

The Board of Directors Approved The Update to MOL's Strategy

MOL Plc. hereby informs capital market participants that the Board of Directors formally approved a review to the Company's "Shape Tomorrow" strategy on 13 March 2024. The key results of the strategic review are the following:

MOL is committed to continue working towards climate neutrality along a smart transition path, also keeping an eye on energy supply security and economic competitiveness, besides sustainability. As one of the most dominant O&G players in the CEE region, MOL is highly committed to contribute to the transition goals set on the EU and national levels. Given the lessons learnt under the COVID and Ukraine crises, and more certainty about international and national regulatory requirements, MOL has been able to set out a more precise transition path until 2030 that will continue and eventually result in net climate neutrality by 2050. This transition path is based on a resilient growth model that MOL foresees it can keep over the full strategic horizon to 2030 and will fund the transition. MOL estimates that out of the full CAPEX budget between 2025-2030, 30-40% will be low carbon CAPEX and thus directly contribute to achieving the transition goals. With regards to Scope 1&2 emission reduction, the previous like-for-like guidance is replaced by an absolute reduction guidance and a more ambitious path is expected now with 25% less emission foreseen in 2030 than in the base year of 2019. Scope 3 emissions can decrease by a magnitude of 5-10% by 2030 compared to 2019 levels on absolute terms, primarily driven by market demand for fossil fuels.

Upstream: leverage cash generation to fund group level transformation. Upstream expects an average daily production north of 90 thousand barrels of oil equivalent (boe), with unit direct production cost kept between 6-8 USD/boe between 2025-2030. Upstream remains a key cash generator for the Group and itself harbors several low-carbon initiatives. With regards to MOL Upstream's CEE presence, the main focus will be on contributing to the supply security of the region by production and infrastructure optimization and enhanced hydrocarbon recovery. We'll start the deployment of low-carbon technologies that capitalize on the century-long local knowledge and subsurface expertise of MOL, in the field of geothermal, lithium extraction, methane emission reduction, and carbon capture, utilization and storage. MOL continues the active management of its international upstream portfolio to maintain the right risk-to-return profile and the optimal overall resource and production level.

Downstream: investment focus shifts to circularity and sustainable solutions. MOL has been one of the first ones in the O&G sector to realize that the era of traditional fossil fuels is due to end and has started transforming its business based on that view as early as in 2016. Petchemization has been the key direction and continues to be an important driver of change in the downstream business. Currently, MOL decided to embark beyond that and has been preparing to capture a wider section of the value chain to meet green ambitions. The number of connection points within the circular economy concept is set to increase, aided by the waste management business that MOL commenced with in 2023. The higher reliance on renewable energy sources, including green hydrogen and biogas, is to become a key aspect of attaining low-carbon goals. The means and likelihood of entering these

businesses will very much depend on their return profiles and the availability of market-based alternatives. Moreover, the war in Ukraine and the ensuing crisis ongoing ever since highlighted energy security concerns: MOL continues to be committed to diversify its crude mix further to be able to switch to alternative blends, should the need arise. Downstream aspiration is to keep the EBITDA above USD 1.2 bn per annum in mid cycle macro with the efficient combination of supply security, chemical & sustainability related transformational investments, GHG emission decrease and further operational efficiency improvement initiatives.

Consumer Services: continue profitable transformation to become a digitally driven consumer retailer and integrated mobility provider. In line with the plan communicated earlier, MOL's retail network has expanded considerably and underwent a range of quality upgrades and digitalization over the past years. MOL intends to continue on that route and shift its traditional fuel retailer role towards managing multi-purpose service stations and shift from product-driven to customer-driven operation. At the same time, MOL will strive to become the ultimate mobility provider in the region, both by providing alternative fuels for customers, and also by rolling out a platform that integrates its car-sharing and other mobility services with mobility solutions of its partners. As the EBITDA target of USD 700 mn set for 2025 has practically been reached in 2023, a new goal of reaching USD 1 bn EBITDA by 2030 is set for Consumer Services.

Circular Economy Services: transforming waste management in Hungary while fueling circularity. The underlying aim of MOL's entry into the waste management business in 2023 is twofold. The first task is to transform the waste collection and utilization of the Hungarian waste management system to attain ambitious EU guidelines, enabling MOL to gain valuable expertise in one of the most exciting areas for the industry. The second task involves better recycling processes which can raise the level of available feedstock for the Hungarian industry. The new Circular Economy Services segment will elevate further both goals by 2030 by investing in waste management facilities and expanding this crucial element of the circular economy concept in Hungary and could potentially provide 1.5 million tons of waste-based feedstock to the regional oil, chemical and energy industries.

Conservative debt management and competitive shareholder return. The revised strategy path enables MOL to continue with its conservative approach to indebtedness and provide ample financial headroom for the Company. Within this context, MOL shall continue to strive for offering a competitive return to its shareholders.

Additional details can be found on the dedicated capital market presentation at ([link](#)).

Zsolt Hernádi, Chairman-CEO, MOL Group commented:

"In 2016, we were one of the first in the oil and gas industry to announce that we would diversify from fossil fuel and gradually develop ourselves in petrochemicals and consumer services. We have been following the same direction for eight years, but we have to take into account that recent years have brought radical challenges and change in the energy industry. The time has come to update our strategy again, as sustainability targets have become more ambitious while demand for fossil fuels remains strong.

We do not believe in a dogmatic approach, we are looking for smart solutions. We are moving forward in a sober, pragmatic way enabling the green energy transition while uncompromisingly

guaranteeing security of energy supply, the competitiveness of our company and value creation for our shareholders." - said Zsolt Hernádi, CCEO MOL Group.

He added: "This means that, alongside our traditional business activities, we will be using green energy to make our company, and thus the whole Central European region, more sustainable, self-sufficient and competitive. We create value from waste, kick-start the circular economy and further strengthen security of supply.

There is no question that the energy transition must be implemented and the very ambitious targets set by the European Union must be achieved. This is in the interest of all of us. MOL Group, as a leading company in the Central European industry, is doing everything it can to meet these targets and transform the company. But it is clear that it is not possible to do it alone and it is not fair if all the costs of the energy transition are passed on to industrial companies. Community goals can only be achieved with community support, smart regulation and cooperation on all level. MOL Group can be counted on as a partner in this common European effort."

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