

MOL GROUP

SUSTAINABILITY CASE STUDY

PROJECT NAME: ETHICS AWARENESS IN THE SUPPLY CHAIN - SERVICE STATIONS

LOCATION: Relevant MOL Group companies

OUTCOME: 9570 hours of training, increased awareness

DURATION: 2014



PROJECT DESCRIPTION

1, PROJECT BACKGROUND

MOL Group is committed to improve ethical behaviour in the entire supply chain. Since service stations appear as MOL Group's "face" to external parties we pay particular attention to ensure that MOL Group service station attendants also get acquainted with and consistently apply norms of the Code of Ethics. MOL Group intends to co-operate with partners who act in compliance with MOL ethics norms, therefore MOL strives to select business partners that do not represent ethical risks. Station managers and operating partners in case of outsourced stations have a special responsibility in shaping and maintaining a culture of ethical operations.

In order to raise ethics awareness training sessions on ethics have been essential elements of MOL Group's Ethics Management System since 2006. In connection with the filling stations special ethical issues might arise therefore a special ethics training material has been elaborated for training purposes.

Stakeholder	MOL Group ethics norms	Expectations from filling station employees (types of individual behaviour)	Examples of the application of the Code of Ethics in practice
Customers	"An honest and correct approach to customers is the basis of successful and long-lasting business relationships."	<ul style="list-style-type: none"> - Provide adequate, accurate, comprehensible, true and correct information in a timely manner - Be attentive to customer needs to deliver quality, safety and innovation at every stage of the sales process - Follow the highest behavioural standards when communicating with customers in written or verbal form. 	<p>Question 1: One of the forecourt attendants regularly fails to return the change to customers and fuel up cars with premium fuel without asking. His colleague assigned to the same workshift feels puzzled and could not decide whether he escalate it. When does he act correctly? Answer 1: The Code of Ethics states that we should be attentive to customer needs and maintain fair and correct relationship with our customers. Consequently the forecourt attendant must, immediately, report it to the FS partner, who will take the measures required to resolve this issue.</p> <p>Question 2: Recently, one of the forecourt attendants regularly fails to inform customers of ongoing marketing promotions or shares ambiguous or false information, fails to hand over giveaways and loyalty stickers. His colleague assigned to the same workshift feels puzzled and could not decide whether he should express his concerns. When does he act correctly? Answer 2: The Code of Ethics is very specific on this point and requires us to supply adequate, accurate and comprehensible information on our products and services in a timely manner and that our external communications should always provide true and correct information. Consequently the forecourt attendant must, immediately, report it to the filling station partner, who will take the measures required to resolve this issue.</p> <p>Question 3: At every filling station, a notice board displays that an invoice must be issued when so requested by the customer. The customer claims that he asked for an invoice but you have not heard it. You believe that in this case you cannot be held liable. Answer 3: In order to avoid this kind of communication problems, Regulation R_3_MOL4s states that "Prior to payment, the customer must always be asked whether he needs an invoice." If you failed to do so, you can be held liable.</p> <p>Question 4: You find out that one of your colleagues rejected bank card payment by a foreign customer and in addition to this, he exchanged EUR at an exchange rate that the customer received much less than he should. You know that your colleague struggles with financial problems, so you do not know whether you should escalate it. Answer 4: Causing harm to customer is not only a severe ethical offence, but also a violation of legal rules. Losing confidence of a single customer may lead to give a bad reputation to the Company and that will influence business results in the long term. You must report it to the filling station partner or the Ethics Council immediately.</p>

2, PROJECT HISTORY

- › Q2 2014 – Special, practice oriented ethics training material for filling station operators and attendants was elaborated and it was distributed to service station managers/operating partners in the Retail networks.
- › Q3-Q4 2014 - Special ethics training was conducted for service station operators, managers and attendants in the Czech Republic, Bosnia and Herzegovina, Croatia, Hungary, Romania, Serbia, Slovakia and Slovenia.



3, MAIN RESULTS AND OUTCOME OF THE PROJECT

Based on estimates, the special ethics trainings for service station operators, managers and attendants totalled 9,570 hours. Reduced risk of issues with customers, higher ethics awareness can be measured only in the long term. However since ethics is about human behaviour, in order to get feedback about the impact of the training, we considered it important to ask for personal opinion of some participants.



› MOL Slovenija – *“Executed special training provided possibility to emphasize the serious consequences of the unethical actions and the advantages of the ethical behavior as well. The most important result of it higher ethics awareness”* - Valerija Glavač, CEO of MOL Slovenia

› MOL Romania – *“Special attention was paid to the interactivity of the training. Due to the targeted communication the ethics norms were reiterated and deepened. Colleagues proved to be open to accept these values and act accordingly in everyday business operations.”* - Éva Lázár, Ethics Officer, MOL Romania



› Holdina Sarajevo d.o.o – *“In connection with the special ethics training HOLDINA introduced a 'Free phone' to handle customer complaints in order to provide responsible relation with our customers. The result is control introduced over the type and quantity of customer complaints. This control and insight is introduced in order to identify scopes with the highest risks which need special attention of the business.”* - Azra Zec, Ethics Officer, Holdina Sarajevo d.o.o



› MOL Plc. – *“The result is increasing customer satisfaction according to the customer satisfaction survey. Based on ethics training kept in 2014 further steps need to be done in customer-related topics of the Code of Ethics. Ethics should be built in marketing activity, promotions and grocery business. Involving MOL Retail is essential in order to prepare the improvement ideas and the concerning details and steps of the action plan and to enhance the importance the ethics and customer satisfaction”* – Csaba Kürti, Retail Service Station Operation leader, MOL Plc.