant areas	Conducting internal audits. Review of existing and potential business partners. Assessment of business compliance with current legislation. Ongoing implementation of necessary corrective actions.
Ensuring equal rights and opportunities regardless of gender.	Number of cases under consideration Number of confirmed violations	Operation in accordance with the Labor Relations Act and Petrol's Code of Conduct and other internal acts (Petrol company collective agreement).
Updating and upgrading the business continuity plan (BCP) according to the ISO 22301 standard.	Updated plan	Drawing up a comprehensive plan for all key processes in Petrol d.d., Ljubljana.



Management and control by business conduct priority area

Each sub-area of business conduct has specific managers and supervisors. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Business Conduct	Office of the Board and Corporate Security and Business Control departments directly accountable to the Board	Supervision of the departments directly accountable to the Board - Office of the Board (President of the Board) and Corporate Security and Business Control (President of the Board)
Business compliance	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)
Business excellence	Department of Sustainable Development, Quality and Safety, Controlling, Personnel, Processes and General Affairs - departments accountable directly to the Board	Supervision of the Sustainable development, Quality and Safety department (President of the Board), pillar Finance, Information and Risks (Member of the Board), Procurement, Personnel, Processes and General Affairs (President of the Board) department - departments accountable directly to the Board
Equal opportunities	Office of the Board and Corporate Security and Business Control - departments accountable directly to the Board	Supervision of the departments directly accountable to the Board - Office of the Board (President of the Board) and Corporate Security and Business Control (President of the Board)
Anti-corruption policy	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)
Protection of whistleblowers	Corporate Security and Business Control - department directly accountable to the Board	Supervision of the Corporate Security and Business Control (President of the Board) - department directly accountable to the Board

Company culture and business conduct policies

In the Petrol Group, we are aware that business compliance is not only limited to complying with national and internal regulations, but means going one step further, i.e. following the values we believe in. We believe in respecting ethical and business principles, which are a reflection of our values. In the current strategy, the Petrol Group has prioritised the management of corruption risks and the promotion of ethical conduct of both employees and business partners. Maintaining such an organisational integrity is an important factor in enhancing the prestige of the company in domestic and foreign strategic markets and ensuring financial stability. A system of necessary internal regulations aimed at ethical business conduct at all levels of our operations has been established. The “Energy of Our Conduct” code of conduct is received by every employee in physical format and is also published on Petrol's intranet and online. Petrol d.d., Ljubljana, is also a signatory of the Slovenian Corporate Integrity Guidelines.

The policies of the Petrol Group are specified in the 2022 Annual report of the Petrol Group Petrol d.d., Ljubljana.

Prevention and detection of corruption or bribery

The Petrol Group has a corruption prevention system in place, which, by taking into account the identified risks and their management and control, includes actions based on the type and degree of anti-corruption risk. To prevent corruption, various systems and policies containing clearly defined internal rules of conduct have been established.



The fundamental ones are presented in the “Energy of Our Conduct” code and the Rules on the Prevention of Corruption in the Petrol Group. The Rules lay down actions and methods aimed at preventing corruption and introducing business practices that reduce the risk that the decision-making power were to be used in violation of external or internal regulations and ethical standards. Compliance with corporate integrity is also expected by our management of all our business partners.

In the Petrol Group, regular training and active awareness-raising are carried out through internal corporate communications channels for all employees on corruption prevention - from top management all the way down to all positions. Regular assessment policies of our business partners have also been put in place. The purpose of these policies is to establish an effective system of assessing the acceptability of existing and potential partners by means of identified risks arising during the assessment of acceptability of business partners and actions to eliminate such risks. All non-compliant conduct can be reported anonymously via the “Speak up” hotline. An effective business control system has been established, which includes quick identification and detection of violations and mechanisms aimed at taking appropriate action, which enables the Petrol Group to operate and conduct business in compliance with moral, legal and ethical principles and to ensure the rights and safety of employees and contractual partners.

Prevention of conflict of interest

Employees are obliged to avoid situations in which their own or financial interests may come into conflict or are already in conflict with the interests of the Petrol Group, and situations that could give the impression that an individual's personal interests influence Petrol's business decisions. If an employee finds him- or herself in a conflict of interest, he/she must inform his/her superior thereof as soon as possible, and the superior must notify the corporate integrity officer of all circumstances that cause or could cause possible conflicts of interest, or act in accordance with internal

regulations that regulate the management of conflicts of interest in further detail. The company has adopted internal regulations that precisely determine the guidelines for managing conflicts of interest in relation to identified risks in relation to the field of work, the type of legal transactions, and other activities.

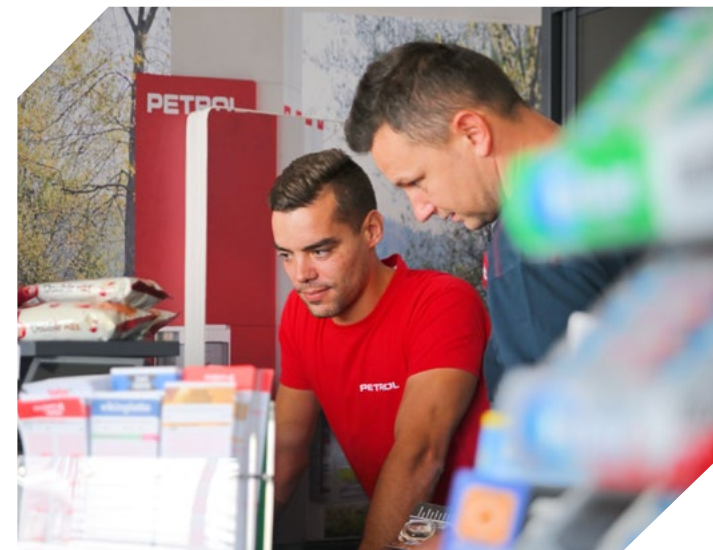
Political influence and lobbying activities

The company has adopted a system of rules regarding activities that, by their very nature, could constitute lobbying. The rules apply to all activities related to lobbying and are fully compliant with binding legislation.

Protection of whistleblowers

The Petrol Group has upgraded the already established independent “Speak up” hotline, which enables both internal and external stakeholders to make anonymous report in the event of potential encounters with unethical actions related to Petrol. Anonymous reports namely constitute an important element of building ethical operations and fraud prevention programmes at Petrol, which is why an external irregularity reporting hotline has been in place since 2017. Independence and the opportunity to remain anonymous are the elements that make it easier for an employee to report irregularities. Reports made to an external, independent hotline do not affect the reporting party in any way, it is safe, Petrol does not obtain information about the reporting party, the reporting party is not penalised for the report made and does not bear any negative consequences as a result thereof.

In the upgraded version, the applicant can file a report via an online form, in which he/she answers a series of questions tailored to the individual incident, or submit a report via the telephone hotline.



We have **zero tolerance** to any unethical and corrupt conduct.



The whistleblowing line includes types of incidents such as fraud, theft, bribery, violation of policies and procedures, workplace extortion, discrimination (gender, age, religion, race, etc.), occupational health and safety, etc. It is an anonymous and confidential channel intended not only for our employees, but also for customers and business partners, via which they can expose irregularities arising in the company. The established corporate integrity programme at Petrol serves to demonstrate our commitment to ethical corporate governance.

The external “Speak up” external whistleblower hotline provides for reducing financial loss and reputational risk and building and enforcing a culture of ethics, which, according to the Association of Certified Fraud Examiners, is the most effective means of detecting fraud and corruption, as well as unethical conduct that causes loss in the company.

In 2021 and 2022, no reports of unethical conduct related to the Petrol Group were received.

Payment practices

Payables

The maturity dates of the company's payables vary and depend on the supplier and the type of payable (e.g. oil products, gas, electricity, merchandise). The payment terms for most of the company's payables are aligned with market or industry standards. Due to their nature, some of the company's payables have longer terms of payment. The company settles its due payables upon maturity.

Receivables

The maturity dates of the company's receivables vary and depend on the customer and the type of receivable (e.g. Petroleum products, gas, electricity, energy solutions). The terms of payment for most of the company's receivables are in line with market or industry standards. Due to their nature, some of the company's receivables are settled with advances.

Communicating corporate information

In 2022, Petrol, the largest energy company in Slovenia, experienced a period of changes that shook its business model to the core. These changes affected its operations, the supply of fuels and energy products and operating results, which had an impact on all stakeholders, including employees, decision-makers, business partners, customers, consumers, and the community. The impact of these changes was also felt at the regional level of the Petrol Group, especially in Croatia, where the Crodex derivati d.o.o., was being integrated into the Petrol Group at the same time. The integration marked the completion of one of the largest investments in the history of Petrol.

The wave of changes began in the second half of 2021 with the energy crisis in international energy markets (the beginning of the rise in energy prices), which continued and escalated in 2022 to such an extent that the Government of the Republic of Slovenia had to take action to protect

households, the economy and other users of fuels and energy products. This included the regulation of margins or fuel prices and, at the end of 2022, the regulation of electricity, natural gas, heating oil and district heating prices.

As a comprehensive supplier of fuels and energy products, Petrol was faced with the regulation of its operating conditions in most of its operating areas. The regulation of the sales prices of fuels and energy products helped buyers and consumers, however, the purchase prices of fuels and energy products remained high. As a result, Petrol generated a negative operating result in 2022.

These circumstances affected the interests and actions of the Petrol Group's stakeholders, from government decision-makers, consumers, shareholders, business partners, employees to Petrol Group's partners in social areas. As the developments were followed in detail by the media, this caused a great demand for information from Petrol.





In these turbulent circumstances, it proved extremely challenging to manage the trust of stakeholders and the reputation of Petrol. The key guidelines of corporate communications were thus:

- regular, continuous and proactive communication at key milestones and changes,
- intensive communication with an increased frequency and strengthening of personal communication,
- to explain the context and causes,
- consistent communication that ensures consistency of messages over time and between stakeholders,
- effective reactive communication, especially to questions posed by the media,
- compliance with the rules of communication of public companies and
- argument-based communication based on studies and data.

At Petrol, we were aware of the critical importance of communication in a period of intense change and uncertainty. Our communication channels proved key to maintaining open lines of dialogue with all our stakeholders, i.e. government bodies, final customers, and other partners. The main topics covered included our response to the energy crisis, actions to protect households and the economy, the impact of price regulation on our business and our commitment to proactive and transparent communication.

As part of our external irregularity reporting “Speak up” hotline, all our stakeholders are able to communicate any irregularities or concerns they perceive in the operation of the Petrol Group. A contact for the media has also been established and published on Petrol’s website as part of the corporate communications department through which the media and other interested members of the public can contact us and access information and press releases.

Evaluation of the Board’s work

Upon adoption of the business plan for the next financial year, the Supervisory Board of the company adopts the Rules for evaluating the work of the Board of the Petrol d.d., Ljubljana, as well as the criteria used for this purpose. The performance of the Members of the Board is established on the basis of qualitative and quantitative criteria. One of the most important qualitative criteria is the effectiveness ensuring sustainable development, which measures the effectiveness of the Petrol Group’s gradual transition to operating with an increasingly lower carbon footprint and greater total energy savings, as well as the introduction of sustainability commitments in the chain of stakeholders with the aim of strengthening social responsibility. Qualitative criteria include the effectiveness of human capital development, of the implementation of the business strategy and of ensuring business growth.

The effectiveness of human capital development: the effectiveness of the development of sustainably oriented personnel systems (recruiting, personnel development, education and training, development of competences, rewarding, occupational health and safety concern, ensuring inclusion and the respect for diversity) and of ensuring an appropriate personnel structure (organisational climate, committed employees, appropriate educational structure, competent employees), necessary for the implementation of the strategy.

Effectiveness of the implementation of the business strategy: the evaluation of the effectiveness of the implementation of strategic projects and rationalisation of operations, such as development activities, risk management, rationalisation of purchasing and logistics

processes, innovation, social responsibility, upgrading of support processes and IT, etc., is measured with the aim of achieving a long-term sustainability of operations and sustainable development of the company.

Effectiveness of ensuring business growth: the evaluation of the effectiveness of the implementation of projects that enable the Petrol Group to further grow and expand its business, such as the effectiveness of the implementation of investment projects, acquisitions, strategic associations, strengthening the position in existing markets and entering new markets, with the goal of achieving long-term business growth, is measured.

After the end of the financial year, upon submission of the audited annual report of Petrol d.d., Ljubljana, and the Petrol Group, the Board reports to the Supervisory Board on its work and the fulfilment of the criteria of the previous financial year.

The more important qualitative criteria used for evaluating the work of the Board include the effectiveness of the provision of **sustainable development**.

As part of the qualitative criteria, the Board primarily reports to the Supervisory Board on the effectiveness of implementing the business strategy, ensuring business growth, developing human capital and ensuring sustainable development:

- Effectiveness of implementing the business strategy:
 - sales results,
 - operating profitability,
 - supply chain efficiency,
 - added value per employee,
 - ROE,
 - long-term financial stability,
 - risk management system in the Petrol Group,
 - focus on quality and business excellence and ensuring good working conditions,
 - Corporate Social Responsibility.
- Effectiveness of ensuring business growth:
 - M&A projects,
 - introduction of key IT solutions,
 - construction of RES facilities,
 - mobility,
 - responsibility towards customers,
 - customer and contact centre support,
 - resolution of customer complaints and claims,
 - awards and recognitions that the company receives in this field.
- Effectiveness of human capital development:
 - ensuring an adequate educational structure,
 - recruiting, rewarding and motivating employees,
 - leadership using targets and feedback,
 - supporting the growth and development of employees,
 - training for greater customer satisfaction through various sales channels,
 - constant concern for the development of employees by implementing a coaching culture,
 - ensuring and strengthening the health of Petrol

employees,

- organisational climate, satisfaction and commitment of employees in the Petrol Group,
 - occupational safety and the implementation of preventive medical examinations.
- The effectiveness of ensuring sustainable development:
 - partnership with employees and the social environment,
 - long-term environmental focus and commitment,
 - air emissions, noise emission, waste water, waste management, light emission,
 - prevention of major accidents,
 - social responsibility (shareholders, customers, suppliers, employees),
 - sponsorships.

Effectiveness of **human capital** development forms part of the Board's regular reporting to the Supervisory Board.



Key risks and risk management

The Petrol Group operates in two complex activities: trading and energy. Both have been facing significant changes that require a fresh look at key business model concepts. In the energy field, energy efficiency and the new use of existing and the development of new energy product have been gaining momentum, which, together, will contribute to a successful energy transition. There is an increasing awareness of sustainable development, accompanied by stricter legislation. In the field of trading activity, there has been a noticeable change in the conduct of final customers, who are becoming more and more aware, engaged and digitally savvy.

In the Petrol Group, we are aware of the changes and address them in the 2021–2025 strategy. Trends in the energy sector are tackled using a comprehensive range of energy solutions. New digital channels, an expanded range of energy products and a personalized offer will serve to get even closer to our customers and provide them with support in the transition from traditional energy sources to cleaner renewable energy sources. The described changes in the business environment and related trends bring about not only new risks, but also new opportunities. In its strategy, the Petrol Group adjusts its business targets according to the accepted risk management guidelines or the so-called risk appetite.

In 2022, the continuation of an extraordinary increase in the prices of all energy products, which began in the last quarter of 2021 and had a major impact on the whole of Europe and the operations of the Petrol Group, was witnessed. The Russia-Ukraine crisis also contributed to the high prices in 2022. The governments of individual countries responded to the aggravated situation by various regulations and by regulating the prices of energy products. Changes or restrictions regarding the pricing of oil products in the markets of Slovenia, Croatia and Serbia (retail and wholesale), as well as the regulated prices of electricity and natural gas, had the most significant impact on the Petrol Group.





In both 2021 and 2022, the activities intended to manage risks related to the coronavirus pandemic, aimed at managing and reducing the negative effects of the pandemic in 2020, continued. Actions to ensure the safety and health of employees and customers, as well as an uninterrupted supply of the economy, continued. Additional thought was given to credit risk management due to the expected increase in the risk of default of our customers at the level of the entire Petrol Group and to the liquidity of the Petrol Group.

In October 2021, the purchase of the Croatian company Crodux Derivati Dva d.o.o. was completed. This was followed by activities integrating the company into the Petrol Group, which were completed in the last quarter of 2022.

Cyber risks have increased significantly in the recent period, as cyber attacks represent the battlefields of the future. In the Petrol Group, we are already working towards greater resilience today in order to be ready for cyber threats in the future.

The content of Petrol's risk model is connected to a set of 20 risk groups, which are placed in two major risk groups - environmental risks and operational risks. The Group regularly assesses risks. The last risk assessment was carried out in 2021, the next one will be in 2023.

The Petrol Group is facing a new challenge of integrating and segmenting aspects of risks related to the comprehensive concept of ESG (environment, society, governance). Identifying and assessing sustainable risks that can significantly affect the value of the Petrol Group forms part of responsible governance and constitutes a duty towards our stakeholders and investors. The Petrol Group is aware that ESG risks will have a significant impact on macroeconomic risk factors and thus on the risks and profitability of our business portfolios.

Risk groups in the Petrol Group

I. Environmental risks

I.1. Political risks

I.2. Risks of the economic environment

I.3. Risks of the financial environment

I.4. Legislation and regulatory risks

I.5. Disaster risks

II. Operational risks

II.1. Operating risks

II.1.1. Human resource management and leadership risks

II.1.2. Process risks

II.1.3. Risks of information systems

II.1.4. Safety and security risks

II.1.5. Business disruption risks

II.2. Strategic risks

II.2.1. Risks of strategic decision-making

II.2.2. Risks of business decision-making

II.2.3. Risks of providing information

II.3. Risks of fraud and other illegal acts

II.3.1. Risks of crime/fraud

II.3.2. Corporate integrity risks

II.4. Financial risks

II.4.1. Price and quantity risks

II.4.2. Credit risks

II.4.3. Liquidity risks

II.4.4. Currency risks

II.4.5. Interest rate risks

III. Environmental and climate risks

III.1 Environmental risks

III.1.1 Lack of natural resources

III.1.2 Loss of ecosystems

III.1.3 Environmental pollution

III.1.4 Environmental legislation

III.1.5 Migration of people

III.2 Physical climate risks

III.2.1 Acute

III.2.2 Chronic

III.3 Climate transition risks

III.3.1 Policy and legislation

III.3.2 Risk of litigation

III.3.3 Technology

III.3.4 Market risks

III.3.5 Reputational risk



Environmental risks are aspects related to the quality and operation of environmental and natural systems, including climate change; availability of natural resources, including energy and water; land use changes and urbanisation; air, water and soil quality; waste management; protection of natural habitats and biodiversity. Climate change is classified as an environmental risk, but at the same time it is also a source of structural changes that affect economic activity and thus indirectly the social, management, and financial systems. They have long-term consequences for affected business activities and areas. The Petrol Group is engaged in activities in industries (energy, transport, infrastructure, etc.) with a higher probability of physical risks. These are also the industries likely to be affected by the transition to a low-carbon economy. In particular, the value of assets that are directly or indirectly related to the extraction, processing, combustion or use of fossil fuels, as well as non-energy-efficient assets can suddenly and significantly decrease. Geographically, climate change is expected to have a different impact, so it is important to analyse the geographical areas of our activities separately.

Social risks are aspects related to the rights, well-being and legitimate interests of people and local communities, including: human rights, diversity and the promotion of equal opportunities; demographic changes; the right to adequate working conditions, including the prohibition of child and forced labour, and occupational safety and health; education and human capital development; transition to digital technology, artificial intelligence, etc.

Management risks are aspects related to the management of companies and organizations, including: transparency; ethics and integrity of business practices and compliance with legislation; corruption; tax liability; composition, independence and diversity of the Board; incentive mechanisms for managers; rights of shareholders and stakeholders, protection or restriction of competition.

The first step towards integrating the integrated ESG concept into the area of risks, which was started in 2022,

is the placement of environmental/climate risks in the comprehensive risk management of the Petrol Group. Thus, Level III has thus been placed in the governance scheme.

In 2023, ESG/climate risks will be included for the first time as part of a comprehensive risk assessment.

According to the results of the assessment so far, the following financial risks remain among the most important and most likely risks: credit, price and quantity, and currency risk. The control or management of these risks requires the most powerful control system, which is also implemented in the Petrol Group and is described in more detail under individual financial risks.

In addition to the main financial risks, among the most important and most probable risks are risks of the economic environment, risks of business decision-making, risks of the financial environment, process risks, risks of strategic decision-making, risks of information systems and interest rate risks.

The Petrol Group has also defined risk management (risk appetite) policies and principles. The overarching strategic guideline is to ensure stable business growth while accepting moderate risks. The required returns are adjusted to the expected risks.

The risks that we are willing to accept are those that arise from the Petrol Group's development strategy. This enables further stable business growth and the dynamic development of new business models. In doing so, we carefully assume risks arising from:

- the business expansion to new activities and markets, in accordance with strategic starting points, and
- operating in our existing activities.

However, we are not prepared to assume the following risks:

- environmental risks,
- employee occupational health and safety risks,
- goodwill loss risks,

- fraud and corruption risks,
- risks of losing the "investment grade" credit rating (which arises from the operations of the Petrol Group).

Subject to the overarching principle, the following strategic guidelines for the Petrol Group's risk management have been specified:

- the Petrol Group monitors changes in the industry and markets where it operates and proactively adjusts its operations and targets in order to achieve its strategic targets.
- Petrol Group's new investments are brought in line with strategic and financial plans. The expected investment returns are suitable for the risks assumed.
- The personnel policy is coordinated with the strategic guidelines of the Petrol Group. The human resources management department actively works in the field of personnel development and training, as well as monitoring the organisational climate.
- The Petrol Group promotes compliance with legislation and internal rules and, through values and the Code of Conduct, builds a corporate culture that promotes legal, transparent and ethical conduct and decision-making.
- The Petrol Group is aware of operational risks and strives to establish a process, system and IT environment that enables the strategic development of the Petrol Group and reduces the operational risk to an acceptable level.
- The Petrol Group protects margins in the sales of energy products, either through natural coordination or through trading with derivative financial instruments, with the aim of protecting itself against risks and ensuring the stability of cash flows.
- The Petrol Group provides for a high-quality portfolio of partners and strives for their appropriate diversification. The Petrol Group strives for a high level of collateralising of risky receivables, either by acquiring insurance instruments or by taking out insurance.
- The Petrol Group ensures long-term financial stability using a sustainable financial leverage.

- The Petrol Group manages short-term liquidity by regulating inflows and outflows and maintaining a sufficient level of credit lines.
- The Petrol Group strives for a high level of hedging against the risk of changes in interest rates.

Risk management lines of defence

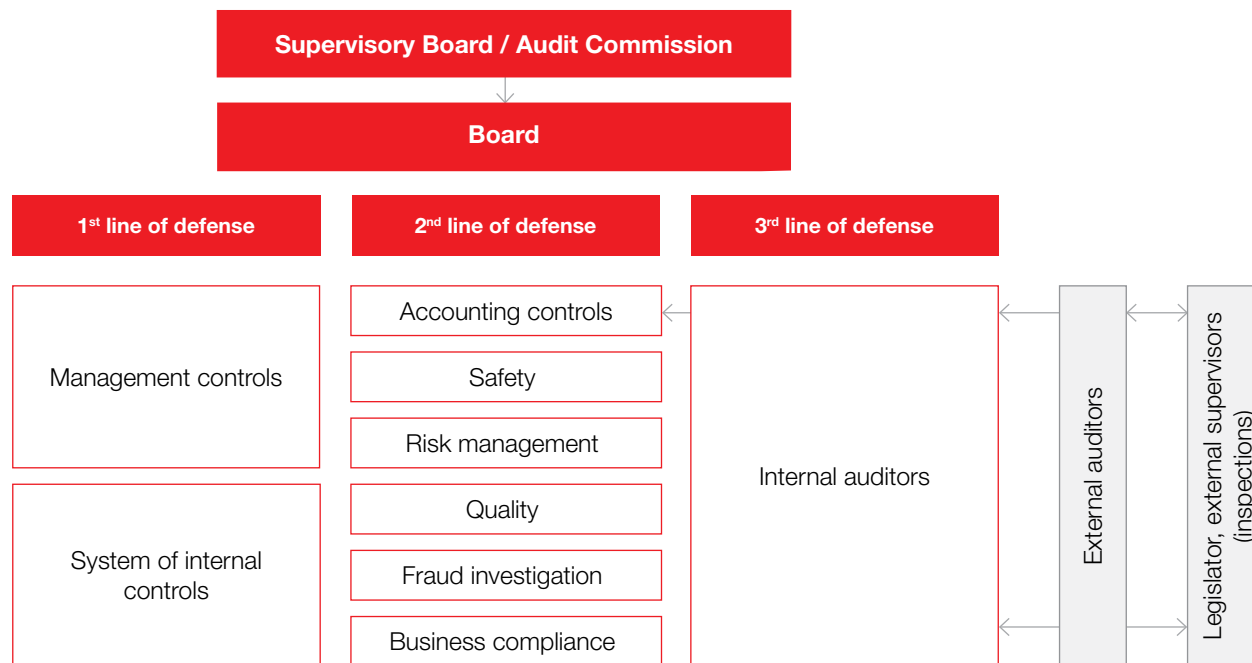
In addition to the management, three other main entities are heavily involved in the system of effective management of business risks: internal auditors, the Supervisory Board or the Audit Committee as a committee of the Supervisory Board and external auditors, all of whom together provide assurance to shareholders and other stakeholders that allow for an effective risk management and the internal control system.

The risk management lines of defence are presented below. Those responsible in the first line of defence (directors and heads of organizational units) must identify risks, analyse them, assess them and establish mechanisms for their management or reduction to an acceptable level.

The second line of defence includes all those functions that, based on various analyses, monitor whether the identified risks actually remain within the predetermined framework. In the Petrol Group, these are persons in charge of risk management, various controllers, persons dealing with business compliance, fraud investigators; in addition to them, also persons who carry out reviews specific to the Petrol Group's activities and the risk committee.

The third line of defence must provide independent assurance. It consists of an internal audit. In addition, external auditors, external supervisors and other institutions that are not an integral part of the Petrol Group, but play an important role in its management structure, are important. The legislator or the regulator has the possibility to set requirements that are supposed to strengthen the established system of controls.

Risk management lines of defence (Source: adapted from ECIIA/FERMA, Recommendations 8 of the EU Directive, Article 41)



The risk management system is specified in the 2022 Annual report of the Petrol Group.



Our approach to stakeholder engagement

As our relations with our stakeholders are of strategic importance to us, we regularly communicate with them through various communication channels tailored to individual stakeholders and communication targets. We strive for transparent and long-term relationships based on business integrity and ethical principles. Various co-creation and co-innovation tools are used to strive to engaging stakeholders in creating added value. We regularly check their satisfaction with our services, products and approach, and based on the results improve our activities to achieve our targets.

For all stakeholders:
reporting irregularities to an
independent anonymous
Speak up. hotline

Stakeholders	Communication tools, relationships
Employees	Employee surveys Tell the Board app Intranet, "Our Energy" e-newsletter, e-mail address mednami@petrol.si, bulletin boards The "Energy Among Us" magazine of Petrol employees Events for employees
Customers	Web site Social networks (Facebook, Twitter, YouTube, Instagram, LinkedIn) Energy solution centre (personal consultation) Customer support and sales contact centre (telephone, "Tell Petrol", Petrolko chat, help and advice via video call) Face-to-face contacts Customer surveys Other communication tools: loyalty points, events, etc.
Suppliers	Web site Face-to-face contacts Annual Report Sustainability report

Stakeholders	Communication tools, relationships
Shareholders/ financial public	Website ("For investors" section) Annual Report Sustainability report Investor conferences Shareholders' General Meetings Conference calls with investors and analysts Face-to-face meetings Press conferences Electronic communications on the SEOnet Ljubljana Stock Exchange Petrol's email address for investors: investitorji.informacije@petrol.si The "Energy Among Us" magazine of Petrol employees
Legislator/political public/professional public	Professional foundations within professional associations, chambers, forums
R&D community	Papers Symposia, forums, professional conferences, consultations, etc.
Social environment	Sponsorships, donations Humanitarian campaigns and other socially responsible projects Social networks (Facebook, Twitter, YouTube, Instagram, LinkedIn) Mobile applications (Petrol Moj Petrol, Na poti, mBills) Press conferences

Materiality matrix

In order to identify the essential topics of our strategic stakeholders, we drew up a materiality matrix in 2020, which, in accordance with the strategic guidelines of the Petrol Group and the recognised interests of our key stakeholders, includes four substantive areas in which we common targets are pursued. These areas are:

- corporate governance
- MUMESCO: energy, infrastructure, facilities, environment, mobility
- business models, technologies
- employees

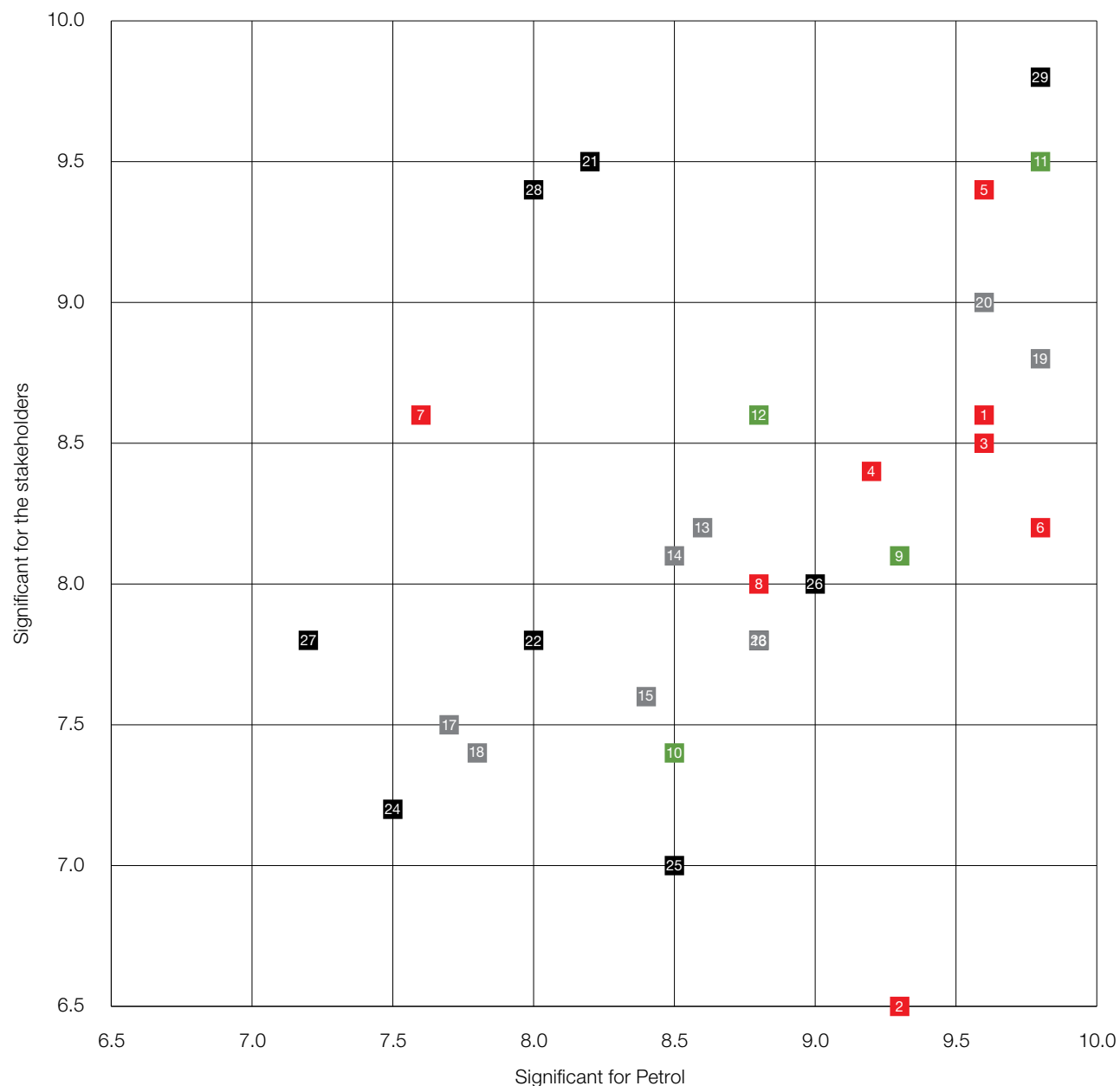
The sustainability report for 2022 includes an illustration of the materiality matrix drawn up for the 2020 sustainability report. In 2023-2024, a new materiality matrix will be drawn up, compliant with the European Sustainability Reporting Standards (ESRS). The materiality matrix was drawn up by conducting an electronic survey of all key stakeholder groups. The evaluations showed that among our key stakeholders, according to the previous materiality matrix, the materiality of sustainable development topics increased, especially in the area of low carbon. This encourages us to actively pursue our sustainability goals, including from the perspective of decarbonisation, and adjust them as necessary. Stakeholders are also placing greater emphasis on digitization and smart concepts, which contributes to a better shopping experience and provides customers with a higher level of safety in terms of health risks. Compared to past measurements, strategic stakeholders attributed less materiality to maximizing returns and value for owners.

■ Corporate governance

■ MUMESCO: energy, infrastructure, facilities, environment, mobility

■ Business models, technologies

■ Employees





A. Corporate governance

#	Area	Targets
1	Business excellence	We strive for excellence in all areas of our business.
2	Maximising returns and value for owners	The strategic targets of long-term growth and development are achieved through successful operations, a stable dividend policy and by maximising value for owners.
3	Corporate integrity	Our guiding principle is corporate integrity, which is manifested in ethical and transparent business.
4	High reputation	All our actions are intended to strive for a high reputation in the eyes of all members of the public.
5	Full business compliance	We consistently comply with all legal requirements and relevant regulations.
6	Risk management	Risk management is embedded in all levels of our operations, thus creating new value for shareholders and maintaining an investment credit rating.
7	Commitment to sustainable development	At all levels, we operate in accordance with the principles of sustainable development and strive for a low-carbon society. We also contribute to social welfare in the form of sponsorships and donations.
8	Open stakeholder dialogue	We conduct a continuous dialogue with all stakeholders, which serves as a guide to sustainability.

B. MUMESCO: energy, infrastructure, facilities, environment, mobility

#	Area	Targets
9	Strategic target: As the agent of change in the energy sector, a low-carbon society is created hand in hand with our users	We invest in the development of decentralised energy generation from RES. We enable efficient use of energy (complete energy solutions: district heating systems, water supply systems, lighting systems).
10	Strategic target: We offer integrated environmental management services to the industry and municipalities	Waste Management, Soil Management, Water Management, Air Management.
11	Strategic target: We ensure a safe supply of fossil fuels	Reliable supply of propellants, expansion of the use of LPG.
12	Strategic target: We are the protagonists of the transition to low-carbon mobility	Developed infrastructure for alternative fuels, electromobility models.

C. Business models, technologies

#	Area	Targets
13	Smart concept	We develop smart cities, smart homes, smart business, smart mobility.
14	Digitization, innovative business models	Through innovation and digital solutions, we will develop successful new business models and partnerships.
15	State-of-the-art technologies	In all areas of operation, we integrate only the best technologies currently available on the market.
16	Development	We give space to development and development partnerships by design.
17	Quality	Quality is our guiding principle in all areas; we prioritise it over price.
18	Development and sustainability partnerships with suppliers	We develop development and sustainability partnerships with suppliers, which create added value.
19	Customer focus	The customer is at the centre of our operations. They will be brought even closer using our multi-channel sales approach (omni channel).
20	High level of security	We provide for security at all levels: people, property, processes, data.

D. Employees

#	Area	Targets
21	Strategic target: Comprehensive personal development and growth of colleagues for optimal performance	Our employees are engaged in their work, we have a high organisational culture.
22		Employees have a positive attitude towards changes and initiate them themselves.
23		We systematically develop leaders.
24		We manage talent strategically.
25		We have a comprehensive approach to recruitment - supported by computerisation of the process.
26		We implement a comprehensive program of employee education and training.
27		We promote intergenerational cooperation and the transfer of knowledge and experience.
28		We have a reward system that encourages employees to develop their potential and abilities.
29		We provide for the occupational health and safety of our employees.

Environmental aspect





Me too!

I swear by sustainable mobility

Everything that contributes to a positive effect on the environment and people is sustainable mobility for me. For mobility around the city and to work, I mostly use different types of bikes - from a city to a specialised one, sometimes an electric scooter, but also a car for larger purchases. We can make the biggest changes within ourselves, and this often requires stepping outside of our comfort zone. The hardest part is at the beginning, each subsequent step is much easier and more beautiful.



Mr. Luka Strnad Peterca, Mobility



Mr. Urša Švab, Energy solutions

Me too!

I get involved in green activities

I have taken care of a clean environment since I was a child, and recently have been even more committed to leading a sustainable life. I air-dry my clothes, I try to waste as little food as possible, I save water and electricity, and together with my children, I take part in the annual local clean-up campaign. For me, sustainable values are health, family, love, respect for fellow human beings and the environment, justice, honesty, responsibility, peace, friendship, solidarity.

Me too!

I manage waste responsibly

Small changes and daily actions at home can allow us to take big steps towards improving and raising the quality of life. I handle waste responsibly, which I carefully separate at the source, and reduce the use of water resources. This sets a good example for younger people.



Mr. Rok Čokl, Development of sales solutions for the public sector and industry

Management of the natural environment

Petrol for its own activity



We regularly monitor our own activities:

- waste water,
- emissions of substances to the air,
- noise emissions,
- tightness of tanks,
- fuel quality,
- treatment of biodegradable waste,
- we produce a waste assessment.



We generate energy from RES:

- wind farms,
- solar power plants,
- small-scale hydro,
- biogas plants.



We use energy efficiently:

- we incorporate the best available technologies,
- we glaze refrigerated showcases,
- we modernise the interior and exterior lighting,
- we manage energy comprehensively.



We manage water:

- we recycle water in the automatic car wash system,
- we treat waste water at small-scale treatment plants (where it is not yet possible to connect to the public sewage network).



We manage raw materials:

- we manage packaging sustainably, preferably using service packaging,
- we manage waste.



We preserve biodiversity:

- we protect the soil ecosystem,
- we conserve plant and animal species.



Petrol for the market



Sustainable energy mix:

- we offer fossil fuels with a lower carbon footprint,
- we add fuel additives to reduce emissions,
- we mix biofuels (biodiesel, HVO) with petroleum diesel,
- we provide smart e-mobility solutions.



Efficient use of energy:

- we ensure energy savings for final customers,
- we manage energy comprehensively,
- we manage district heating,
- we carry out cogeneration,
- we carry out energy renovations of facilities,
- we renovate public lighting.



Water:

- we optimise water supply systems,
- we treat municipal and industrial waste water.



Tango Platform:

- the Tango open platform is a business analytics and artificial tool used for integrated environmental management.



Electricity:

- we supply electricity,
- we generate electricity from RES (wind, hydro, solar, biogas).

Strategic commitments to the natural environment

We carry out our activities with a high level of responsibility towards the natural environment. Our strategic commitment is to be an active player in the transition to a low-carbon energy society, which is why, as a partner to industry, the public sector and households, we have been assuming one of the leading roles in achieving environmental targets. At the same time, we have been reducing our impact on the natural environment through the efficient use of energy, generation of energy from RES, responsible management of water and raw materials, and conservation of biodiversity. The continuous development of fuels in the strategic 2021-2025 period, we will actively contribute to reducing emissions, while, at the same, use clear sustainable policies to provide for the reduction of the carbon footprint both in the Petrol Group and for our customers. As the generation electricity from RES occupies a special place in the energy transition, we have been increasing their share in our own electricity generation and contributing to an ever-increasing energy independence for our own activities as well as for communities and cities. In this way, an increasing share of energy products with lower carbon emissions has been included in our energy solutions for the market. E-mobility constitutes a special pillar of our business, where we have been focusing

on the installing charging infrastructure and services as well as on managing our fleets.

By introducing circular economy models, especially in terms of packaging, waste management and the use of raw materials, including water, we have been responding to the growing demands of climate change for the purpose of effective risk management and seeking new opportunities leading to new technological solutions and optimisation.

Petrol has committed itself to four fundamental environment management targets:

- to ecologically modernise all our warehouses, service stations, and other facilities,
- to minimise pollutant emissions,
- to economically exploit natural resources,
- to prevent accidents to the maximum extent and reduce the risk of their occurrence.





Quality management

Quality and excellence are included in the 2021-2025 Petrol Group Strategy. Our quality systems are continuously upgraded and expanded. Petrol has certified quality management (ISO 9001), environmental management (ISO 14001) and energy management (ISO 50001) systems. The requirements of the HACCP food safety management system, the ISO 45001 occupational health and safety management system and the information security management system in compliance with the SIST ISO 27001 standard are also included in the integrated quality system of the company. Petrol also holds POR (Responsible Care) certificates for the Responsible Environmental Management Programme for the implementation of storage, logistics and retail network activities at service stations in Slovenia, FSC certificates for the sale of FSC-certified products and ISCC certificates for trading in and storing RES.

The basic principle of business of the Petrol Group is to ensure the highest level of quality. Our professional services and support allow us maintain the status of the leading energy company in Slovenia, which has a significant impact on the development and transfer of new state-of-the-art fuels to the Slovenian market. An important role in this process is played by the Petrol Laboratory accredited according to the SIST EN ISO/IEC 17025:2017 standard (General requirements for the competence of testing and calibration laboratories).

Review of certificates and accreditations in the Petrol Group in 2022

Company	Quality management system	Environmental management system	Energy management system	Accreditations of laboratories	Other certificates
Petrol d.d., Ljubljana	ISO 9001:2015	ISO 14001:2015	ISO 50001:2018	SIST EN ISO/IEC 17025: 2017*, SIST EN ISO/IEC 17020: 2012**	ISCC***, POR****, FSC*****, AEO*****
Petrol d.o.o.	ISO 9001:2015	ISO 14001:2015	/	/	
Petrol d.o.o., Belgrade	ISO 9001:2015	ISO 14001:2015	/	/	EN 45001
Petrol Geo d.o.o.	ISO 9001:2015	/	/	/	/
Beogas d.o.o.	ISO 9001:2015	/	/	/	/

* Petrol d.d., Ljubljana - Laboratorij Petrol is accredited by Slovenian Accreditation with accreditation number LP-002 in the field of testing (SIST EN ISO/IEC 17025).

** Petrol d.d., Ljubljana – The measurement and environment department is accredited by the Slovenian Accreditation with accreditation number K-040 in the field of inspection (SIST EN ISO/IEC 17020, type C).

*** Petrol d.d., Ljubljana is certified under the International Sustainability and Carbon Certification (ISCC) for the sustainable supply of biofuels, which means a documented and traceable pathway from the production of the raw material to the final product.

**** Petrol d.d., Ljubljana is a holder of Responsible Care Certificate for its activities relating to storage, logistics and retail network of service stations in Slovenia and granted the right to use the initiative's logo.

***** Petrol d.d., Ljubljana is a holder of FSC certificate for the production of wood chips for heat. The FSC certificate, issued by the international nongovernmental organization Forest Stewardship Council, promotes environmentally sound, socially beneficial and economically viable forest management.

***** AEO Certificate is issued by the Customs Administration of the Republic of Slovenia, which carries out the supervision and inspection of certificate holders. The certificate facilitates access to customs simplifications, fewer physical and documentary checks, preferential treatment in the event of controls, the possibility of choosing a place for such controls and the possibility of prior notification. The AEO Certificate confirms the following criteria: appropriate security and safety standards, appropriate record of compliance with customs requirements, reliable system of managing of commercial and transport records, allowing appropriate customs controls, and proven financial solvency

Petrol has certified quality management (ISO 9001), environmental management (ISO 14001) and energy management (ISO 50001) systems.



In 2021, the Petrol Laboratory expanded the range of accredited methods and at the end of 2022 was in the possession of 55 accredited oil product testing methods.

Petrol d.d., Ljubljana, also includes an inspection body accredited according to the SIST EN ISO/IEC 17020:2012 standard (Requirements for the operation of various types of bodies performing inspection) in the possession of 20 accredited methods used to test control of flow and pressure measurements in tires, equipment under pressure, the tightness of stationary steel tanks, for checking the wall thickness of liquid fuel tanks, measuring the breakdown strength of the insulation of liquid fuel tanks, and measuring noise in natural and living environments. Quality systems are also maintained in our subsidiaries.

Petrol, d.d., Ljubljana, is one of the first energy companies in Europe to have received the EQTM (European Quality Trademark), awarded by the European Organisation for Quality (EOQ), for its Q Max family of fuels. Products or product families awarded the EQTM certificate must be developed by the company itself, must be on the market for at least three years, their quality characteristics must be constantly improved in line with customer expectations, and at least 60 percent thereof must be of European origin. Products must be manufactured in compliance with national and international legislation and standards. The company must have an implemented quality management system, as evidenced by a valid ISO 9001 or other similar globally recognised quality certificate.

Environmental permits

The Petrol Group operates installations whose operation requires various environmental permits. There are three types of environmental permits:

- environmental protection permit for the operation of an installation that causes industrial emissions (IED installations),
- environmental protection permit for a plant in which hazardous substances are present in quantities that can cause major accidents for man and the environment (SEVESO plants),
- environmental permits for other installations and activities.

IED installations in Petrol d.d., Ljubljana, are as follows:

- the Črnomelj biogas plant,
- the Ravne combustion plant with a thermal input greater than 50 MW,
- the Silla cooling system including the Štore industrial waste water treatment plant.

SEVESO plants in Petrol d.d., Ljubljana, are as follows:

- oil product warehouses (SND) in Lendava, Rače, Celje and Zalog, the Sermin Installation Terminal (TIS) and
- liquefied petroleum gas (LPG) warehouses in Štore and Sežana.

Environmental permits for other installations and activities in the company Petrol d.d., Ljubljana, are held by:

- the Ihan sludge drying plant used for waste recovery, emissions to water and air,
- the Murska Sobota, Mežica, Sežana and Ig municipal waste water treatment plants in terms of emissions to water,
- points of sale (service stations) with a car wash or a larger municipal waste water treatment plant, which are not connected to the public sewage system for emissions to water.

Environmental management system

Petrol's environmental management system is based on the ISO 14001 standard and covers the management of all environmental aspects at our points of sale, warehouses and other plants or facilities that form part of Petrol d.d., Ljubljana. The environmental management system subject ISO 14001 is also implemented in Petrol d.o.o. in Croatia and Petrol d.o.o., Belgrade, in Serbia.

We are focused on careful handling of waste, energy, implementation of all legal obligations (that all necessary environmental permits are obtained), involvement in extended producer responsibility schemes (packaging, car tires, electrical and electronic equipment, batteries and accumulators), implementation of preventive programs and trainings with the aim of preventing the occurrence of environmental events.





Responsible care programme

The Responsible Care Programme (POR) is the chemical industry's commitment to sustainable development. POR is a unique, global initiative to improve health, safety, and environmental management within the framework of which companies voluntarily commit to above-standard care and improvement in these areas, as well as to open communication with stakeholders and the public. It consists of introducing good practices, usually through management systems, pertaining primarily to occupational health and safety, environmental protection and careful and safe handling of chemical products.

POR is a protected trademark managed in Europe by the European Chemical Industry Council (CEFIC) and can only be used by companies and associations participating in the program. POR members are committed to fulfilling a common, global vision as defined in the Responsible Care Global Charter. Companies that join the program and meet the required conditions receive POR certificates including the permission to use the POR logo. Petrol d.d., Ljubljana, has been involved in the initiative since 2011.

Petrol, d.d., Ljubljana, has formed part of the **Responsible Care Programme (POR)** initiative for as many as 12 years.



Impact assessment

Our environmental impacts are regularly measured and managed using indicators that reflect the environmental footprint of our own activities (service stations, storage facilities for oil products and LPG, water treatment plants, the biogas plant, office buildings, etc.), and indicators on the contribution of our activities to a more environmentally friendly footprint of the wider society.

We regularly carry out monitoring of waste water, emissions to air, sources of noise, control of tank tightness, and fuel quality. We also monitor the recovery of biodegradable waste and assess waste. To monitor the operation and management of biological processes at waste water treatment and biogas plants, we perform daily measurements of individual parameters, which ensures successful control of processes and the possibility of reducing the burden on the environment.

Security system

Due to its strategic importance and awareness of the vulnerability of the energy and oil trading activities, ensuring safe and continuous operations is one of the key responsibilities in the Petrol Group's operations. The above is also facilitated by our established integrated security system, within which we comprehensively ensure synergy between individual areas of security and synergy between areas of security (security processes) and other business processes. The security system includes the establishment and implementation of effective security provision criteria, norms and standards.

Our overarching security policy covers the following areas of security:

- occupational health and safety,
- fire protection,
- physical and technical protection of persons and property,
- environmental protection,
- safe handling of chemicals and safety in the transport of hazardous substances by road, rail and water,
- protection of confidential data and business secrets,
- information security.



Climate change management

The Petrol Group drew up its Climate Policy in 2022 and adopted it in 2023. Its Climate Policy serves to support the Paris Agreement and the EU's Net Zero decarbonisation commitments by 2050, which means that it is actively committed to preventing and mitigating climate change and adapting to it, while at the same time continuing to strive to reliably supply the energy necessary for social welfare at an affordable price. The Petrol Group strives to reduce greenhouse gas emissions as efficiently as possible in economic and environmental terms, at the lowest costs for the economy and the population. At the same time, it has a significant impact on reducing risks and exploiting the opportunities brought about by climate change, also from the point of view of people's health and safety.

The Board of Petrol d.d., Ljubljana, is responsible for planning, evaluating and regularly auditing the sustainable development management system, which includes the prevention and mitigation of climate change, and for approving corporate climate policies of all companies in the Petrol Group.

The Board approves the Climate Policy, and delegates the competences and responsibilities for its implementation to the competent departments and persons in accordance with the internal organisational system. The Climate Policy applies to all companies in the Petrol Group, as well as to all companies that do not belong to the Group but over which Petrol d.d., Ljubljana, exercises effective control within the limits set by the law.





The purpose of the Climate Policy is to establish a framework for the formulation of the Petrol Group's strategy and business model with a commitment to fighting climate change. Climate change is one of the most important challenges facing humanity today. The Petrol Group has included environmental performance and the fight against climate change as one of the foundations of its strategic development and sustainable management system inspired by the highest standards of climate management. The Petrol Group is aware of the contribution of its business activities to the achievement of climate targets, as well as of the need for further energy transformation used by both the Petrol Group and wider society to adapt to climate change.

The Petrol Group undertakes to:

- directly take a leading role in the fight against climate change and establish partnerships with other agents;
- promote a culture of awareness among all stakeholders regarding the scale of this challenge and the benefits associated with successfully responding to it, by taking into account the impacts of climate change on the Group's activities;
- actively and decisively contribute to a carbon-neutral and sustainable future. It will do this by continuously reducing the impact of all its activities on the environment. The group will also systematically analyse and identify special actions in the fight against climate change that enable the discovery and exploitation of decarbonisation and green energy transformation opportunities. In doing so, it will strengthen its ability to adapt and resilience and reduce vulnerability to climate change in line with the target of the Paris Agreement and the UN Sustainable Development Goals until 2030 (in particular goals seven and thirteen).

Key climate change policies, standards and other documents

Climate Policy of the Petrol Group (2023, adopted by Petrol, d.d., Ljubljana, for the Petrol Group)

Energy policy (2015, adopted by Petrol, d.d., Ljubljana, for the Petrol Group)

ISO 9001 – Quality management system (since 1997 for Petrol d.d., Ljubljana, followed by Petrol d.o.o., Petrol d.o.o., Belgrade, Petrol Geo d.o.o., Beogas d.o.o.)

ISO 14001 – Environmental management system (since 2000 for Petrol d.d., Ljubljana, followed by Petrol d.o.o., Petrol d.o.o., Belgrade)

ISO 50001 – Energy management system (2019, Petrol d.d., Ljubljana)

Food handling system and HACCP plan for service stations (2016, Petrol d.d., Ljubljana, Petrol d.o.o., Petrol BH Oil Company d.o.o. Sarajevo)

Responsible Care Programme (POR) (2011, Petrol d.d., Ljubljana)

FSC – Forest Stewardship Council (2013, Petrol d.d., Ljubljana)

ISCC – International Sustainability and Carbon Certification (2017, Petrol d.d., Ljubljana)

EQTM – European Quality Trademark (2022, Petrol d.d., Ljubljana)





Strategic targets by 2025, climate change metrics and actions

Climate change management targets, metrics and actions have been defined.

Target	Metrics	Actions
Management of at least three independent energy communities.	Number of established energy communities	Drawing up a refreshed offer for energy communities based on the experience gained from the management of an already established energy community, current legislation, and market development.
Continuation of the installation of urban charging hubs.	Number of installed urban charging hubs	Installation of charging hubs - urban, highway, in front of shopping centres, and in other strategic locations.
A total of more than 5,000 sustainable solution projects pertaining to energy renovation and self-sufficiency for natural persons.	Number of implemented projects Number of invoices issued for such projects	Increasing assembly or implementation capacities.
New B2B solar power plants with a total installed capacity of 50 MW.	Total installed capacity of solar power plants	Acceleration of active sales, development and implementation of new products, establishment of a competitive energy management model.
Installed 160 MW of electricity generation from RES (wind, hydro, solar) in all Petrol markets.	Total installed capacity from RES in all markets	Development and implementation of electricity generation projects from RES.
Annual growth of energy savings.	Amount of energy savings	Implementation of greater energy efficiency projects.
Annual growth of environmental savings.	Amount of environmental savings	Implementation of greater energy efficiency projects. Replacing fossil fuels with RES fuels.
Supply of natural gas to 24,000 customers, out of which 19,000 household customers and 5,000 commercial customers in Slovenia.	Total number of natural gas customers Number of household customers Number of commercial customers	Promotion of sales through marketing campaigns, subsidizing advertising of the usefulness of natural gas through membership in the Natural Gas Economic Interest Grouping.
320 new LPG refuelling stations and 22 CNG refuelling stations in all Petrol markets.	Number of new LPG refuelling stations Number of new CNG refuelling stations	Installation of new refuelling stations and expansion of the retail network.
Management of 1,575 e-charging stations in the region.	Number of e-charging stations	Setting up new own e-charging stations and assuming management of e-charging stations owned by others.
A minimum of 15% of the electric vehicle fleet (own and rented vehicles) for own use.	Number of e-vehicles in own fleet Share of e-vehicles in own fleet	Purchase or lease of electric vehicles for the needs of one's own vehicle fleet and thus the gradual replacement of internal combustion engine vehicles with electric vehicles.
Reduction of the carbon footprint of Scopes 1 and 2 by 40% compared to the reference year of 2021 (Petrol d.d., Ljubljana, excluding OE Energy and Solutions).	Calculation of the organisational carbon footprint according to the GHG protocol	Defining and drawing up an action plan to reduce one's own carbon footprint according to the identified impact areas. Increasing the energy efficiency of own facilities and increasing the share of electricity from RES. Provision of a Guarantee of Origin (GO) for RES and transfer of GOs from countries where we have our own RES. Replacement of refrigerant gases and preventive actions. Increasing the share of electric and LPG-powered vehicles, use of fuel-efficient vehicles. Employee awareness - activation of the Sustainability Mission project.



Management and control by climate change priority area

Each sub-field of climate change has specific managers and supervisors. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Efficient use of energy	Area of Energy Generation, Energy Solutions and Mobility, Sustainable Development, Quality and Safety department directly accountable to the Board,	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board), supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
RES	Area of Energy Generation, Energy Solutions and Mobility	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Sustainable energy mix	Areas of Fuels and Derivatives Thereof, Energy Generation, Energy Solutions and Mobility, Sustainable Development, Quality and Safety department directly accountable to the Board	Pillars of Energy, Solutions, Logistics and Operational Management (Member of the Board) and Sales (Member of the Board), supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
E-mobility	Area of Energy Generation, Energy Solutions and Mobility	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Energy renovation of facilities	Area of Energy Generation, Energy Solutions and Mobility	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
District heating	Area of Energy Generation, Energy Solutions and Mobility	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Transport and distribution	Area of Logistics	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)



Carbon footprint

With the aim of establishing an integrated approach to reducing our carbon footprint, in 2022, Petrol carried out the first calculation of the carbon footprint for 2021 according to the methodology of the GHG protocol in Scope 1 and 2. The calculation of the carbon footprint was approached in a targeted way already in 2020, when the analytical capture of all the necessary data, which provided the basis for an accurate and transparent calculation, was initiated. As part of the "sustainability" strategic initiative, the target was set to reduce the carbon footprint of Petrol d.d., Ljubljana (excluding the OE Energy and solutions; hereinafter referred to as "EIOR"), namely by 40 percent by 2025 compared to the base year of 2021.

In the first phase, the carbon footprint was calculated for the activities of the sales of oil products and the sales of merchandise, which take place within the framework of the parent company Petrol d.d., Ljubljana (including data for the locations of commercial properties, warehouses, owned and leased points of sale, vacation facilities, etc.) and are related to our own energy use. Own use includes energy and water as well as refrigerant gases, which are used for the needs of the activities and operation of Petrol's facilities. Energy products, which are converted into another type of energy for the purpose of sales to or supply of final customers, were not considered Petrol's own use at this stage.

This was followed by the second phase in 2022, which also included the use of energy sources for energy activities, which belong to the activities of the pillar of Energy, Solutions, Logistics and Operational Management (the production and distribution of energy products, energy solutions, management of facilities and waste water treatment plants, ensuring operation and maintenance, etc.). In this phase, the use of energy sources, which are converted into another type of energy for the purpose of sales to or supply of end customers, was considered



Petrol's own use. The scope of activities in other markets where we operate will be gradually added to the calculation of our carbon footprint.

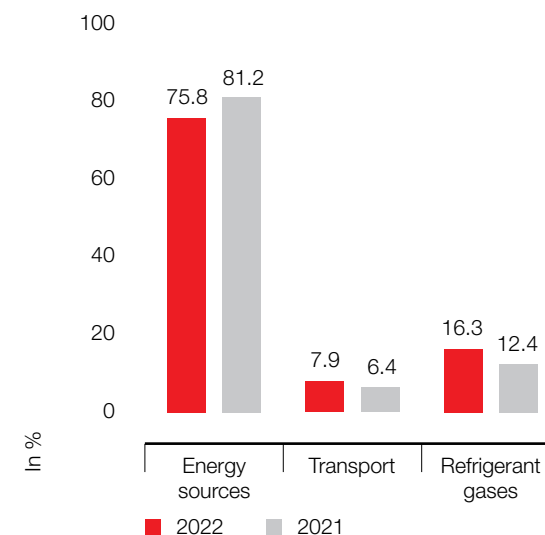
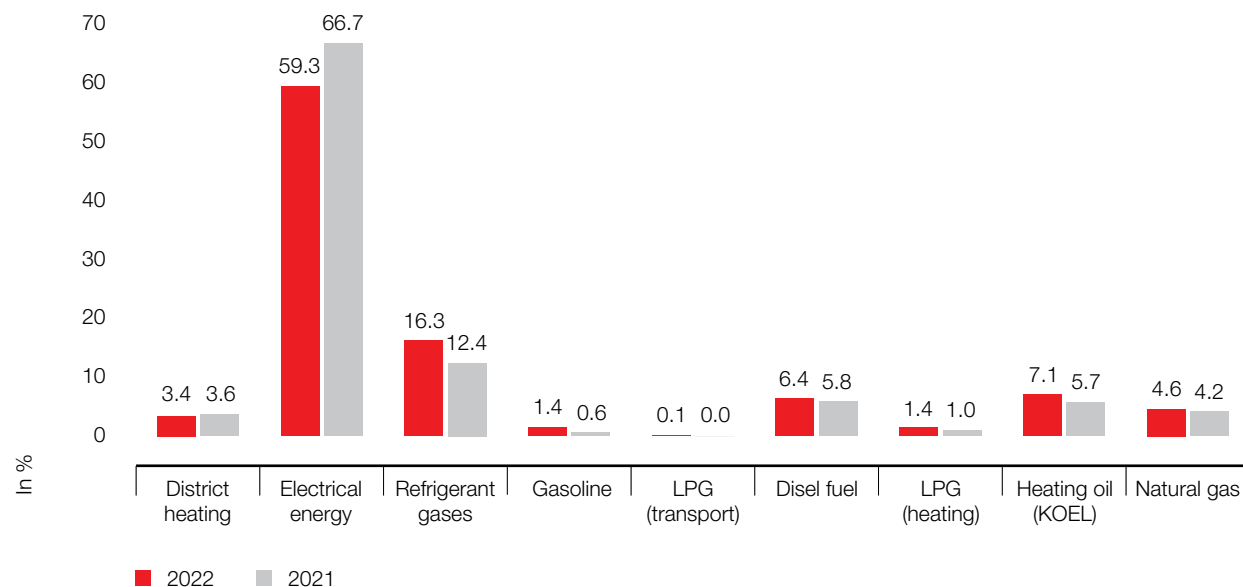
The carbon footprint of Petrol d.d., Ljubljana, excluding OE EiOR, amounted to 21,697,056 tons of CO₂ eq in 2021, and, in 2022, to 18,775,733 tons of CO₂ eq, which means a 13.5% reduction or almost 1 ton of CO₂ eq per employee less, namely due to the use of lower emission-intensive electricity. The largest share of emissions in the carbon footprint is the result of electricity consumption, with smaller shares followed by refrigerant gases, diesel fuel, heating oil, natural gas, district heating and, with shares equal to or less

than 1 percent, liquefied petroleum gas used for heating, gasoline and liquefied petroleum gas used for transport.

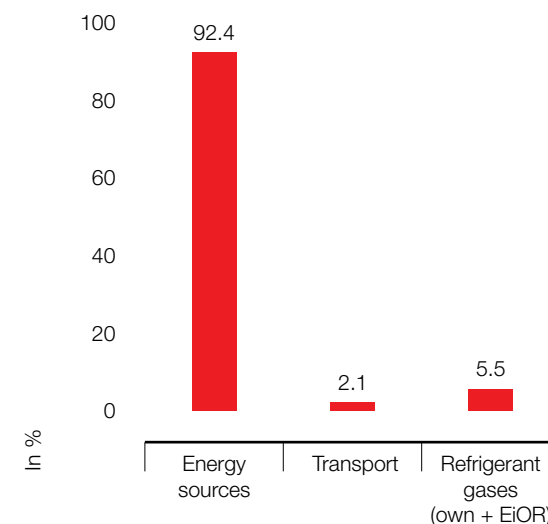
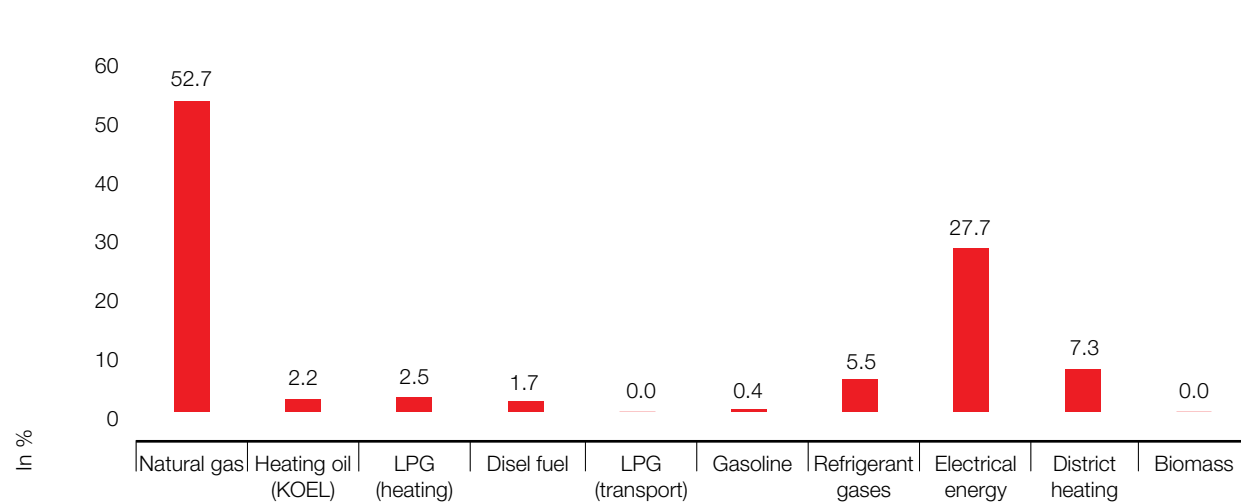
In 2022, OE EiOR was added to the basic calculation of the carbon footprint of Petrol d.d., Ljubljana, whereby the carbon footprint amounted to 71,629,336 tons of CO₂ eq. Natural gas accounted for the largest share (52.7%) of the carbon footprint, as a result of its use in cogeneration plants for the purpose of producing heat and electricity, followed by electricity (7.3%), refrigerant gases (5.5%) and, to a smaller extent, also liquefied petroleum gas for heating, heating oil, diesel fuel, gasoline and LPG for vehicles.

13.5 percent reduction or almost **1 ton of CO₂ eq** less carbon footprint per employee excluding the OE EiOR in 2022 compared to 2021.

The share of individual emission sources in the total carbon footprint for 2021 and 2022 in Petrol, d.d., Ljubljana, excluding EiOR



The share of individual emission sources in the total carbon footprint for 2022 in Petrol, d.d., Ljubljana, including EiOR

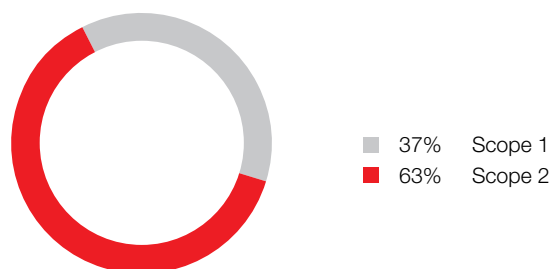


In 2022, Scope 1 (direct carbon footprint) accounts for 37% of the total carbon footprint of Petrol d.d., Ljubljana, excluding EiOR, and 65% including EiOR.

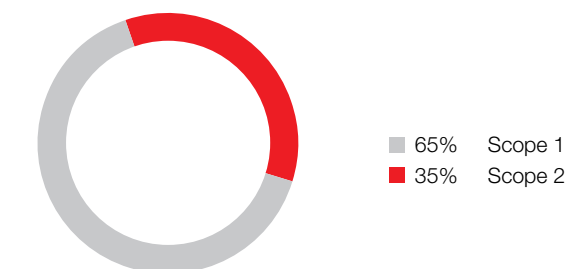
Impact areas were identified in connection with reducing the carbon footprint. Teams in each area were tasked with defining and drawing up action plans to reduce their own carbon footprint in accordance with the strategy until 2025.

Target by 2025: reduction of the carbon footprint by 40% compared to the reference year of 2021.

Carbon footprint given Scope 1 and 2 in Petrol, d.d., Ljubljana, excluding EiOR, in 2022



Carbon footprint given Scope 1 and 2 in Petrol, d.d., Ljubljana, including EiOR, in 2022



Six impact areas for reducing the Petrol Group's carbon footprint



Constantly increasing the energy efficiency of Petrol facilities.



Increasing the share of electricity from RES.



Provision of GOs (Guarantees of Origin) and transfer of GOs from countries where we have our own RES generation units.



Replacement of refrigerant gases and preventive actions.



Increasing the share of electric and LPG vehicles.



Employee awareness - activation of the Sustainability Mission project.

Target by 2025: reduction of our carbon footprint **by 40%** (excluding OE EiOR) compared to the reference year of 2021.

Energy management

The energy policy obliges Petrol to control its behaviour in relation to the energy it needs in the provision of services. We are committed to constantly optimising our efficiency and reducing energy costs, while at the same time reducing our impact on the environment and thus greenhouse gas emissions. By implementing the energy policy, Petrol strives for a responsible and efficient use of energy in all facilities, installation, and equipment, which is also reflected in a lower impact on the environment.

In the energy solutions sector, efficient energy use (EE) and renewable energy projects (RES) have been developed and implemented for all customer segments. In B2G (business-to-government), we are primarily focused on solutions pertaining to improving the energy efficiency of local communities, such as energy-efficient renovations of public buildings and public lighting systems, where renewable energy systems, especially photovoltaics, are installed to the extent possible.

Primary sources of electricity generation

Electricity is generated from various energy sources, some of which are environmentally friendly, others less so. Green electricity is considered electricity with a more favourable composition of generation sources or is generated from RES or energy products that cause a smaller carbon footprint and thus less burden on the environment. Petrol's electricity mix is more favourable than the national composition of electricity generation sources in the Republic of Slovenia, which means that the emission factor of Petrol's electricity is lower than the national one. The composition of the electricity generation sources of the Petrol Group consists of the total remaining composition of generation sources, as published by the Energy Agency, and of specific generation sources for which GOs are obtained by the supplier.





It is crucial for the energy sector that Petrol forms a part of to change the energy mix with more environmentally friendly alternatives. In the Petrol Group, we also invest in the generation of RES, such as hydroelectric power plants, wind farms, and solar power plants.

Pursuant to the Act on the determination of the shares of individual electricity production sources and on the method of their presentation (Official Gazette of the RS, nos. 22/16 and 172/21 - ZOOE), Petrol regularly publishes the composition of its primary electricity generation sources on its website (www.petrol.si) in the overall structure of supplied electricity and information on emissions and generated radioactive waste per generated kWh.

In the Petrol Group, we also invest in the generation of RES, such as **hydroelectric power plants, wind farms, and solar power plants.**

Primary electricity generation sources in the total structure of electricity supplied in the Petrol Group in 2018-2022

Energy source	2018		2019		2020		2021		2022	
	Total quantity [MWh]	Share in total generation [%]	Total quantity [MWh]	Share in total generation [%]	Total quantity [MWh]	Share in total generation [%]	Total quantity [MWh]	Share in total generation [%]	Total quantity [MWh]	Share in total generation [%]
Fossil fuels	631	55.90	679	53.91	692	45.60	1,357	68.13	986	52.79
Coal and lignite	588	52.02	527	41.84	474	31.28	927	46.57	518	27.72
Natural gas	44	3.86	128	10.17	195	12.83	383	19.22	377	20.15
Petroleum products	0	0.02	5	0.37	6	0.38	15	0.73	51	2.75
Undefinable	-	-	19	1.52	17	1.11	32	1.61	41	2.17
Nuclear fuel	401	35.51	477	37.90	443	29.18	250	12.55	534	28.58
RES*	97	8.59	103	8.19	383	25.22	385	19.32	348	18.62
Hydropower	80	7.11	41	3.22	154	10.17	121	6.05	194	10.37
Wind	-	-	8	0.66	139	9.15	129	6.49	18	0.97
Solar energy	15	1.31	47	3.74	81	5.34	92	4.64	110	5.87
Geothermal energy	-	-	-	-	-	-	-	-	0	0.00
Biomass	2	0.17	7	0.57	9	0.57	43	2.14	27	1.42
Undefinable	-	-	-	-	-	-	-	-	0	0.00
Total	1,130	100.00	1,259	100.00	1,517	100.00	1,991	100.00	1,869	100.00

* Also includes RES, which does not form part of our own production.



Amount of emissions to the atmosphere and generated radioactive waste in 2018-2022

	2018	2019	2020	2021	2022
Carbon dioxide (in kg/kWh)	0.597	0.559	0.476	0.796	0.368
Radioactive waste (in µg/kWh)	1,047	1,137	875	376	720

Energy use for Petrol's activity

Within the scope of its activities, the Petrol Group in Slovenia uses a variety of energy sources, with electricity being the predominant energy source. In 2022, a total of 45,628 MWh in energy was consumed. The increase compared to previous years was caused by the exceptional growth of Petrol Group's operations this year. In addition to the own energy use of Petrol d.d., Ljubljana, the own energy use of Petrol Group companies with their own energy use and are 100% owned by Petrol was also taken into account: Ekoen S d.o.o., Ekoen d.o.o., E 3, d.o.o., Mbills, d.o.o., and Petrol Geo d.o.o.

An efficient use of energy with a low carbon footprint is a key strategy for reducing negative environmental impacts. To this end, the implementation of several key priority tasks in three areas has been focused on:

- **Increasing the energy self-sufficiency of Petrol's facilities:** by setting up our own energy sources at Petrol's facilities, we want to increase our independence in terms of supplying our own facilities with energy. In 2022, more than 100 projects to be implemented in 2023 were developed and drawn up.
- **Increasing energy efficiency:** we are actively dedicated to reducing energy use in our facilities. With an emphasis on optimising energy efficiency, we strive to reduce our environmental footprint and to have a more sustainable impact on the environment.

- **Increasing the share of renewable energy at Petrol facilities:** we introduce technologies for using renewable energy in our facilities. This will ensure that our energy supply will be based on sustainable and natural resources, which will have positive effects on the environment.

To implement these changes, we implement concrete actions that include the development of new strategies, investments in technological solutions, and comprehensive training of our employees.

Energy consumption for Petrol's activities in the Petrol Group in Slovenia (Petrol d.d., Ljubljana, and 100% owned subsidiaries) in 2018-2022 and the plan for 2023

Year	District heating in MWh	Liquid fossil fuels in MWh	Natural gas in MWh	LPG in MWh	Electricity in MWh	Total energy in MWh
2018	2,097	3,919	1,342	561	30,605	38,524
2019	2,331	3,449	1,470	478	32,448	40,176
2020	2,310	3,338	1,369	462	32,260	39,739
2021	2,302	4,672	4,639	955	33,368	45,937
2022	1,905	5,014	4,338	1,157	33,216	45,628
2023 plan	2,150	4,550	4,500	1,100	31,500	43,800



Fuels for transport

The Petrol Group provides for a high-quality and reliable supply of motor fuels. A high quality of motor fuels is assured using a complex and professionally supported control system, as evidenced by a series of global certificates and accreditation documents. As part of our Petrol Laboratory, which is accredited according to the ISO/IEC 17025 standard and is the main Slovenian petroleum laboratory, tests and analyses of fuels, lubricants, and chemical products are carried out.

Under the Q Max brand, we develop premium fuels that combine the most advanced requirements of modern engine technologies with an emphasis on environmental friendliness. The fuels meet all the requirements that, as far as the quality thereof is concerned, enable the fulfilment of even the strictest Euro emission standards for engines.

In October 2021, Petrol d.d., Ljubljana, completed the acquisition of a 100% shareholding in the Croatian company Crodex Derivati Dva d.o.o., which affected the growth of sales of diesel fuel and gasoline in 2021 compared to 2020, and even more so in 2022 compared to 2021. In addition, a high growth in sales in 2022 was influenced by fuel prices, as the prices set by government regulation were much lower than in our neighbouring countries, which increased sales mainly at border service stations, and, at inland service stations, sales to foreign truckers and, during the tourist season, also to foreign natural persons. In compliance with the regulation of the European Union, the Petrol Group we add biofuels to fossil fuels, but pure biofuels are sold exceptionally, as there is no suitable vehicle fleet or demand for sales in significant quantities. Petrol supports the shift of vehicles to be powered by cleaner fuels. As a result, the sales of compressed natural gas (CNG) was initiated in Serbia in 2020.





Sales of fuels for transport in the Petrol Group in 2018-2022 and the planned sales thereof for 2023

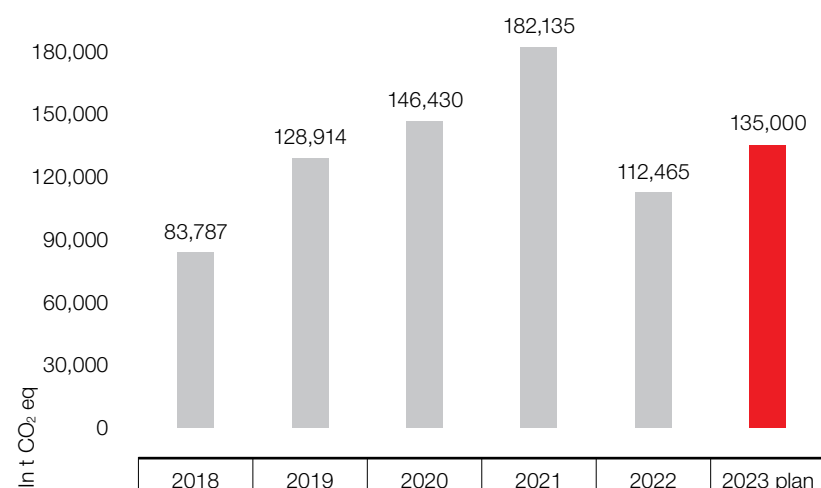
Type of fuel	2018	2019	2020	2021	2022	2023 plan
Diesel (in kg)*	1,403,479,767	1,208,506,329	1,120,129,620	1,304,447,929	1,887,158,605	2,046,140,741
Gasoline (in kg)*	352,639,889	333,356,914	280,684,007	334,955,694	437,115,311	448,402,622
Biofuels (in kg)*	134,029	26,950	0	27,107,641	2,212,622	0
CNG (in kg)	0	0	236,373	658,838	1,408,266	1,921,000
LPG for vehicles using in their propulsion system (in kg)**	82,021,248	87,117,697	67,673,591	72,471,407	60,399,748	66,692,461
Electricity from RES (in MWh)***	18	42	171	215	750	1,250
Aviation fuels (in kg)	29,122,919	26,539,732	8,296,054	10,799,367	17,324,008	16,750,000

* For final customers without resellers and without export (retail and wholesale in Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro, and Austria).

** Autogas product group only.

*** For e-charging stations.

Reduction of CO₂ emissions of the Petrol Group in Slovenia (Petrol d.d., Ljubljana) due to a sustainable energy mix for transport (adding biofuels, LPG, and electricity)



In 2022, a smaller reduction in CO₂ emissions has been observed, as ensuring RES in transport compliance was made more difficult in the past reporting period. The regulation of retail fuel prices and the general energy crisis created an uncompetitive business environment, and the change in legislation made it possible for a short period of time to abandon the implementation of placing RES on the market, subject to a subsequent replacement of the missing shares.

／ Sustainable energy mix

Adding additives to fuels

The use of fuels as an energy source for heating or motor drives represents a certain environmental risk and burden, both in terms of the risk of environmental pollution (spills) and their use (emissions). Petrol reduces these risks using various safety and preventive actions. This applies to the transport, storage and handling phase and the time after the fuel is used. Considering the effects that the growing use of fuels in transport contributes to global warming, special attention has been paid to reducing all types of emissions in recent years. Aware of the above, Petrol has been adapting the quality of fuels to these targets as well.

By adding additives to fuels, significant environmental effects can be achieved. They optimize the operation of the engine, resulting in an impact on fuel consumption and CO₂ and other emissions (CO, CH, NO_x). Optimising engine performance is closely associated with new technological solutions. These increase the efficiency of combustion, and these solutions are increasingly connected to exhaust gas purification, whereby the quality of the fuels and especially the restrictions to their composition also play an important role. Thus, new technological solutions also affect the development of fuel additives, which makes it important that new and more efficient solutions are introduced in the additive segment as well.

In 2021, Petrol carried out a very important modernisation in the use of fuel additives. It introduced a new generation of additives in the gasoline and diesel segment. By using the unique new "Dual Action Technology" additive technology, it provided fuel users with additional savings as a result of lower consumption.





By using the latest package of Afton additives, based on new technology, consumption can be reduced by up to 4.1 percent for gasoline engines and up to 3.7 percent for diesel engines. This has resulted in an even greater effectiveness of fuel additives at lower doses and consumption thereof. Petrol introduced the new technology in all markets where it is present with its Q Max brand fuels. In 2022, Petrol also obtained the EQTM certificate for the entire family of Q Max fuels, awarded by the European Organisation for Quality (EOQ).

Use of advanced types of biofuels

In addition to fuel additives, Petrol has also been adapting its fuels to new trends and market requirements, which can also be used to reduce post-combustion emissions. This is related primarily to the use of advanced types of biofuels, produced from waste raw materials during the conventional production of biofuels. Petrol provides these effects to an even greater extent with its premium fuels (Q Max iQ Diesel and Q Max 100), where the advantages of using high-quality substances in fuels are exploited. These fuels also differ from normal standard fuels in their basic composition.

E-mobility

Our task as pertaining to our e-mobility activities is to recognise the limitations related to the green transition as opportunities, to listen to needs and to build partnerships with individuals, companies, agencies and government organisations to face climate challenges. Hand in hand with our partners, we implement projects co-financed, inter alia, by the European Union, and whose common denominator is the implementation of global guidelines for the transition to alternative fuels, decarbonisation, and innovations in transport.

We have been pursuing the establishment of a customer-affordable, fair, environmentally friendly, and investor-profitable system. Two key segments have been focused on in this regard:

- we strive to expand our charging infrastructure for electric vehicles by establishing, managing and maintaining a charging network in the SE European markets where we are present;

- at the same time, we want to provide a charging service that will enable carefree travelling for all individuals.

In 2022, the number of users increased by 4 times, and electric vehicle users carried out 1.5 times more charging sessions and transferred 1.8 times more energy compared to the previous year. At the end of 2022, we managed 417 charging stations.

Target by 2025:

- remain the leading provider of public charging stations in Slovenia,
- increase the number of public and private-owned alternative fuel charging stations,
- manage 1,575 charging stations in the SE region.

E-charging stations of the Petrol Group in 2018-2022 and plan for 2023

Year	No. of all charging stations	No. of AC charging stations	No. of DC charging stations	No. of managed charging stations	Capacity of charging stations (in MW)	Amount of delivered energy (in MW)	Investment value/cost (EUR)
2018	93	28	34	31	2.5	211	533,987
2019	114	38	42	34	3.1	511	804,425
2020	237	109	55	73	5.9	679	2,158,384
2021	296	121	73	102	8.7	1,114	3,097,427
2022	417	147	99	171	16.6	3,000	1,234,519
2023 plan	839	365	123	351	19.7	4,700	2,176,045

AC = alternating current charging

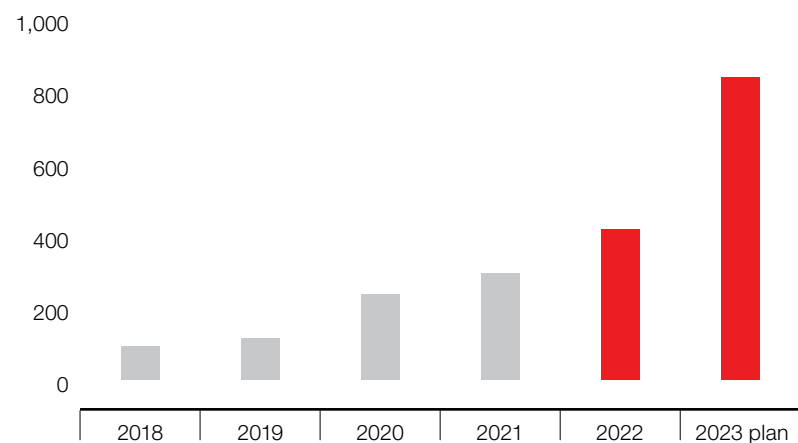
DC = direct current charging



Types of charging stations installed by the Petrol Group in 2018-2022 and 2023 plan

Year	Domestic charging stations		Public charging stations		Fast charging stations		Ultra fast charging stations		Conventional charging stations	
	Number	Capacity (in MW)	Number	Capacity (in MW)	Number	Capacity (in MW)	Number	Capacity (in MW)	Number	Capacity (in MW)
2018	0	0	62	4.36	34	1.87	0	0	28	0.62
2019	0	0	80	5.46	42	2.31	0	0	38	0.84
2020	0	0	184	8.89	55	3.03	0	0	129	2.84
2021	0	0	194	12.62	71	3.91	2	0.70	121	4.11
2022	5	0.055	412	21.63	88	5.00	11	4.80	139	6.82
2023 plan	/	/	489	24.74	95	5.40	30	6.90	365	7.43

The number of electric charging stations of the Petrol Group in 2018-2022 and 2023 plan





Fleet management

We also manage vehicle fleets, as part of which we ensure optimal and cost-effective management of our own and foreign vehicle fleets and introduce sustainable mobility solutions, such as electrification of vehicle fleets and long-term and short-term leases of zero-emission vehicles. Among commercial customers, we have noticed an increase in demand for electric vehicles, both for long-term and short-term rentals. In 2023, a slight decline in the total number of electric vehicles is expected due to the expiration of one part of our contracts. We want to continue offering sustainable and efficient mobility solutions in the market. Our goal is for 25 percent of newly purchased vehicles to be electric in the coming years, which is how we want to increase the share of electric vehicles in fleets.

E-vehicle fleets managed by the Petrol Group in Slovenia in 2018-2022 and the 2023 plan

Year	No. of electric vehicles (own)	No. of electric vehicles (for the market)	**Quantity of electricity consumed (in MWh)	*Energy savings (in MWh)	*Environmental savings (in tons of CO ₂)
2018	7	8	40.5	65.6	10.4
2019	11	29	108.0	158.8	23.6
2020	13	59	194.4	256.8	34.9
2021	19	74	251.1	331.7	45.0
2022	26	80	286.2	353.5	45.0
2023 plan	32	78	297.0	347.8	41.7

* Calculation subject to the 2021 Rules on energy saving determination methods. Energy savings in MWh/year and environmental savings in tons of CO₂/year are calculated based on the difference if internal combustion vehicles were used instead of electric ones.

** Taking into account that vehicles travel an average of 15,000 km per year with an average consumption of 18 kWh/100 km.

Environmental savings due to the use of electric vehicles in our fleet for our own use and for the market in 2022 amounted to **45 tons of CO₂**.



Energy sources for heating and cooling

Petrol offers its commercial and household customers a wide range of energy sources for heating and cooling, including natural gas and electricity, whose market has been experiencing considerable turmoil in recent years. The energy crisis and the sharp rise in prices in 2021 and 2022 caused the exit of smaller natural gas suppliers from the market, resulting in the remaining suppliers also taking over their household and commercial customers. Due to extremely high prices, the government decided in 2022 to establish a regulation of natural gas prices for certain customer segments, which resulted in a decrease in the number of changes of suppliers among household customers. Demanding market conditions 2021-2022 required agile operations and constant adaptation to changes in the market.

Petrol laid the foundations for the development of energy product business management systems and tools, which will facilitate active, flexible and successful operations in a rapidly changing energy market in the future. In 2021, E 3 d.o.o. was absorbed, significantly increasing the market share of electricity supply both in household consumption and in the commercial customer segment.

By offering a safe, affordable and reliable supply of natural gas, we gained new customers and thereby expanded our market share, remaining a reliable partner to household and commercial customers even during the energy crisis.

In the coming years, we will completely renovate the management systems and tools for the natural gas and electricity portfolio, which will ensure greater productivity, limit operational risks and improve the user experience of our colleagues, and especially our partners, to whom we will be able to offer even better and more customized products that will respond to the challenges of the energy markets. For household customers, we will expand package offers and establish new products related to the management of diffuse sources, the purchase of electricity, system services, self-sufficiency, power purchase agreements (PPA), and energy from RES.

We offer a wide range of energy sources for **heating and cooling**, including natural gas and electricity.





Energy generation from RES

Petrol wants to contribute its fair share to achieving ambitious European RES introduction targets, which is why it has been investing in the generation of electricity from RES and striving to increase their share in the energy mix. Petrol has been targeting generation of electricity from solar, wind, and hydro energy. It carries out integrated projects to improve the energy efficiency of cities, local communities, and companies, where RES are also integrated. We plan, build and manage wind parks (Croatia). Petrol also helps achieve energy independence by building and managing small-scale hydro (Bosnia, Serbia), which are built in locations where it is possible to exploit the energy potential of water in an economically efficient and environmentally friendly way. We founded the Petrol Energy Centre, where we help households obtain subsidies for investments in RES.

By generating electricity from renewable wind, solar, and hydro energy, Petrol generates around 150 GWh of electricity annually, which suffices for almost 30,000 users or about half of Petrol's electricity customers. Due to our commitment to sustainable development, we want to increase the generation of electricity from RES to 500 GWh per year by 2025, and with it meet the needs of more than 100,000 final customers in addition to providing it for the needs of industry, transport, and heat supply. In accordance with our commitment to transition to green energy, in the 2021-2025 strategic period, the Petrol Group will allocate more than a third of its total investment potential in energy transition investments, out of which the largest portion will be spent on investments in the generation of energy from RES.





RES projects will be developed even more intensively for all customer segments, with an emphasis on larger systems of solar power plants, with the best possible efficiency and appropriate addressing of the management of generated electricity surpluses and deficits.

Total installed capacity of RES power plants in 2022: 69 MW

Total planned capacity of RES power plants in 2025: 183 MW

69 MW

total installed capacity of RES power plants in 2022

183 MW

total planned capacity of RES power plants in 2025

Installed RES capacities in the Petrol Group in 2020-2022 and RES under construction and in development until 2025

Total installed capacity of RES power plants	2020 (in MW)	2021 (in MW)	2022 (in MW)
Glunča wind farm (HR)	21.0	21.0	21.0
Petrol Power small-scale hydro (BiH)	6.9	6.9	6.9
Petrol Hidroenergija small-scale hydro (BiH)	5.0	5.0	5.0
Petrol solar power plants (SLO)	2.7	2.7	2.7
Total as at 31/ 12/ 2020	35.6		
Ljubac wind farm (HR)		32.4	32.4
STH Energy small-scale hydro (SRB)		1.0	1.0
Total as at 31/ 12/ 2021		69.0	
Total as at 31/ 12/ 2022			69.0
Under construction			
Suknovci solar power plant (HR)			10.0
Vrbnik solar power plant (HR)			5.7
Pliskovo solar power plant (HR)			6.3
Petrol Green (SLO)			4.5
Total under construction as at 31/ 12/ 2022			26.5
In development			
Lišane I solar power plant (HR)			30.0
Lišane II solar power plant (HR)			10.0
Tisno solar power plant (HR)			10.0
Solar power plants – Petrol at service stations (SLO, HR, SRB)			5.0
Dazlina wind farm			32.5
Total in development			87.5
Total by 2025			183.0



Energy generation from RES in the Petrol Group in 2018-2022 and 2023 plan

Year	Small-scale photovoltaic power plants	Environmental savings	Small-scale hydro	Environmental savings	Wind farms	Environmental savings	Biogas
	in MWh	in t CO ₂	in MWh	in t CO ₂	in MWh	in t CO ₂	in million m ³
2018	2,159	1,000	27,488	13,369	47,149	23,103	5
2019	2,322	1,075	30,295	14,239	50,491	23,731	2.2
2020	2,044	946	22,725	10,681	43,577	20,481	2.6
2021***	2,907	1,346	28,351	13,325	80,098	37,646	0
2022***	2,837	1,314	21,419	10,067	121,602	57,153	0
2023 plan****	2,758	1,277	30,880	14,514	126,000	59,220	2

Year	Electricity from organic waste	Environmental savings	Heat from organic waste	Energy from wood biomass	Environmental savings
	in MWh	in t CO ₂	in MWh	in MWh	in t CO ₂
2018	12,037	1,014	5,480	26,903	9,829
2019	5,119	1,091	0**	26,217	9,579
2020	6,640	961	0**	23,549*	8,604
2021	0	0	0**	0	0
2022	0	0	0**	0	0
2023 plan****	4,015	1,887	0**	0	0

* Reduction due to the closure of hotel complexes, schools, and kindergartens (covid-19).

** The heat in Črnomlje is used for its own production and is not monitored.

*** Considered power plants managed by EiOR and solar power plants in Ravne na Koroškem. Reporting does not include the generation of the E3 d.o.o. power plants, which did not form part of the Petrol Group at the time.

**** The 2023 plan already takes into account the quantities produced from power plants, which were past investments of the absorbed company E3 d.o.o.

2015-2018 considered *The average 2002-2016 CO₂ emission factor per unit of electricity in Slovenia amounts to 0.49 kg of CO₂/kWh (Source: "Jožef Stefan" Institute)

2019-2021 considered *The average 2002-2019 CO₂ emission factor per unit of electricity in Slovenia amounts to 0.47 kg of CO₂/kWh (Source: "Jožef Stefan" Institute)

Biogas generation decreased significantly in 2019 compared to 2018 due to the closure of the Ihan biogas plant, whereas, in 2021 and 2022, the Črnomelj biogas was under reconstruction. As a result, no energy was generated from biogas at that time. As of 2023, the biogas plant has been back in operation.

The generation of wind energy in 2021 and 2022 increased significantly compared to previous years, which is due to the start-up of the Ljubač wind farm.

Solar power plants

In 2022, we started investing in solar power plants in the area of Knin in Croatia, namely in three large solar power plants with a total installed capacity of 22 MW and an expected electricity production of 29 GWh. Together with Cinkarna Celje, we launched one of the largest solar power plants in Slovenia, which consists of 2,222 solar modules with a total nominal power of 1 MW. The estimated annual generation of electricity is 1,160 MWh, which is sufficient for about 330 average households. In the future we will continue developing projects for the construction of large solar power plants, especially in Slovenia and Croatia.

Petrol Green – installation of solar power plants at our own facilities and points of sale:

As part of the energy transition and with the target of reducing our own carbon footprint, and due to the advantages of self-sufficiency and local electricity generation, Petrol, in 2022, as part of the Petrol Green project, started installing solar power plants at its own facilities and on the roofs of service stations in Slovenia, Croatia, and Serbia. We want our points of sale to become as energy self-sufficient as possible so as for them to generate its own energy also for e-charging, which will be supplemented by energy storage reservoirs. All the necessary permits for the installation of solar power plants at the first 87 locations have been obtained, in the first phase, 46 solar power plants (a total of 2.4 MW) are expected to be installed by October 2023. The second and third phases at a total of 41 locations are in the phase of signing contracts with contractors (a total of 2.1 MW). By the end of 2023, it is planned to have installed a solar power plant at a total of 102 own facilities. The necessary permits for the next phase of the project and expanding the project to Croatia are pending.



Petrol Green - installation of solar power plants at our own facilities and points of sale

46 locations / 2.4 MW
the first phase of the project

41 locations / 2.1 MW
the second and third phases of the project

By the end of 2023, the installation of solar power plants at **102** of our own facilities.

Obtaining the necessary permits for the next phase of the project and expanding the project to Croatia.

Wind and hydroelectric power plants

Recognising the potential of wind and hydro as sources of energy, Petrol has been investing in wind and small-scale hydro, especially in Croatia and Serbia. In 2021, the Ljubač Wind Farm project, comprising a total of nine wind turbines of a total capacity of 32.4 MW, was successfully completed. The expected annual energy generation is 96 GWh, sufficient for 30,000 average household customers. In April 2022, Vjetroelektrarna Ljubač d.o.o. was granted the status of an authorised generator of electricity from a wind farm.

In 2022, the development of the Dazlina wind farm with 31.5 MW of power continued. The project is in the design stage aimed at obtaining a planning permission, and the technical part of the procurement process is also being implemented.

In the SE region, the Petrol Group operates five hydroelectric power plants. At the end of 2021, the Grajići small-scale hydro started operating in the area of Kraljevo in Serbia. The hydroelectric power plant has two water reservoirs and a total of two turbines, its power is 1 MW and it has a planned generation of approximately 3.2 GWh per year, which is enough for 1,000 households in Serbia.



Wood biomass

Wood biomass heating is the oldest renewable energy source. Modern wood biomass boilers are quite different from the first ones and offer greater comfort, economy, a long service life, less maintenance, and a higher efficiency. With a view to reducing emissions of pollutants from heating systems, Petrol carefully manages and reinvests in the existing systems that it manages. Petrol d.d., Ljubljana, operates five wood biomass district heating systems, for which it also holds a concession, namely the Črnomelj, Ivančna Gorica, Metlika, Ribnica, and Oplotnica biomass district heating systems.

As a diligent concession holder, it invested, in 2021 and 2022, considerable resources in the existing wood biomass heat energy generation and distribution systems, built before 2021, in the areas of Ribnica, Metlika, Ivančna Gorica, Oplotnica, Postojna, Črnomelj, Hoče-Slivnica, Mojstrana, and Kranjska gora.

In 2021, Petrol also initiated a major investment in the reconstruction of the existing system, namely the renovation of the energy installation in the Hrastnik district heating plant, which has been in operation since 1992. The purpose of the investment is to modernize production capacities and ensure the efficiency of the district heating system in Hrastnik. The value of the entire investment is EUR 2 million. The existing plant, whose sources of heat generation were natural gas and extra light heating oil (ELKO), was replaced by a new CHP co-generation plant CHP 2 with an electrical output of 1,840 kW, which replaced the existing CHP 2. The existing CHP 3 installation and both boilers were removed, a new boiler with a combined natural gas/ELKO burner with an economizer with a heat output of 6,000 kW was installed. Also new are a condensing boiler with a natural gas burner with a heat output of 600 kW and a biomass pellet boiler with a heat output of 890 kW, with a landfill and a pellet hopper. The combination of CHP 2, hot-water boilers, and wood biomass boiler achieves the required efficiency parameters of the district heating system and thus the desired savings.



The use of biomass as a renewable energy source accounts for a 36% share in total heat generation.

All biomass (chips and pellets) used as a district heating energy source holds a SURE certificate certifying the Slovenian origin of the biomass. All pellets hold a SIST EN ISO 17225-2 certificate and the chips hold a SIST EN ISO 17225-4 certificate. By using Slovenian biomass, Petrol follows ESG guidelines on cooperation with local suppliers.

In the future, our efforts will be aimed at replacing technologies with more environmentally friendly and efficient technologies for primarily using RES. By investing in existing and new systems, we want to contribute to the reduction of greenhouse gases and the management of our customers' costs, as well as to provide for the living quality of us all in a cleaner environment.

Energy renovation of facilities

In 2021 and 2022, Petrol d.d., Ljubljana, continued implementing energy renovations and optimising its existing managed facilities, thus further increasing its presence in municipalities and in the energy renovation of state-owned facilities. Within a period of two years, we carried out several projects of comprehensive and partial energy renovations subject to the Energy Performance Contracting (EPC) model. By the end of the period, we had made ourselves present in 32 municipalities, where management contracts were signed with 49 clients for 368 facilities.

In 2021, we successfully completed two projects that included the energy renovation of 14 facilities. Energy savings amounted to 34,006.88 MWh annually and environmental savings to 1,932 tons of CO₂. In 2022, we successfully implemented 4 projects, as part of which we carried out energy renovations of 19 facilities. Energy savings amounted to 38,951.07 MWh annually and environmental savings to 2,116 tons of CO₂.



Energy renovations of facilities carried out by Petrol d.d., Ljubljana, value of investments and savings in 2021 and 2022

Year	Number of projects	Number of renovated facilities	Annual thermal energy savings (in MWh/year)	Annual electricity savings (in MWh/year)	Environmental savings (in t CO ₂ /year)	Investment value (in EUR)	Financial savings (in EUR)
2021	2	14	3,039	1,013	1,932	5,806,765	242,302.74
2022	4	19	3,948	1,692	2,116	8,284,516	561,643.52
2023 plan	2	9	1,307	615	1,026	3,859,730	240,589.00

In 2021 and 2022, the Energy Performance Contracting (EPC) model was used to carry out the energy renovation of the France Bergelj, MD, Retirement Home in Jesenice, a comprehensive and technological energy renovation of public facilities in the Municipality of Brezovica, a technological energy renovation of public facilities in the Urban Municipality of Novo mesto (added actions to the existing project) and a comprehensive and partial energy renovation of facilities in the Urban Municipality of Ljubljana as part of the multi-year EOL-3 which involved completing the renovation of 12 facilities in 2022. We also assumed the implementation of two projects (EUO Ruše and EUO Ig) to be completed in the second half of 2023.

In 2022, we provided Energy Performance Contracting (EPC) services for 365 facilities with a total surface area of more than 1.1 million m², which is comparable to the surface area of approximately 95 Petrol office buildings in Ljubljana.

ECP services on a surface area of **1.1 million m²** energy in 2022.

Energy renovation of the France Bergelj, MD, Retirement Home in Jesenice

Duration of the project: 9/ 6/ 2022 to 30 8/ 2022

Investment: EUR 977,107

The project involved a comprehensive energy renovation of four facilities, including the construction of the façade, replacement of joinery, thermal insulation of the flat roof, replacement of the roofing, renovation of the secondary system, replacement of lighting with more economical LED lighting, installation of thermostatic valves, and energy management of the facility.

The implemented actions improved energy efficiency and significantly increased the living comfort of the residents. 708,130 kWh in energy savings were generated and a reduction of 252,006 kg in CO₂ emissions was achieved on an annual basis.



✓ Achieving energy savings for final customers

We are committed to implementing the regulations of the Act on Energy Efficiency (Official Gazette of the Republic of Slovenia, No. 158/20) stipulating actions to promote energy efficiency, increase the efficient use of energy and improve the energy efficiency of buildings. In addition to the parent company Petrol d.d., Ljubljana, also its subsidiaries, namely Ekoen d.o.o., Ekoen GG d.o.o. (merged with Ekoen d.o.o. in 2022), Ekoen S d.o.o., Geoenergo, Petrol GEO d.o.o., E3 d.o.o. and Geoplin d.o.o. were also obliged to achieve energy savings for final customers in Slovenia in 2022. In 2021, new Rules on the methods for determining energy savings (Official Gazette of the Republic of Slovenia, No. 57/21) were published, resulting in the introduction of changes to some savings calculation methods.

Subject to the Croatian Act on Energy Efficiency (NN127/14, 116/18, 25/20, 41/21), Petrol d.o.o., Crodex d.o.o., and Zagorski Metalec d.o.o. were obliged to achieve energy savings for final customers. Since 2022, this has also included Geoplin d.o.o. (Zagreb).

In 2021, Slovenia-based Group companies (excluding Geoplin d.o.o.) achieved 36,618,728 kWh of savings, and, in 2022, 56,297,001 kWh (including data for Geoplin d.o.o.). The coverage of obligations from sold energy in 2021 amounted to 100%, and, in 2022, to 99.99%.

In Croatia, Petrol Group companies achieved energy savings of 60,607,310 kWh in 2021 and 84,861,402 kWh in 2022. The coverage of obligations from sold energy in 2021 amounted to 99.62%, and, in 2022, it amounted to 100%.





In 2021 and 2022, Petrol d.d., Ljubljana, achieved the most savings through energy efficiency actions in the following sectors:

- Transport: the main actions are adding an additive to motor fuels and filling the tires to the optimal value for passenger vehicles with an internal combustion engine in TipStop Vianor repair shops.
- Public sector: comprehensive energy renovations of buildings, installation of heat pumps for heating buildings, replacement of hot-water boilers for all types of fuels with new high-efficiency gas boilers, optimisation of heating systems and energy-efficient lighting in buildings.
- Energy transformation, distribution and transmission sector: replacement of hot-water boilers with new high-efficiency wood biomass boilers.
- Industry: connection of buildings to the district heating system.
- Private service sector: introduction of energy management systems and self-supply of electricity (installation of solar power plants).
- Households: connection of buildings to the district heating system and sale of energy-efficient household appliances.

Achieved energy and environmental savings for final customers in Petrol d. d., Ljubljana, in the 2018–2022 period

Year	Quantity of energy sold to final customers	Mandatory energy savings	Quantitative energy savings*	Environmental savings**
	in MWh/year	in MWh/year	in MWh/year	in t CO ₂ /year
2018	15,180,486.77	54,974.13 (a)	72,387.06	17,545.12
2019	16,224,277.98	51,737.68 (a)	46,376.87	10,101.11
2020	14,528,782.11	59,498.03 (a)	28,884.77	8,998.38
2021	15,634,585.58	64,197.74 (b)	34,006.88	9,444.93
2022	16,679,432.28	78,103.60 (c)	38,951.07	11,144.42

* Calculation of energy savings: the difference between energy consumption before and after the introduction of the activity in MWh/year.

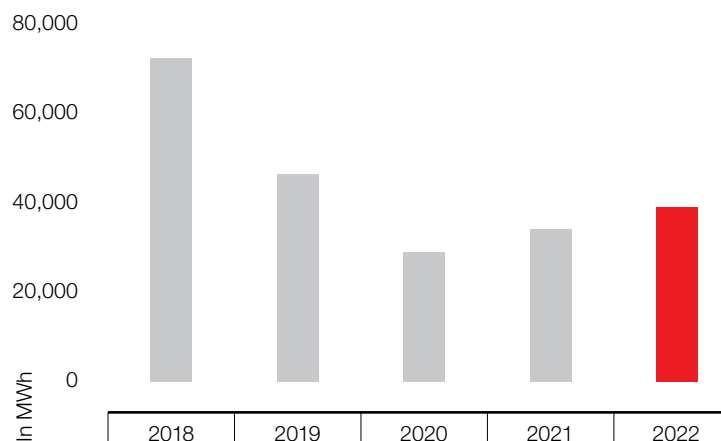
** Environmental savings are expressed as the sum of emission savings due to reduced use and replacement of the energy source.

a) 0.75% of the sold amount of energy and 0.25% of fuel sold in 2017 to 2020.

b) 0.80% of the sold amount of energy and 0.30% of fuel sold in 2020.

c) 0.80% of the sold amount of energy and 0.40% of fuel sold in 2021.

Achieved energy savings for final customers in Petrol d. d., Ljubljana, in the 2018–2022 period



Notes:

By merging Petrol Energetika d.o.o. and Petrol Geoterm d.o.o. with acquisition, Petrol d.d., Ljubljana, also assumed the obligations of these companies.

Fewer energy savings were achieved in 2019 and 2020 due to fewer energy solution actions in the industry and a lower recognized savings factor in the equation used for calculating energy savings for the fuel additive method.

Due to the covid-19 epidemic (movement restriction actions), energy sales were lower in 2020 due to lower sales of liquid fuels in transport.

Optimisation of district heating systems

District heating plays a key role in providing green energy and enabling the integration of energy systems, as well as a major contribution in ensuring the transition to a low-carbon society, as it constitutes a large market with a 4 per cent growth rate p.a. Many governments have been working hard to combat climate change and are therefore committed to using more sustainable energy sources. Since thermal energy generation is one of the biggest consumers of energy, it is also an area where improving efficiency is one of the key targets.

The main guidelines for the development of smart district heating systems are the reduction of energy consumption and cost efficiency, as well as actions to increase renewable energy sources simultaneously accompanied by a digitization of the system. Forecasting and mathematical models allow us to determine the needs of district heating systems, facilitate a comprehensive and intuitive overview of the situation at all points of the network and the effects of systemic changes to the primary energy source. Digitization ensures the reduction of heat losses, optimisation of network operations, reduction of system operating costs, and, at the same time, a maximum efficiency and decarbonisation support.

A key role in the management of district heating networks is played by technology, especially the Internet of Things (IoT), advanced analytical tools and machine learning models. Our services help customers optimise their investments in the development and renovation of district energy systems and reduce operating costs. The key operations in the management and monitoring of the operation of district energy systems and water supply systems are the forecast of quantities and the optimisation of generation capacities.





The DISNet DH (Digital Intelligent Systems Networks District Heating) district heating system on existing systems offers a public-private partnership for the contractual supply of heat energy (preparatory services are rendered using our own funds and only partially interfere with the existing system, with the aim of reducing energy loss and redirecting resources to more environmentally friendly energy) or cooperation through public procurement (sales service, where the implementation of technological-economic optimisation leads to a reduction in primary energy consumption, a reduction in heat loss and a reduction in the operating costs of the system with maximum efficiency and decarbonisation support, as well as guaranteed network operation optimisation).

Smart networks (Digital Intelligent Smart Systems) are used to develop district heating systems as part of the infrastructure of smart cities - smart generation, distribution and consumption of heat. State-of-the-art near-real-time analytics and software tools allow us to optimise measurable data while constantly taking into account the reliability of the information. The business models used are primarily the sale of consulting services in the optimisation of the system subject to the ECP model or the contractual supply of thermal energy in combination with the performance of works using reimbursable or non-reimbursable grants. We help clients achieve the best possible results in terms of the price of generated thermal energy, environmental protection, and unique control over the operation of the system.

District heating systems are managed and controlled automatically. This allows us to gain a complete and immediate insight into the system, a greater understanding of

the network and immediate reporting based on actual data. The obtained data enable us to fix development plans and strategies and make business decisions easier and faster.

In 2022, cooperation with larger district energy systems in cities such as Ljubljana, Velenje, Maribor, Zagreb, Osijek, Sisek, Belgrade, etc., was strengthened further. We manage

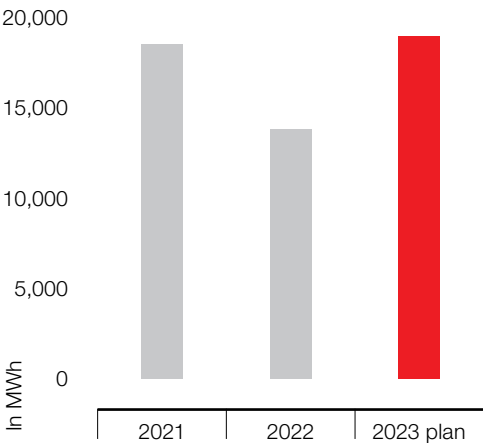
one of the largest district heating systems in the Balkans, i.e. the hot water network of Beogradske elektrarne, whose more than 1,600 km long system of pipelines and measuring and regulating installations connect the generation source with final users with an average annual production of thermal energy of over 3,500 GWh and 2.8 MW of thermal power.

Optimisation of district heating systems by the Petrol Group and savings in 2021 and 2022. This refers to the systems where energy consumption has been experiencing a constant reduction and where data is provided by the TANGO platform.

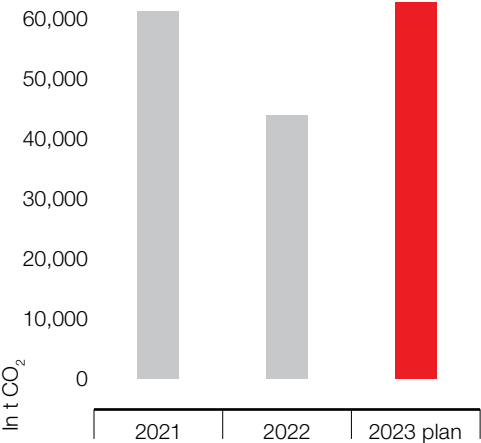
Year	Number of projects	Total capacity (in MWh/year)	Quantitative energy savings (in MWh/year)	Environmental savings* (in t CO ₂ /year)
2021	8	5,444.67	18,595.90	61,282.50
2022	7	5,345.67	13,859.13	43,933.38
2023 plan	8	5,584.67	19,023.61	62,692.01

* Environmental savings are expressed as the sum of emission savings due to the reduction in use and the replacement of the energy source.

Quantitative energy savings (in MWh/year)



Environmental savings (in t CO₂/year)



32,455.03 MWh in energy savings in 2021 and 2022.

Energy renovation of public lighting

Lighting infrastructure is one of the building blocks of a smart city. Efficient and economical public lighting provides lighting comfort for users of public areas, greater traffic and general safety, reduces energy consumption and thus lowers the environmental burden and light pollution of the environment. The Petrol Group provide cities and regions with the necessary investment capital and know-how. The Group assumes all risks pertaining to the proper implementation of the entire project and guarantee the achievement of savings or other important contractual parameters, such as luminosity and troubleshooting response time.

In 2021 and 2022, in addition to complementing already managed public lighting systems, Petrol completed public lighting energy renovation projects in the Municipality of Šentilj. In Croatia, Petrol renovated public lighting in the Municipalities of Podbablje, Zagvozd, Oriovac and in the city of Zabok. In Serbia, in the Municipality of Šid and in the cities of Kikinda and Zaječar, Petrol successfully implemented a total of six projects in Serbia, and, in the region, it implemented a total of 30 energy-efficient lighting projects.

That allowed us to increase number of concessions or public lighting systems that we manage from 13 in 2016 to 30 at the end of 2022, which includes a total of more than 75,000 lamps. Subject to the provision of sufficient investment funds, we will continue with such projects until 2025, with an emphasis on the Croatian and Serbian markets.



Energy renovation of public lighting by the Petrol Group and savings in 2018-2022 and 2023 plan

Year	Number of projects	Quantitative energy savings (in MWh/year)	Environmental savings (in t CO ₂ /year)
2018	5	1,661	881
2019	5	4,225	2,871
2020	6	5,682	3,896
2021	6	7,606	4,873
2022	2	3,814	2,669
2023 plan	3	2,927	966



Transport and distribution

Petrol has concluded contracts with carriers, road tank owners who meet all the prescribed technical conditions for the transport of dangerous goods for the transport of fuels. They are also encouraged to purchase means of transport with less emissions. We are increasing the amount of fuel transported by rail, and, in the case of road fuel transport, we are pursuing a greater utilisation of the vehicle fleet.

Compared to previous years, we noticed a lower consumption of energy products for employees' business trips in 2021, resulting mainly from the covid-19 epidemic. Otherwise, compared to previous years, the consumption of diesel for internal combustion engine vehicles decreased and the consumption of gasoline increased. In 2022, compared to 2020, the consumption of electricity increased almost fourfold, which means that electric vehicles are increasingly used even for longer business trips. We also encourage the use of electric vehicles in the fleet by installing electric charging stations at the homes of employees with an electric vehicle in permanent use.



Consumption of motor fuels and electricity for the transport of oil products by road and rail of the Petrol Group in Slovenia in 2018-2022 and 2023 plan

Fuel	2018	2019	2020	2021	2022	2023 plan
Diesel 1 * in l	1,820,797	1,620,651	1,365,778	1,569,052	2,035,403	1,700,000
Diesel 2 ** in l	2,373,687	2,392,240	2,101,292	2,343,089	2,767,859	2,400,000
Diesel 3 *** in l	/	/	20,734	/	/	/
Electricity in MWh	7,920	7,896	7,407	7,316	8,131	8,000

* Only warehouse to points of sale (retail).

** The data is for small and large road tankers (retail and wholesale), not only warehouse to point of sale, but also warehouse to customers (natural persons and legal entities). Includes primarily the delivery of heating oil and some diesel fuel.

*** In 2020, we were selected in the tender of the Institute of the Republic of Slovenia for Commodity Reserves, wherein Slovenian Railways ran their trains with diesel locomotives on the Ortnek-Zalog-Ortnek route.

Fuel consumption for the road transport of oil products for the Petrol Group's own activity in Croatia, Bosnia and Herzegovina and Montenegro in 2022

Fuel	2022		
	Croatia	Bosnia and Herzegovina	Montenegro
Diesel 1 * in l	1,772,764	520,912	319,553
Diesel 2 ** in l	2,081,063	520,912	326,230



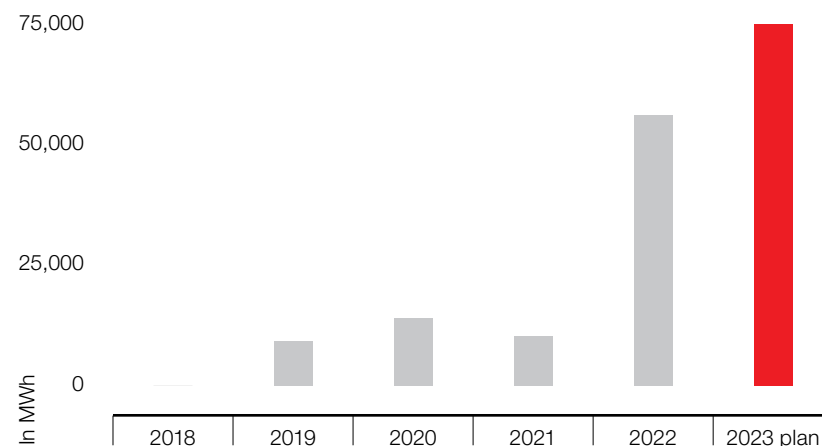
Quantities and kilometres travelled of transported oil products by type of transport route in the Petrol Group in Slovenia in 2019-2022 and 2023 plan

Year	Rail		Road	
	Litres	Kilometres	Litres	Kilometres
2019	1,395,605,490	300,295	1,650,113,794	7,843,410
2020	1,295,276,093	278,325	1,404,736,564	7,004,307
2021	1,327,373,681	273,840	1,558,169,754	7,810,297
2022	1,415,505,431	305,842	1,786,911,813	9,226,197
2023 plan	1,400,000,000	280,000	1,800,000,000	9,000,000

Use of energy products for business trips of Petrol employees in Slovenia in 2018-2022 and 2023 plan

Fuel	2018	2019	2020	2021	2022	2023 plan
Gasoline in l	38,502	36,260	45,106	54,194	119,827	130,000
Diesel in l	589,241	599,958	455,167	472,738	454,368	420,000
Electricity in MWh	/	9,346	14,123	10,337	56,205	75,000
LPG in l	13,274	10,558	4,443	1,570	8,039	10,000

Use of electricity for business trips of Petrol employees in Slovenia in 2018-2022 and 2023 plan



Quantities and kilometres travelled of the Petrol Group's oil products transported by road in Croatia, Bosnia and Herzegovina and Montenegro in 2022

Country	2022	
	Litres	Kilometres
Croatia	627,143,672	6,936,878
Bosnia and Herzegovina	56,468,162	1,736,373
Montenegro	57,728,802	1,087,432

In the case of internal combustion engine vehicles, we have been increasing the share of mild hybrids, which are more efficient and have a lower fuel consumption and consequently lower emissions than conventional vehicles.

Commercial transport in the coming years has been focused on the gradual electrification of the vehicle fleet or introducing alternative fuel vehicles and thereby reducing the carbon footprint from employees' business trips.

Commercial transport in the coming years has been focused on the gradual **electrification** of the vehicle fleet or introducing alternative fuel vehicles.

／ Involvement in European low-carbon society transition projects

Petrol is committed to the green energy transition and has accordingly been spending significant funds thereon, using also European funds. Petrol has been participating in various pilot, development, research, and infrastructure projects of the European Union for many years.





EU projects that took place or started in 2021 and 2022

Project title	Project description	Duration	Value
Digitization of the Oil & Gas E2E supply chain	This project will ensure the integration and comprehensive digitization of the energy product purchasing process and the establishment of a feedback loop of information on the stock level of energy products in warehouses and the sales network. All in compliance with high cyber security standards. The project will contribute to reducing emissions, primarily by optimising logistics, which will result in 121,000 fewer kilometres travelled per year, and, secondarily, by means of additional channels, such as a smaller number of service routes for system optimisation purposes. It is estimated that 129 thousand kilograms of CO₂ could be saved per year which accounts for about 10 percent fewer emissions from the energy product supply logistics of Petrol and its partners. The project forms part of the Recovery and Resilience Plan (RRP) funded by the Recovery and Resilience Mechanism.	1/ 5/ 2022 to 31/ 3/ 2024	EUR 7,406,500
SI-Geo-Electricity	The pilot geothermal power plant at the existing Pg-8 gas well will serve to introduce a completely new way of generating electricity using a geothermal gravity heat pipe.	2022 to 2024	EUR 900,211
CyberSEAS – Cybersecurity in the Electrical Power and Energy System	The international Cybersecurity in the Electrical Power and Energy System pilot project will protect the power system from disruptions that may result from cyber attacks, legacy systems, and the ever-increasing connectivity of energy infrastructure. Approaches and tools to improve the balancing service provision platform in the power system are being reviewed.	1/ 10/ 2022 to 30/ 9/ 2024	EUR 10,067,121
MULTI-E	The project aims at the electrification of public passenger transport in Koper and Maribor, the development of mobility services and charging infrastructure for electric vehicles and vehicles powered by compressed natural gas in Slovenia, Croatia, and Slovakia.	1/ 5/ 2018 to 31/ 12/ 2024	EUR 53,074,947
X-FLEX	A set of economically efficient integrated solutions to provide for the optimal combination of decentralised means of flexibility both as pertaining to generation and consumption. Petrol participates as a partner in the consortium.	1/ 10/ 2019 to 30/ 9/ 2023	EUR 7,314,485
Dom24h	A new conceptually comprehensive solution for building a sustainable, smart and connectable, user-friendly, advanced, and healthy living environment. Petrol participates as a partner in the project.	1/ 4/ 2019 to 31/ 3/ 2022	EUR 10,864,120

／ Pollution prevention

One of the fundamental guidelines of the Petrol Group is the constant reduction of emissions of pollutants - to the air, soil and as noise in the environment. For this reason, it continuously modernises its equipment and installs systems in accordance with the guidelines of best available technologies. Petrol follows high standards of pollution prevention which it also requires from its suppliers, such as road tanker carriers. It has established internal rules on action, conduct and behaviour at its warehouses and terminals (PURO). In doing so, it pays attention to the entire distribution chain, which includes storage, transport and sales. Chemicals that remain a great cause of concern due to potential long-term consequences for human health and the environment are replaced by safer alternatives.

Key pollution policies, standards and other documents

Rules on action, conduct and behaviour at warehouses and terminals (PURO) (2018, Petrol Group)

Petrol follows high pollution **prevention** standards that it also requires from its suppliers.





Strategic targets by 2025, pollution metrics and actions

Petrol has defined pollution management targets, metrics, and actions.

Target	Metrics	Actions
A consistent reporting system that monitors the effect of activities of Petrol d.d., Ljubljana, on the environment and monitors pollution.	Reporting system.	System maintenance.
Ensuring compliance with the law and air pollution restriction guidelines at Petrol's points of sale - being equipped with Level one and two vapour recovery systems during fuel bunkering (closed system).	Percentage of points of sale equipped with a Level one vapour recovery system Percentage of points of sale equipped with a Level two vapour recovery system	Equipping service stations with Level one and two vapour recovery systems. Establishing compliance with the conditions on the market or monitoring the volumes of bunkered fuel.
Laying down internal carbon pricing.	Internal carbon pricing.	Establishing pricing based on the prices on the market and the internal policies of the company.
Non-use of substances of a very high concern (SVHCs) in own brand products.	Share of products subject to the risk of containing SVHCs. Share of products containing SVHCs	Regular monitoring of changes to the list of SVHCs published by the ECHA. Replacement of the substances with a safer alternative on the SVHC Candidate List.
Operations without any incidents causing soil and groundwater pollution.	Number of incidents that can potentially cause soil pollution Number of incidents that have caused soil and/or groundwater pollution	Proper design and construction of facilities where hazardous substances are stored. Regular theoretical and practical training of employees and external contractors in safe handling of hazardous substances. Regular prevention maintenance of reservoirs containing hazardous substances including their corresponding equipment and road tankers used to transport hazardous goods. Performance of inspections of reservoirs containing hazardous substances including their corresponding equipment subject to the law and expert requirements. Diligent implementation of the safety and audit management system. Adoption of corrective and preventive actions to improve safety culture.

Management and control by priority pollution area

Managers and supervisors have been designated for each pollution sub-area. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Emissions to air	Sustainable Development, Quality and Safety department directly accountable to the Board	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
Allowances	Thermal Systems department directly accountable to the Board	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Fuel bunkering at warehouses and service stations	Area of Logistics	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Transport safety	Area of Logistics	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Use of chemicals	Department of Sustainable Development, Quality and Safety	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
Soil protection	Department of Sustainable Development, Quality and Safety	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
Noise emissions	Department of Sustainable Development, Quality and Safety	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board



In the boiler rooms, where **690 installations** were recorded in 2022, we provide for the performance of all chimney sweeping services.

／ Emissions to air

Providing for air quality and striving to effectively reduce emissions to air from installations is one of the important environmental protection tasks of the Petrol Group. Systems and installations that constitute sources of pollution with direct emissions: district heating systems, combined heat and power (CHP) systems and boiler rooms, gasoline storage installations and installations used for filling gasoline into mobile tanks, equipment used for cooling, air conditioning and heat pumps, fire protection equipment, and high-voltage switchgear. The proportion of emissions to air is monitored in relation to:

- energy consumption for heating, cooling, installation (natural gas, KOEL - extra light heating oil, LPG, wood biomass, electricity, heat) operation purposes
 - consumption of fuels (diesel, NMB - unleaded petrol, LPG, KOEL) and electricity for the company fleet, including work machines (forklifts, tractors, lawnmowers, aggregates) and
 - fugitive emissions of refrigerant gases,
- which are systematically included in the calculation of the carbon footprint (see the Carbon Footprint section).

Emissions to air are monitored and measured at all installation outlets in accordance with legal requirements and issued environmental permits. Calculations of the total emissions of volatile organic compounds to air are made annually for the fuel warehouses in Zalog and Rače and the Sermin terminal installation (TIS), based on the gasoline throughput, and, in the boiler rooms, Petrol provides for the implementation of all chimney sweeping services in 690 installations recorded in 2022.

Petrol provides for the effective reduction of emissions of pollutants to air by continuously modernising and installing new installations subject to state-of-the-art techniques. Where technically possible, high GWP gas installations replaced with alternative gases.





Fluorinated greenhouse gases

Equipment containing fluorinated greenhouse gases at Petrol d.d., Ljubljana, is taken care of in compliance with the Decree on the use of fluorinated greenhouse gases and ozone-depleting substances. The complexity of the field requires a systematic management, control, maintenance and equipment record-keeping approach. In 2022, we began drawing up a comprehensive handling protocol for this area, in addition to the equipment that must be declared in accordance with legal requirements (> 3 kg or more), other equipment was included in our records (more than 2,000 installations were recorded in 2022).

By 2025, we will have established a consistent reporting system to monitor the effects of reducing fluorinated greenhouse gas emissions by means of systematised actions.

CO₂ emissions to air of Petrol in Slovenia and Petrol in Croatia, Bosnia and Herzegovina, Serbia and Montenegro in 2020-2022

Source of CO ₂ emissions (in tons)	2020	2021	2022
Own activity Slovenia*	2,423.3	2,686.8	3,053.4
Contractual management Slovenia**	1,245.5	551.4	915.5
Total	3,668.8	3,238.2	3,969.0
Own activity Croatia, Bosnia and Herzegovina, Serbia and Montenegro***	492.5	322.2	572.4
Total Slovenia, Croatia, BiH, Serbia and Montenegro	4,161.3	3,560.4	4,541.4

* Quantities resulting from the direct implementation of Petrol's activities in Slovenia (e.g. for the cooling and heating of retail premises and Petrol's administrative buildings, for cooling food at points of sale, for fire-extinguishing systems in the company's administrative building, etc.).

** Quantities resulting from the management of installations by Energy and Solutions and managed by Petrol in Slovenia for the purpose of generation or supply of contractual partners with energy (e.g. schools), heating or cooling (e.g. swimming pools, industry).

*** Quantities resulting from the direct implementation of Petrol's activities in Croatia, Bosnia and Herzegovina, Serbia and Montenegro (e.g. for cooling and heating of retail premises and administrative buildings of Petrol, for cooling food at points of sale, etc.).

Emissions of volatile organic compounds to air in 2018-2022

Emission type	2018	2019	2020	2021	2022
Volatile organic compounds* (in tons)	32.18	33.29	33.02	32.76	38.19

* The calculation is based on legally prescribed emission monitoring and assessment according to the EPA TANKS 4.0 method.

In 2022, Petrol d.d., Ljubljana generated 3,969 tons in CO₂ emissions during the operation of installations and equipment containing F gases (emissions of fluorinated greenhouse gases are expressed in tons of CO₂ due to the comparability of the effects between different types of gases), and 572.4 tons in CO₂ emissions during the operation of devices and equipment in Croatia, Bosnia and Herzegovina, Serbia, and Montenegro. In recent years, there has been a visible increase in CO₂ emissions of fluorinated greenhouse gases, which is also the result of the inclusion of more installations in the emission monitoring records, a more systematic and uniform way of collecting data, and more feedback from contractors.

Closed bunkering system at fuel warehouses

One of the fundamental guidelines of the Petrol Group is the constant reduction of pollutant emissions. This is followed by continuously modernising the equipment and installing new systems in accordance with the guidelines of best available technologies. Thus, Petrol provides for the installation of two-step vapour recovery units (VRUs) at fuel warehouses where gasolines (SND Zalog, SND Rače and TIS) are stored and bunkered, thereby minimising the level of emissions of volatile organic substances to air. Important system upgrades in 2021-2022 were carried out at TIS and SND Zalog. In 2023-2024, maintenance and replacement of obsolete equipment are primarily planned, with the aim of ensuring as little downtime as possible for VRUs.

Emissions to air in warehouses occur during the bunkering and storage of fuels, especially gasoline. The total emissions of volatile organic compounds into the air are significantly lower than the limit values. All gasoline tanks are equipped with internal floating membranes, additional sealing between

the membrane and the tank wall, and fixed, free-standing aluminium roofs. All renovated tanks for middle distillates are equipped with an aluminium roof, most also with a floating membrane. This effectively reduces emissions to the air during storage.

The warehouses that involve the manipulation of gasoline are additionally equipped with vapour recovery units (VRUs), and the walls of the tanks are painted with white reflective paint, which prevents the heating of the jacket of the fuel tanks and thus reduces emissions. Such an tank system for use above ground complies with BAT guidelines.



Closed bunkering system at service stations

Closed bunkering systems are installed at all Petrol service stations. Fuels are bunkered from road tankers to underground storage tanks at all service stations by ensuring the first level of vapour recovery. The second level of vapour recovery refers to the closed bunkering system for fuels into vehicle tanks. In accordance with the regulations, at the second level, the vapour recovery requirements are related to the throughput at each service station. By the end of 2018, all petrol stations had been equipped with the second bunkering level, where the throughput reaches the annual threshold of 3,000 m³. In addition, service stations with lower volumes of gasoline are also equipped with the second level, totalling more than 50 percent of Petrol's points of sale.



Allowances

Petrol d.d., Ljubljana, is the operator of the SI-64 installation located at Koroška cesta 14, 2390 Ravne na Koroškem. With a rated input power of 62.63 MW, it is classified under the combustion of fuels in installations with a total rated input thermal power of over 20 MW activity, for which a permit for the release of greenhouse gases must be obtained (permit decision number is 35485/28/2020-3, dated 7/ 12/ 2020). In addition to other obligations, the operator shall surrender allowances each year in an amount corresponding to the total amount of greenhouse gas emissions that the installation released into the atmosphere during its operation in the previous year. The actual level of emissions and thus the resulting number of allowances that we are obliged to surrender to the EU ETS Registry is calculated using a standardized methodology and in accordance with all regulations of the EU and domestic legislation, which must also be confirmed by an external auditor.

The seller transfers the allowances we buy to our account in the EU ETS Registry. The EU ETS Registry is a standardized electronic database of holders of allowances, which enables the tracking of the distribution, possession, transfer, cancellation and withdrawal of allowances from circulation and proving the fulfilment (or non-fulfilment) of the Kyoto emission reduction targets. Although trading does not enable the reduction of emissions according to the EU greenhouse gases, its participants (installation operators) have been under an increasing cost-related pressure and have thus been compelled to reduce emissions.

On average, we generate between 13,700 and 13,900 tons of CO₂ emissions, which consequently means 13,900 allowances (13,977 in 2022) or, according to the latest value (as of 21/ 3/ 2023), this constitutes an annual cost of EUR 1.2 million on average.

CO₂ emissions of the Ravne district heating plant in 2018-2022

Emission type	2018	2019	2020	2021	2022
Emissions to air from the IED installation, Ravne district heating plant, in CO ₂ /year (GHG)	10,337	11,010	13,106	13,521	13,977

Based on the annual monitoring of the SI-64 installation, the Ministry of the Environment, Climate and Energy has allocated us between 1,200 and 1,300 free allowances per year after 2021, which accounts for an 8% share of all necessary allowances on an annual basis. Before 2021, the share of free allowances allocated by the Ministry was 36 percent. On the basis of this calculation and all the other commitments that we as a country must fulfil especially in terms of the environment, our efforts will be directed towards the implementation of new investments with the aim of optimising the system and thereby reducing the generation of greenhouse gases.

We plan to lay down an internal carbon pricing by 2025 at the latest, which will prepare us for uncertain external carbon pricing when it occurs and provide investors with a clearer picture of how we are moving towards a low-carbon (CO₂) society. At the same time, this will constitute an additional internal incentive for more ambitious emission reductions.

In 2022, Petrol bought **13,977** allowances which cost us approximately **EUR 1.2 million** annually.

The **internal carbon pricing** will have been laid down by no later than 2025.



Safe use of chemicals

Certain substances that may have serious and often irreversible effects on human health and the environment can be identified as substances of very high concern (SVHCs). These are primarily substances which are carcinogenic, mutagenic or toxic to reproduction as well as substances with persistent and bio-accumulative characteristics. Other substances of equivalent concern include, for example, endocrine disrupting chemicals. After a substance has been officially identified in the EU as being of very high concern, it will be added to the Candidate List. This list indicates to consumers and industry which chemicals are identified as SVHCs. Companies manufacturing or importing articles containing these substances in a concentration above 0.1% weight of the article have legal obligations. They are required to inform recipients of the articles about the presence of the substance and therefore how to use it safely. They also need to inform consumers requesting this information.

The target of Petrol d.d., Ljubljana, is to not use any SVHCs in its own brand products, therefore, in the event that an individual substance is added the Candidate List, it strives to replace it with a safer alternative. We also ensure that the products (chemicals) of other manufacturers are properly labelled in case of presence of SVHC chemicals which is achieved by providing appropriate content on the labels of products intended for consumers and in the safety data sheets of the chemicals we sell.

Our target is **0 use of SVHCs** in our own brand products.



Soil protection against pollution

The biggest risk for soil pollution in the context of our activity is the potential spillage of oil products. The reduction of the risk of soil contamination is provided for by implementing appropriate legal, technical, organizational and preventive fuel storage and transport actions.

Our goal is to operate without incidents, which is why we carry out strict preventive activities, supported by constant theoretical and practical safety training for employees and external contractors, regular preventive maintenance of safety-relevant installations, the implementation of legally or expert required inspections and checks of safety installations, and the consistent implementing of the assessed safety management system. Based on the established situation, we take corrective and preventive actions to improve the state of safety culture at the locations managed by Petrol.

Preventive soil protection actions as pertaining to the storage and transport of fuels

We strive to operate without incidents, which is why we implement a number of preventive fuel storage and transport safety actions in the field of fuel storage and transport which include:

- the adequate design and implementation of the construction of buildings in which hazardous substances are stored;
- regular inspections of tanks and related equipment used to store oil products in warehouses and at points of sale; if the tanks at the points of sale are inadequate, they are immediately excluded from use, repaired or replaced. Tanks in warehouses are carefully inspected when they are emptied (usually every 10 years). This includes an inspection of the thickness of the walls and floors, and, if necessary, their proper rehabilitation (removal of corrosion and restoration of anti-corrosion protection).





- During the inspection of the tanks, an inspection of containment systems in case of spills (steel, concrete and clay catchment basins) is carried out, which are also properly repaired if necessary.
- Regular annual inspections of road tankers transporting oil products for the Petrol Group. Inspections are carried out by the transport unit control team, located in Zalog, which ensures constant compliance of these vehicles with the provisions of ADR and internal regulations.
- Occasional inspections of road tankers of external customers bunkering fuels at Petrol Group warehouses.

Due to the inconsistency in following the issued instructions, especially by third parties (e.g. drivers) who carry out activities at fuel warehouses, the Rules on action, conduct and behaviour at warehouses and terminals (PURO) managed by the Petrol Group were implemented as a corrective action in 2018. The Rules apply to both employees and external contractors. Based on the Rules, warning actions are implemented and additional inspections of equipment, including a ban on entering the plant in the event of major deviations, are commissioned. Monitoring indicators have also been introduced and related findings are regularly discussed within the system pathways.

In 2021 and 2022, we issued **227 actions** according to the PURO system for fuel warehouses in Slovenia.

The number of actions issued under the PURO system in Petrol d.d., Ljubljana, for fuel warehouses in Slovenia in 2018–2022

Year	Number of actions issued
2018	264
2019	218
2020	177
2021	102
2022	125

Transport safety

The safety of the transport of dangerous goods is a very strictly regulated area in EU countries and other signatory countries of the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), as accidents involving dangerous goods can have catastrophic consequences. The key here is ensuring a high level of protection of people, the environment and property through risk management, namely through actions legally prescribed by the ADR agreement, which, in EU Member States, also applies to transport within the respective Member State. Transportation and handling of dangerous goods gives rise to a risk of accidents with serious consequences.

With the goal of reducing the risk of accidents in the entire logistics chain, all participants must be adequately and regularly trained to ensure their own safety and the safety of other people, the environment, and property. The safety of carriage by road is ensured by an extensive inspection of road tankers and checks on drivers before entering Petrol's fuel warehouses for the first time. We also carry out random inspections of road tankers and their equipment before the road tankers enter our fuel warehouses. The safety of the carriage of dangerous goods is also supported by the

electronic control of road tankers, whereby the movement of road tankers and any manipulation of fuel on the transport route are monitored.

In the 2021-2022, there were no fuel spillage accidents in the transit transport of fuels (transportation in large road tankers) and in the delivery of fuels to final consumers (transportation in small road tankers).

Managing fuel spills

Although we try to control fuel spills with preventive actions, they still happen from time to time, which is why we have a system of actions and technological solutions in place to prevent or limit the impact of spills on the natural environment and consequently on human health.

In 2021, there were 13 fuel spills that are considered hazardous substances according to the Chemicals Act, namely 11 spills at warehouses, 1 at a service station and 1 at a biogas plant. In 2022, however, 15 fuel spills, out of which 5 at warehouses and 10 at service stations, were recorded in total. In 2022, there was an event beyond our control when actions aimed at preventing environmental pollution were not sufficient. As a result, it was necessary to remove the contaminated soil on the adjacent land next to the point of sale. In 2022, there were no major spills of fuels considered hazardous substances according to the Chemicals Act.

All spills at the warehouses were controlled by technical (passive) actions to limit spills, such as the installation of catchment basis of tanks and transfer points and oil separators. At service stations, most of the spills were also caught on transfer platforms and in oil separators. In the event of the otherwise prohibited pressure filling of the tank, fuel was spilled on the ground in the vicinity of a tank air vent. In this case, we removed the contaminated soil, which was disposed of as hazardous waste and replaced with uncontaminated soil.



Spills of fuel (hazardous substances according to the Chemicals Act) in Petrol d.d., Ljubljana, and at leased service stations in 2018–2022

Year	Number of spills	Amount of spillage (in l)	Number of manageable events
2018	15	8,120	15
2019	17	12,608	13
2020	7	10,210	7
2021	13	10,994	13
2022	15	580	14

Fuel spills do not include LPG leaks into the environment, spills of additives, biofuels (B100), Adblue liquid and leaks from a gas tank.

The result of two extraordinary events from the past period (2018-2019) was contaminated soil. As we are aware of our responsibility regarding the risks of our activity, the process of remediation of contaminated soil was carried out within the framework of two separate projects. Both remediation projects were successfully completed, the amount of the contaminant (hydrocarbons) in the soil decreased below the limit values suitable for soil as a filler in construction interventions.

Also in 2022, during one of the construction interventions in the warehouse, we came across soil that was contaminated with hydrocarbons. This was not a fuel spill due to our activities, but the pollution was the result of refinery activities carried out at the site decades ago. Based on experience from past completed projects, the soil was also purified using a remediation process.

We have successfully completed two **contaminated soil remediation** projects.

Noise emissions in the environment

At Petrol, we ensure control over noise emissions in the environment arising from our activities. We regularly carry out assessments of noise pollution in individual areas, produce impact assessments and implement noise-reduction actions.

Noise pollution is determined in accordance with the Decree on limit values for environmental noise indicators, by creating an acoustic 3D model and taking into account the characteristics of the area, the building and the terrain characteristics of the area. In accordance with the defined legal guidelines, as part of operational monitoring, we annually provide an assessment of noise emissions at up to 60 locations. Based on the results of the measurements, the necessary organisational and technical actions are implemented. In 2021-2022, we did not detect any exceeding of the limit values, nor did we receive any complaints from the interested public.

We provide a noise
emission assessment
of up to **60 locations**
annually.



Water management

Excellence, sustainability and reliability of water cycle management are of key importance to us. We strive for the quality of water resources and diligent and efficient management of water, both for our own use and in the development of solutions for cities and regions. Our vision is to enable cities and regions to develop and use new services through the digitization of the water cycle. In the Petrol Group, we manage water supply systems with the support of modern information solutions, aimed at the economic planning of the development of the existing water supply system and effective management in real time. We ensure sustainable and efficient development of potable water supply services, modernisation of services and infrastructure, effective management of water production costs, effective management of water distribution costs, quality drinking water supply at the lowest and still manageable operating costs, and effective management of drinking water distribution and distribution network maintenance. We also build and operate treatment plants for waste industrial and municipal water. We enable cities, industries and regions to modernise and optimize the operation of sewage treatment plants and, at the same time, optimise investments and operating costs. We develop, build and manage smart distribution networks also for economic areas, using a circular water management approach.

Key water and marine resources related policies, standards and other documents

Tap water (Voda iz pipe) certificate (2020, Petrol d.d., Ljubljana)





Strategic targets until 2025, water and marine resources related metrics and actions

We have defined water and marine resources related targets, metrics, and actions.

Target	Metrics	Actions
Reduction of drinking water consumption by 2% based on water consumption and volume of services/sales in 2022.	The quantity of potable water consumed in m ³	Awareness campaigns, introduction of new energy-saving technologies, use of rainwater, more effective control of water use, etc.
Maintenance of the waste water recycling system at all automatic car washes in Slovenia. Establishment of a waste water recycling system at 90% of automatic car washes in Croatia.	Percentage of automatic car washes with a recycled and re-used water system	Installation of systems in automatic car washes that enable the re-circulation of water.
19,000,000 m ³ in reused industrial water in a closed system and 2,500,000 m ³ in treated industrial water at the Štore location.	Quantity of re-used industrial water Quantity of treated industrial water	Implementation of new connections and projects.
47 small municipal waste water treatment plants (WWTP) at service stations in the Petrol Group.	Number of small WWTP	Construction of small WWTP at service stations where connection to the public sewage network is not possible. Installation and maintenance of small WWTP in Croatia, as part of Crodux points of sale.
4,800,000 m ³ of treated waste water at municipal waste water treatment plants (WWTP).	Amount of treated waste water	Implementation of new connections and projects. Upgrading existing waste water treatment plants to increase capacity.

Management and control by priority area of water and marine resources

Specific managers and supervisors have been designated for each sub-area of water and marine resources. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Efficient use of potable water	Sustainable Development, Quality and Safety department directly accountable to the board, Operational Management Area	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the board, pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Water circle for the market	Sector of Energy Solutions	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)
Waste water and small municipal waste water treatment plants	Energy Solutions Sector, Operational Management Area	Pillar of Energy, Solutions, Logistics and Operational Management (Member of the Board)

Use of water for our own activity

Smart water management contributes to the broader targets of sustainable development and environmental protection, both in the case of water abstraction and discharges and waste water treatment as well as the re-use of recycled water. For our activities in the Petrol Group, we need potable, sanitary, and process water. We carefully monitor water consumption and introduce actions for its efficient use. Prudent water management is also extended to car washes, where the consumption of recycled and re-used water is being systematically increased. In the case of new manually-operated car washes, we have upgraded the anti-freeze protection systems and switched to a water recirculation system, which enables us to save additional money when using potable water at low temperatures.

Water consumption increased in 2022 compared to the previous year due to the cleaning of a larger area of warehouses and major water leaks also arose. Visits to service stations and manually-operated car washes also increased, and we also started collecting more accurate data using a new information system for monitoring water use and costs in Slovenia and Croatia.

We regularly introduce actions for more economical use of potable water and efficient water management, such as awareness campaigns, introduction of new economical technologies, use of rainwater, more effective control of water use, etc. We also installed additional water meters to control water usage at the taken over points of sale in Croatia.

Target by 2025: **reduce the** consumption of drinking water **by 2%** compared to water consumption in 2022.





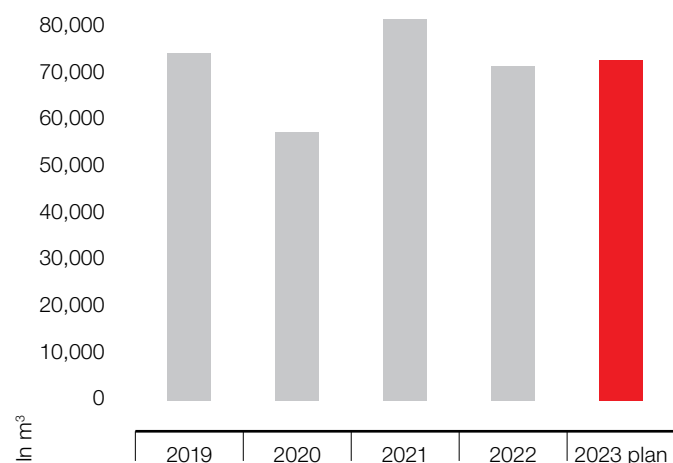
Potable water use and shared use of recycled and re-used water in Petrol d.d., Ljubljana, in 2019-2022 and 2023 plan

Year	Total net consumption of fresh water (A + B + C - D)	Water pumping – A (utility companies, waterworks)*	Water pumping – B (surface water)	Water pumping – C (groundwater)	Water discharge – D	Water re-use/ recycling**
	in m ³	in m ³	in m ³	in m ³	in m ³	in m ³
2019	113,951	222,000	540	N/A	108,589	74,342
2020	280,203	214,000	280	178,873	112,950	57,489
2021	310,209	213,000	364	192,209	95,364	81,629
2022	305,741	252,000	1,497	127,032	74,788	71,720
2023 plan	276,500	230,000	1,500	130,000	85,000	73,000

* Water consumed as part of Energy and Environmental Solutions services in the public and commercial sector (EIOR for public municipality services) is not included.

** Water for car washes.

Total shared use of recycled and re-used water in Petrol d.d., Ljubljana, in 2019-2022 and 2023 plan



Tap water (Voda iz pipe)

On June 23, 2020, Petrol received the Water from the Tap (Voda iz pipe) certificate, which is awarded by the Chamber of Municipal Services to organisations that have implemented actions to reduce waste and encourage drinking water from the tap. The Voda iz pipe certificate awarded to Petrol demonstrates that our organisation makes a healthier and more environmentally friendly choice, that is, we serve potable water from the tap and encourage employees and business partners to drink it, thereby contributing to the reduction of plastic waste. In December 2021, we installed the latest certificate stickers in kitchenettes next to the water taps, which make tap water users aware of the daily water consumption per person in Slovenia and serve as a reminder that each of us can treat water even more respectfully with various saving actions. Even in Slovenia, where we still have potable water in abundance and within easy reach, it is our shared responsibility to treat it with care and respect in all cycles of the water cycle and preserve it for future generations.

71,720 m³ in recycled and re-used water in car washes in 2022, which accounts for **23%** of the total consumption of fresh water.

Water cycle management for the market

Similarly to the global hydrological cycle, water also circulates in the urban water cycle. The latter is characterised by rapid population growth, urbanisation, pollution, and climate change. Ensuring a safe and reliable water supply thus constitutes one of the key challenges of the 21st century. Petrol has developed the DISNet-WS service, which, by digitising the water supply system, enables managers and decision-makers to dynamically monitor the performance indicators (KPIs) of potable water supply management. With the support of digital twins and KPIs, we improve the energy efficiency of water supply operations, the efficiency of managing water losses and, consequently, water resources. In this way, we ensure greater operational safety, reduce the risks of compliance and wholesomeness of potable water from the water resource to the final customer's supply point, and maintain the provision of services at the highest quality level. In the future we will continue strive to ensure as little water leakage as possible using our implemented projects and enable the use of water in as many repeated water treatment and use cycles.

By digitizing the water supply system, we reduced water leakage by **3.8 million m³** annually.



Use of treated and re-used and cooled water in industry

The economic use of industrial waste water, i.e. its cooling and treatment and its reuse generated not only beneficial effects on the environment but also creates cost efficiency and competitive edges. At the same time, the relevant legislation has been becoming increasingly stricter. Open and closed industrial water circuits are managed in the enclosed economic areas of the Štore and Ravne ironworks, which reduces the need for fresh water supply in industrial processes and prepares water that has already been used for re-use purposes. Cooled industrial water in systems is harmless to the environment and can be released back to the environment.

Treatment and re-use of industrial water in Štore

In 2022, 223,210 m³ in raw water, intended for cooling steel processes, was abstracted from the Voglajna watercourse in 2022. The quality of the abstracted water is improved, the water is treated and added to various industrial systems during the decarbonisation process. In systems, where water does not come into contact with the workpiece, it is only cooled. In 2022, 18.6 million m³ in cooling water was recirculated in a closed system this way.

Where water comes into contact with the workpiece, it is treated before being cooled. In this way, 2.4 million m³ in cooling water was recirculated in 2022. A closed system and industrial water treatment allowed us to reduce the withdrawal levels of raw water from the river by 1.6 million m³.





Shared use of re-used and cooled water (circular process) in the Štore ironworks in 2018-2022 and 2023 plan

Year	in m³
2018	18,396,207
2019	16,854,000
2020	15,560,000
2021	15,818,820
2022	18,628,646
2023 plan*	19,000,000

* The estimate is indicative, as a new incandescent furnace was connected to the system and the exact consumption is yet to be known.

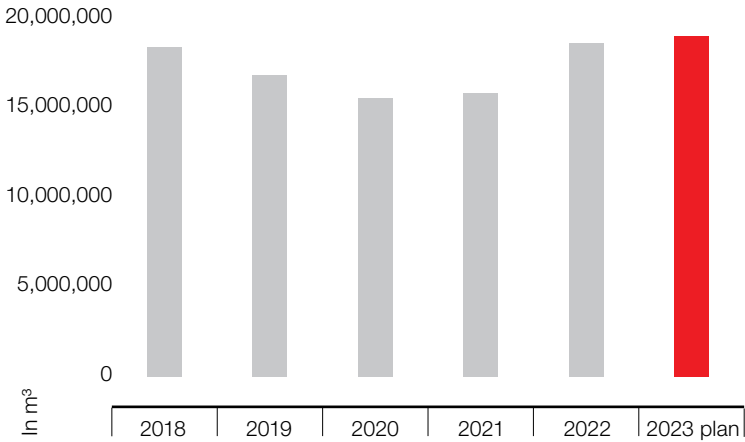
Shared use of treated and re-used and cooled water (circular process) in the Štore ironworks in 2018-2022 and 2023 plan

Year	in m³
2018	2,208,893
2019	2,005,000
2020	2,047,000
2021	2,264,710
2022	2,420,184
2023 plan*	3,000,000

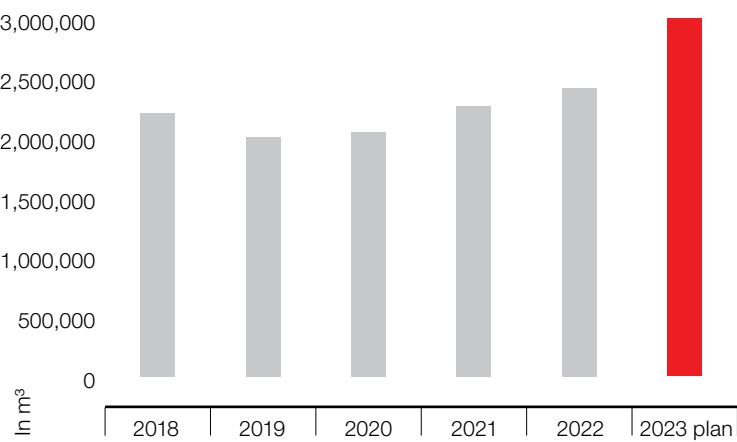
* The estimate is indicative, as a new incandescent furnace was connected to the system and the exact consumption is yet to be known.

The withdrawal of raw water from the river was reduced by **1.6 million m³**.

Shared use of re-used and cooled water (circular process) in the Štore ironworks in 2018-2022 and 2023 plan



Shared use of treated and re-used and cooled water (circular process) in the Štore ironworks in 2018-2022 and 2023 plan



Waste water management

Similarly to the way we diligently measure the consumption of potable water and try to optimize it by means of various activities, we also pay special attention to the treatment of waste water at service stations or points of sale and in Petrol warehouses. Many points of sale are located in locations outside settlements, where they cannot be connected to the public sewerage network. As a result, at these locations, waste water is treated using small municipal waste water treatment plants (WWTP). New small WWTP are installed or existing ones are replaced using the latest biological treatment technologies, such as treatment with fitted biomass on floating supports and treatment in a plant-based waste water treatment plant. The professional competence of the management teams, their cooperation and transfer of good practices are also extremely important.

The number of small WWTP changes over the years, because wherever possible, we systematically strive to connect as many locations as possible to the public sewerage network. In 2022, there were 54 small WWTP at the service station points of sale and oil product warehouses in Slovenia, one of which is a plant-based waste water treatment plant. We regularly monitor the operation of each small waste water treatment plant, perform internal control analyses, and manage them.

The total amount of treated waste water at small WWTP in 2022 was 46,373 m³. The volume of treated municipal water varies depending on the frequency of visits to the points of sale, and after 2020, when the decline was quite high compared to previous years due to containment actions of covid-19, an increase in volume has been recorded. We assume that the amount of treated waste water will increase further in the coming year.





The treated municipal waste water then usually flows into cesspools or watercourses, but rarely into public storm sewers. Re-use of this treated water is not practical due to the its small volume. Small WWTP are regularly maintained by our own qualified employees and external contractors. We carry out prescribed operational monitoring at all locations - all small municipal waste water treatment plants ensure the prescribed limit values at the outlet. In 2022, 14 operational monitorings were carried out.

In 2022, we also started the installation and maintenance activities of our small WWTP in Croatia, as part of the Crodux points of sale.

Treatment of municipal and industrial waste water

Petrol manages four municipal waste water concessions. These are municipal waste water treatment plants at the locations of Murska Sobota with a capacity of 42,000 PE, Mežica 4,000 PE, Sežana 6,000 PE, and Ig 5,000 PE. As an important partner in Aquasystems d.o.o., Petrol d.d., Ljubljana, also participates in the treatment of municipal waste water at the municipal waste water treatment plant of a capacity of 190,000 PE in the Municipality of Maribor.

Municipal waste treatment plants (WWTP) we manage treat waste water through various stages of treatment to the extent that it is suitable to be discharged into the river or to the environment. The treated water is partially reused in the technological treatment process, namely for washing mechanical equipment, such as coarse and fine rakes, mechanical thickening of sludge, preparation of flocculant, and for surface cleaning. After use, process water is collected in the internal sewage system and treated again at the municipal waste water treatment plant.

We also manage three industrial waste water treatment plants (IČN), namely Paloma, Vevče and Petišovci.

The number of small WWTP at Petrol facilities (service stations, warehouses, etc.), the amount of treated waste water in the Petrol Group in 2018-2022 and the 2023 plan

Year	Total number of small WWTP	Total volume of treated waste water (in m³)*	Number of monitorings
2018	57	53,487	14
2019	56	71,512	16
2020	58	33,403	14
2021	58	43,990	16
2022	58	46,373	14
2023 plan	56	49,000	17

* The total volume of treated waste water includes water from locations where operational monitoring is carried out. Monitoring is carried out at small WWTP > 50 PE, i.e. on all motorways (at two locations, it is carried out every other year). Monitoring of small WWTP PGI Ravne is carried out in accordance with the Environmental Permit 3 times a year.





Volume of treated municipal and industrial water in Petrol d.d., Ljubljana, in 2018-2022 and 2023 plan

Year	*Municipal waste water (in m³)	**Industrial waste water (in m³)
2018	5,551,890	1,852,181
2019	3,465,425	1,904,396
2020	3,275,873	1,670,368
2021	3,644,275	1,607,396
2022	3,223,523	1,516,257
2023 plan	3,250,000	1,550,000

* Data for the Murska Sobota, Mežica, Ig and Sežana municipal waste water treatment plants.

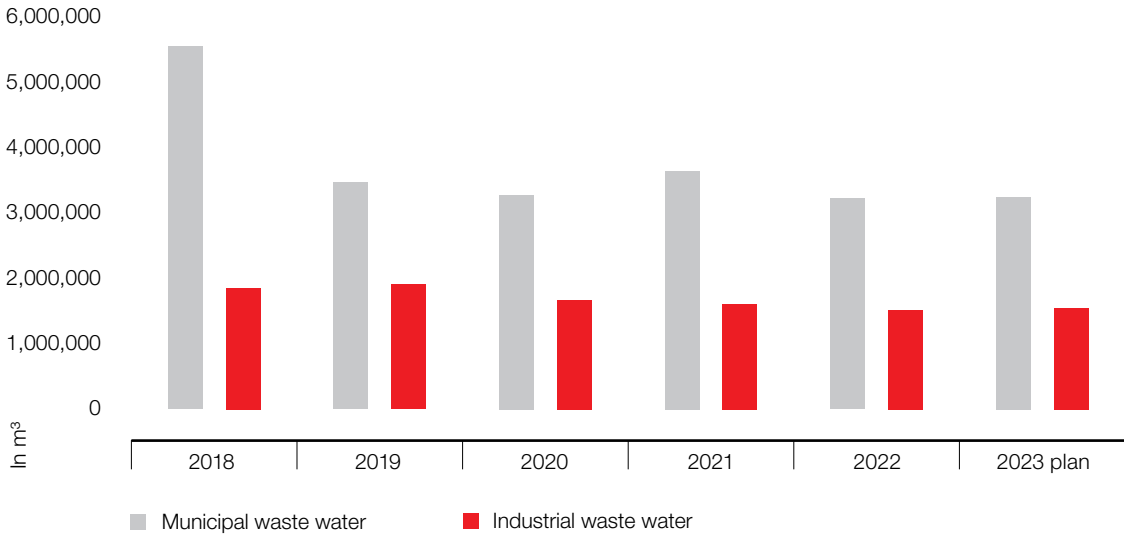
** Data for the Paloma and Vevče industrial waste water treatment plants.

Industrial treatment plants in the Vevče paper mill and Paloma d.d.

As a contractor, Petrol performs waste water treatment and regular maintenance services at the industrial waste water treatment plants in the Vevče paper mill and Paloma d.d. During the treatment of industrial waste water, paper sludge is produced in a total annual amount of 5,000 to 6,000 tons, which is handed over for further use to Luka Koper d.d., where they have developed the use of paper sludge to cover the coal landfill, thereby preventing the rise of coal dust.

This demonstrates Petrol's efforts to find and implement the principles of a circular economy in cooperation with partners where possible. The secondary use of waste raw materials closes material loops and reduces the generation of waste.

Volume of treated municipal and industrial water in Petrol d.d., Ljubljana, in 2018-2022 and 2023 plan



Petrol manages **4 municipal waste water treatment** and **3 industrial waste water treatment plant concessions.**

Biodiversity

Biodiversity conservation plays a key role in ecosystem services and is also critical to man's welfare by providing services that support the economy and society. Aware of its importance, the Petrol Group has been increasingly involved in activities that contribute to the conservation and restoration of biodiversity. In 2022, we signed a long-term support agreement for Green Heart of the Karst project, which, under the auspices of the Slovenian Forestry Institute, will provide for the completion of the rehabilitation plan for the restoration of the forest in the burnt-down Karst. By 2025, we will also have formulated a biodiversity management policy for the Petrol Group.

In 2022, we signed a long-term support agreement for **The Green Heart of the Karst** project.

Key biodiversity and ecosystem policies, standards and other documents

Commitment to provide long-term support for the Green Heart of the Karst project (2022, Petrol d.d., Ljubljana)





Strategic targets by 2025, biodiversity and ecosystem metrics and actions

Petrol has defined biodiversity and ecosystem management targets, metrics, and actions.

Target	Metrics	Actions
Formulation of the Biodiversity Management Policy in the Petrol Group.	Biodiversity Management Policy	Analysis of the impacts of the Petrol Group's activities on biodiversity. Identification of important ecosystems in the local environment and a plan of activities to support their conservation or restoration. Involvement of the Petrol Group in various activities and projects of organisations pertaining to the conservation and restoration of ecosystems and biodiversity in the region.
Involvement in at least one biodiversity conservation or restoration project per year.	Number of biodiversity projects in which Petrol is involved	Selection and inclusion in biodiversity conservation or restoration projects.
Inclusion of at least one biodiversity project in corporate volunteering per year.	Number of biodiversity-related corporate volunteering projects	Implementation of an internal corporate volunteer campaign together with the local community.
Awareness raising and involvement of Petrol Club card holders in biodiversity projects.	Number of awareness campaigns/projects	Raising awareness among Petrol Club card holders through campaigns - donating Gold Points.

Management and control by biodiversity and ecosystem priority area

Specific managers and monitors have been designated for each sub-area of biodiversity and ecosystems. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Management of biodiversity and ecosystems	Sustainable Development, Quality and Safety department directly accountable to the Board	Supervision of the Sustainable Development, Quality and Safety (President of the Board) department directly accountable to the Board
Corporate volunteering and biodiversity awareness projects	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)

Urban beekeeping

In 2022, on the occasion of World Bee Day, we distributed 1,500 saplings of the perennial honeydew lavender at more than 300 service stations, thereby ensuring an additional supply of food for bees, which are important pollinators in the natural environment. We are also part of the Čebelja pot (Bee Route) project in the city of Ljubljana, which provides for the well-being of bees in the city with a wide variety of activities, and since 2018, also supporters of the Urban beekeeping project, within the framework of which we have welcomed five bee colonies to the terrace of Petrol's office building in Ljubljana. Each hive is home to 30,000 to 40,000 bees, and up to 50,000 in the harvesting season. Our urban beekeeper Gorazd Trušnovec takes care of our urban bees. Bees produce forest honey, and with their route to the nearby slopes of park plantations and forests, they ensure pollination and healthy fertility of the green ecosystem.



Restoration of Slovenian forests

Under the auspices of the joint project with the Forestry Institute of Slovenia entitled "Growing together" (Skupaj rastemo), Slovenian forests, which were affected by natural disasters due to sleet in 2014, a forest fire in the Karst in 2022 and an attack by bark beetles, have been undergoing restoration. Forest restoration will take place for a longer period of time and requires a lot of work and cooperation, set out in the forest restoration implementation project plan. In the Petrol Group, we have also signed an agreement to provide long-term support for the Green Heart of the Karst project, within the framework of which the forest restoration plan will be implemented in the burned-out Gorizia and partly in the Komen Karst. At the same time, the Green Heart of the Karst route will be formed, which will connect the three municipalities affected by the fire and will carry a lasting message about connecting people who have committed themselves to the joint restoration of the largest burnt area in the history of Slovenia. By committing to the project, we will contribute to the regrowth of forest in the vicinity of the Peace Monument and in the Gorizia Karst.



After the fire, Petrol also participated actively with the volunteering campaign Giving back to society, where employees participated in collecting black oak seeds and planting trees.

At the beginning of 2023, we also encouraged Petrol Club card holders to participate in the restoration of Slovenian forests, namely to donate their Gold Points as part of the "We grow together" charity cause for the restoration of Slovenian forests in cooperation with the Slovenian Forestry Institute. We worked together to raise funds for as many as 10,000 trees, or more than five football fields of a new forest. As adults, these trees will absorb an average of 220,000 kilograms of carbon dioxide from the atmosphere each year. It is the same carbon footprint that we create by driving 1,200,000 kilometres of fossil fuel vehicles. According to the Environmental Agency of the Republic of Slovenia, passenger vehicles in Slovenia released an average of 183.04 g of CO₂ in 2020 per kilometre. According to the European Environmental Agency, a mature tree will fix around 22 kg of CO₂ from the atmosphere per year.

Diligent management of resources

The Petrol Group strives to operate in accordance with the principles of a circular economy, therefore, wherever possible, we gradually introduce circular packaging models into our business processes - the use of rPET, the use of water in car washes, organic/kitchen waste as a source of energy from the biogas plant in Črnomlje et al. This enables us to ensure a better utilisation of materials and resources for our activities and to reduce the generation of waste. Together with our partners, we are looking for innovative approaches for the re-use of resources and the use of recycled materials. A system for comprehensive monitoring of the mass flow of the top 10 consumables and the establishment of a consistent reporting system is being prepared, which will enable us to systematically monitor the use of raw materials and take appropriate actions based on the results.

Key resource use and circular economy policies, standards and other documents

European Ecolabel (2010, Petrol d.d., Ljubljana)

Circular packaging models are being introduced.





Strategic targets until 2025, resource use and circular economy metrics and actions

We have defined targets, metrics, and actions to manage the use of resources and the circular economy.

Target	Metrics	Actions
Establishment of a system for a comprehensive monitoring of the mass flow of the top ten consumables and establishment of a consistent reporting system.	Top 10 Consumables List Mass Flow Monitoring System	Identification of the ten products with the largest turnover and estimation of the weight of goods (consumables).
Implementation of the requirements of the SUP directive regarding single-use plastic products.	Quantity and proportion of recycled materials used Quantity and proportion of replacement of single-use plastic products	Established mechanism for introducing the SUP directive into sales products. Substitution of packaging materials from primary raw materials with sustainable and/or recycled materials, such as rPET, cardboard, wooden and bamboo packaging. Establishment of mechanisms for reporting and monitoring the achievement of set targets.
25 percent rPET in PET packaging of own brand products for food products.	Percentage of rPET in PET packaging of own brand products for food products	Establishment of an own brand control process and implementation of supplier requirements.
Renovation and optimisation of the waste management system.	Quantity of separately collected fractions Number of disposals	Reduced number of deliveries in combination with an internal logistics network. Investments in equipment for reducing the volume of waste at collection points. Implementation of the requirements of the SUP Regulation.
Reduction of the number of mixed municipal waste (MKO) disposals by three times or under 250 disposals per year at five selected points of sale.	Number of disposals at five selected points of sale	Installation of MKO presses.

Management and control according to priority area of resource use and circular economy

Specific managers and supervisors have been designated for each resource use and circular economy sub-area. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Procurement and use of raw materials	Merchandise and Services, Gastronomy, Strategic, Technical and Operational Procurement department directly accountable to the Board	Pillars of Sales (Member of the Board) and Procurement, Personnel, Processes, and General Affairs (President of the Board)
Packaging materials	Merchandise and Services, Gastronomy, Strategic, Technical and Operational Procurement department directly accountable to the Board	Pillars of Sales (Member of the Board) and Procurement, Personnel, Processes, and General Affairs (President of the Board)
Circular models and projects	Sustainable development, quality and safety, merchandise and services, Gastronomy departments directly accountable to the Board, Area of Strategic, technical and operational procurement	Supervision of the Sustainable development, quality and safety (President of the Board) department directly accountable to the Board, pillars of Sales (Member of the Board) and Procurement, personnel, processes and general affairs (President of the Board)
Waste management	Sustainable development, quality and safety department directly accountable to the Board, Areas of Business-to-customers (B2C), Business-to-business and business-to-government (B2B and B2G), Fuels, Logistics, Energy production, energy solutions and mobility	Supervision of the Sustainable development, quality and safety (President of the Board) department directly accountable to the Board, Pillars of Sales (Member of the Board) and Energy solutions, logistics and Operational Management (Member of the Board)

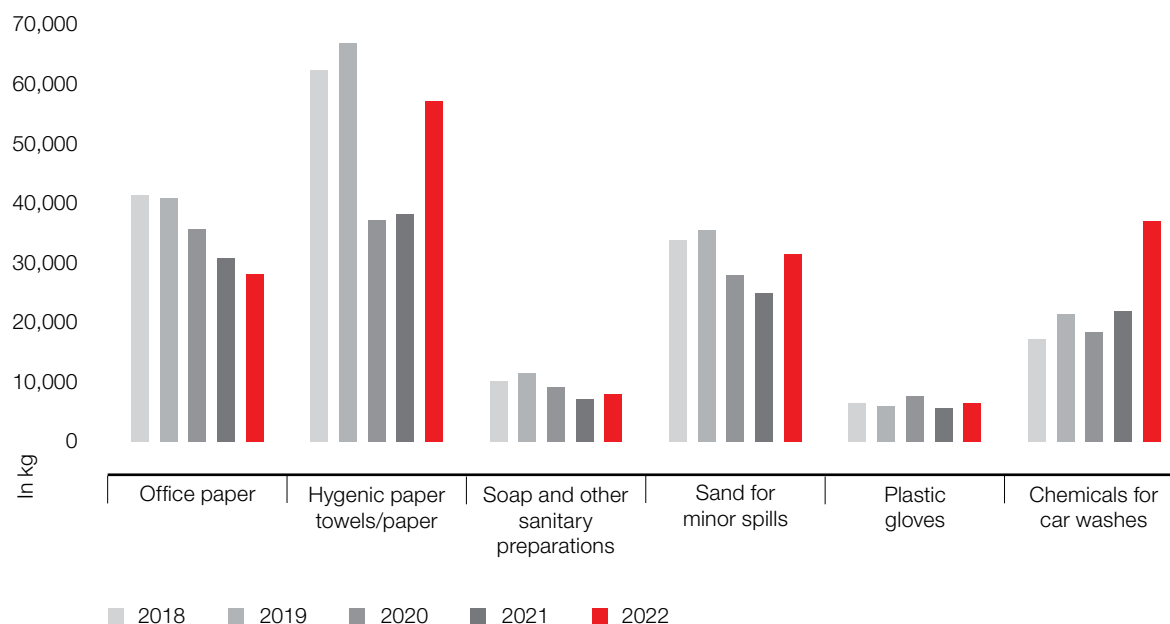
We have been introducing an increasingly high level of digitization into business processes, which is why a trend towards a reduced use of office paper has been observed throughout the years. The consumption of toilet paper, sand, soap and plastic gloves depends on visits to points of sale where the impact of the covid-19 pandemic was noticeable in 2020 and 2021. The use of chemicals for car washes has increased significantly in the last year, which is the result of more visits to automatic and manual car washes.

We have been introducing an increasingly higher level of **digitization** into our business processes.

Quantitative use of the most common raw materials (input materials) for Petrol's activities in Petrol d.d., Ljubljana, in 2018–2022

Raw material/input material	2018	2019	2020	2021	2022
Office paper (in kg)	41,344	40,908	35,734	30,769	28,076
Hygienic paper towels/paper (in kg)	62,347	66,964	37,148	38,202	57,180
Soap and other sanitary preparations (in kg)	10,131	11,456	9,149	7,076	7,927
Sand for small spills at service stations (in kg)	33,843	35,540	27,920	24,860	31,530
Plastic gloves (in kg)	6,412	5,927	7,578	5,683	6,532
Chemicals for car washes (in kg)	17,227	21,372	18,414	21,959	37,024

Quantitative use of the most common raw materials (input materials) for Petrol's activities in Petrol d.d., Ljubljana, in 2018–2022





／ Packaging materials

Due to the variety of products, a wide range of different types of packaging is used. By introducing eco-design and active dialogue with our suppliers, we try to reduce the consumption of primary packaging raw materials, composites and materials that cannot be recycled. When choosing packaging materials for food, we take into account the material's compliance with the legislation for food contact materials. In the future we will continue to strive to use materials that are harmless to health, preserve the integrity of food and drink, and have the most favourable LCA.

Packaging placed on the market in accordance with the Packaging Regulation includes packaging of own brands and of own imports. The quantities reflect the volume of sales of packaged goods for which Petrol d.d., Ljubljana, is liable under the Regulation.

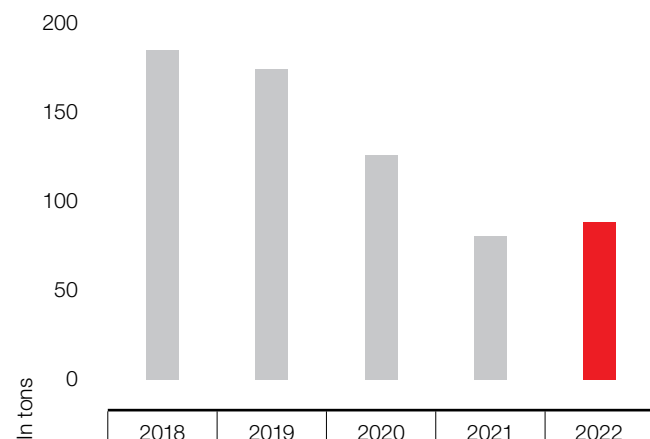




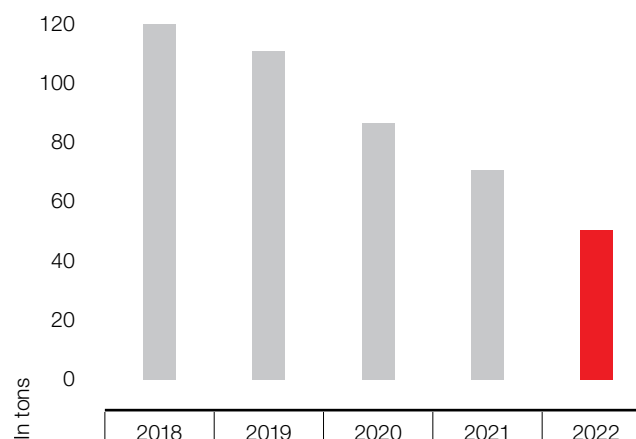
Used packaging materials for Petrol's activities (packaging placed on the market in accordance with the Packaging Regulation) in Petrol d.d., Ljubljana, 2018–2022

Type of packaging	2018		2019		2020		2021		2022	
	Quantity (in t)	Share (in %)	Quantity (in t)	Share (in %)	Quantity (in t)	Share (in %)	Quantity (in t)	Share (in %)	Quantity (in t)	Share (in %)
Glass, household	15.10	3.12	10.39	2.28	4.70	1.47	0.91	0.35	0.02	0.01
PVC plastic, household	0.18	0.04	0.09	0.02	0.14	0.04	0.03	0.01	0.11	0.05
PET plastic, household	185.42	38.32	174.28	38.32	126.34	39.61	80.84	31.25	88.32	37.34
Paper and cardboard, household	119.85	24.77	110.80	24.36	86.65	27.17	70.54	27.27	50.37	21.30
Wood, household	63.63	13.15	71.08	15.63	31.38	9.84	47.72	18.45	36.45	15.41
Metals - aluminium, household	99.71	20.61	88.20	19.39	69.76	21.87	58.62	22.66	60.69	25.66
Composite of paper and cardboard, household	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16	0.07
Aluminium composite, household	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.26	0.11
Total	483.90	100.0	454.80	100.0	319.00	100.0	258.70	100.0	236.50	100.0

Used PET plastic, household, for Petrol's business (packaging placed on the market in accordance with the Packaging Regulation) in Petrol d.d., Ljubljana, in 2018–2022



Used paper and cardboard, household, for Petrol's operations (packaging placed on the market in accordance with the Packaging Regulation) in Petrol d.d., Ljubljana, in 2018–2022



Steps towards more sustainable packaging and the circular loop

Through breakthrough ideas, ambitious targets and partnerships with our suppliers, we are taking important steps in the transition towards more sustainable packaging. We are led to this by both changes in legislation and by customers who increasingly take sustainable aspects of consumption into account, as well as by our own commitment to handling packaging as responsibly as possible throughout its entire life cycle. We strive to reduce the amount of packaging at the source, new packaging solutions are created considering eco-design and new packaging materials are tested and introduced that reduce the impact on the environment and enable re-use or recycling.

The GlassyClassy bottle

In partnership with the Olympic Committee of Slovenia and Rotary Slovenia, the Give a Smile project was developed in 2022, within the framework of which we offered a locally made GlassyClassy glass from the Hrastnik glassworks, which we connected with a charitable note, by selling it at 100 service stations and in the Petrol eShop online store. In cooperation with Rotary Slovenia and the Olympic Committee of Slovenia, we have set ourselves the goal of reducing the use of water bottles by selling GlassyClassy bottles and thus ensuring a smaller carbon footprint, while at the same time donating part of the funds from the purchase to the Sponsorship in Sport programme, whose founders are the Association of Friends of Youth Moste-Polje and OKS (Olympic Committee of Slovenia) - Association of sports federations, for scholarships for young athletes from socially disadvantaged backgrounds.



By using the GlassyClassy bottle for three years, the carbon footprint of the production and use of the bottle is reduced by **98%** or **54.77 kg of CO₂**.



In 2022, the water packaging of our own Na poti brand was transformed into **100% recycled PET (rPET)**.

In the period from 15/ 6 to 31 12/ 2022, 695 bottles were sold, which meant a donation of EUR 1,737.50 (EUR 2.50 from each GlassyClassy bottle sold) or 24 monthly scholarships for young athletes. GlassyClassy bottles are still available at Petrol points of sale for the same cause.

The GlassyClassy bottle is made locally in the Hrastnik glassworks from one of the purest glasses, famous for its crystalline shine and free of heavy metal impurities. The glass can be recycled. By using the Slovenian GlassyClassy bottle for a period of three years, the carbon footprint of the production and use of the bottle is reduced by 98 percent or

By selling GlassyClassy bottles, we donate part of the proceeds from the purchase to the **Sponsorship in sports** programme for scholarships for young athletes.

by 54.77 kg of CO₂. To reduce the carbon footprint to such an extent, it is necessary to drink 1 litre of water or other drinks from it daily. The production of one bottle has the same carbon footprint as the production of 43 PET bottles, but the carbon footprint is smaller if it is used more than 43 times.

“Na poti” (On the road) water in rPET packaging

In 2022, the water packaging of our own Na poti brand was transformed into 100% recycled PET (rPET). Water in rPET packaging is currently available in 0.5 l packaging, to be followed by 0.75 and 1 l refills. Water in rPET packaging was placed on the market after selling off the stock of Fresh water in PET packaging to prevent water waste. By changing the packaging from PET to rPET, we are following the guidelines pertaining to reducing the carbon footprint within our own brands.

The quality of the plastic used for water packaging is checked by means of laboratory analysis reports on the selected material, from the supplier's specifications and the supplier's declarations that the material is suitable for contact with food and complies with EU law.

Environmentally friendly products and packaging reuse

Hand in hand with our partners in our supply chain, we develop innovative collaborative approaches to achieve common sustainability targets. We cooperate with the Slovenian company Kimi, which offers advanced professional hygiene solutions, at various levels - from development, quality, procurement and sales to logistics. As part of our cooperation, we have developed the Petrol's Vitrex product, for which the European Ecolabel has also been awarded. Products with the Ecolabel meet strict environmental criteria and bring about added value and a competitive edge. The label commits us to a permanent strategy of protecting the environment to the greatest extent possible throughout the product's lifetime.

As far as supplying industry with suppliers is concerned, we are trying to establish a packaging take-back system. The share of returnable packaging in Petrol d.d., Ljubljana, in the supply program with lubricants, oils and other special industrial raw materials is measured in tons of sold goods packaged in returnable packaging. In the automotive segment (lubricants and coolants) in 2021, 12.9% of products from total automotive sales were in returnable packaging and 11.8% in 2022. In the industrial segment (oils and lubricants), products in returnable packaging accounted for 22.5% of total sales in the industrial segment in 2021 and 20.7% in 2022.

In the field of industrial supply, we are trying to establish a **returnable packaging** system with our suppliers.



Waste management

Waste is managed comprehensively, taking into account the hierarchy of waste management, where great emphasis is placed on preventing the generation of waste. We separately collect waste oil, waste paper, waste plastic, waste batteries and other hazardous waste, which are accepted only by authorized collectors of waste and hazardous waste, which ensures their appropriate treatment.

Additional efforts and new waste management challenges related to goods placed on the market are imposed on us by legislative requirements. All our service outlets or points of sale carry out separate collection of waste generated from the performance of retail activities. We operate in compliance with legislation and introduce strict collection projects with the aim of increasing the collection of separately collected fractions of grouped and transport packaging and reducing the volume of mixed municipal waste. At the same time, we are studying the use of our own logistics network to capture the material flow of grouped packaging and thereby reduce the burden on the environment with additional transport related to waste management.

Additional challenges are imposed on us by the SUP regulation, on the basis of which we are discontinuing single-use products or replacing them with sustainable products. We cooperate with suppliers of packaged goods of our own brands and require the introduction of the prescribed proportion of recycled material into non-returnable packaging in accordance with the prescribed timeline.





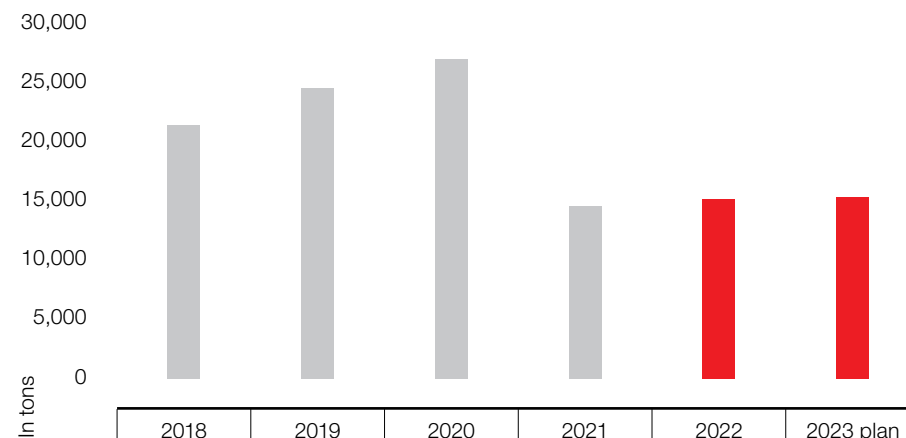
Our employees are familiar with the rules of waste separation and awareness thereon is also raised among the customers at our points of sale. The biggest challenge for us are motorway rest areas where transit passengers make a stop. Due to a poor understanding or indifferent attitude, they do not separate waste properly, leading to large volumes of generated mixed municipal waste.

Our goal is to reduce the amount of mixed municipal waste by separating waste, optimising the number of containers and carrying out appropriate labelling at each location and to prevent outside visitors from dumping waste such as animal remains, furniture parts, nappies, etc., at rest areas.

In the last five years, the amount of waste in the performance of our activities has decreased, which is mainly a result of the reduced volume of investments in the energy renovation of buildings. By 2020, the greater amount of waste had been primarily the result of a greater amount of construction waste from the implementation of energy renovation of our own facilities.

By 2025, we plan to renovate and optimise the waste management system, by means of which we want to reduce the number of disposals on account of combining with the internal logistics network, invest in equipment to reduce the volume of waste at collection points and implement the requirements of the SUP Directive.

Total all waste in Petrol d.d., Ljubljana, in 2018-2022 and 2023 plan



Waste management in Petrol d.d., Ljubljana, in 2018-2022 and 2023 plan

Type of waste	2018	2019	2020	2021	2022	2023 plan
Collected mixed municipal (MKO) and biodegradable municipal waste (in t)	3,796.00	3,947.80	3,671.50	3,744.90	3,900.00	4,000.00
Waste paper (in t) 15 01 01	454.20	469.90	451.80	474.00	455.20	470.00
Waste plastic (in t) 15 01 02	125.80	126.40	132.60	132.10	120.30	130.00
Biodegradable waste (in t) 20 01 08	322.80	351.80	237.10	196.00	191.10	185.00
Other non-municipal waste (in t)	15,131.10	17,513.70	19,801.70	8,101.20	8,293.40	8,300.00
Total non-municipal waste (in t)	16,033.90	18,461.80	20,623.10	8,903.20	9,060.00	9,085.00
Collected waste oils (in t) 13 01 07* and 13 02 05*	63.10	34.30	34.50	36.10	29.40	30.00
Waste batteries (in t) 16 06 01*	20.90	19.70	16.10	9.10	5.80	7.00
Other hazardous waste (in t)	1,474.00	2,059.20	2,661.60	1,880.90	2,176.15	2,200.00
Total hazardous waste (in t)	1,558.00	2,113.20	2,712.30	1,926.00	2,211.35	2,237.00
Total all waste (in t)	21,387.90	24,522.80	27,006.90	14,574.20	15,171.40	15,322.00

MKO = mixed municipal waste

* We do not recycle waste, but recover it to the product.



Waste management method in the Črnomelj biogas plant of Petrol, d.d., Ljubljana in 2018-2022 and 2023 plan

Waste management method (Črnomelj biogas plant)	2018	2019	2020	2021	2022	2023 plan
Energy or other recovery (in t)*	23,339	18,420	21,388	2,344	1,670	12,000
Disposal (t)**/disposal of digestate	13,133	11,539	13,917	7,902	1,524	6,000
Volume of biogas in million m ³ ***	5	2.2	2.6	0	0	2

* In 2021 and 2022, the biogas plant was not in operation due to its reconstruction. We only accepted enough waste to maintain the biomass in the fermenters (to facilitate the re-start of the plant).

** We do not dispose of waste, after the recovery process, digestate is produced, which is used as fertilizer on agricultural land (based on analyses, it is a fertiliser, category 1 quality product).

*** Biogas is used to generate electricity.

／ Social aspect





Me too!

I grow food at home

At home, we strive for the sustainable growth of domestic vegetables, fruits and other domestic crops. At the same time, we make sure that as little waste as possible is generated. My friends and I exchange clothes, I visit second-hand shops, buy local products and get involved in local cleaning campaigns. At work, I take part in events on sustainability and energy transition, and very useful information is also available on the portal page Me too (Jaz tudi)!

Ms. Maja Mazej, Sustainable development, quality, safety



Mr. Igor Likar, Management of development needs and projects

Me too!

I am an advocate of thoughtful consumption

Excessive consumerism, buying cheap clothes and fast fashion places a great strain on the planet's natural resources. I am an advocate of thoughtful consumption and rarely buy new clothes myself. I shop mainly in second-hand clothing stores, we also exchange clothes with family members and friends. Some clothes in my closet have a long tradition. There is no more time left to shirk our responsibility for sustainable behaviour.

Me too!

I promote the rational use of energy

The transition to renewable resources is key to preserving the planet and building a sustainable future. Through close cooperation between companies, government and local communities, we can create public policies that promote the use of efficient and more environmentally friendly energy solutions. I encourage colleagues, friends and family to rationally use energy sources, to consume locally produced food by generating as little waste as possible and to use reusable items.



Ms. Barbara Meglen, Energy solutions for the home

Our employees are the ambassadors of the company

Employees are the best mirror and ambassadors of the company. They are engaged in its sustainable activities and their creativity is promoted. We respect the diversity of each employee and ensure equal opportunities between the sexes. Their personal and professional development are facilitated through various education and training programs. All employees are encouraged to advance professionally and define a development plan, we strive to identify and develop key and young talents. A safe working environment comes first, therefore numerous preventive activities and employee training in their working environments are carried out to provide for the safety of our employees. Health promotion programs at the workplace provide for the well-being of employees and encourage them to lead a healthy lifestyle. In 2022, we established ambassadors of sustainability among our employees, i.e. those employees who also live sustainability in their private lives and are such promoters of sustainability in the workplace as well. Because we are aware of the value of corporate cooperation, we enable employees to participate in corporate volunteering and thus increase their value and contribution to the social and natural environment.





Key policies, standards and other documents pertaining to our own workforce

Company agreement of Petrol, d.d., Ljubljana (2014, Petrol d.d., Ljubljana)

Company agreement of Petrol d.o.o. (2022, Petrol d.o.o., Croatia)

Adopted Safety Statement with risk assessment (2019, Director of the Sustainable Development, Quality and Safety department directly accountable to the Board, Petrol d.d., Ljubljana)

Strategic targets until 2025, metrics and actions pertaining to our own workforce

We have defined targets, metrics, and actions aimed at managing our own workforce.

Target	Metrics	Actions
An average of three days of training per employee.	Average number of training days per employee	Organization of various trainings.
Every employee participates in at least two forms of education.	Average number of different forms of education per employee	Organization of live or online training with professional content related to the workplace and additional content for the personal development of employees.
Each manager (level B1, B2) is trained for at least three days a year in leadership competences.	The average number of training days of management personnel	Organization of various trainings that upgrade the competences of managers.
Development plan for young potential talents.	Developed development plan for young potential talents	Defining the selection criteria of young potential talents and drawing up a development plan.
At least ten mentor pairs every year.	Number of mentoring pairs	Renovation of the mentoring system.
When measuring organisational climate, increase employee participation by 20 percent and increase results by 10 percent.	Percentage of employees who gave a rating Average rating of the organizational climate	Leadership development and communication enhancement.
No cases of confirmed discrimination.	Number of discrimination cases	Adopted Rules on the prevention, identification and elimination of the consequences of mobbing, which defines the procedure for identifying mobbing and the protection of workers against mobbing and is defined from the submission of the report to the final actions. An authorised person for protection against mobbing and a committee for determining mobbing are appointed, which, in the event of a report, carries out the entire procedure to determine the actual situation and, in the event of violations, to resolve the resulting negative consequences.
No serious injuries at work.	Number of serious injuries at work	The first and essential actions to prevent injuries at work is a well-designed risk assessment for a specific workplace. The emphasis lies on training and raising awareness of workers on occupational safety and thereby raising the level of safety culture. Regular monitoring of occupational safety and consistent use of personal protective equipment. When a worker is injured, an investigation is carried out and, if necessary, additional preventive actions are introduced.



Management and control by priority area of own workforce

Managers and supervisors have been designated for each sub-area of our own workforce. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Recruitment and management of the employee structure	Personnel, processes and general affairs area	Pillar Procurement, personnel, processes and general affairs (President of the Board)
Education and development of employee competences	Personnel, processes and general affairs area	Pillar Procurement, personnel, processes and general affairs (President of the Board)
Occupational health and safety	Sustainable Development, Quality and Safety department directly accountable to the Board	Supervision of the Sustainable development, quality and safety (President of the Board) department directly accountable to the Board
Employee satisfaction	Personnel, processes and general affairs area	Pillar Procurement, personnel, processes and general affairs (President of the Board)
Communicating with employees	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)



Employee structure

Aware of the challenges in the employment market, we draw up a personnel and recruitment plan every year in accordance with the company's strategy. The personnel plan allows us to better prepare for filling vacant positions, where our main goal is to provide for a sufficient number of employees who support the efficient operation of the company and have the appropriate competences in relation to the activities of the Petrol Group.

The number of employees has increased by 20 percent since 2021, which was mainly due to the merger by acquisition of Crodux derivati d.o.o. in Croatia.

The Petrol Group also employs people with disabilities. In accordance with the Vocational Rehabilitation and Employment of Persons with Disabilities Act and the Decree establishing the employment quota for persons with disabilities, we provide for employment quota for persons with disabilities.

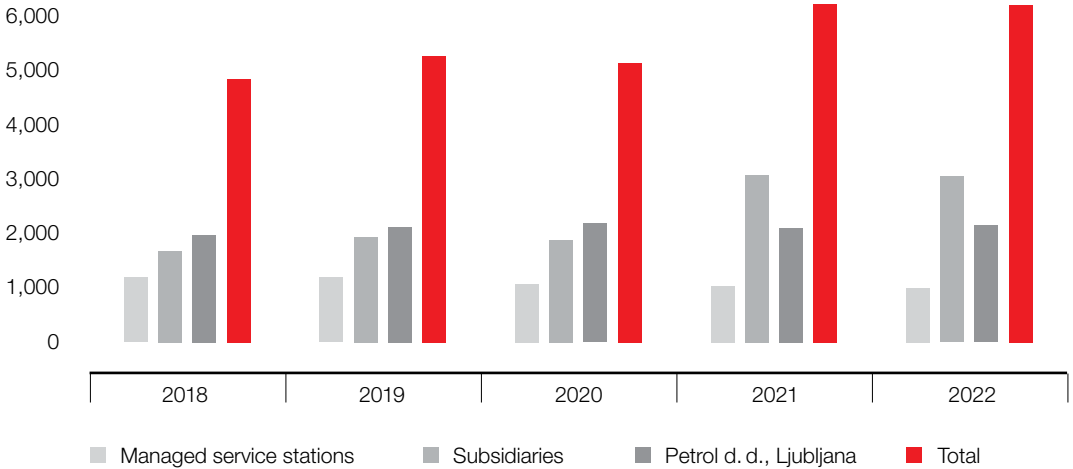
At the end of 2022, 52 percent of employees were male and 48 percent were female. Compared to 2021, the structure of employees significantly improved in favour of females, namely by 6 percentage points (at the end of 2021, 58 percent had been male and 42 percent female). The gender ratio in our companies varies depending on the activity of any given company. We want to ensure equal gender opportunities and balance in different areas of work and levels of the organizational structure.

Since 2018, especially in 2022, there has been a noticeable employee ageing trend, as the share of employees over 50 years old has been increasing and the share of employees under 30 years old decreasing. The majority of employees belong to the age bracket of 30 to 50. In the future, we will strive to reduce the gaps between age brackets, and, above all, to reach and recruit new young talent.



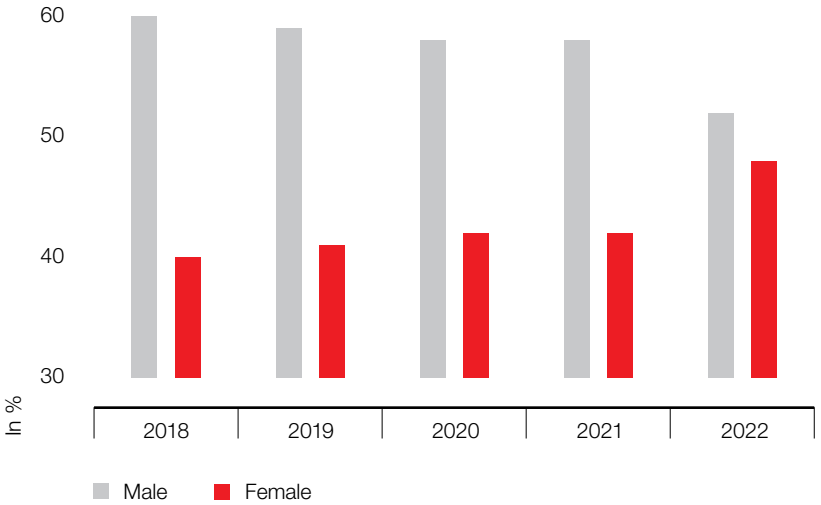
Number of employees in the Petrol Group in 2018–2022

Number of employees	2018	2019	2020	2021	2022
Managed service stations	1,198	1,197	1,072	1,037	1,010
Subsidiaries	1,682	1,951	1,892	3,094	3,059
Petrol d. d., Ljubljana	1,977	2,127	2,193	2,106	2,155
Total	4,857	5,275	5,157	6,237	6,224



Share of employees by gender in the Petrol Group in 2018–2022

Gender	2018	2019	2020	2021	2022
Male	60	59	58	58	52
Female	40	41	42	42	48
Total	100	100	100	100	100



At the end of 2022, the Petrol Group had **6,224** employees.



The educational structure of employees increased in 2021 in the category of employees with a minimum VI level of education, which changed in 2022, as their share fell by just under 10 percent on account of an increase in the share of employees with a V or lower level of education. We will strive to achieve a diversity of employees also from the point of view of the educational structure and employ personnel with appropriate professional competences.

In the Petrol Group, we also offer part-time work, in accordance with the law. Part-time employees in the company Petrol d.d., Ljubljana, and our managed service stations account for around 4 percent. Labour law legislation in the Petrol Group does not recognize any allowances for employees, which would be eligible for them only in the case of full-time work.

Approximately
4 percent of employees work part time.

Share of employees by age in the Petrol d.d., Ljubljana, in 2018–2022

Age	2018	2019	2020	2021	2022
Under 30	14	22	19	19	12
30-50	54	56	58	57	55
Over 50	32	22	23	24	33
Total	100	100	100	100	100

24 percent of employees with a VI or a higher level of education in 2022.

Share of employees by level of education in the Petrol Group in 2018–2022

Level of education	2018	2019	2020	2021	2022
VI +	27	27	27	33	24
IV–V	69	69	69	65	72
I–III	4	4	4	2	4
Total	100	100	100	100	100

Share of employees by type of employment and gender in the Petrol d.d., Ljubljana, in 2018–2022

Type of employment	2018		2019		2020		2021		2022	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
For an indefinite period of time	56	42	43	55	56	42	55	41	54	40
For a definite period of time	1	1	1	1	1	1	2	2	2	4
Total	57	43	44	56	57	43	57	43	56	44



Employee turnover

Employee turnover and recruitment increased in 2021 and 2022 compared to previous years, which is in line with the dynamic labour market and general shortage of workers. Based on the annual employee turnover trend, activities are prepared aimed at reducing or maintaining the level of turnover and retaining and developing (including restructuring) employees.

Employee turnover and new employees in the Petrol d.d., Ljubljana, in 2018-2022

Employee turnover	2018	2019	2020	2021	2022
Male (number)	70	90	54	157	162
Female (number)	49	78	34	99	126
Total (number)	119	168	88	256	288
Employee turnover rate (in %)	6	8	4	12	13
New employees					
Male (number)	139	141	89	89	190
Female (number)	179	158	45	71	154
Total (number)	318	299	134	160	344

Collective (company) agreement

In 2014, the Petrol company agreement was, concluded for an indefinite period of time by giving one-year notice for either party thereto. The Petrol company agreement applies to the employer Petrol d.d., Ljubljana, and to the contractual partners who manage service stations under the Petrol brand. The company agreement regulates the rights and obligations of workers and employers.

In accordance with the company agreement, we also offer solidarity to employees, namely in the event of death of a close family member, prolonged illness, disability, natural disasters, etc.

Annual appraisals

Annual and quarterly appraisals serve to systematically monitor the performance of employees and to implement management using targets. Quarterly appraisals are held four times a year, and subject to pre-defined targets and criteria, the manager evaluates individual performance, which, if the targets are exceeded, is settled twice a year together with the salary. In 2021, 1,052 quarterly appraisals were held, and, in 2022, 1,043. In 2021, 538 annual appraisals were held, and, in 2022, 543.

Key talent is also identified using annual and quarterly appraisals and the systematic monitoring of employees' work. All employees are encouraged and facilitated to participate in development conversations, where the employee and the manager jointly define a clear development plan. In the future, additional systematic forms for identifying and developing key talent will be developed.

In 2022, a total of **344** new employees were recruited.



Ensuring adequate remuneration of employees

Petrol guarantees its employees remuneration in accordance with the law. Various remuneration systems are used to recognise extra effort and excellence at work. In accordance with the basic salary scheme, the same wage scale applies to the same jobs regardless of gender. The correlation between the basic salary in Petrol d.d., Ljubljana, between women and men is inclined in favour of men, but this is mainly influenced by the workplace and the nature of the work performed by the employee.

Petrol d.d., Ljubljana, provides its employees with above-average pay compared to the average gross salary in Slovenia. In 2021, the gross salary in Petrol, d.d., Ljubljana was 22 percent higher than the average gross salary in Slovenia, and, in 2022, it was 31 percent.

We will continue to strive to ensure competitive and consistent remuneration that motivates employees and reward good work and effort, as well as equality of basic salaries for the same work complexity and substance, regardless of gender.

In 2021, the gross salary in Petrol, d.d., Ljubljana was **22%** higher than the average gross salary in Slovenia, and, in 2022, it was **31%**.

Prevention of discrimination and respect for human rights at the workplace

The Petrol Group respects all rights guaranteed by the constitution and laws, as well as all international human rights documents, for which it has also adopted several internal regulations that lay down the rights and responsibilities of employees. We guarantee equal rights and opportunities for all employees, respect the protection of privacy, freedom of thought, freedom of association, employment and remuneration regardless of gender, race, skin colour, age, health status or disability, religious, political or other conviction, trade union membership, national or social origin, family status, financial situation, sexual orientation or other personal circumstances.

We enable employees to report potentially identified cases of mobbing or other violations of their rights at the workplace. All reports are carefully reviewed and appropriate action is taken. In 2021, there were two workplace mobbing reports of workplace mobbing and there was one in 2022. Reports are handled in accordance with the applicable internal regulations - the Rules on the Prevention and Elimination of the Consequences of Mobbing. Based on the carried out procedure, no violations were found.

A more detailed description of respecting human rights and ensuring equal opportunities is provided in the 2022 Annual report of the Petrol Group in the Social and personnel matters and the protection of human rights section.



Social dialogue

Petrol is aware of the importance of social dialogue and cooperation with social partners. Regulations governing the rights, obligations and responsibilities of workers are adopted in accordance with applicable legislation and other general regulations by organising joint consultations or co-decision procedures with the works council or trade union. Employees join the Petrol Group Workers' Trade Union and the Petrol Workers' Trade Union. Employees in subsidiaries also belong to other trade unions. Since we are aware that social partners are our key stakeholders, we will continue to cooperate with them in the future and adapt or upgrade it if necessary.



Communicating with employees

Employees are regularly communicated with regarding employee development, education, involvement in socially responsible projects and initiatives. All information is available to employees on the internal Petrol portal, where certain information is also found in the internal rules and legislation.

The internal personnel portal "Energy for me" (Energija zame) is based on our values, which are the foundation of our employee development strategy. Through education, rewards, upgrading knowledge and skills, and the reconciliation of professional and family life, we enable employees to continuously develop their potential and thus be satisfied with their work. We encourage the transfer of knowledge and experience between employees, as this can be an effective way not only to upgrade skills, but also of mutual cooperation, integration, and teamwork. Employees are thus provided with constant access to current and past information on the internal portal.

Personal data of employees are carefully protected and the protection of personal data in accordance with the GDPR Regulation, the Employment Act and the Labour and Social Security Registers Act is provided for.



The internal "**Energy for me**" portal based on our values, which form the foundation of our employee development strategy.



Education and training

We provide employees with education and training pertaining to the acquisition of specific professional knowledge they need to perform their work. In 2021, a greater number of hours of education was carried out than in the previous year, namely 87,900 hours, as part of which more than 34,000 participations were recorded. In 2022, the number of hours carried out was further increased to more than 121,000. In 2021, each employee underwent an average of 16 hours of training, and, in 2022, an average of 20 hours. In addition to mandatory legislative training, employees were trained in the development of sales skills, professional knowledge, leadership skills, and health care.

The effectiveness of trainings is regularly reviewed by surveying the participants after the end of the training, and, by using an e-classroom, analyse how successfully our employees have been able to solve the final knowledge quizzes that serve as proof of acquired knowledge. Recordings of educational content and internal discussion boards are available on the Petrol Stream.

Within the framework of various programs and educational content for employees, as well as content within the framework of individual employee development, all employees are provided with additional opportunities to develop their competences - in person, via learning platforms and in other forms.

An average **three days** of education per employee per year until 2025.





Education and training of Petrol Group employees in 2018-2022

Education and training	2018	2019	2020	2021	2022
Total number of employees participating in education and training	23,525	25,115	28,676	34,038	31,709
Total number of hours of education and training of employees	130,931	144,760	79,649	87,900	121,876
Average number of hours of education and training per employee	26	27	14	16	20
Total number of employees participating in occupational safety and health training	1,892	455	1,736	1,645	1,784
Average number of occupational health and safety training hours of employees	4.98	8.39	5.59	5.75	5.64
Total financial investment in employee education and training (in EUR)	762,686	722,540	342,379	265,666	451,459
Average financial value of education and training per employee (in EUR)	417	365	161	125	212
Number of e-learning participants	/	9,251	22,186	24,601	26,536

Internal certified coaches

For the personal growth and development of the potential of our employees, we use internal coaches and a coaching platform, which is primarily intended for sales staff on various sales channels to develop sales skills. More than 3,000 coaching plans were registered on the coaching platform in 2021 and 2022. There is also a traditional competition for the top salesperson. The leaderboard is drawn up subject to criteria such as a knowledge quiz and a virtual customer rating. We also reward sellers who are secret shopping stars, meaning they perform best in an anonymous evaluation of the sales process.

Internal coaches and coaching in Petrol d.d., Ljubljana, 2018–2022

	2018	2019	2020	2021	2022
Number of coaches	/	/	36	35	35
Number of workshops conducted by coaches	10	7	5	5	15
Number of employees participating in the workshops	42	69	46	38	141



Programmes aimed at the development of the competences of leaders and managers

In 2021, the last group of managers completed the three-year Energy For Leadership education program. The programme covered the upgrading of managerial, communication and motivational skills, strategic and systemic thinking skills, and personality skills.

In 2022, our management staff was included in two new different programs. The administration, level B-1 managers and level B-2 managers began participating in the Strategy in Action programme, which is implemented in cooperation with the Bled Business School - IEDC. The main purpose of the programme is to support the implementation of the 2021-2025 Petrol Group strategy. The program consists of two key pillars: educational modules aimed at strengthening leadership competences and accompanying individual and team activities.

B-3 level managers and team leaders have been enrolled in the Professional Development of Managers programme implemented by Glotta Nova. The programme covers management skills, communication and motivational skills, conducting conversations with colleagues, goal-setting and -achievement skills, systematic thinking skills, and personality skills of a leader.

In total, 190 managers at all levels, with the exception of points of sale managers, were enrolled in competence development programmes.

Points of sale heads and managers were enrolled in the Energy for Management programme in 2022. This is an interactive situational management programme designed to lead and develop colleagues and guide them towards common targets. During the first and second part of the programme, the participants solved specific tasks to develop such skills.

Internal Project Management Academy

In 2021, the fourth Academy of Project Management took place, in which existing and future project managers who collaborated with external and Petrol's internal lecturers and experts were enrolled. The participants concluded the academy with practical project plans. 22 people were enrolled.

In 2022, the Presentation of the current project management process training was held internally, with internal lecturers. 35 people working on various projects were enrolled therein.

Target by 2025: preparation and implementation of continuous development of managers; every manager undergoes at least **3 days** in leadership competence development training.



Training of managers by gender in the Petrol Group in 2018-2022

Training of managers	2018		2019		2020		2021		2022	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Number of managers participating in education	94	46	122	62	44	22	11	4	132	58
Total	140		184		66		15		190	



Open Space

The Open Space program with various events provides every Petrol employee with the opportunity for personal growth and networking with colleagues, with the aim of contributing to the sustainable development of the company. 52 events in the Open Space were held in 2021. They were attended by a total of 1,660 participants. In 2022, 53 different events were organised and the number of participants grew to 2,870. Every month, the programme committee provides for a varied programme divided into four categories: Knowledge and skills, Sustainability and energy transition, Health and well-being, Internal communications and networking.

The effects of education and training on employees

The effectiveness of the trainings is checked by regularly surveying the participants after the training. The success rate of e-courses that employees complete is also monitored, namely by means of final knowledge quizzes, and some trainings also include a final exam (written or oral). Our target in the future is to have a system to be used for monitoring the effectiveness of education as part of the entire curriculum of individual education.

We support young talents

The Petrol Group is aware of the potential of young talent, which is why high school and university students of certain vocational and technical study programmes are able to obtain company scholarships, and our doors are also open for compulsory internships for high school and university students. In 2021, there were 7 scholarship recipients, and, in 2022, there were 4 scholarship recipients. Our scholarship recipients attend the Faculty of Mathematics and Physics, the Faculty of Mechanical Engineering and the Domžale High School. In 2021 and 2022, 21 high school and university students were to complete a compulsory internship.

Ambassadors of sustainability

The Petrol Group, with the aim of closer cooperation and integration of employees in environmental awareness and sustainable behaviour to reduce the carbon footprint, from January 2022 informally, and in February 2023 also in an organised way, established the sustainability ambassadors programme, where various activities are carried out with the ambassadors. Currently, at the level of the Petrol Group, there are 40 ambassadors in Slovenia, 5 in Croatia, 2 in Bosnia and Herzegovina and one each in Serbia and Montenegro. A total of 49 sustainability ambassadors.

Sustainability ambassadors are people who, among colleagues in their working environment, provide for presenting and introducing sustainable practices, which are necessary to achieve changes in user habits and to strengthen and build an informal positive atmosphere and

employee bonding. Ambassadors are employees who have identified themselves for the role and applied to Petrol's internal tender. In principle, these are people who live and act sustainably in their private lives as well, and they also want to encourage their colleagues to live, behave and act more sustainably.

Sustainability ambassadors by having them participate in sustainability workshops, trainings, lectures and events. When they perform their sustainability ambassador role, they are also equipped with various tools and activities they can use to motivate their colleagues to understand sustainable operations, internalise sustainability values, accept the complexity of sustainability and visualize a sustainable future.

Events and participants in the Open Space in the Petrol Group in 2018-2022

Open space	2018	2019	2020	2021	2022
Number of events held	47	41	36	52	53
Total number of participants	736	775	799	1,660	2,870

Compulsory high school and university student placements and company scholarships at Petrol d.d., Ljubljana, 2018-2022

Type of enrolment of pupils and students	2018	2019	2020	2021	2022
Compulsory placements (number of enrolled)	/	/	/	9	12
Company scholarships (number of recipients)	1	7	7	7	4



Occupational health and safety

Occupational health and safety is one of the key work elements of Petrol Group employees. It is defined in the Safety Policy of the Petrol Group, which stipulates that occupational health and safety develops in accordance with legislation and based on the guidelines of the OHSAS 18001 and ISO 45001 standards.

Petrol is aware of the fact that occupational health and safety, in addition to its basic purpose, also ensures employee satisfaction, and therefore continues to strive to reduce the level of risk that results from the implementation of work processes. The working environment is changing due to the development and introduction of new technologies and procedures. Petrol has been successfully following these changes. We have been looking for more health-friendly and safer solutions for our employees. The priority in the development of occupational health and safety lies in the reduction of risks in highly exposed workplaces and professional, IT and managerial integration with other safety areas, especially with fire protection and environmental protection.

All employees of the company are included in the preventive medical examination. Special attention is paid to employees with a reduced working capacity. Great emphasis is also placed on theoretical and practical training of employees, namely in occupational health and safety, workplace ergonomics, fire safety, environmental protection, safe handling of chemicals and provision of first aid. Students working temporarily at Petrol also take part in the training.



Workplace risk assessment

All companies in the Petrol Group have adopted safety statements including a risk assessment. This is a document in which we determine the methods and actions for ensuring occupational health and safety, which are then amended by every newly identified hazard and change to the risk level. The latest occupational health and safety findings are incorporated into new processes and projects and the risks of accidents and health disorders are monitored. We periodically assess risks and keep them at an acceptable level using security actions.

A high-quality addition to the risk assessment is the expert opinion of a doctor, specialised in occupational medicine. The constant cooperation of occupational health and safety professionals and occupational medicine specialists will, in the long term, be reflected in the general improvement of conditions and well-being at the workplace and, as a result, a lower probability of on-the-job injuries and health disorders.

No occupational diseases have been recorded in the Petrol Group.

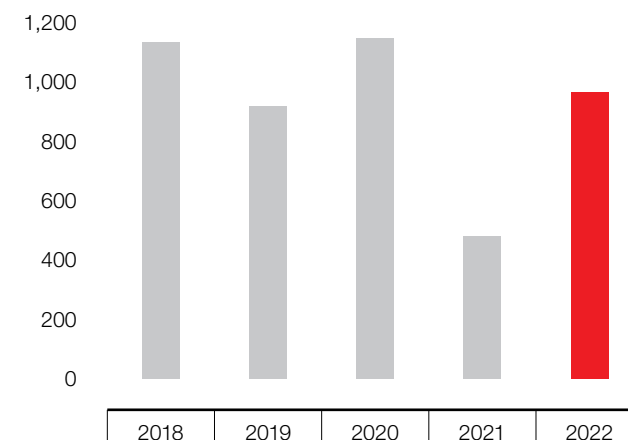
In 2021, the number of injuries was the lowest in all years shown due to the closures and restrictions of the covid-19 epidemic.

Preventive medical examinations of Petrol d.d., Ljubljana, and at leased service stations employees in 2018-2022

Medical examinations*	2018	2019	2020	2021	2022
Number of periodic medical examinations	1,061	854	1,065	436	923
Number of follow-up medical examinations	35	38	67	37	38
Number of targeted medical examinations	37	25	15	6	5
Total number of medical examinations	1,133	917	1,147	479	966
Share of medical examinations per average number of employees (in %)	36.5	27.4	33.53	15.1	30.7

* Average frequency of medical examinations: every 3 years.

Total number of medical examinations of employees in the Petrol d.d., Ljubljana, and at leased service stations in 2018-2022



On-the-job injuries in the Petrol Group in Slovenia (Petrol d.d., Ljubljana, and 100% owned subsidiaries) in 2018-2022

Incident	2018	2019	2020	2021	2022
Number of on-the-job injuries	26	22	32	14	21
Number of injuries/100 employees	0.82	0.66	0.98	0.45	0.63



Occupational health and safety consultation and information

At the highest level in Petrol, occupational health and safety consultation and information is organised through the Works Council. The Works Council has appointed a three-member commission or committee engaged in occupational health and safety of workers' issues. A joint consultation in this area is held once a year.

Workers are also informed on occupational health and safety matters through the register of valid company regulations, through circulars for points of sale and other information channels. Some notifications are sent through the entire decision-making chain - from directors to heads of departments to employees.

An important role in the supervision of the implementation of occupational health and safety actions is also played by the organisational unit Sustainable Development, Quality and Safety (TRKV), where employees are also made aware of safety instructions.

With the aim of preventing dangerous incidents, so-called LFI (Learning From Incidents) documents are drawn up and forwarded for information to all relevant workplaces or worksites.

The Healthy in Petrol
(Zdravo v Petrolu)
programme encourages
employees to take care
of their own health.

Absenteeism

In 2021 and 2022, the absenteeism rate (taking into account only sick leave at the expense of the state) in Petrol d.d., Ljubljana, amounted to around 7 percent. The absenteeism rate in 2022 was slightly higher compared to 2021, which is the result of a legislative amendment in this area, in force as of 1 3/ 2022. The amendment stipulates that the burden of benefits during sick leave passes from the employer to the Health Insurance Institute of Slovenia (ZZZS) after 20 calendar days and no longer after 30 calendar days as before.

In the future, we will strive for a more active cooperation with licensed occupational medicine doctors, with the aim of finding opportunities to reduce absenteeism, and the creation of additional activities with the aim of encouraging employees to take more active care of their own health.

Healthy in Petrol

Health is one of our most important values and constitutes also one of the basic successful performance conditions. With this in mind, Petrol initiated the "Healthy in Petrol" programme whose basic purpose is to promote a more active concern for one's own health in all generations of employees. The "Healthy in Petrol" programme strategy for the period until 2022 included three basic pillars serving as employee health promotion actions: physical health, a healthy diet, and mental health. All three pillars were combined by seasonal activities, which included primarily the prevention of respiratory infections and other seasonal viral diseases in addition to additional preparation for seasonal sports activities aimed at reducing sick leave resulting from injuries and viral diseases.

Working time pool utilisation structure among employees of Petrol d. d., Ljubljana, in 2020-2022

Utilisation of the working time pool (in %)	2020	2021*	2022*
Presence at work	75.6	90.73	90.28
Leave (regular, part-time, study)	10		
Holiday	1.9		
Sick leave to be borne by the company	2.1	2.38	2.36
Maternity and paternity leave	3	2.62	2.65
Sick leave covered by ZZZS	3.1	3.77	4.45
Other absences	4.4	0.51	0.27

* For 2021 and 2022, reports for regular working hours, annual leave and bank holidays for employees were made together.



As part of the “Healthy in Petrol” workplace health promotion, the following programmes were carried out between 2019 and 2022:

- education in the Open Space (presentation of various physical health, diet, and mental health prevention programmes),
- regular education and training (A healthy spine and extremities, sitting/standing and hard physical work, Stress management, Burnout prevention, Mental health 101, etc.),
- active breaks (exercising in person or via Teams, watching videos and active breaks),
- individual consultations with healthcare professionals (physicians, physiotherapists, kinesiologists, psychologists, etc.),
- As part of the “Connected in Raising Awareness”, various measurements and courses were carried out (bone density and composition tests, 2 km brisk walking test, Nordic walking courses, etc.), the health of women was supported through walking and running (Europa Donna), etc.,
- sports activities are part of the “Do you accept the challenge?” programme,
- programme for victims of violence at our points of sale,
- participation in conferences (such as for managers - The importance of sleep for your health, etc.),
- Raising awareness via posters and e-articles (2019: Mental health and stress, a new poster attached at all workplaces in Slovenia every month, 2019-2022: regular monthly articles in the e-magazine),
- organisation of additional coronavirus testing (164 testing sessions in Slovenia in 2021, 4,605 tests carried out, co-financed by the state).



Implemented improvements to workplaces

We constantly strive to improve working conditions for employees. The focus is on the digitization of work processes, as it makes the work of employees significantly easier. For example, it involves the introduction of a document system that enables uniform insight into documents related to the employment relationship, the introduction of digital personnel requests, such as absences, travel orders, etc. During the covid-19 period, employees were provided with the safest possible working environment at service stations using protective barriers at the points of sale and personal protective equipment.

Health promotions forming part of the **Healthy in Petrol** programme were attended by **3,477** employees in 2022.



Health promotion using the Healthy in Petrol programme in the Petrol Group in 2019–2022

Health promotion - Healthy in Petrol	2019	2020	2021	2022
Number of participants	7,194	5,599	3,424	3,477

Organisational climate

The organisational climate, satisfaction and engagement are measured every two years. Based on the measurement results and employee feedback, action plans with the aim of maintaining or improving our overall satisfaction levels are drawn up. The survey has been carried out since 2001 and it helps us systematically identify our own strengths and opportunities for improvement. All employees of the Petrol Group can participate in the survey. In 2022, 15 companies of the Petrol Group were included in the survey. 3,052 or 58.85% employees gave their ratings and comments. The organisational climate remains stable. A comparison of the results with other Slovenian companies shows that we are much more satisfied than employees of other Slovenian companies are satisfied on average. Since 2010, we have been monitoring engagement, since 2017, employee agility, and, since 2018, also the perception of gender and age equality. The share of those who are not actively engaged has increased over the past few years, while the share of those who are engaged has decreased slightly, which may also be the result of the change and transformation that we have undergone in the past two years.

Organisational climate in the Petrol Group in 2020 and 2022

Organisational climate	2020	2022
Number of companies forming part of the Petrol Group	10	15
Number of employees who gave a rating	3,246	3,052
Average work climate rating	3.73	3.41
Average employee satisfaction rating	3.85	3.54
Average rating of employee engagement	3.91	3.64



Target by 2025: to increase employee participation by **20 percent** and increase the results by **10 percent**.



Internal communications

The development and communications of the corporate culture of sustainability includes the communication of work culture, organisational changes and transformation of activities, and from the perspective of a desired employer, the development and communication of well-being programs at the workplace and programmes that build good communication and atmosphere in work environments. These are managed within the framework of the Energy of Our Growth, Energy of Our Responsibility and Our Energy Connects programmes.

In 2021, the “I drive with Q Max” (Vozim Q Max) campaign was carried out, used to enhance knowledge and trust in fuel quality among employees. The new 2021-2025 Petrol Group Strategy 2021-2025 was also communicated. To support the implementation of the strategy, a network of internal change ambassadors was established. By means of workshops and meetings with the holders of strategic initiatives, we equipped them with information that allowed for an easier understanding of the strategy. In this way, we enabled management to obtain direct feedback from employees, strengthen dialogue and a broader understanding of work areas. In 2022, activities pertaining to connecting the network of internal change ambassadors continued. In 2022, we began to identify sustainability ambassadors, and in 2023, with the aim of closer cooperation and integration of employees as pertaining to environmental awareness and sustainable behaviour to reduce the carbon footprint, we also began to implement the programme in an organised manner.

As far as building a desired employer is concerned, in 2021 and 2022, the company's organisational culture was strengthened using employee stories, presenting jobs, providing stories of connecting different faces and

achievements, and stories of creativity with employee portraits. We also strengthened creativity with internal competitions, stories of kindness and bonding. In internal magazines, management, organizational, process and business changes were presented more extensively. A more visible integration campaign pertaining to strengthening functional organisation, which we introduced across the wider region at the beginning of 2022, involves the sharing of information about Petrol's regional presence, with the slogan Energy is us, together (Energija smo mi, skupaj).

Until 2025, one of the key internal communications activities was **technical modernisation** including the development of a **mobile application**.

In 2022, a large part of our activities were intended to communicating changes to employees on the Croatian market, where during the Crodex Derivati Dva d.o.o. integration process into Petrol d.o.o., a communication portal for them, Energy is us, together (Energija smo mi, zajedno), was established for them. On the portal, we shared all relevant merger information and news and organised several discussion and educational events.

In 2021 and 2022, we also intensively communicated all the changes brought about by the epidemic, from actions to prevent the spread of the virus to remote work.

Target by 2025:

- in 2022, the functional management of the area introduced in the Croatian market will also be transferred to the markets of Bosnia and Herzegovina, Serbia and Montenegro,
- the digital overhauling of the intranet with a move to a new technical environment, which also provides employees with access to internal communications via a mobile application,
- in the area of communication of sustainability among employees, a measured reduction trend of the carbon footprint at the employee level.

Channels and number of internal communication publications in the Petrol Group in 2018-2022

Channels and number of publications	2018	2019	2020	2021	2022
Intranet news	630	887	626	737	954
E-magazine	24	25	25	24	25
Internal magazine	7	9	6	9	9
Video	21	18	80	117	52
Projects	23	30	21	34	27
Events	85	109	85	124	127

／ A family-friendly company

The Petrol Group holds the Family Friendly Company certificate demonstrating our awareness of the importance of reconciling professional and private life. Numerous activities and actions facilitate the reconciliation between work and family obligations of employees and their families, while, at the same time, they are encouraged to socialise through various family-oriented events. These activities and actions include the possibility to work from home, a gift package for employees' newborns, adapted working hours when the child begins attending kindergarten, the drawing up of development plans, intergenerational cooperation through mentoring and many more. On an annual basis, all activities are reviewed and, each year, one new action contributing to the reconciliation of professional and family life is added.

In 2021, our employees' children were able to attend a Christmas theatre show, entire families laughed hard at a "stand up" comedy show, we were addressed by Petrol's Santa Claus, all of which was followed on screen due to restrictive actions and the prevention of the spread of infections due to covid-19. In 2022, the gift-giving event was held in person again. In December 2022, ice skating for families at three locations in Slovenia was also organised.

In 2021, Petrol's Family Day was held at the Ljubljana Zoo accompanied by an extensive cultural programme designed together with our partners AMZS, the Agency for Traffic Safety and the management of the zoo. The topic was traffic safety and how animals protect themselves in nature. More than 800 Petrol employees and their family members responded to the invitation to a Sunday get-together at the zoo. In 2022, the Petrol Family Day was organised at the Safe Driving Center in Vransko, which was also attended by more than 800 Petrol employees and their family members. The children's program was dedicated to traffic safety, and fun was to be had by both adults during their driving skill rides on the training ground and children who became acquainted with electric scooters and bicycles.



Petrol Family Day at Petrol d.d., Ljubljana, in 2018-2022

	2018	2019	2020*	2021	2022
Number of participating employees	231	87	0	230	226
Total number of participants (including family members)	600	343	0	891	802

* In 2020, the Petrol Family Day was not organised due to the restrictions of the covid-19 epidemic.

Relations with suppliers

The Petrol Group pursues a sustainable approach to the products and services it sells and buys. Our target is to increase transparency throughout the supply chain, allowing us to fully understand and measure our social and environmental footprint and improve the sustainability of our operations. By being familiar with the supply chain and purchased materials and services, we create a base of suppliers who will actively cooperate with us and provide sustainable solutions. In the last five years, the purchasing or procurement function in the Petrol Group has undergone several reorganisations, which has led to the establishment of a purchasing function in all product groups. Starting in 2021, we have been conducting an annual evaluation of suppliers, used to establish an additional channel of communication with suppliers, with the aim of improving quality and commercial conditions and focusing towards more sustainability-oriented business relations.

Logistics establish strategic cooperation with domestic contractors, which can constitute a competitive edge in all markets we operate in. We also want to develop strategic relationships based on a high level of competitiveness and partnership related to the construction and maintenance of our infrastructures. To allow for an effective and successful pursuit of the above, we will strive for a higher level of investment internationalisation. This is required by an ever increasing competition on the market and an extremely fast development of solutions. One of the key targets aimed at increasing control over the quality of delivery or implementation is the effective management of claims against suppliers.



We enable all our stakeholders, including suppliers and workers in the value chain, to submit any perceived irregularities or concerns about negative impacts in Petrol's activities or in the value chain to the external, irregularity reporting independent "Speak Up" hotline. This is hotline allowing for an anonymous report via an online form or a hotline opened for this very purpose.

In 2023, as part of our strategic sustainability initiative, we will base our relations with suppliers on ESG aspects, which will also include the monitoring of the compliance of suppliers in relation to the treatment of workers in the value chain.

Key value chain policies, standards and other documents

Security requirements for key suppliers according to the requirements of the Information Security Act - management of access to the Petrol information system of external IT providers and business services (2021, Petrol Group)

Instruction - Business continuity plan in the event of a major emergency in the fuel logistics chain with an assessment of the financial impact on operations (2013, Petrol d.d., Ljubljana)

Business continuity plan during the coronavirus period (2020, Petrol Group)

By 2025, of our relationships with suppliers will have been based on ESG aspects.

Strategic value chain targets by 2025, metrics and actions

Value chain management targets, metrics and actions have been defined.

Target	Metrics	Actions
Development of a decarbonisation-aspect-based supplier management model	Developed model.	Analysis of the situation, definition of targets and activities, development of the model.
Establishing a claim management model for all suppliers of non-energy products (Petrol d.d., Ljubljana).	Developed reporting model for all non-energy product procurement areas.	Conclusion of short-term contracts with suppliers, selection of qualified suppliers according to the criteria of the Supplier Acceptance Assessment Policy. Replacement of inadequate suppliers (D) with new suitable or qualified suppliers. Analysis of the situation, definition of targets and activities, development of the model.
A 5% increase in the number of the highest rated A suppliers (85-100 points) of Petrol d.d., Ljubljana, among the most important suppliers by purchase value.	Number of A-rated suppliers.	Establishment of a claim management model, regular implementation of the Supplier Acceptance Assessment Policy and supplier evaluation process.
5 percent of the suppliers involved in the sustainable activities of the Petrol Group.	Number of suppliers involved in co-creation, co-innovation activities.	Joint ESG projects.
Share of e-invoices received: Petrol d.d., Ljubljana; procurement for our own needs and maintenance: 90%, procurement of merchandise: 80%.	Number of e-invoices received.	Add paperless operations to all contracts with suppliers. Up to twice a year, active urging of suppliers to engage in paperless operations.



Management and control by priority area of the value chain

Specific managers and supervisors have been designated for each sub-area of the value chain. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Procurement of raw materials and rental of services	Areas Procurement and trading in oil derivatives and energy products and Procurement of merchandise and products used for internal supply	Pillar Procurement, personnel, processes and general affairs (President of the Board)
Evaluation of suppliers Petroleum products	Procurement and trading in petroleum and energy products	Pillar Procurement, personnel, processes and general affairs (President of the Board)
Outreaching to suppliers	Procurement and trading in petroleum and energy products	Pillar Procurement, personnel, processes and general affairs (President of the Board)

Supplier evaluation

The annual supplier evaluation is one of the criteria used for selecting suppliers for further collaboration. In 2022, we carried out an evaluation of our largest suppliers, which also includes the sustainable operation as one of the criteria. By including the evaluation of sustainability criteria, we want to motivate suppliers and at the same time promote the awareness that as stakeholders in the value chain they contribute significantly and are actively involved in the sustainable development of the business chain, while, at the same time, we want to create an environment for suppliers that strengthens our joint sustainable operation efforts. The criteria of sustainable operation include the economic, social, and environmental responsibility of the supplier.

Petrol is aware of the fact that the quality of products and services is closely related to sustainable operation. The value of the product is always measured using the parameters of price, quality, and deliverability. Quality is the most important of all three criteria pertaining to sustainable operation, in addition to the sustainability or responsibility of the supplier.

Aware of ensuring the appropriate quality of products and services for our customers, i.e. an excellent user experience, quality is and will remain one of the key Petrol supplier selection criteria. By choosing quality products and services, we will actively contribute to the economic, social and environmental aspects of sustainable operation hand in hand with our suppliers. To this end, we will renew the supplier claim management system using clear and measurable targets (KPIs).

In 2022, the highest number of suppliers have been invited to participate in the evaluation process, since not only General and Technical Procurement, but also merchandise and Wholesale Categories suppliers have been included therein.

In 2021, the compliance of 141 legal entities (potential or existing suppliers and customers) and 101 in 2022 was reviewed.

Suppliers and their rating in the Petrol d.d., Ljubljana, in 2018-2022

Suppliers and their rating	2018	2019	2020	2021	2022
Number of suppliers invited to be evaluated	453	1,438	1,147	1,124	3,174
Number of evaluated suppliers	/	/	/	297	171
Average rating of suppliers	/	/	/	72.5	73.5

Petrol d.d., Ljubljana, has also established an effective system that reviews the acceptability of business partners for the entire Group, which involves a multi-level review by various professional stakeholders. Before initiating any transaction (sales/purchase) conclusion process, Petrol obtains data from business partners via the updated and upgraded Know Your Client (KYC) questionnaire, on the basis of which due diligence of the business partner is carried out. The acquisition of data, which form an integral part of the questionnaire, is also imposed by the provisions of the Prevention of Money Laundering and Terrorist Financing Act. The suppliers were thus reviewed in accordance with the applicable rules originating from the internal Supplier Acceptance Assessment Policy. Accordingly, the following aspects were verified or reviewed:

- financial review,
- review of compliance: violations of important areas of legislation, such as the protection of human rights, information, labour law rights, competitiveness, intellectual property, personal data, etc.; inclusion on sanction lists or verification of regulatory actions, verification of political exposure of partners or company representatives, reputation,
- corporate security review.

Supplier rating scale:

Number of points	Supplier rating
0-40	E
40-55	D
55-70	C
70-85	B
85-100	A

Paperless business

Paperless business is already enabled by Petrol which also encourages its suppliers to do so. One of the important areas of paperless business is the e-invoice, and, in certain types of purchases, it already accounts for more than 2/3 of all invoices received. We will continue to encourage suppliers to avail of paperless business to help relieve the burden on the environment, transport and to contribute to the economic efficiency of operations made possible by paperless business.

Outreaching to suppliers

Our suppliers are communicated about Petrol's sustainability orientation in three ways. The first communication is a questionnaire about the sustainable operation of suppliers and thus the inclusion of sustainable operation in the supplier evaluation process. Another way is to include this evaluation as one of the supplier selection criteria. The third method of communication, which has not yet been implemented, is to send Petrol's sustainability report to all suppliers, thereby making our suppliers aware of the importance and impact that sustainable operation has on all stakeholders, and, at the same time, encouraging them to become responsible and constructive co-creators of the sustainable development and operation story of sustainability.

Suppliers of food products

The Petrol Group also offers packaged and freshly prepared food products at its points of sale. All suppliers of food products must be approved by the Food Commission. The condition for meeting the contractual requirements of all suppliers of food products is that they operate in accordance with EU food safety legislation, which means that they must have a HACCP system implemented in their production or delivery process.



Customer relations

The strategy of the Petrol Group attaches great importance to the continuous user experience improvement. We place the user at the heart of our operations, both when developing new products and services and when interacting with the customer at each point of contact therewith. For this purpose, the continuous monitoring of both final and commercial customer reactions in addition to analysing and drawing up activities and actions to improve the user experience are key. Customers are communicated with by striving for excellence and maintaining long-term partnerships. We take a responsible approach to the protection of our customers' personal data and improve the quality of digital points of contact which constitute an important competitive edge.

Key final customer policies, standards and other documents

Privacy Policy (adopted in 2018, updated in 2023, gradual implementation throughout the Petrol Group)

Our target by 2025 is to increase the level of satisfaction of our B2C and B2B customers by **3%**.





Strategic targets by 2025, consumer and final customer metrics and actions

Targets, metrics and actions aimed at managing consumers and final customers have been defined.

Target	Metrics	Actions
Maintaining the 2022 brand power values.	Brand Power Index (results of the Brand Power survey).	Analysis of the environment, competition and the results of the brand power survey, on the basis of which activities are carried out to preserve or improve recognition, usage and loyalty, which are the generators of the Brand Power Index.
Preservation of the preference value in the service station category from 2022.	Percentage of preference (choice) in the service stations category (results of the Brand Power survey).	Analysis of purchase routes and factors influencing the choice of a service station and design of marketing activities to preserve preference.
3% increase in the B2C customer satisfaction rate.	B2C Customer Satisfaction Index (B2C Customer Satisfaction survey).	Analysis of elements and factors that have the most substantial impact on final customer satisfaction, and drawing up of activities by area to improve B2C customer satisfaction.
3% increase in the B2B customer satisfaction rate.	B2B Customer Satisfaction Index (B2B Customer Satisfaction survey).	Analysis of elements and factors that have the most substantial impact on final customer satisfaction, and drawing up of activities by area to improve B2B customer satisfaction.
15% growth in Facebook and Instagram channel followers. 10% increase in average organic reach per post on our Facebook channel. 70% increase in the user engagement rate on our Facebook channel. 70% increase in average organic reach per post on our Instagram channel. 46% growth in the average number of interactions per post on our Instagram channel.	Facebook and Instagram channel follower growth rate. Growth rate of average organic reach per post. User engagement growth rate. Growth rate of the number of interactions per post.	Improved quality of social channel content and related user experience. A new strategy in the light of the archetype of the guardian - revision and regulation of editorial sections, tone and style of communication. Special activations on social channels as an extension of ATL campaigns. Influencer engagement strategy. Establishing a unified comprehensive appearance on Instagram in accordance with the posting trends on the channel. More video/animated content.
40% growth in responses to direct messages on the Facebook channel. Maintaining a rapid responsiveness to direct messages from users on the Facebook channel.	Growth rate of responses to direct messages on our Facebook channel. Responsiveness (in hours) to direct messages from users on our Facebook channel.	Improved user experience of direct messages on our Facebook channel. Training our contact centre on how to answer questions and messages from users, setting up the process and rules on how to get a quality answer as quickly as possible.
Increase in the number of loyalty members in the Petrol Group by 8 percent.	Growth rate of the number of loyalty members in the Petrol Group.	Expansion of more favourable and partner offers.
Growth of the number of the 'Na poti' (On the Road) application users in Slovenia and Croatia.	Growth rate of the number of users of the 'Na poti' application in Slovenia and Croatia compared to the previous year.	Adding new functionalities available in the application, expanding payment methods, constantly improving the application and user experience, promoting the application.
Growth of transactions made using the 'Na poti' application in Slovenia and Croatia.	Growth rate of transactions made using the 'Na poti' application in Slovenia and Croatia compared to the previous year.	Drawing up campaigns to reward usage by means of incentive campaigns and prize draws, direct marketing to users by communicating the added value of using the application.
No customer personal data violations.	Number of customer privacy complaints. Number of substantiated customer privacy violations.	Introduction of an updated personal data protection online training for employees. This knowledge will be further consolidated on an annual basis.
Reduction of the average claim resolution time by 2 days.	Average period required to resolve claims.	Optimisation of the claim resolution phases.



Management and control by priority area of consumers and final customers

Specific managers and supervisory have been designated for each sub-area of consumers and final customers. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Brand development	Marketing and user experience management department	Sales pillar (Member of the Board)
Satisfaction of final and commercial customers	Marketing and user experience management department	Sales pillar (Member of the Board)
Communicating with customers	Marketing and user experience management department, areas of Sales to final customers (B2C) and Sales to commercial customers and the public sector (B2B, B2G)	Sales pillar (Member of the Board)
Protection of customers' personal data	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)
Certification of conformity of products	Department of Sustainable Development, Quality and Safety	Supervision of the Sustainable development, quality and safety (President of the Board) department directly accountable to the Board
Labelling of products	Department of Sustainable Development, Quality and Safety	Supervision of the Sustainable development, quality and safety (President of the Board) department directly accountable to the Board
Claims and complaints	Areas of Sales to final customers (B2C) and Sales to commercial customers and the public sector (B2B, B2G)	Sales pillar (Member of the Board)

New brand identity

In order to address the stories that Petrol creates for Slovenian and Croatian consumers and the internal public, the archetype of our appearance on the market was changed in 2021 as we reconsidered the way in which we create the stories that we as a brand tell our consumers.

On the basis of literature, quantitative surveys of the general public and conducted workshops with Petrol's internal public, Petrol shifted from acting as a ruler to acting as a guardian. This way, as a diligent company, we can adapt our products and services to the needs of our users and, by

being extremely well concerned for their satisfaction, provide comprehensive care to each of our customers in the most suitable way. The consistent management of the new Petrol brand identity - which was reflected in all communications and in all company processes in 2022 - significantly improved the perception of key elements of the brand's image.

In 2022, the shift to the guardian archetype, which puts concern for the user at the heart, had a key impact on improving the consumption experience of Petrol's customers, as the result was 9 percent than in 2021.

As far as the emotional footprint dimension, which includes trust, fulfils promises made and the perception that it is changing the world for the better, is concerned, the result improved by 12 percent compared to 2021.

We are concerned for our customers by focusing on an effective customer relationship management, providing quality products and services, and establishing long-term partnerships.

Brand power

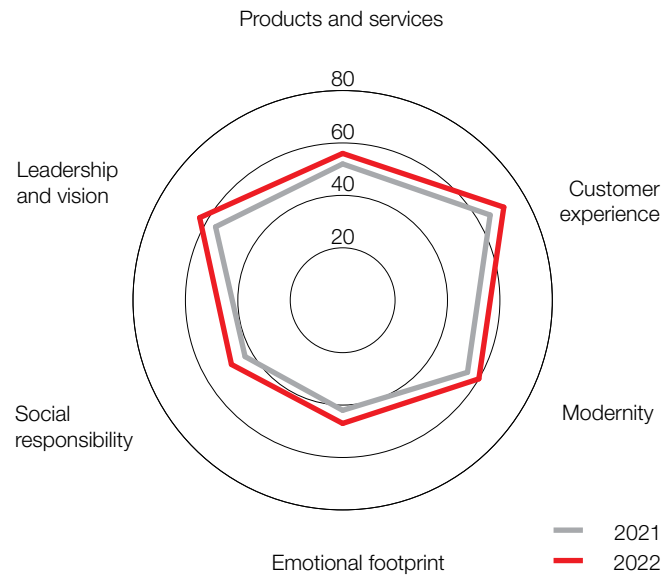
The annual Brand Power survey carried out in all five markets (Slovenia, Croatia, Serbia, Bosnia and Herzegovina and Montenegro), is used to track the perception of Petrol and Petrol's brands in the general public, while at the same time observing how our competition is positioned among our customers. Its results have shown successful progress in the activities set for ourselves in the past year, all with the aim of delivering on the Petrol Group's vision: "To become an integrated energy transition partner with an excellent user experience."

Petrol has been the strongest service station brand in Slovenia throughout the years this has been measured, and it will maintain its leading brand image position in 2022 as well. An excellent user experience and emotional footprint are becoming increasingly important, as the measurement in 2022 shows the highest growth rate of the importance of these two dimensions. In 2022, the image of the Petrol brand was strengthened in all dimensions. User experience has been proven to be Petrol's biggest advantage for years. This remains the strongest dimension even in the SE European markets, where the Petrol Group is otherwise not market leader. Our friendly employees achieve by far the highest awareness among all evaluated attributes.

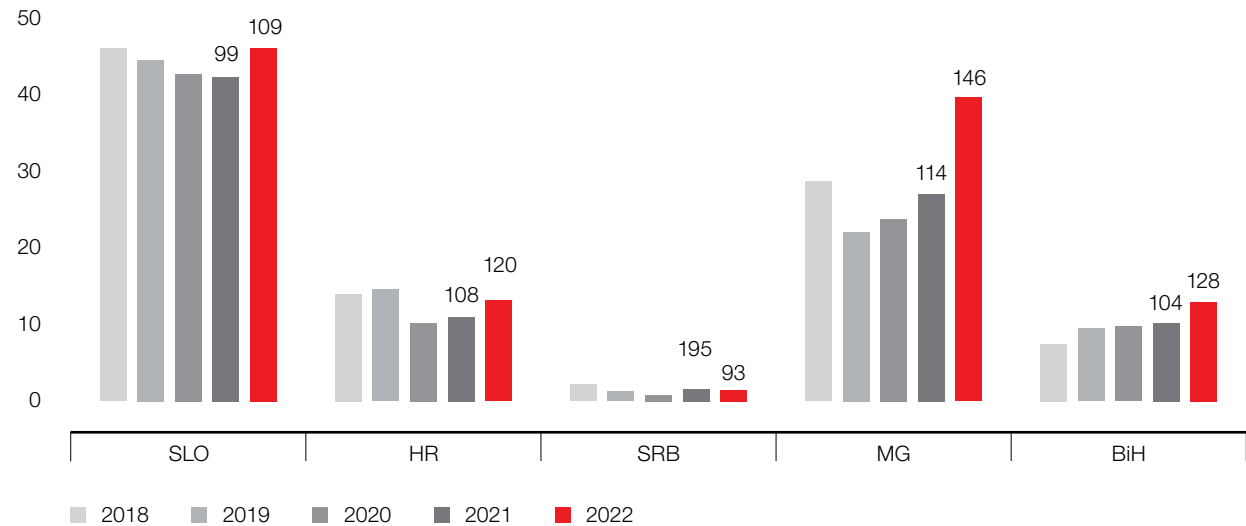
In 2022, Petrol remains the strongest **service station** brand in Slovenia.



Petrol image by brand dimension in 2022 compared to 2021 (Source: Brand Power 2022 and 2021 survey, general public, Slovenia, n = 1,000)



Index of the margin of preference in 2018-2022 (*Preference: You are in a situation where all service stations are available to you. Which one would you choose?)



In all markets (with the exception of Serbia, where preference grew already in 2021), in 2022, Petrol greatly improved the preference* margin, which is usually a reflection of a good user experience. Compared to the 2021, in Slovenia, where we have held a leading position for years, with all available service stations, as many as 9 percent more of the general public would choose Petrol.



Final customer satisfaction

The Petrol Group has been diligently using various methods to monitor all phases of the purchase process at individual points of contact, including with the final (B2C) customer. New channels are regularly added to the measurements and expanded to other strategically important markets. We record satisfaction with the individual experience of our customers on a daily basis and continuously using the internationally established tNPS (Transactional Net Promoter Score) index. One of the key indicators of user experience monitoring is the measurement of user satisfaction at all important points of contact. The satisfaction of the competition's users is always included in the analysis. The information obtained from customers is used to regularly improve our portfolio and customer experience.

In 2021, the continuous monitoring of customer satisfaction in Croatia was added in addition thereto in Slovenia, and starting, in 2022, this strategic survey will also be carried out in Serbia using the same methodology.

The most important elements that affect customer satisfaction and consumer experience, in addition to the price and quality of products and services, which are key elements in all categories/areas, are the following:

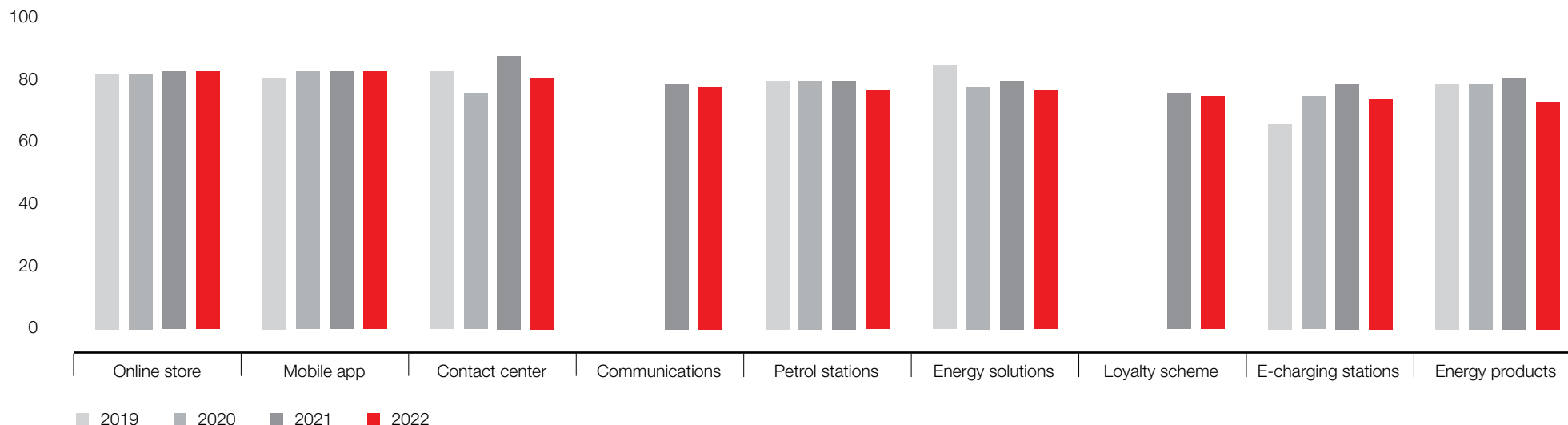
- accessibility and organisation of points of sale,
- friendliness and professionalism of employees,
- quick and easy services,
- rewarding customer loyalty.

All of the above factors, if they meet and exceed customer expectations, form an integral part of an excellent user experience, which is one of our strategic foundations and sources of future growth.





Satisfaction index for each area of the Petrol Group's operations in 2019-2022 (Source: B2C customer satisfaction survey)



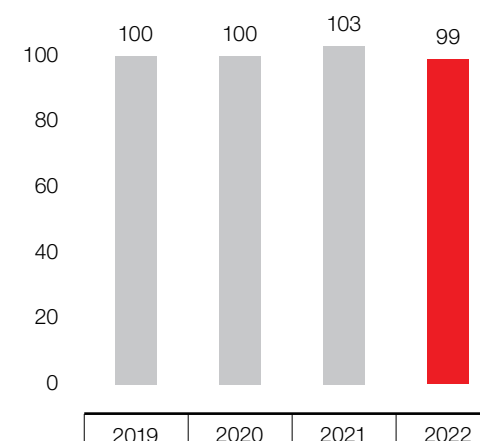
Customer satisfaction with Petrol in Slovenia was higher in 2021 at most points of contact. The highest satisfaction and, at the same time, the greatest improvement in satisfaction terms were recorded at the contact centre, which is one of the key points of contact concerned for our customers. This is followed by high satisfaction with digital points of contact (applications, online store), which are one of Petrol's key advantages over the competition. Great progress was also achieved in relation to e-charging stations, where we achieved a 20% increase in satisfaction between 2019 and 2021.

Despite difficult conditions on the market in 2022, we maintained a high level of satisfaction of Petrol's customers at most points of contact. The customer satisfaction survey in 2022 showed that price has the greatest impact on final satisfaction. The importance and thus the impact of price on final satisfaction increased in 2022. The growth in the prices of energy products and fuels, as well as the general

price increases that consumers and buyers were faced with in 2022, even beyond our operating areas (overall inflation rate), had an impact on the consumer's worsening mood. This affected the overall drop in satisfaction with other elements as well. The most noticeable drop in satisfaction was experienced in the segment of energy products, where a drop can also be detected for other providers (mainly due to price increases). The greatest stability and a high level of satisfaction have been achieved on digital channels (applications, online store) and the contact centre, which is one of the key points of contact and concern for our customers and Petrol's main advantage.

Despite the difficult situation and strong price effects in key categories, the general index of satisfaction with Petrol remained at a high level.

General index of Petrol customer satisfaction in 2019-2022 (Source: 2022 B2C customer satisfaction survey, Slovenia, Valicon, n = 1,225)

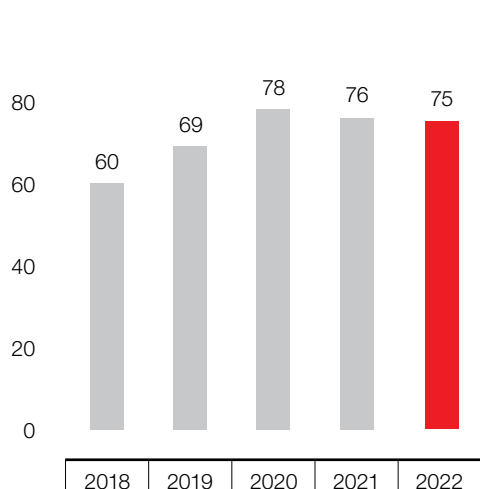


Monitoring transactional customer satisfaction

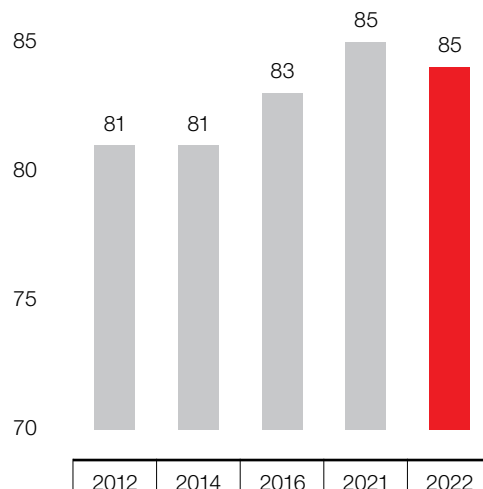
In Slovenia, we also measured the transactional satisfaction of our customers in 2021 and 2022 using the internationally established tNPS (Transactional Net Promoter Score) index, which enables us to monitor and respond to customer feedback on a daily basis at all Petrol points of contact - throughout the entire retail network, at TipStop Vianor repair shops, the Contact Centre, at the claims department, at the Petrol Energy Centre and in the Petrol eShop online store, where customers submit a rating after completing the purchase and picking up their package at a service station. In this way, we enable customers to provide immediate feedback on satisfaction with our products, services or processes on an individual channel or product or service, and, at the same time, we respond to them and fix any problems.

Our overall tNPS index (total score of all measured points of contact), recalculated on the basis of received ratings, shows a positive trend in the last few years, which means that customer satisfaction at points of contact has been either improving or staying the same. Due to specific circumstances on the market – the epidemiological situation in 2021 and the extraordinary situation in the energy product and fuel market in 2022 – a slowdown in this growth has been observed during the last two years. Nevertheless, the tNPS index remains at a high level. 80 percent of customers are our promoters, and they express high satisfaction mainly with the kindness and helpfulness of our employees at service stations. In 2023, the tNPS measurement is being expanded to other Petrol points of contact and other markets where we are also present.

tNPS index in the Petrol Group in Slovenia in 2018–2022



Satisfaction index of Petrol's commercial customers in different periods (Source: 2022 commercially customer satisfaction survey, conducted internally by Petrol, n = 294)



Commercial customer satisfaction

As a strategic indicator of our performance, we re-introduced the satisfaction index for all commercial customers in 2021. In the interim period, we adapted the measurement to the needs of commercial account managers and, in 2018-2020, focused the research in depth on key sales programs.

In 2021, we recorded an extremely high commercial customer satisfaction index (85), which, despite extremely difficult conditions in 2022 (high growth in prices in the energy product and fuel market, supply issues, high demand in the energy solutions market), we managed to maintain at a value of 84 (drop by only 1 index point). The share of fully satisfied commercial customers even increased in the two most important aspects, namely in the quality of the offer and the availability of supplies. In the Fuel programme that accounts for the majority of collaboration with commercial customers, we achieved the highest satisfaction index in both 2021 and 2022.

Communicating with customers

Pursuing Petrol's vision of becoming an integrated partner with an excellent user experience, in 2021 and 2022 we again focused on the excellence of communication with our customers (B2B and B2C) and on maintaining partner relationships. This was additionally enabled by the approach using which the users of our products and services were divided into five representative segments of typical Petrol customers. They were segmented based on their demographic data, purchasing habits data, channels of interaction with us and a lot of surveys conducted to help us understand their lifestyle and values. Each segment has its own desires, needs and habits and, as such, its own laws, how to appeal to it and what to offer it. Thus, in the last two years at Petrol, we have been able to put the customer's needs at the heart of our operations using a comprehensive approach and approaching them in the role of a guardian.

As far as commercial customers are concerned, personal contacts are used through sales representatives to a greater extent. Otherwise, customers are also communicated news electronically. We regularly conduct satisfaction surveys and, by means of the online portal, we enable commercial customers to have easy access to information about orders, limits, invoices, etc.

Customer support and sales contact centre

The Customer Support and Sales Contact Centre organisational unit takes care of our natural person and commercial customers. We are the first point of contact with customers, as we provide them with a wide variety of information about Petrol's offer, and we also make the necessary arrangements for contractual relationships for customers, draw up quotes, accept orders, offer technical assistance and resolve claims.





The main contact centre is located in Slovenia, where it is also organised for Croatia (Petrol d.o.o., Zagorski Metalac), whereas other Petrol Group companies have locally organised contact centres.

We are at the disposal of our customers through various communication channels every day of the year. The most popular communication channels are telephone and e-mail, and customers are increasingly contacting us via online chat, chatbot, mobile applications and conference calls. Our contact centres answers an average of 630,000 customer questions from various channels each year.

Most often, we handle various requests for customers as pertaining to fuels, electricity, natural gas, Petrol cards, energy solutions, liquefied petroleum gas, the Petrol eShop online store, as well as e-mobility.

It is important for the processes that form part of our scope of work to be meaningfully harmonised for all Petrol Group companies, which is why we provide for uniform work procedures, uniform IT support and quality standards. One of the key indicators of our performance is customer satisfaction, which we carefully monitor using various methodologies adapted to individual product groups and customer segments, achieving good results. We use the feedback that customers provide us with the help of measurements to continuously improve our services and thus the user experience.

Social networks

Petrol is also present on Facebook, Instagram and LinkedIn social networks in all the markets in which it operates. At the beginning of 2022, we drew up and implemented a new social strategy presence strategy which offered our followers more personalized content in accordance with the guardian archetype. We followed our operational, communication and marketing targets and overhauled the services and products communicated on the Petrol profiles. These were adapted to the desired target groups and, by means of a

content strategy, divided into nine content-related sections of communication, our concern for people was put first.

The implementation of the new social network presence strategy first began in the Slovenian market, in forms adapted to local specifics, and then in all other markets where Petrol operates.

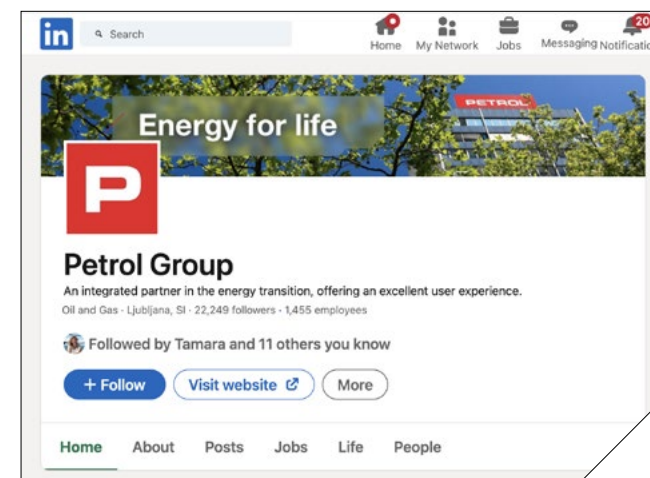
We respond to comments or questions from users on our profiles (including those with constructive criticism) and questions in private messages are answered daily. Our answers are tailored to each user individually - they are relevant in terms of content and contain verified information. Petrol's contact centre draws up information in collaboration with the social media team and relevant Petrol stakeholders, and is consistent with the guardian archetype and the company's values.

We also drew up a special internal workshop, where we empowered colleagues in charge of community management to interact with followers in accordance with the new strategy. In order to make the process of responding to user comments and questions as short and as efficient as possible, we have established a working group on the Microsoft Teams channel and a separate email address used for coordinating and preparing answers.

This has resulted in a more than 12% better organic reach of our Facebook posts in 2022, an almost 112% higher average follower interaction with posts and a 77% higher follower engagement rate. We responded to 38% more private messages received than in 2021, with almost the same average response time.

In 2022, the Petrol Group profile on the LinkedIn social network was merged into a single end-to-end presence in Slovenia, Serbia, Bosnia and Herzegovina, Montenegro and Croatia. News on who we are and what we do are posted on this new profile primarily in English, with the exception of posts that are exclusively related to developments in a specific market.

More than a **12%** better organic reach of our Facebook posts in 2022, an almost **112%** higher average follower interaction with posts and a **77%** higher level of follower engagement.





Points of sale in the region

In 2021 and 2022, visitors were invited to visit Petrol using the message “Welcome in our midst, on the road” (Dobrodošli pri nas, na poti). The advertising campaign presented the comprehensive range of service stations and welcomed all visitors, while enhancing the emotional bond with customers and supporting Petrol's sales activities. It was also carried out in Croatia when Crodux was officially merged with acquisition in 2022. At the Petrol and Crodux points of sale, visitors were provided with Q Max fuel, Coffee to go, a daily selection of freshly prepared dishes, the possibility of using the Na poti application, as well as joint campaigns and promotions. These have been transferred in a coordinated manner to other markets where operate as well, thus offering the same products and promotions in the region.

E-mails

We regularly communicate with users via e-mail and text messages, and, since autumn 2022, also on our Viber channel. In Slovenia, we sent almost 25 percent more e-mails in 2022 than the year before, and received e-mails were opened by 3 percent more people than in 2021. This is also due to the fact that the content and appearance of e-mails was brought even closer to the user. Based on customer behaviour, we introduced transactional messages that address the customer with information relevant to a specific purchase or visit to Petrol. We have introduced monthly e-mail summaries of benefits and discounts that await the user in the Petrol club, and the content of each e-mail has been adjusted according to the wishes and needs of the identified segment of the Petrol customer to whom the message is sent.

Websites of the Petrol Group

At the end of 2022, the Petrol Group had seven websites: the Slovenian website petrol.si, which also includes the online store Petrol eShop and the user portal Moj Petrol, the

Croatian website petrol.hr, the Serbian website petrol.co.rs, the Bosnian website petrol.ba, the Montenegrin website petrol.me and two versions of the corporate website, Slovenian and English.

The “Winning Serve” (Zmagovalni servis) was also updated for the needs of the sponsorship of the World Volleyball Championship in 2022 and the communication of ticket purchases and Fresh offers at the matches, and, at the end of the year, as the second largest provider of oil products in Croatia, we also started developing the Croatian version of the corporate website. We are also constantly upgrading and developing our Slovenian online store Petrol eShop, which now, in the past two years, also includes the ability to make a purchase without registering.

As soon as the merger with acquisition of Crodux Derivati Dva d.o.o. was completed in 2022, special attention was paid to the integration of the Crodux website into the Petrola website in Croatia. In one place, we have comprehensively listed all the services, discounts and products that await visitors either at Crodux or at Petrol, or at both locations. In order to graphically show that Crodux and Petrol are now one, we added the Crodux logo to the Petrol logo on the relevant subpages of the Croatian website.

Petrol club

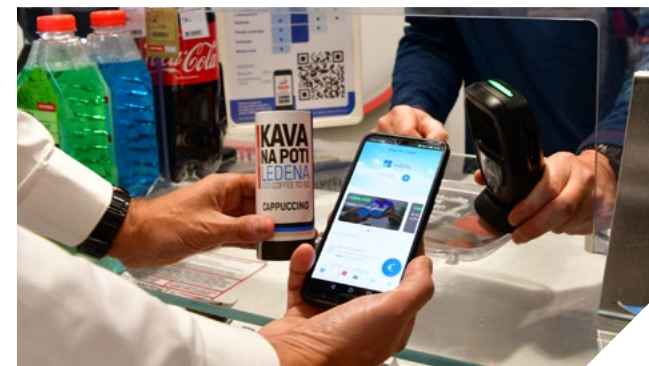
In Slovenia and Croatia, we regularly communicate with Petrol club loyalty members. In 2022, a clearer communication, regular e-mails and a revamped website served to provide them with even more transparent news on which discounts, benefits and rewards await them in exchange for their loyalty. In addition, we once again made it possible for members to make a donation to a good cause through the purchases of collected gold points. During the Olympic Games in Beijing, users could donate them to aspiring young athletes as part of the Sponsorship in Sport program, and at the end of 2022 to the Red Nose Society, which brings laughter and good cheer to Slovenian hospitals and retirement homes. We continued donating golden

points in 2023, when we collected points for the restoration of Slovenian forests.

“Na poti” mobile app

The ‘Na poti’ application continues to be a popular way of paying at Petrol, an important digital upgrade to a physical visit to our points of sale, and an important source of information about our range. As many as 27 percent more payments were made using the ‘Na poti’ application in 2022 than the year before. In 2022, 24.7 percent more users paid using it than in 2021.

In 2021 and 2022, we made sure that the ‘Na poti’ application became even more user-friendly, and we also supported its use at all our points of sale in Croatia, including Crodux. Since 2021, customers can use the app to pay for ‘Na poti’ coffee and participate in the collection of golden grains in our foreign markets as well. In the application, we improved means of payment adding process and enabled new means of payment, namely Petrol business payment cards. We optimized the display of Petrol Club benefits, supported the ordering of food and drinks at events, and introduced digital stickers for discounts to Petrol's offer. In 2023, we will continue with the technological, design and content renovation of the ‘Na poti’ mobile application, whereby we want to offer users an even better user experience when shopping at our points of sale.



Protection of personal data

At Petrol, we respect the privacy of our customers, which is why we handle their personal data responsibly, carefully and in accordance with applicable legislation and the company's internal acts. Petrol d.d., Ljubljana, processes personal data of customers in compliance with

REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and the Personal Data Protection Act (Official Gazette of the Republic of Slovenia, No. 163/22).

The personal data protection officer Nina Bizjak is responsible for exercising the personal data protection rights of customers at Petrol, whom customers can contact at any time regarding issues related to the processing of their personal data and the exercise of rights based on the applicable regulations governing the protection of personal data. A special e-mail address dpo@petrol.si has been established for this purpose, and customers can also send messages by ordinary post to the address of Petrol, d.d., Ljubljana. A more detailed explanation for the purposes for which personal data of customers are used and on what basis is also available in Petrol's Privacy Policy at <http://www.petrol.si/gdpr/politika-zazenbosti>.

Certificates of conformity of products

The entire operation of Petrol is based on enforcing high quality standards, especially when it comes to the range of fuels in the market. As part of our IT system, there is an organised system of automatic generation of quality certificates for fuels and chemical products, which are generated automatically on the basis of laboratory reports from our accredited laboratory. The system ensures time-related optimisation of work and appropriate traceability of products. Biofuels are operated with using an established a transparent ISCC certified system (International Sustainability Carbon Certification), which ensures the traceable issuance of sustainability certificates for the share of the added bio component.

The entire operations of Petrol are based on enforcing **high quality standards**.

Product labelling



We sell several many products of our own brand, and we take care of the appropriate labelling of the products, which follows the labelling of non-food and food product legislation. The purpose of labelling is to provide all the necessary information for the safe and satisfactory use of Petrol products and proper handling of a product after use.

An important part of labelling is the transparent labelling of the prices of goods, where we all legal regulations and guidelines are followed. At the beginning of 2023, we added information about the lowest price in the last thirty days to the price list, namely for items on sale or in the loyalty scheme. We also took into account the recommendation of the Ministry of Economy to add information on the duration of the promotion.

At 38 points of sale, we use electronic price displays that facilitate the work of our employees, because prices no longer need to be changed physically, but the changed prices are automatically displayed on the screen.



Claims

In the Petrol Group, claims and complaints are accepted as an important source of information about customer satisfaction with our services and products, and by solving them in an effective way, customers are provided with a comprehensive service that does not end with the purchase of goods or services. In order to resolve various complaints in an efficient and a customer-friendly manner, a unified claim capturing and management system has been established, which includes all communication portals.

In 2021, with the aim of providing an even better user experience, we began to implement the overhaul of the claim handling system, which also included an overhaul of IT support and the formation of an organisational support unit. The project has been approached on a step-by-step basis and was also implemented in 2022.

The number of customer claims increased by 17 percent in 2022 compared to 2021. In terms of product groups, the majority of customer claims were related to monthly billing, merchandise, and the provision of services at points of sale. We attribute the increase to an increase in our trading volume, the recovery of operations after the epidemic and a more consistent entry of claims and complaints into the system after the overhaul of our IT platform. Since the overhaul of the IT platform, we have been also recording customer complaints, which in the past period were considered among customer claims, separately. Complaints are written or verbal expressions of customer dissatisfaction due to unmet expectations and are received through various communication channels.

In 2022, Petrol d.d., Ljubljana, received 7,360 claims and 754 complaints.

Claims in Petrol d.d., Ljubljana, in 2019–2022

Claims	2019	2020	2021	2022
Total number of claims	6,770	5,999	6,240	7,360

In 2022, Petrol d.d., Ljubljana, received **7,360** claims and **754** complaints.

Offer upgrade

In addition to products and services, we also offer our customers professional support and advice. We are present at various trade fairs, we carry out package sales for the B2B customer segment, and we are expanding the range of energy solutions and safety protective equipment.

We have a strong position especially in the merchandise groups, which meet the daily needs of customers for convenient purchases and purchases on the road, where we follow trends and innovations in the individual market. We offer a wide range of our own services and the services of our commercial partners, whereby our customers are provided with quick and efficient solutions, such as delivering packages, paying bills, car washes, purchasing tickets, and financial coupons. We also do not forget about our loyal customers, for whom we prepared a special offer of household products at the end of 2022 at favourable promotional prices that are comparable to promotional prices in the market.

Responsibility towards the social environment

Through its activities, the Petrol Group is strongly embedded in the local communities of the region in which it is present, both through its infrastructure in the form of points of sale and through integrated energy solutions for communities and cities. Aware of the importance of our impact, we build open relations with local communities, use corporate campaigns to ensure Petrol's involvement in community development, we open up cooperation opportunities with local communities and opportunities for joint sustainable stories, we support Slovenian athletes and facilitate the development of young hopefuls. We encourage interested members of the public to submit initiatives and ideas that help us co-create our image and range, and we collaborate with professional members of the public in the development of products and solutions. We provide for dialogue with all key stakeholders in our local environment, such as government institutions, professional institutions, local governments, local population, media, etc.

Key policies, standards and other documents pertaining to local and other communities

Sustainable advertising standard of the Slovenian Advertising Chamber (2022, Petrol d.d., Ljubljana)





Strategic targets by 2025, metrics and actions pertaining to local and other communities

Targets, metrics, and actions for managing local and other communities have been defined.

Target	Metrics	Actions
We will include an ESG clause in all sponsorship and donation contracts with an undertaking that the recipient will allocate 10 percent of the value to ESG projects.	Number of all sponsorship and donation contracts to recipients who do not operate in the ESG field. Number of all sponsorship and donation contracts concluded with recipients who do not operate in the ESG field, with an ESG undertaking.	Consistent placement of the ESG article.
At least 30 percent of sponsorship and donation projects aligned with at least one United Nations Sustainable Development Goal by 2025.	Number of all sponsorship and donation projects. Number of sponsorship and donation projects aligned with at least one United Nations Sustainable Development target.	Emphasis on an even greater involvement in the local environment, on promoting the involvement of young people in sports and recreational activities, care for the environment, etc.
At least 10 carried out corporate volunteering activities; transfer of good practices to subsidiaries (at least 1).	Number of carried out corporate volunteering activities. Number of subsidiaries included.	Identification and organisation of activities.
At least 85 employees actively involved in corporate volunteering.	Number of employees involved in corporate volunteering activities.	Promoting the participation of employees in active volunteering events through various channels.
Overhaul of the Our energy connects projects.	Drawn up and adopted proposal.	Definition and implementation of activities.
Constantly at least 4,000 members involved in Petrol's research panel.	Number of members.	Regular activities to maintain the satisfaction of panel members (frequency of surveys, awards, notification of results, etc.) and recruit new members.
At least 8 researches within the framework of Petrol's research panel.	Number of conducted surveys.	Conducting online and qualitative surveys to assist in product and service improvements and development.
Participation in at least 5 R&D projects.	Number of R&D projects in which Petrol and its employees are involved.	Applications for independent tenders and participation in consortia and other R&D projects.
At least 90 employees actively involved in R&D projects.	Number of employees involved in R&D projects.	Applications for independent tenders and participation in consortia and other R&D projects.

Management and supervision by priority area of cooperation with local and other communities

Specific managers and supervisors have been designated for each sub-area of local and other communities. People in the departments directly accountable to the Board are responsible for management, while the Board or the President of the Board is responsible for supreme supervision.

Sub-area	Governance	Control
Communicating with communities	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)
Partnerships with communities	Office of the Board - department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)
Participation in R&D projects	Management of development needs and projects department directly accountable to the Board	Pillar Finance, information and risks (Member of the Board)
Sponsorships and donations	Marketing and User Experience Management department directly accountable to the Board	President of the Board and pillar Sales (Member of the Board)
Corporate volunteering.	Office of the Board department directly accountable to the Board	Supervision of the Office of the Board - department directly accountable to the Board (President of the Board)



Sponsorships and donations

For many years, the Petrol Group has been considered one of the biggest supporters of Slovenian and regional sports. Through sponsorships, we contribute to the development of various sports and to the success and development of athletes in Slovenia and the region, both on an international and national level. Our responsibility towards society is also expressed through humanitarian projects, in the framework of which we help the environment we operate in by means of donations.

Organizations can apply for a sponsorship or donation from Petrol using a special online form, in which they describe their project and the amount of money they need for its successful implementation. In 2021 and 2022, the received applications were reviewed on a weekly basis by a special sponsorship and donation committee, which also includes the heads of marketing and corporate communication. In 2022, we added an article to all sports sponsorship contracts obliging our sponsored parties to allocate 10 percent of the contract value to ESG projects.

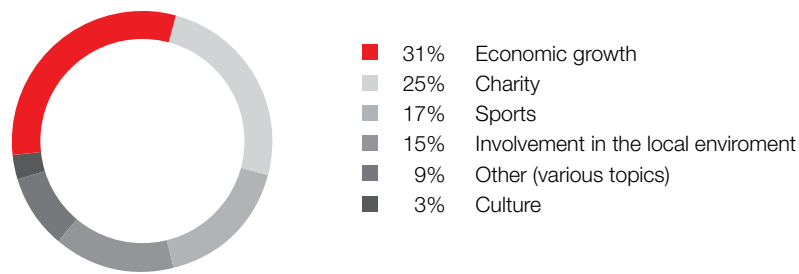




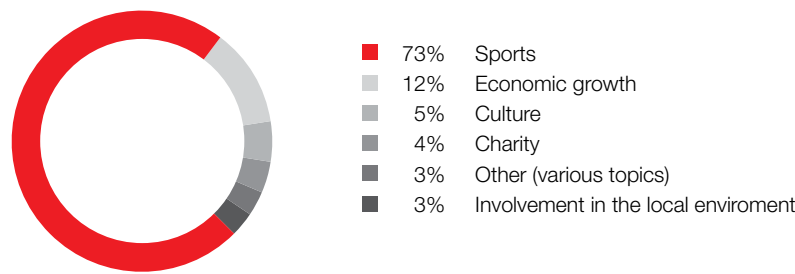
Funds for donations and sponsorships in the Petrol Group and in Petrol, d.d., Ljubljana, in 2021 and 2022 (in EUR)

Type of funds	2021		2022	
	Petrol Group	Petrol d.d., Ljubljana	Petrol Group	Petrol d.d., Ljubljana
Sponsorships and donations (in EUR)	2,034,138	1,581,268	2,404,579	1,788,066

Share of sponsorships and donations by the number of supported projects in Petrol, d.d., Ljubljana, in 2022.



Share of sponsorships and donations by the financial value of supported projects in Petrol, d.d., Ljubljana, in 2022.



Corporate volunteering

Shared values and integrity connect Petrol employees with the social environment. Corporate volunteering activities, which we have been cultivating since 2012 and within which we give back to society by means of volunteer work, knowledge and collection of material aid, also form part of our social footprint. In 2022, 85 employees participated in nine Giving Back to Society campaigns, donating a total of 350 hours of their time. They set up the camping area of the Mojca Association of Friends of Youth in Dolenjske toplice, painted the fences and outdoor playgrounds of the Jelka kindergarten in Ljubljana, set up the horse shelter in Polzela, made scented bags filled with lavender from Petrol with the inmates of the Polž Maribor Occupational Activity Centre, painted benches in front of the retirement home in Bokalce, Ljubljana, collected seeds in Lipica used for the afforestation of the Karst after the fire, etc.

For the twelfth year in a row, in cooperation with the Red Cross and the Institute for Transfusion, we carried out the Donate Energy for Life humanitarian campaign, and, through donations throughout the year and the campaign Our energy connects at the end of the year, we supported many humanitarian projects of non-profit organisations.

The number of implemented projects and involved employees has been increasing over the years, which is an indication that employees are increasingly aware of their contribution to society.



Corporate volunteering in Petrol d.d., Ljubljana, in 2018–2022

Corporate volunteering	2018	2019	2020	2021	2022
Number of campaigns carried out - We give back to society	10	11	7	10	9
Number of employees involved in the We give back to society campaign	72	93	55	70	85
Number of campaigns carried out - Our energy connects	206	171	175	277	296

Events for the external public

In connection with important projects, activities, world days, achievements of our partners, sponsors, other current topics for the external public, we organise events such as press conferences (on World Blood Donation Day, during receptions of sponsored athletes and sports federations, the appointment of the Board), signing of municipal energy renovation contracts, ceremonial openings of points of sale and other facilities (wind farms, hydroelectric power plants, energy centre) and completion of projects (completions of energy renovations). In the last three years, the number of these events has decreased significantly due to the impact of the covid-19 epidemic. The external publics are involved in Petrol's activities in other ways, including digital ones.

The Petrol Research Panel

Petrol's research panel has been operating in Slovenia since 2018, comprising more than 4,000 members. By participating in various surveys, they inform us of their expectations and help us understand user habits. Thus, they co-create the image and offer of Petrol and the image of Petrol's advertising campaigns.

Over the past two years, Petrol's panelists have helped us learn about the lifestyle and values of our users and make decisions regarding the new outdoor appearance of service stations. They have also told us what green electricity means to them and what additional services have the potential to be introduced.

Together we discovered the Moj Petrol user portal and application, examined knowledge of instalment payments and various limits with the Petrol club payment card, touched on energy solutions and addressed users of e-charging stations about potential new locations. They evaluated the 'Na poti' coffee, described their driving habits to us, co-created a mobility package offer, and evaluated creative solutions in the making and helped co-design them. One of the most important and in-depth surveys in 2022 was aimed at overhauling the Petrol Club loyalty program.

Events for the external public in Petrol d.d., Ljubljana, in 2018–2022

	2018	2019	2020	2021	2022
Number of events for external publics	22	22	10	10	9

* In events for the external public, the Petrol Group and Petrol d.d., Ljubljana, were involved as organisers or co-organisers.



»It gives me great pleasure to be able to help shape Petrol's offer through your surveys. Sometimes you use an idea proposed by me. That is why I always find Petrol's surveys very interesting.«

POS2.0



»The survey has been superbly drafted. More awareness should be raised on conserving nature which is essential for our descendants.«

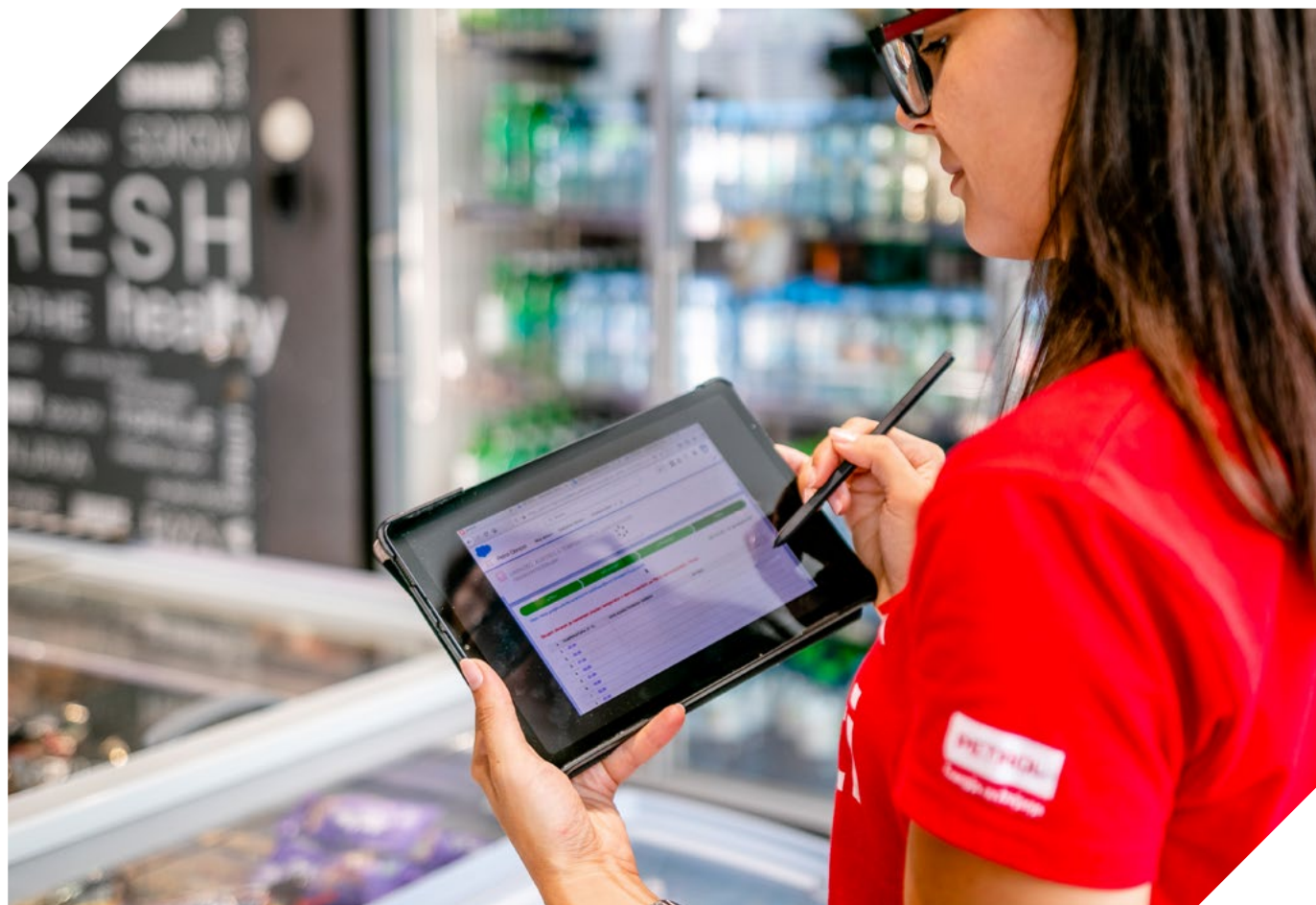
Green electricity



Participation in R&D projects

Aware of the power of co-creation and co-innovation, Petrol liaises with various partners from professional institutions, faculties, organisations and companies in projects in various areas of our operation or where the creation of added value is recognised.

In 2021 and 2022, we actively participated in several development projects, namely INFRASTRESS, NEXT-E, Dom24h, URBAN-E, MULTI-E, X-FLEX, CYBERSEAS, ATLANTIS, COMPILE, SI-GEO ELECTRICITY, Digitization of the OIL&GAS supply chain. In 2023, we plan to apply to RRI (Spirit), Horizon projects and Cef Transport for hydrogen projects, development projects in Croatia and a public call for the selection of project proposals to be included in the indicative list of investments to be co-financed with the funds of the Modernization Fund in the 2024-2030 period. In the future, we will be actively involved in the development and tenders of hydrogen and alternative fuel projects as part of EU directives.



Participation of the Petrol Group in R&D projects in 2018-2022

	2018	2019	2020	2021	2022
Number of projects involving Petrol	1	10	9	8	7
Number of employees participating in projects	3	57	59	48	54
Number of partners with whom Petrol cooperates in projects	2	81	79	106	95



／ The promise held by sustainable advertising

Petrol signed the sustainable advertising standard of the Slovenian Advertising Chamber in 2022. In doing so, we have committed, among other things, to introduce sustainable advertising standards in the company through our conduct and business decisions and to act in accordance therewith, and, as an active member of the advertising community, to regularly participate in the exchange of experience from sustainable operation practices and thus promote changes in the profession.

／ Negative impacts of activities on local communities

We are aware of the embeddedness of our activities and facilities in the local environment, which is why we cooperate with the local community and keep it regularly updated with the operation of the biogas plant in Črnomlje. In 2022, we also attended a municipal meeting, where we answered questions from interested parties. District heating systems have a positive impact on the environment and emissions into the environment are lower with district heating than they would be with individual heating.

There were no specific concerns of the local public regarding significant risks for local communities during the reporting period.



Key to abbreviation

AC charging station = station charging using Alternate Current

ADR = Agreement Concerning the International Carriage of Dangerous Goods by Road

AEO = Authorised Economic Operator

AR = annual report

B2B = Business to Business

B2C = Business to Consumer

B2G = Business to Government

BAT = Best Available Techniques

CHP = co-generation of heat and electricity

CMSR = Centre for International Cooperation and Development

CNG = compressed natural gas

DC charging station = a fast station charging using direct current of a power of up to 50 kW - DC - direct current

DOLB = district heating with wood biomass

EE = energy efficiency

EiOR = energy and environmental solutions

ELKO/KOEL = extra light heating oil

EQTM = European Quality Trademark

ESG = environmental, social and governance

ESRB = European sustainability reporting standards

FSC = responsible forest management NGO and certificate; Forest Stewardship Council

GHG = greenhouse gases

GWP = Global Warming Potential – factor on a how many times higher CO₂ emission is caused by a specific gas in 100 years

HVO = hydrogenated vegetable oil

ICN = industrial waste water treatment plant

ISCC = international biomass and bioenergy certification system - International Sustainability and Carbon Certification

KPIs = Key Performance Indicators

LPG = liquefied petroleum gas

MKO = mixed municipal waste

MUMESCO = Multi Utility, Mobility and Environmental Service Company

NG = natural gas

NMB = unleaded gasoline

PE = population equivalent

POI - GO = Guarantee of Origin

POR = Responsible Care programme

PURE = Reles on action, conduct and behaviour at warehouses and terminals

RES = renewable energy sources

rPET = recycled polyethylene terephthalate

SR = sustainability report

SUP = Single-Use Plastics

SVHC = Substances of Very High Concern

TCFD = Task Force on Climate-related Financial Disclosures)

UC charging station = ultra-fast charging station using the direct current, with a power of more than 50.01 kW - Ultra (fast) charger)

UN = United Nations

WWTP = municipal waste water treatment plant



Reporting indicators in accordance with GRI standards

Statement of use: Petrol Group has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2022.
 GRI 1 used: GRI 1: Foundation 2021
 Applicable GRI Sector Standard(s): GRI 11: Oil and Gas Sector 2021

Disclosure					Omission			
No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
General disclosures								
2-1	Organizational details	Petrol Group		24-25	A grey cell indicates that the reasons for abandonment are not admissible or that the GRI sector standard reference number is not available.			
2-2	Entities included in the organization's sustainability reporting	Petrol Group		6				
2-3	Reporting period, frequency and contact point	Petrol Group		6				
2-4	Restatements of information	Petrol Group		6				
2-5	External assurance	Petrol d.d., Ljubljana	31, 119, 170-182		The sustainability report was not subject to external assurance.			
2-6	Activities, value chain and other business relationships	Petrol Group		29, 45, 61, 168-171, 172-184				



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
2-7	Employees	Petrol Group		9, 37-38, 148-167				
2-8	Workers who are not employees	Petrol Group		160				
2-9	Governance structure and composition	Petrol d.d., Ljubljana		27-28				
2-10	Nomination and selection of the highest governance body	Petrol d.d., Ljubljana		27-28				
2-11	Chair of the highest governance body	Petrol d.d., Ljubljana		27-28				
2-12	Role of the highest governance body in overseeing the management of impacts	Petrol Group		47-49, 60-63				
2-13	Delegation of responsibility for managing impacts	Petrol Group		47-49, 60-63				
2-14	Role of the highest governance body in sustainability reporting	Petrol Group		6				
2-15	Conflicts of interest	Petrol Group		50, 53				
2-16	Communication of critical concerns	Petrol Group		44, 50, 53-54, 169				
2-17	Collective knowledge of the highest governance body	Petrol d.d., Ljubljana	38-39					
2-18	Evaluation of the performance of the highest governance body	Petrol d.d., Ljubljana		55				
2-19	Remuneration policies	Petrol d.d., Ljubljana	41-42					
2-20	Process to determine remuneration	Petrol d.d., Ljubljana	41-42					
2-21	Annual total compensation ratio			/		Not relevant		
2-22	Statement on sustainable development strategy	Petrol Group	47-64					
2-23	Policy commitments	Petrol Group		52-54, 70, 72-73, 75				
2-24	Embedding policy commitments	Petrol Group		52-54, 70, 72-73, 75				



Disclosure

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Omission			GRI sector standard ref. No.
					Requirement(s) omitted	Reason	Explanation	
2-25	Processes to remediate negative impacts	Petrol Group		52-54, 61, 155-156, 180-184				
2-26	Mechanisms for seeking advice and raising concerns	Petrol Group		52-54, 61, 155-156, 180-184				
2-27	Compliance with laws and regulations	Petrol Group		16, 72, 99, 114, 137, 141, 151, 153, 155-156, 161, 183				
2-28	Membership associations	Petrol Group		45				
2-29	Approach to stakeholder engagement	Petrol Group		61				
2-30	Collective bargaining agreements	Petrol d.d., Ljubljana		149, 154				

Material topics

3-1	Process to determine material topics	Petrol Group	62-63	A grey cell indicates that the reasons for abandonment are not admissible or that the GRI sector standard reference number is not available.	
3-2	List of material topics	Petrol Group	62-63		
3-3	Management of material topics	Petrol Group	47-54, 57-60, 62-63, 71-77, 82, 108-110, 120-121, 131-132, 134-135, 148-150, 168-170, 172-174, 185-186		11.2.1., 11.3.1, 11.5.1, 11.6.1, 11.8.1, 11.9.1, 11.10.1, 11.11.1, 11.12.1, 11.13.1, 11.14.1, 11.15.1, 11.16.1, 11.20.1, 11.21.1, 11.22.1



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Economic performance								
201-1	Direct economic value generated and distributed	Petrol Group		8, 12-15				11.14.2, 11.21.2
201-2	Financial implications and other risks and opportunities due to climate change	Petrol Group		47-49, 57-60				11.2.2
201-3	Defined benefit plan obligations and other retirement plans	Petrol Group	42, 130, 235					
201-4	Financial assistance received from government	Petrol d.d., Ljubljana	121					11.21.3
Market presence								
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Petrol d.d., Ljubljana		155				
202-2	Proportion of senior management hired from the local community	Petrol d.d., Ljubljana	35-36					11.11.2, 11.14.3
Indirect economic impacts								
203-1	Infrastructure investments and services supported	Petrol Group		16, 32, 88, 103, 107, 120				11.14.4
203-2	Significant indirect economic impacts	Petrol Group		8, 16				11.14.5
Procurement practices								
204-1	Proportion of spending on local suppliers	Petrol Group		96, 139-140				11.14.6



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Anti-corruption								
205-1	Operations assessed for risks related to corruption	Petrol Group		44, 52-53, 59				11.20.2
205-2	Communication and training about anti-corruption policies and procedures	Petrol Group		44, 49-50, 52-53				11.20.3
205-3	Confirmed incidents of corruption and actions taken	Petrol Group		44, 52-53				11.20.4
Anti-competitive behavior								
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Petrol Group		/			There were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	/
Tax								
207-1	Approach to tax	Petrol d.d., Ljubljana	197, 211, 223					11.21.4
207-2	Tax governance, control, and risk management	Petrol d.d., Ljubljana	169					11.21.5
207-3	Stakeholder engagement and management of concerns related to tax			/		Not relevant		/
207-4	Country-by-country reporting	Petrol Group	238-239				Information is provided for the Petrol Group and separately for Petrol, d.d., Ljubljana, which is headquartered in Slovenia.	11.21.7



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Materials								
301-1	Materials used by weight or volume	Petrol d.d., Ljubljana		136, 138				
301-2	Recycled input materials used	Petrol d.d., Ljubljana		135, 139-140				
301-3	Reclaimed products and their packaging materials	Petrol d.d., Ljubljana		140				
Energy								
302-1	Energy consumption within the organization	Petrol Group in Slovenia		78-80, 84				11.1.2
302-2	Energy consumption outside of the organization	Petrol d.d., Ljubljana		78-80				11.1.3
302-3	Energy intensity			/		N/A		/
302-4	Reduction of energy consumption	Petrol Group in Slovenia		78-81, 84				
302-5	Reductions in energy requirements of products and services	Petrol Group in Slovenia		78-84				11.1.5
Water and effluents								
303-1	Interactions with water as a shared resource	Petrol Group		120-121, 124-125				11.6.2
303-2	Management of water discharge-related impacts	Petrol Group		120-121, 128-130				11.6.3
303-3	Water withdrawal	Petrol d.d., Ljubljana		122-123				11.6.4
303-4	Water discharge	Petrol Group		128-130				11.6.5
303-5	Water consumption	Petrol d.d., Ljubljana		122-123, 126-127				11.6.6



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Biodiversity								
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			/		N/A	The Biodiversity Management Policy is currently pending, as part of which the impact of Petrol Group's activities on biodiversity will be analysed.	/
304-2	Significant impacts of activities, products and services on biodiversity	Petrol Group		92, 96, 108, 116-118, 132				11.4.3
304-3	Habitats protected or restored	Petrol Group in Slovenia		133				11.4.4
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations			/		N/A	The Biodiversity Management Policy is currently pending, as part of which the impact of Petrol Group's activities on biodiversity will be analysed.	/



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Emissions								
305-1	Direct (Scope 1) GHG emissions	Petrol, d.d., Ljubljana		78-80				
305-2	Energy indirect (Scope 2) GHG emissions	Petrol, d.d., Ljubljana		78-80				11.1.6
305-3	Other indirect (Scope 3) GHG emissions			/		N/A		/
305-4	GHG emissions intensity	Petrol, d.d., Ljubljana		78-80				11.1.8
305-5	Reduction of GHG emissions	Petrol, d.d., Ljubljana		78-81				11.2.3
305-6	Emissions of ozone-depleting substances (ODS)	Petrol, d.d., Ljubljana		111-112				
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Petrol, d.d., Ljubljana		111-112				11.3.2
Waste								
306-1	Waste generation and significant waste-related impacts	Petrol d.d., Ljubljana		141-143				11.5.2
306-2	Management of significant waste-related impacts	Petrol Group		134-135, 141-143				11.5.3
306-3	Waste generated	Petrol d.d., Ljubljana		117-118, 142				11.5.4, 11.8.2
306-4	Waste diverted from disposal	Petrol d.d., Ljubljana		140, 143				11.5.5
305-5	Waste directed to disposal	Petrol d.d., Ljubljana		143				11.5.6



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Supplier environmental assessment								
308-1	New suppliers that were screened using environmental criteria	Petrol Group		170-171				
308-2	Negative environmental impacts in the supply chain and actions taken	Petrol Group		169-171				
Employment								
401-1	New employee hires and employee turnover	Petrol Group		154				11.10.2
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Petrol Group		153				11.10.3
401-3	Parental leave	Petrol d.d., Ljubljana		163				11.10.4, 11.11.3
Labor/management relations								
402-1	Minimum notice periods regarding operational changes	Petrol Group		156				11.7.2, 11.10.5
Occupational health and safety								
403-1	Occupational health and safety management system	Petrol Group		161				11.9.2
403-2	Hazard identification, risk assessment, and incident investigation	Petrol Group		162				11.9.3
403-3	Occupational health services	Petrol Group		162-164				11.9.4
403-4	Worker participation, consultation, and communication on occupational health and safety	Petrol Group		163-164				11.9.5
403-5	Worker training on occupational health and safety	Petrol Group		163-164				11.9.6
403-6	Promotion of worker health	Petrol Group		163-164				11.9.7



Disclosure

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Omission			GRI sector standard ref. No.
					Requirement(s) omitted	Reason	Explanation	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Petrol Group		161-164				11.9.8
403-8	Workers covered by an occupational health and safety management system	Petrol Group		161-164				11.9.9
403-9	Work-related injuries	Petrol Group in Slovenia		162				11.9.10
403-10	Work-related ill health	Petrol Group		162				11.9.11

Training and education

404-1	Average hours of training per year per employee	Petrol Group		157-158				11.10.6, 11.11.7
404-2	Programs for upgrading employee skills and transition assistance programs	Petrol Group		158-160				11.7.3, 11.10.7
404-3	Percentage of employees receiving regular performance and career development reviews	Petrol Group		154, 160				

Diversity and equal opportunity

405-1	Diversity of governance bodies and employees	Petrol Group	35-36	153				11.11.4
405-2	Ratio of basic salary and remuneration of women to men	Petrol Group		155				11.11.5

Non-discrimination

406-1	Incidents of discrimination and corrective actions taken	Petrol Group		155				11.11.6
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Freedom of association and collective bargaining

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Petrol Group		43, 156			Data for suppliers are N/A.	11.13.2
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Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Child labor								
408-1	Operations and suppliers at significant risk for incidents of child labor	Petrol Group		59, 169			Compliance monitoring of suppliers pertaining to the treatment of workers in the value chain is pending.	
Forced or compulsory labor								
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Petrol Group		59, 169			Compliance monitoring 11.12.2 of suppliers pertaining to the treatment of workers in the value chain is pending.	
Security practices								
410-1	Security personnel trained in human rights policies or procedures			/		Internal document - contract	Security guards are trained and licensed in accordance with national regulations, which includes the protection of human rights.	/
Rights of indigenous peoples								
411-1	Incidents of violations involving rights of indigenous peoples			/		Not relevant		/



Disclosure

Omission

No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Local communities								
413-1	Operations with local community engagement, impact assessments, and development programs	Petrol Group		185-192				11.15.2
413-2	Operations with significant actual and potential negative impacts on local communities	Petrol Group		72, 104, 111-119, 128-129, 192				11.15.3
Supplier social assessment								
414-1	New suppliers that were screened using social criteria	Petrol Group		170				11.10.8, 11.12.3
414-2	Negative social impacts in the supply chain and actions taken	Petrol Group		170-171				11.10.9
Public policy								
415-1	Political contributions	Petrol Group		53				11.22.2
Customer health and safety								
416-1	Assessment of the health and safety impacts of product and service categories	Petrol Group		73, 183				11.3.3
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Petrol Group		183-184				



Disclosure					Omission			
No.	Indicator	Boundaries of reporting	Page AR	Page SR	Requirement(s) omitted	Reason	Explanation	GRI sector standard ref. No.
Marketing and labeling								
417-1	Requirements for product and service information and labeling	Petrol Group		183				
417-2	Incidents of non-compliance concerning product and service information and labeling	Petrol Group		184				
417-3	Incidents of non-compliance concerning marketing communications	Petrol Group		192				
Customer privacy								
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Petrol Group		173, 183				



Topics in the applicable GRI Sector Standards determined as not material for the Petrol Group

Topic	Explanation
GRI 11: Oil and Gas Sector 2021	
11.17.2 Incidents of violations involving rights of indigenous peoples	Not relevant to the area of our operation and influence.
11.1.4 Energy intensity	N/A
11.4.2 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A. The Biodiversity Management Policy is currently pending, as part of which the impact of Petrol Group's activities on biodiversity will be analysed.
11.4.5 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A. The Biodiversity Management Policy is currently pending, as part of which the impact of Petrol Group's activities on biodiversity will be analysed.
11.1.7 Other indirect (Scope 3) GHG emissions	N/A
11.18.2 Security personnel trained in human rights policies or procedures	We have contracts with external security services. Security guards are trained and licensed in accordance with national regulations, which includes the protection of human rights.
11.19.2 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.
11.21.6 Stakeholder engagement and management of concerns related to tax	Not relevant to our stakeholders.



Task Force on Climate-related Financial Disclosures (TCFD)

Indicator	Page	Note
Governance		
a) The board's oversight of climate-related risk and opportunities	47-49, 58-60	
b) The management's role in assessing and managing climate related risk and opportunities	47-49	
Strategy		
a) The climate-related risks and opportunities the company has identified over the short, medium, and long term.	58-60	
b) The impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	18-20, 74-75	
c) The resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	/	Pending
Risk Management		
a) The company's processes for identifying and assessing climate-related risks.	58-60	
b) The company's processes for managing climate-related risks.	58-60	
c) The company's overall risk management and integrated processes for identifying, assessing, and managing climate-related risks.	48-49, 58-60	
Metrics and Targets		
a) The metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	/	Pending
b) Carbon footprint of an organisation: Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	78-81	
c) The targets used by the company to manage climate-related risks and opportunities and performance against targets.	34-36, 76, 80	



PETROL

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The PETROL logo, consisting of the word "PETROL" in white, bold, uppercase letters on a red rectangular background.

PETROL

Energy for life

