

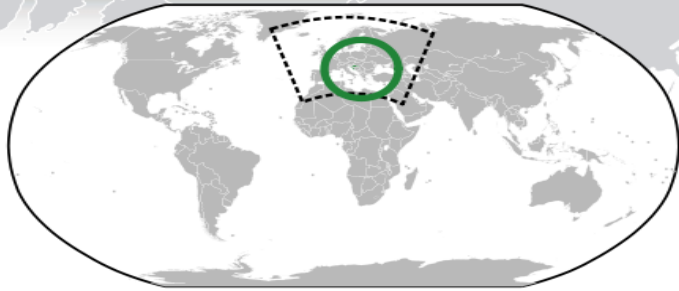


Regional Player in Natural Gas Production

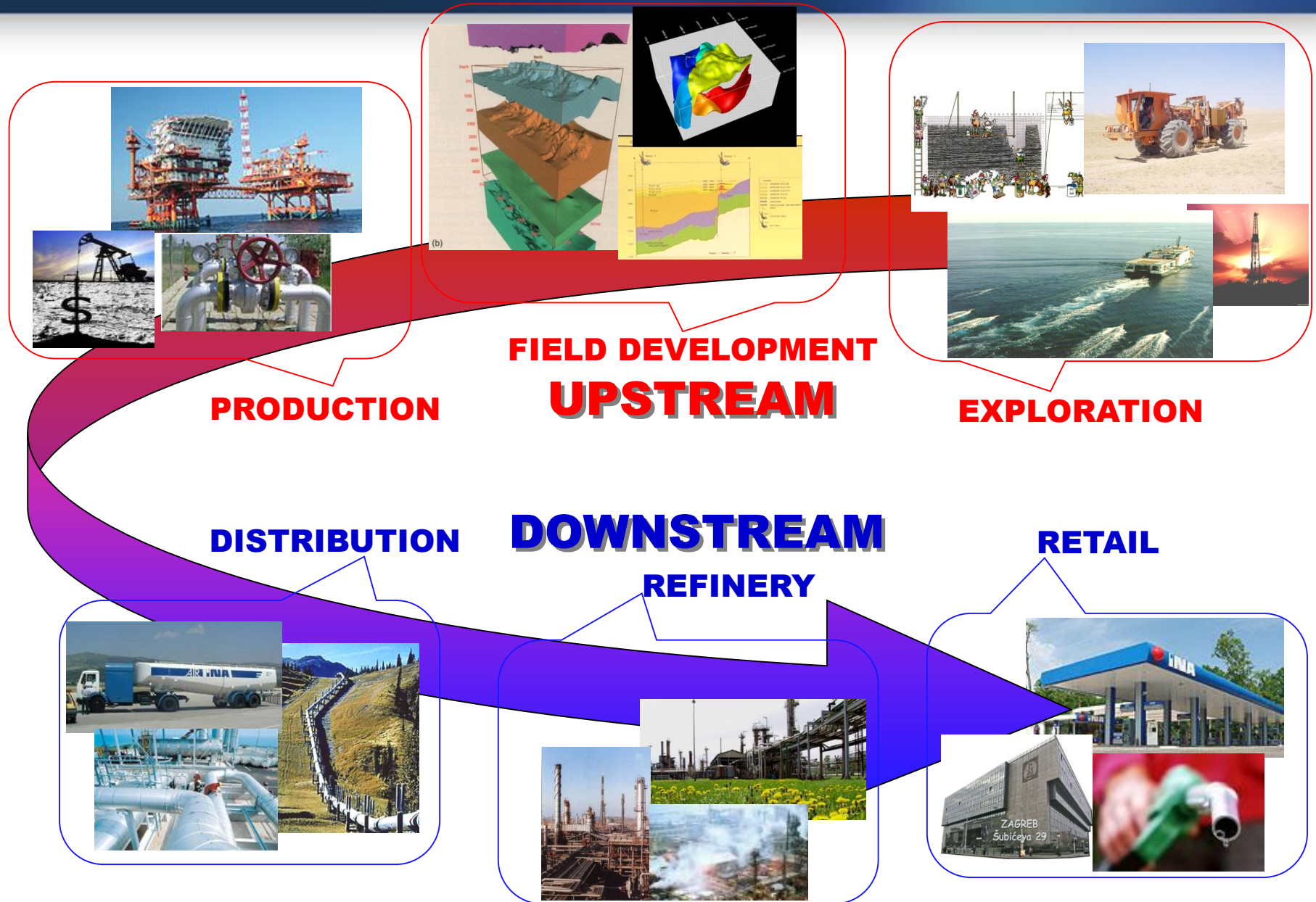
Laslo Farkas Visontai
INAgip, General Manager

Croatia is closer to Nice than you think

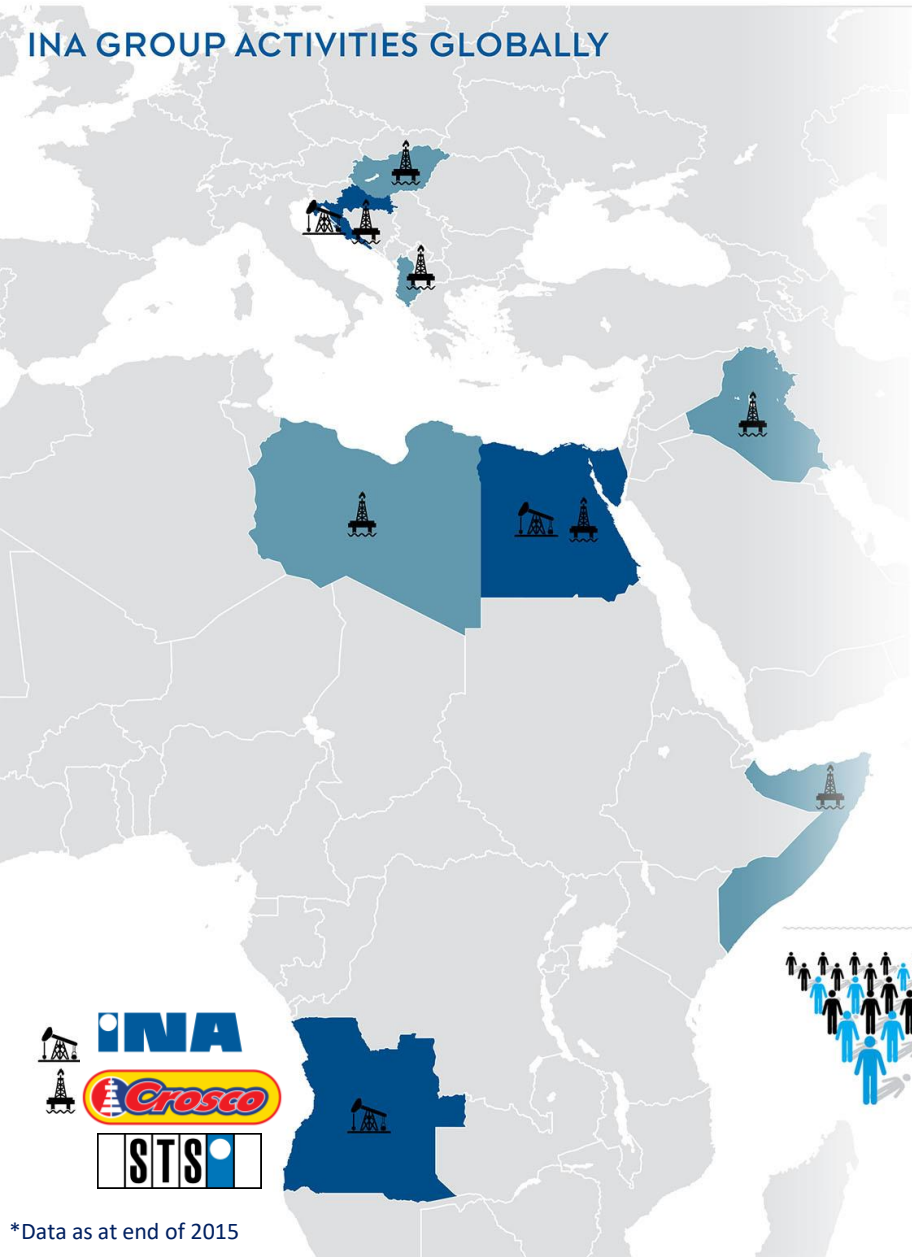
INA



INA - medium-sized vertically integrated oil & gas company

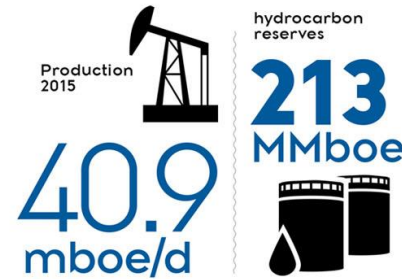


INA GROUP ACTIVITIES GLOBALLY



Group EBITDA (EUR million)

355.2



Service stations
July, 2016

496

Rijeka and Sisak
capacity

6.7 Mtpa



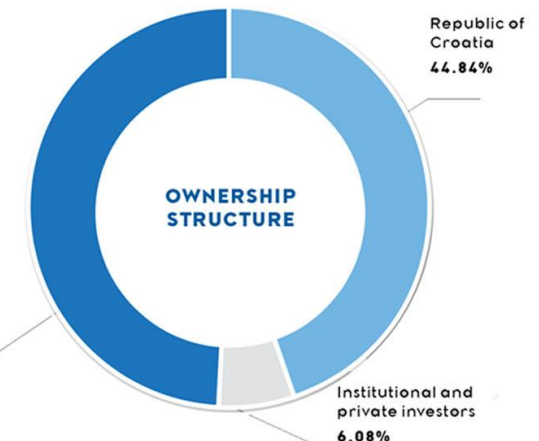
NET SALES REVENUES

2,515 EUR

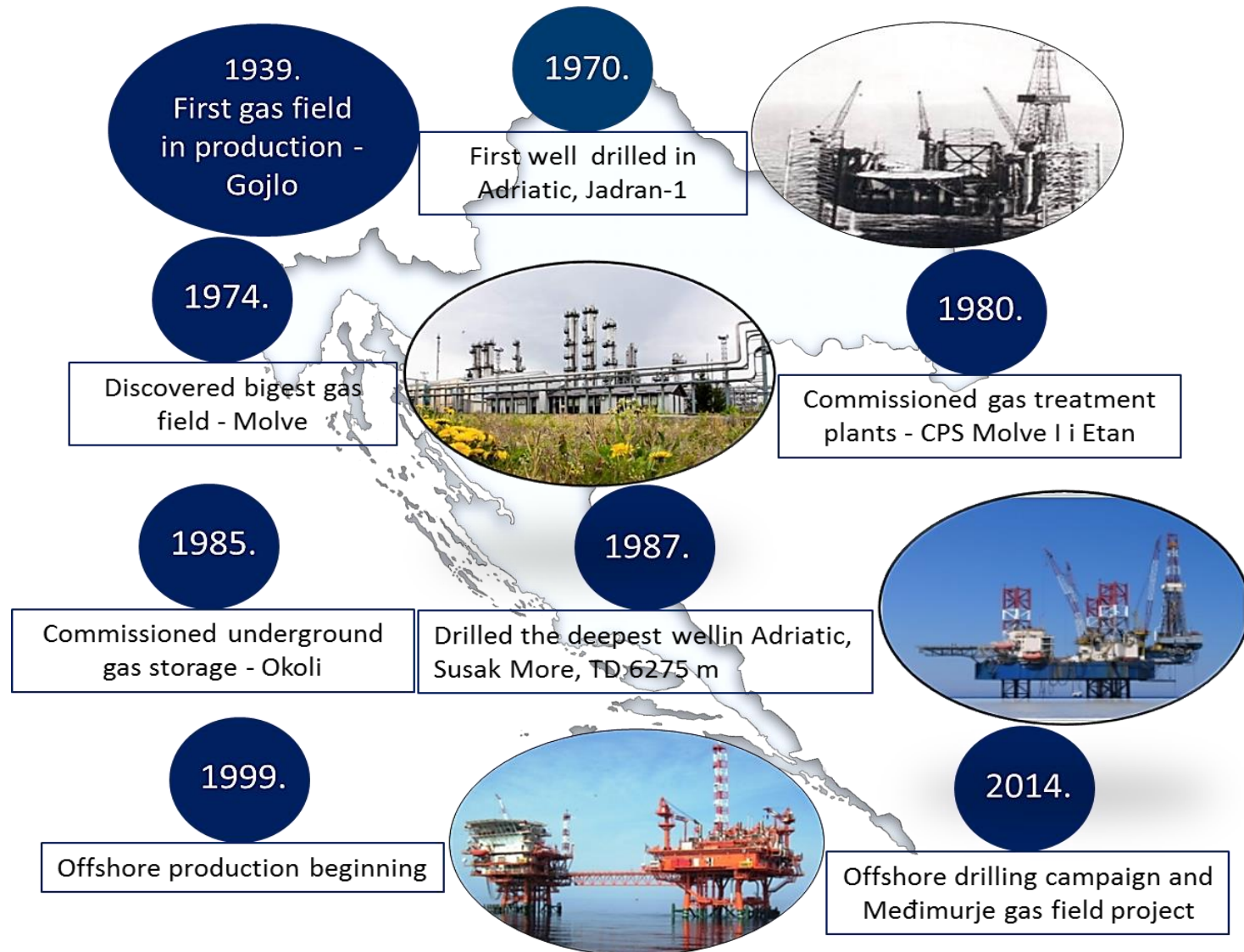


11,256
employees

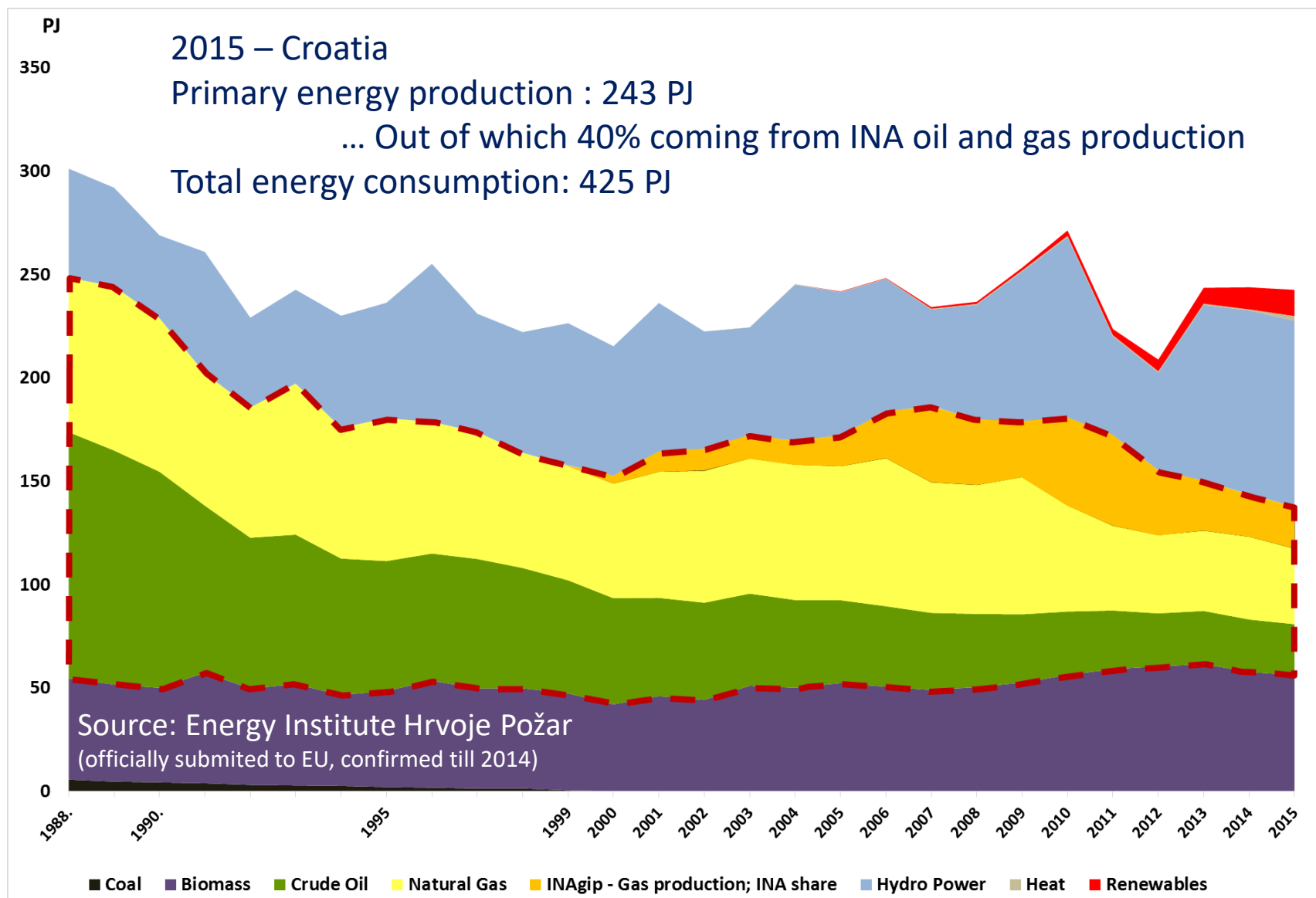
MOL
49.08%



INA and main dates connected to natural gas



INA's role in domestic energy demand



Gas exploration and production



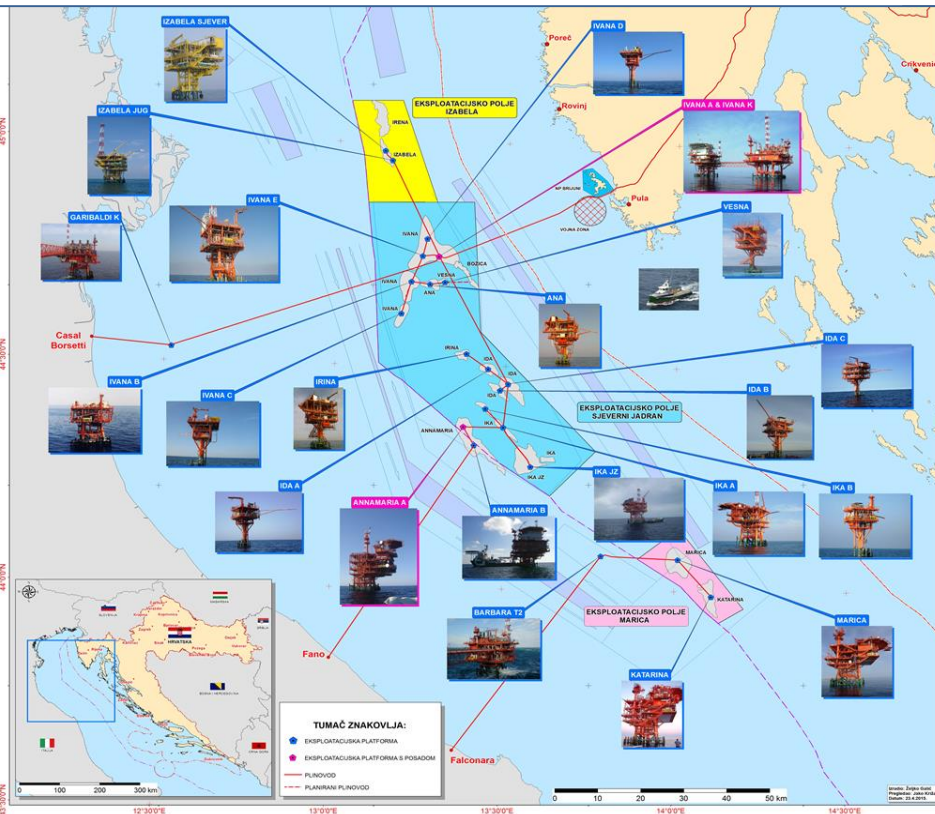
OFFSHORE

- 10 Offshore fields in a JV with ENI
- 1 Offshore field in JV with Edison
- 19 production platforms
- 1 processing platform
- In total drilled more than 100 wells in north and 33 in the in the central and southern Adriatic



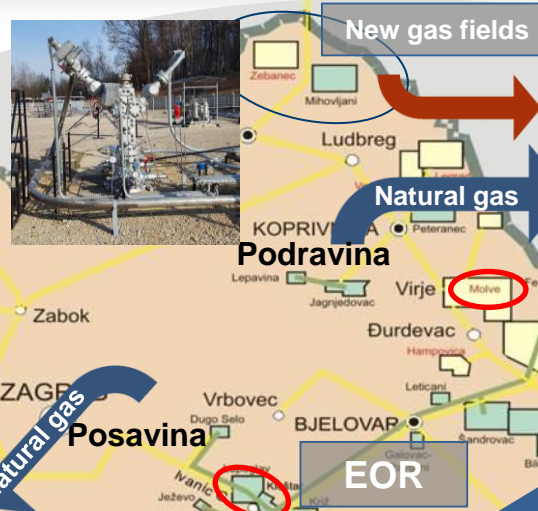
ONSHORE

- 22 Onshore gas fields
- 12 gas stations
- 5 central gas stations
- 7 compressor stations,
- 1 facility for gas processing
- 1 fractionation facility



Onshore gas processing and fractionation facilities

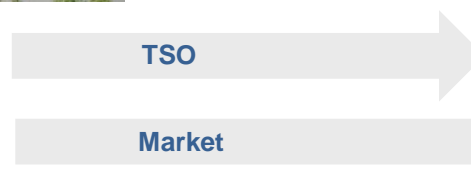
	INLET IN GTP (vol %)	SALES GAS (vol %)
methane	65,52	91,15
ethane	4,24	6,21
propane	1,32	0,43
i-butane	0,38	0,00
n- butane	0,43	0,00
i-pentane	0,21	0,00
n- pentane	0,15	0,00
Hexane	0,37	0,00
nitrogen	1,61	2,21
CO2	25,77 %	0
H2S	309 mg/m ³	0
mercury	1,5 mg /m ³	0
mercaptans	22 mg/m ³	0



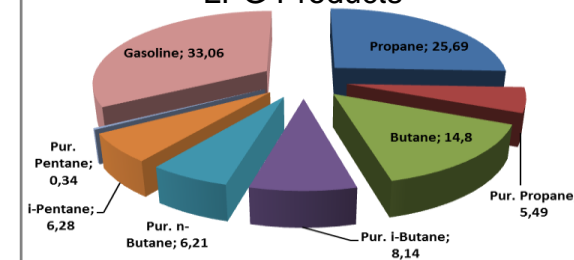
Gas processing facility Molve



Gas fractionation Facility Ivanić Grad



LPG Products



Production

1. Improve well performance

- Stimulations (fracturing, acidizing, solvents, re/perforating, frac/gravel pack, surfacants,...)
- Artificial lift redesigning or/and optimization (gas-well-liquid removal, well compressors/pumps, gas lift,...)

Understand details of reservoirs

Understand details of fluids and reservoirs

2. Improve reservoir performance

- Updating geological settings based on 3D seismic
- New 3D seismic
- Identify new and bypassed oil/gas → infill drilling, opening idle wells/intervals, gas lift,...)

3. EOR

Change oil properties (thermal, gas injection, chemical, microbial,...)

Incremental production & reserves

Increased Recovery

Cost Reduction

Health, Safety and Environment

Maximise Resources and Reserves

Time



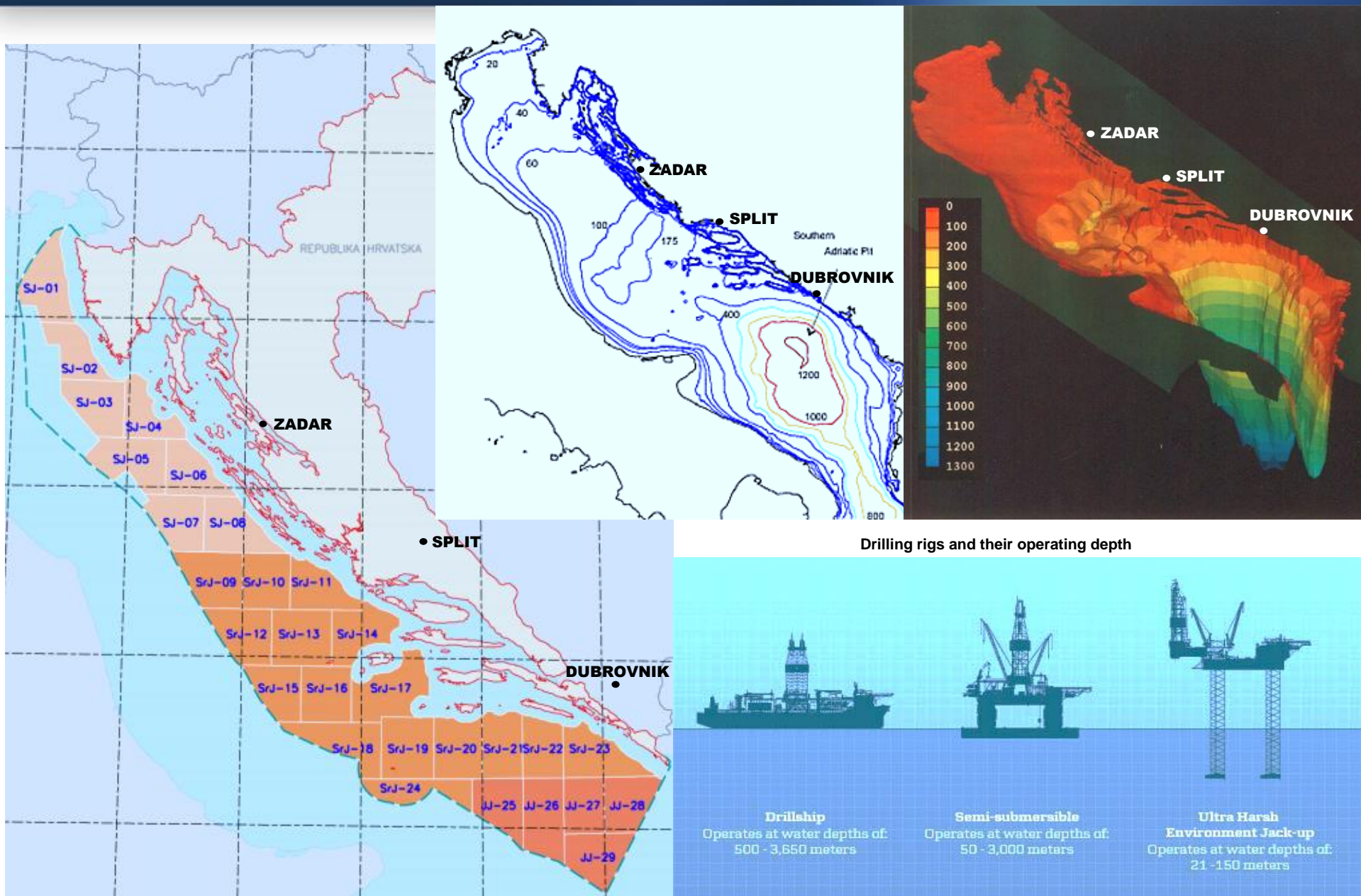
Offshore gas exploration and production



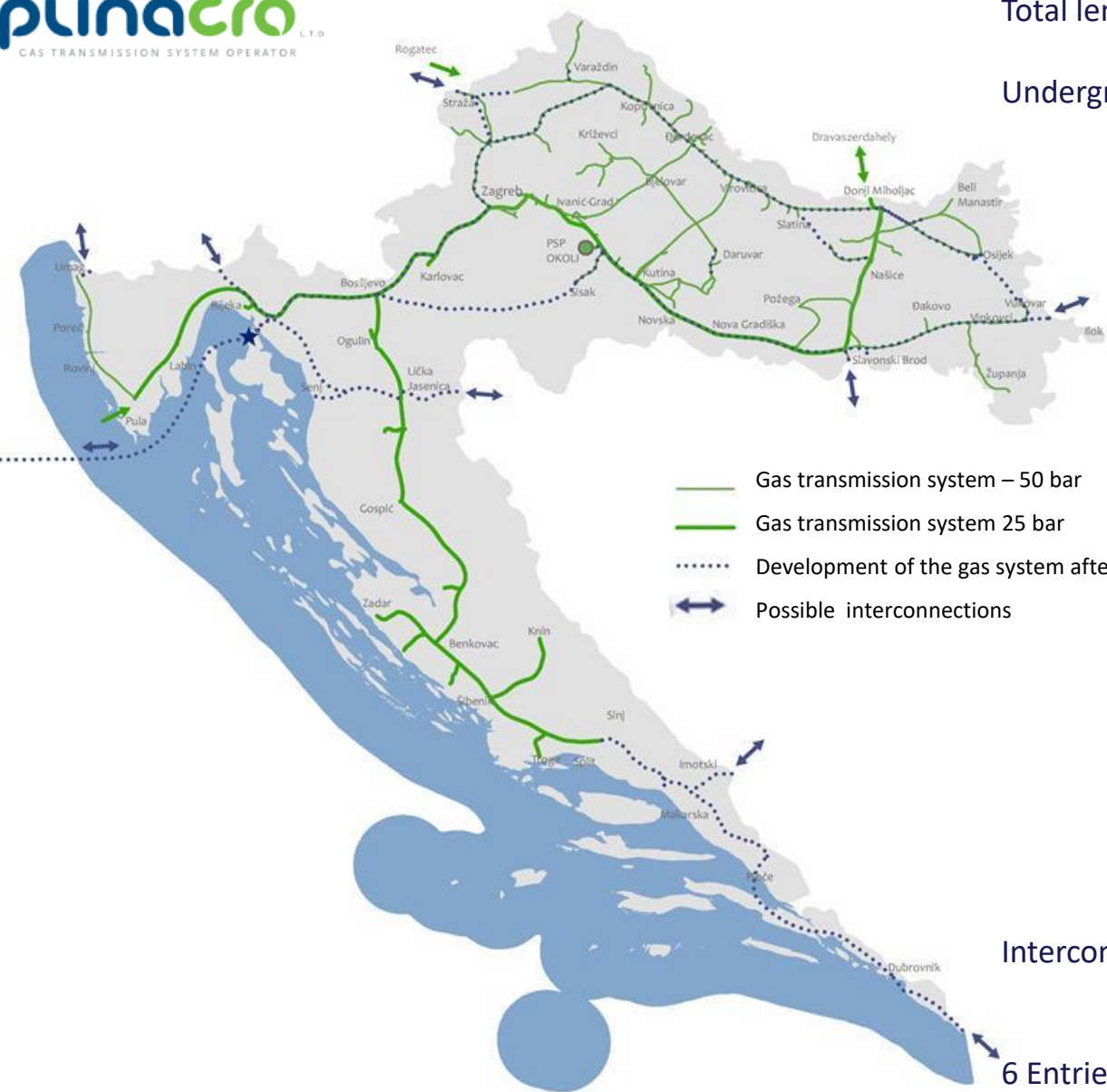
INA is concession holder on three offshore exploitation fields:

- North Adriatic Exploitation Field operated by INAgip, INA and Eni joint venture company
 - 8 gas fields
 - 16 platforms
 - 40 wells
 - Marica Exploitation Field, operated by INAgip
 - 2 gas fields
 - 2 platforms
 - 6 wells
 - Izabela Exploitation Field, operated by Edina, INA and Edison joint venture company
 - 1 gas field
 - 2 platforms
 - 6 wells
-
- All gas from North Adriatic and Izabela Exploitation Field comes to platforms Ivana-A and Ivana-K from where is, redirected to Pula (Croatia) and Casal Borsetti (Italy).
 - Gas from Marica Exploitation Field goes to Fano (Italy).

Challenges of new offshore concessions

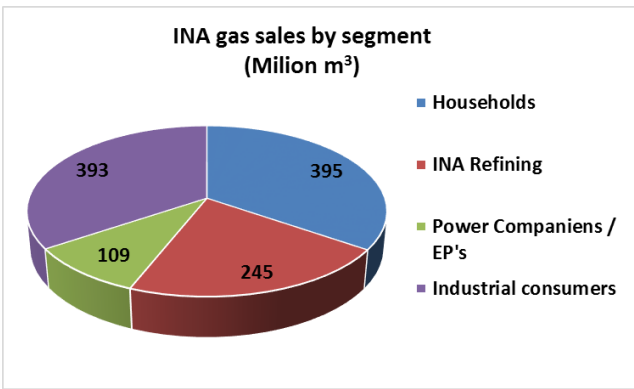
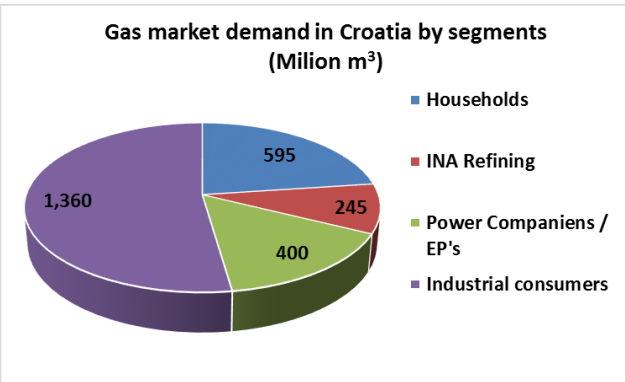


Croatian gas transportation network



Total length of the gas transmission system pipeline:
2.693 km

Underground gas storage / storage system operator:
-PSP Okoli d.o.o.



Interconnections / transmission system operator:
-Rogatec / Gas pipelines d.o.o. (SLO)
-Drávaszerdahely / FGSZ Ltd. (HU)
6 Entries from domestic production / gas producer

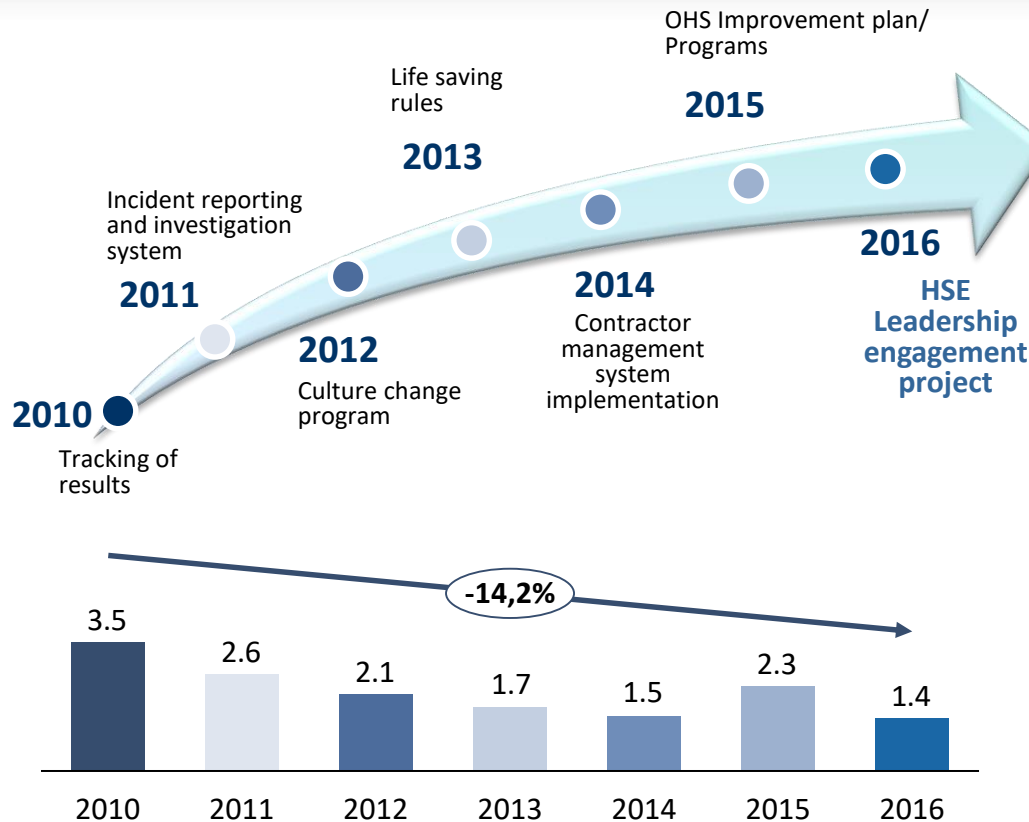
- INA is committed to perform business in accordance with sustainable development principles: a balanced integration of economic, environmental and social factors into daily operations, in order to increase the common values and identify, prevent and avoid possible negative impacts.
- 16-year tradition of publishing annual non-financial Sustainability Report

www.ina.hr



Environment protection is included in our activities by applying principle of vigilance and rational management to create basis for sustainable development

All macro organizational units, having potential or real environmental effect, have certified systems of environment managing in accordance with **ISO 14001** and their own Policies for environment managing



LTIF - The number of Lost time injuries* 1.000.000 / (total worked hours)

SD&HSE KEY CHALLENGES

1. Revision of existing Environmental permits RNR,RNS
2. INA Group Remediation strategy development
3. Process Safety Management System implementation
4. HSE Engagement/ awareness increase at all levels

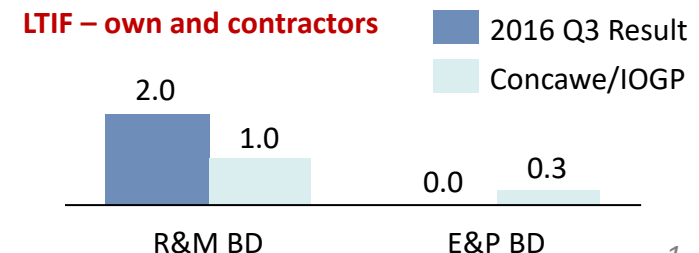
Key takeaways

- Results for lost time injury frequency dropped significantly from 2010 (2,5 times) for own staff
- From 2013 focus also on contractors and their performance

Main achievements and programs

- Intensive education and trainings of staff
- Implemented programs:
 - **Safe Driving**
 - Yearly health and protection and promotion
 - New Incident reporting system
 - Stop Card system
 - Job Safety analysis (JSA)
 - Electronic- PTW pilot project
 - Process safety management (PSM) (in progress)
 - Standardized Permit to work project (PTW) (in final phase)

Benchmark to Concawe and IOGP



- INA is a member of **Global Compact** and **Croatian Business Council for Sustainable Development**
- **INA Group Ethics Code** - defines the basic values and principles of behavior for management and workers in terms of their attitude towards work, colleagues, business partners and the public.



DONATION AND SPONSORSHIPS

INA provided assistance and support to:

- children and youth,
- people with special needs,
- research, innovation and cultural projects,
- projects that contribute to the protection and promotion of health and environment
- sports
- projects relevant to local communities.



CORPORATE VOLUNTEERING

-**INA Volunteers Club** founded in 2011, to mark the European Year of Volunteering

-**200** - number of INA employees members of the INA Volunteers Club

-**864** - Corporate volunteering number of hours

-INA volunteers helped Center for Autism, Down Syndrome Association, Rehabilitation Center, Association for the Assistance to the Mentally Handicapped, homes for the abandoned children, residential homes, kindergartens as well as numerous ecological activities.

AWARDS



EMPLOYER PARTNER CERTIFICATE



INA TRUSTED BRAND IN PETROL STATION CATEGORY for the 5th consecutive year



GOLDEN INDEX in three categories: scholarships, best employer image according to students and Grand Prix.



VOLUNTEER AWARD in the category of contribution of business sector's to the development of volunteering in Slavonija and Baranja

Thank you !

