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HAVE BEEN CONTRIBUTING TO
A BUSINESS SUCCESS STORY THAT
IS THEIR SUCCESS STORY”

TÜNDE TÓTH
GROUP HR DIRECTOR
MET GROUP





TÜNDE TÓTH GROUP HR DIRECTOR MET GROUP

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IN A TUMULTUOUS WORLD, ALL SECTORS ARE UNDER PRESSURE. BUT FOR THE ENERGY INDUSTRY, THE IMPACTS ARE UNPRECEDENTED. EUROPE IN THE GRIP OF WAR SERVES TO HIGHLIGHT OUR INSATIABLE NEED FOR FOSSIL FUELS AND WITH SIGNS OF GLOBAL WARMING IRREFUTABLE AND MANIFEST, THE PRESSURE IS ON PLAYERS LIKE MET GROUP, TO BOTH DELIVER ESSENTIAL SUPPLIES NOW AND DELIVER A CLEAN NEW DAWN.

"WE CREATED A TRULY MERITORIOUS SCHEME WHICH
BRINGS OUR TOP PERFORMING EMPLOYEES INTO THE
OWNERSHIP OF THE GROUP"

TÜNDE, TAKE US BACK TO YOUR EARLY LIFE AND HOW YOU FOUND THE PATH TO A CAREER IN HR? I studied for my masters at Corvinus University of Budapest, the leading university in Hungary for Economics, Management and Social Sciences. I chose to major in management and organisation, because I wanted to keep my studies as broad as possible and we focused on financial controlling, business strategy and HR, which I started to get very interested in. Parallel to the main masters degree, I also did a second degree, the CEMS Masters in International Management and part of this involved placements at the world's leading business schools, which in my case was a semester spent at the University of Cologne in Germany. An element of this involved collaborating on real business projects with top tier companies and for me, this was with

McKinsey. A graduation requirement was also to complete an internship abroad. I then applied to the German consumer goods company, Henkel, for an HR internship, as I knew of Henkel from my high school days, as I used to work in the factory in Hungary as a summer job. I was selected and this was my first HR job in Düsseldorf in their headquarters in the Global Learning and Development Department. This experience kindled my passion for HR, I loved it and I have stayed in HR ever since. Shortly before I graduated, there was a job fair at my university in Budapest and although I was not looking for a job, by chance, I recognised a friend of mine and I didn't even look at which company he was working for. I went over to say "hello" and he was representing British American Tobacco (BAT). He told me about its HR management trainee programme and

before I knew it, I was in the middle of its selection process. I was quickly invited to the assessment center for a very challenging and long day and I genuinely didn't feel that I performed that well and so was really surprised that at the end I received a job offer. So I joined BAT and embarked on a whirlwind of rotations in recruitment, employee engagement, training and development. Then after I finished the programme, I was offered a business partner role.

TELL US WHAT BAT THE ORGANISATION WAS LIKE, IN TERMS OF ITS CULTURE, THE PEOPLE AND THE LEADERSHIP. It was a very supportive culture in which HR held a very important place. The nature of the industry provides HR challenges and, in some ways, that made BAT a great school to learn the profession, because you have to be extremely creative, innovative

and attentive to attract, engage and retain employees. It was a great grounding for me as BAT had state-of-the-art HR practices and was very international, with a presence in close to 200 countries. I always felt there would be extremely good development and career opportunities worldwide and this proved to be true as in 2012, I had an opportunity to move to BAT's global hub, its headquarters in London. I worked there as a global marketing talent manager on a short-term assignment that also involved working with colleagues from all over the world, starting from Australia then Japan and onto Brazil. This eventually led to my first appointment as an HR Director, after I was seconded to Serbia's capital Belgrade - a country that I didn't know much about - but accepting the assignment turned out to be one of my best decisions. Initially I was heading the HR department for Serbia and Montenegro and then my role extended to Bulgaria, to support the cluster merger process of the units in these three countries.

THAT MUST HAVE BEEN AN ABSOLUTELY HUGE PROJECT. Yes, it was. But my overriding memory was that there was this genuine desire in the teams to join together and achieve better business results together. Directly after this, I had the opportunity to move to Switzerland to lead the HR activities of the global travel retail - duty free business - of BAT headquartered, at that time, in Zug, Switzerland. But with employees in ten different locations worldwide, from Chile to South Africa, the workforce that I had HR responsibility for was so internationally diverse, with 35 nationalities represented. During this time, one of the key tasks in my tenure was to act as the HR support for moving the business from Switzerland to the UK and it was exactly this time when I was approached by the energy company MET. It was at the end of 2016 and what interested me was the incredible growth story and the people behind this growth. I joined the company six years ago as Group HR Director and today, MET is now one of the top 20 largest companies by revenue in Switzerland.

WHAT REALLY INSPIRED YOU TO BE A PART OF THIS ORGANISATION - AND YOUR EARLY EXPERIENCES. I found here a great team and an inspirational leader, that really valued people as their foremost asset. I was particularly impressed by the smartness of the people, many of whom have grown internally and others had come from top-notch consulting firms like BCG or from the big energy players like GE or Shell. MET was founded in 2007, in Hungary and was a carve-out from MOL Group. Originally, the company's main business activity was

"PART OF OUR STRATEGY IS TO NURTURE YOUNG TALENTS THROUGH A TALENT DEVELOPMENT PROGRAMME, SO OUR WORKFORCE CAN GROW INTERNALLY, PUTTING YOUNG TALENT INTO MEANINGFUL ROLES"

natural gas wholesale and trading, which has been extended over the years and now it is an integrated energy company, with activities in power and with focus too on multi-commodity wholesale, trading and sales, as well as energy infrastructure and industrial assets, with a particular focus on green energy production. Ambitious international growth plans existed already at the time of the foundation and, in order to realise them, the whole business was relocated in 2011 to Switzerland, due to its central location for commodity trading hubs, its financial, regulatory and political stability and its access to an international talent pool. I thought I was working in a fast-paced environment in consumer goods industry, but the tempo at MET was even higher. The dynamism of the business - especially in energy trading and sales - is frenetic and with the energy transition happening now, this fast pace is set to continue. But what also inspired me is that here, I could set up

processes and systems from scratch. It requires a lot of hard work, but at the end it is very rewarding when you see that you create something, you launch a new system, or a new process and it's working and supporting the business the best way possible and you know you have made a real difference.

WHAT WOULD YOU SAY WERE YOUR KEY OBJECTIVES AND RESPONSIBILITIES? The first and foremost requirement for the CEO, Benjamin Lakatos - who is also the founder and today the majority owner of the company - was to recruit a strong international management team. MET really is an HR success story and part of our strategy is to nurture young talents through a talent development programme, so our workforce can grow internally, putting young talent into meaningful roles at a very early stage of their career. For example, we already have a country CEO who is a former graduate of the programme. Another key area of focus for me was to help with the HR aspects of the management buyout in 2018. As a result of this process, our CEO and the management became the majority owner of the Group. It's a reflection of the value that MET sees in its people and giving them a meaningful stake in everything they do. I was also tasked with creating an employee share programme, with the aims to increase the key employee ownership stake at the company - to really align their interest with the Group's long-term objectives - and to reward them both their performance and their long-term loyalty to the company. We created a truly meritorious scheme which brings our top performing employees into the ownership of the Group. It's a powerful tool to motivate our colleagues to perform at their very best, because if they can become part of it, they can directly benefit from the growth of the Group. We now have selected managers and key employees from the majority of the 13 countries in which we operate, participating in the programme and are now part of our ownership structure. Even our youngest colleagues can join the programme if they show that they can significantly contribute to the business results.

Looking at our compensation schemes more broadly, besides the launch of our employee share programme, I also designed and implemented a new annual bonus system. When I joined MET, the annual bonus distribution was on a discretionary basis, but now - especially as the company has grown so incredibly - we have constructed a scheme that works across all of our four different business divisions and all the countries, based on the financial performance of the entity and the individual performance. This is more complex than it may seem, as our units are vastly different in business activities, focus, skillsets, cultures and outputs. For example, the skills and type of contributions of our people who work on the energy trading floor, are very different to the skills and contributions of those colleagues who work in power plants, in a gas storage or in our fast-growing green assets (renewables) division. Importantly, our asset divisions require more engineers, with wholly different skillsets to our traders. Aside from bonus and incentive schemes to address these differences, we also need to keep our focus on attracting the world's best business school graduates as well as engineers and, of course, there is huge competition on the market for this talent. With many energy companies switching to green energy, the external talent pool is quite limited in renewables. Of course, we're still focused on recruiting from the market, but we are increasing the focus on developing people internally, to upskill their capability, so that they can manage the growth of the green assets division.

GIVE US AN IDEA OF WHAT HAPPENED AT MET GROUP WHEN THE PANDEMIC HIT?

We always say that at MET, when a crisis hits, we come out stronger - we call ourselves an "anti-fragile organisation" - and this was as true during COVID as it is now with the energy crisis. During the pandemic, our people felt a huge responsibility to overcome the challenges that it threw at them and teams, in many ways, worked even better together. We supported employees in many ways and I recall at the beginning, it was the real basics such as shortage of masks and gloves

and we sent packages to everyone's home. We called it a MET care package and along with masks and gloves, there were also vitamins and disinfectant. We also continued to provide online training opportunities as well, introduced so-called "METED" sessions - which were like TED talks - hosted by internal and external speakers, to support and inspire people. We also gave access to LinkedIn Learning to our employees, who could benefit from reaching several thousands of state-of-the art and relevant courses anytime and from anywhere, tailor-made to their learning needs.

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In fact, LinkedIn recognised our efforts and awarded us with the LinkedIn Talent Award, as one of the top three companies in the Best Culture of Learning category in Switzerland. We even introduced a bespoke and fun online team-building activity, a gamification solution, which used methods similar to "escape rooms" to increase engagement! In our case the "escape room" location was one of our power plants and colleagues had to solve in virtual teams different exercises together which fostered their creativity and strengthened bonds among them. We also had yoga classes, workout classes online, regular CEO communications and we moved our Talent Development Programme online and organised its development center and graduation ceremony online. All in all, it was an experience it made us innovative and adaptable. Nevertheless, we're a company with a very personable culture and we always kept a focus on coming back to

our offices - whenever it was possible or safe - in order to meet in person for business and team building activities. We very much believe in the power of personal touch and exchanges and see value in bringing people together. So we recently massively upgraded our offices in our major sites - like the Swiss headquarters or the Hungarian and Romanian offices - to provide a modern and energising working environment.

THE PANDEMIC SHONE A LIGHT ON A LOT OF THINGS THAT WERE WRONG WITH THE WORLD OF WORK. HOW DO WE USE THAT INFORMATION TO MAKE SURE THAT WE'RE THE ARCHITECTS OF A MUCH BETTER TOMORROW?

I think the pandemic has had a different impact on each individual - some thrived working from home and some did not - it so depended on the family situation or other personal circumstances. But we really saw a big boost once we were out of lockdown and able to meet again. However, what definitely changed was that it all showed remote work was possible and this is something that we have taken forward from the pandemic and included it in the "new normal". We introduced a Remote Work Guideline and part of that was providing opportunities for full, partial or ad-hoc remote work, depending on each employee and line manager needs. We believe that it can help to organise work for certain employees more efficiently and harmonise work and private life needs in a better way. As a result, we've seen that it increases employee wellbeing and satisfaction. To support this, we have also raised the awareness of line managers, who now have an even bigger responsibility, to manage remote teams - or partially remote teams - whilst retaining that feeling of being "one team", mindful that without parity and voice disengagement and disconnect is never far behind.

DO YOU FEEL POSITIVE ABOUT THIS MOVE TOWARDS A HYBRID AND FLEXIBLE WAY OF WORKING? I see that it is more an individual dialogue with each employee, because every person has a different life, a different background and even different working style. That's why it's so key for

A woman with short blonde hair, smiling, wearing a black sleeveless dress and a pearl necklace. She is standing in a modern office environment with large windows and hanging lights in the background. Her right hand is resting on a grey fabric surface.

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line managers to have open-minds and the capacity to listen and know what degree they can be flexible. We still need some guidelines on remote work and a need to retain quality and productivity, but overall, I do feel positive about it. But we need to be cognisant of the current labour market situation. Despite challenging political and market circumstances, the unemployment rate is still low in most European countries. So you need to have this dialogue and understanding of people's needs, in order to be able to keep them engaged and retain them.

WHAT ARE THE IMPACTS OF THE WAR IN UKRAINE ON MET GROUP AND THE WIDER ENERGY MARKET? This presents a key challenge to our business, with record-high energy prices and volatility. In January 2020, the gas price at the Dutch TTF - which is the main gas stock exchange in Europe - was €3 per MWh. In August 2022, it was €340 per MWh and three months later (end of November) it was €120 per MWh. This volatility is extremely difficult to manage, for everyone - not only for the energy traders and companies - but also for respective governments. This impacts on household winter energy bills of course, but for us, the number one priority at the moment is to manage this volatility in pricing and the related credit risk and financing needs, in order to manage the huge insecurity of supply during this war. For HR, of course, we need to understand what our people are going through and try to support them the best way possible. Also, this crisis is accelerating the energy transition, so investment in renewables is exponentially growing. In HR, for example, we had to recruit many new people to the Green Asset Division and deploy a dedicated HR manager for the division.

FINDING THE RIGHT TALENT AND SKILLS IS EVEN MORE CHALLENGING IN YOUR INDUSTRY, HOW ARE YOU OVERCOMING THIS? Two years ago, we did not yet have the scale in the renewable segment or the reputation - we were not yet known in this field - and of course we were widely known as a gas and power trading

company. Because of that, it was difficult to recruit the first, senior renewables managers, because there were so many other alternatives for experts in this area and a shortage of highly qualified leaders. But now we have a renewables CEO on board, we are winning more projects, the industry has started to take notice of us as a serious player in the renewables field and our reputation is continuing to grow. In order to ensure that we have the talent pipeline we need, we are partnering up with universities and focusing on graduate recruitment. We are a global corporate partner of the CEMS Master in International Management programme

"THERE ARE MORE ENVIRONMENTAL ACTIVISTS IN YOUNGER GENERATION AND, AS THEIR REPRESENTATION INCREASES IN GLOBAL POLITICS, MORE ENVIRONMENTALLY-ORIENTED DECISIONS WILL TRIGGER SIGNIFICANT CHANGES"

and participating in various activities with the students in our focus universities, such as the University of St Gallen in Switzerland, Bocconi University in Italy or the Corvinus University of Budapest. We attend job fairs and rotation dinners, offering business project opportunities, skill seminars and we are able to select the best ones for our internships and entry-level positions.

Through our internal Talent Development Programme, we invest in the professional and leadership development of our selected colleagues, with the aim that they can fuel our leadership pipeline and that within a few years after their graduation, they can take over business critical and senior management roles. During the

one-year-programme, we provide them several training sessions, internal and external coaching, exposure to different functions and areas to the company, exposure to top management and a chance to work on an international project to build intercultural and managerial skills. When they complete their programme, our graduates are automatically brought in as shareholders and we take steps to proactively help them drive their careers even after that.

HOW DO YOU SEE THE FUTURE, IN TERMS OF GREEN FUELS AND INITIATIVES AND WHAT IS MET GROUP WORKING TOWARDS? With the recent changes in the world, the green transition is accelerating, but it will take time and I think that we still need transitional energy sources. That's why at MET we have a dedicated division - our Flexibility Asset Unit - to bridge to this new green world. The amount of electricity generated by renewable energy producers is expected to increase in the future, however in order to maintain supply, the energy sector will need to address flexibility issues as well and will need alternative energy production units which are less weather-dependent. Flexibility assets are therefore an integral part of MET Group's strategy for supporting the energy transition and we consider flexibility to be the "new renewable". Hence, we are operating and constantly looking at new assets that we believe we can operate efficiently, creating synergies with our existing positions. These assets include power plants, gas storages, batteries and aggregator platforms, which provide a solution to boost the flexibility of the energy market. Regarding green assets, we have a dedicated division which creates and operates a financially sound green portfolio, consisting of mainly wind and solar parks. We aim to build a one-gigawatt portfolio by 2026 - across several European countries - investing in both ready-to-build assets as well as developing greenfield and brownfield opportunities. Our newly-formed JV - with our fellow shareholder, Keppel Infrastructure - targets to build at least an additional one-gigawatt capacity on top of that.

WHAT ABOUT AREAS OF THE WORLD THAT SEEM TO BE WEDDED TO OLD METHODS OF FUEL AND ENERGY? In our geographical focus continent, Europe, I think there is a high sense of urgency for the energy transition. In response to the hardships and global energy market disruption caused by Russia's invasion of Ukraine, the European Commission presented the REPowerEU Plan focused on saving energy, producing clean energy and diversifying our energy supplies. It is backed by financial and legal measures to build the new energy infrastructure and system that Europe needs.

FROM AN INDUSTRY POINT OF VIEW, DO YOU THINK THAT THE MOTIVATION IS THERE TO MAKE THE CHANGES? The younger generations have been brought up with climate change and global warming clearly on their agenda. They are more socially and environmentally responsible than previous generations. There are more environmental activists in younger generation and, as their representation increases in global politics, more environmentally-oriented decisions will trigger significant changes.

TURNING BACK TO HR, WHERE DO YOU THINK YOUR PRESSURE POINTS ARE? We have just announced the five-year business strategy, which we started in 2022. Our key priorities are driven from this business strategy and because we are still focused on continuous, ambitious growth, our number one priority is to support this growth. Just to give you an indication in numbers, in 2007 the company started as a start-up and over the past 15 years it grew its annual turnover to over 18bn EUR and is very ambitious to further grow. To support this growth, we need to recruit the right talents fast, without compromising quality. We have a very big focus on recruitment and an equal priority is to keep our existing workforce engaged, to provide them with a positive and engaged experience, so that they can perform at their very best. To serve this, we in HR started a journey to digitalise our processes and systems, to be really state of the art and ensure user-friendly and innovative solutions.

WE'VE BEEN THROUGH A CRISIS OVER THE LAST PAST COUPLE OF YEARS WITH COVID, WE HAVE WAR IN EUROPE AND WE'RE FACING A DEEP AND PROTRACTED RECESSION. HOW DO YOU THINK HR SHOULD SUPPORT PEOPLE THROUGH THIS CRISIS TIME? In times of crisis, transparent and frequent communication is essential, as extending care to people is crucial. You have to react quickly and adapt fast to new situations, but you also have to acknowledge people's feelings and try to support them in the best way possible. On the other hand, you have to keep focus on the business results, risks and opportunities. On the Ukrainian war,

"IF THE BUSINESS IS DOING WELL, OUR PEOPLE KNOW THEY HAVE BEEN CONTRIBUTING TO THAT AND THE BUSINESS SUCCESS STORY IS THEIR SUCCESS STORY"

we were directly impacted because we have a Ukrainian office with employees there. When war broke out, we immediately reacted and within 24 hours we had contacted all of our Ukrainian employees and families with the offer to get them out of the country if they wanted, with all expenses covered. Not everybody wanted to leave, or some families wanted to leave later. We worked closely with our security team, took all families who wanted to leave and placed them in different countries under safe conditions. We also implemented over special communication channels to directly impacted Ukrainian colleagues and provided ongoing guidance on different escape routes. Also, we closed our Ukrainian office which was in Kyiv. We stayed in touch with colleagues who couldn't leave the country and we continue to do so. Crisis unites people. Our employees were deeply concerned about the humanitarian impact of the

Ukraine crisis and genuinely wanted to offer help. MET Group cooperated with several charity organisations and jointly with our colleagues provided donations to them. We had to take care, not only about the directly impacted population, but also about our own employees. In order to support their mental health and wellbeing, we invited an award-winning former war correspondent - with partial origin from Syria and who worked in many conflict zones worldwide, such as Afghanistan, Libya and the Gaza strip - to hold a lecture on how you can cope with your fear in a war situation and how you can turn fear to your advantage.

IT SEEMS THAT THESE SERIES OF CRISIS ARE PULLING PEOPLE TOGETHER, THERE SEEMS TO BE GREATER EMPATHY AND UNDERSTANDING. Absolutely, I think we need to continue practicing what we learnt, the need to personalise the connection with employees and to continue individual dialogues with them. The crisis helped us humanise business a little more. For example, in all the video calls, when cameras were showing the real home of employees and senior executives, that gave a personal touch. We even made a movie out of the home office experience across the company and we showed it to our employees. It has connected people and this connection, remains important to us.

FINALLY, TÜNDE, DO YOU FEEL POSITIVE ABOUT THE FUTURE? Absolutely yes! I am a positive person in general and I'm very confident that MET Group will continue with its growth and diversifications successfully in the future. Looking ahead, the growth will continue and whatever challenges lay ahead, this will have a positive impact on our workforce, because if the business is doing well, our people know they have been contributing to that and the business success story is the their success story.