



## **Dear Conference Attendees,**

On behalf of INA, I am very pleased to once again support these important oil industry downstream events - part of the INTERNATIONAL DOWNSTREAM WEEK – IDW 2020, held in in Dubrovnik next May, at which two related issues of high interest will be discussed.

The first main event will be the 20<sup>th</sup> International Downstream Technology & Strategy Conference (IDTC) which will provide participants with valuable insights related to preparing the downstream industry for tomorrow by presenting key trends. Digitalization will also be discussed, as well as alternative and renewable fuels and energy.

The second conference will be the 20<sup>th</sup> International Bottom of the Barrel Technology Conference (BBTC). During this year's BBTC conference, which has a traditionally strong technical program, participants will be able to attend lectures on opportunities for residue upgrading, the topic of IMO 2020 as a potential game changer cannot be avoided, and you will also be able to hear more about hydroprocessing and thermal processes.

For years INA has been the leading Croatian energy company, as well as one of the regional leaders when it comes to sale of oil and oil derivatives, and we intend to keep that position in the future. We consider sustainable development as one of the fundamental principles of INA's business and we wish to keep building it on our core businesses. In late 2018, we adopted development guidelines that will enable us to launch a new investment cycle which will create the basis for new growth and sustainable long-term future of INA. We are focused on smart investments that will yield a return.

One of those investments is the Residue Upgrade Project implementation in the Rijeka Refinery, for which the final investment decision was made in December 2019. This decision marks an important milestone in the company's history and in the implementation of the INA Downstream 2023 New Course program, a comprehensive program focused on ensuring sustainability and profitability through changes of the current downstream business model. It will transform the Rijeka Refinery into a modern European refinery and will ensure INA keeps a strong position on the market. It's a major investment that will significantly affect the company's business in the future. Thanks to the Residue Upgrade unit, the product structure of Rijeka Refinery will improve by increasing the share of profitable white products, i.e. motor fuels. Commission is planned for 2023. The total investments are worth around USD 600 mln., thus representing the single largest investment project in the history of the company in Croatia.

It is also important to mention that we are in the early stages of a hydrogen project that we believe could have great potential in Croatia in the transport sector as a non-emission fuel as Rijeka Refinery is the largest producer of hydrogen in Croatia. However, oil industry is one of the most volatile sectors of economy in the world and the transformation of the oil industry is already under way. This conference is an opportunity to gain new insights in that direction so I look forward to welcoming you here and hope you will benefit from the program, at the same time enjoying your stay in the beautiful city of Dubrovnik.

**Best regards,**

**Sándor Fasimon**

**President of the Management Board of INA**