Environmental approach

SEFE is committed to providing energy and solutions for a low-carbon society while securing affordable energy for Europe.

Energy companies have an opportunity to power the world in a positive and more sustainable way. As a company that sources, sells, transports, stores, trades and risk warehouses gas, SEFE is keenly aware of its responsibility to support the energy transition. While SEFE's own operations produce a relatively limited amount of GHG emissions, the natural gas delivered to downstream customers places a burden on the environment. SEFE is therefore increasingly providing a diverse suite of products, ranging from traditional offerings to alternative fuels and low-carbon energy solutions.

In support of this, SEFE will seek to reduce its GHG emissions, both in its own operations and those of its partners and customers, and to minimise any other environmental impacts. SEFE will also support its customers and partners on their decarbonisation journeys by providing competitive, affordable, innovative and flexible solutions. SEFE's overarching low-carbon strategic goal is to be considered a preferred and reliable decarbonisation partner by customers, suppliers and partners.

Environmental Policy

SEFE published its Environmental and Climate Change Policy Statement in 2024, which is available on its website. As a responsible business, and taking into account the requirements of the German Supply Chain Due Diligence Act, SEFE strives to minimise the environmental impact of its operations and value chains and to use natural resources efficiently. SEFE firmly believes that a stable climate and a thriving natural environment are fundamental to realising the UN Sustainable Development Goals.

SEFE supports the intent of the Paris Agreement on climate change. SEFE understands that this requires a transition to a lower-carbon energy system and its important role in helping to achieve this.

More specifically, SEFE aims to become a cornerstone of the energy transition, empowering both industry and society to flourish in a low-carbon-energy era. SEFE embraces the challenge to support the energy needs of today while simultaneously developing a portfolio of transition-enabling commodities and solutions. SEFE also recognises the importance of enabling infrastructure for low-carbon solutions. SEFE is investing in the future German hydrogen pipeline infrastructure and exploring further low-carbon infrastructure projects, such as CO_2 infrastructure solutions.

In addition, SEFE is dedicated to reducing its broader environmental footprint, as it recognises that its operational assets, including its storage and pipeline facilities, may potentially cause wider impacts on the environment. SEFE has implemented a number of ISO standards, including ISO 14001 Environmental Management System and ISO 50001 Energy Management System, which are reviewed by leading certification companies as part of regular audits.

SEFE's ISO requirements are defined and managed within a centralised, integrated health, safety and environmental (HSE) management system.

Climate change

Climate risk and opportunity analysis

SEFE conducted a comprehensive climate risk assessment in 2025 to identify and prioritise material climate-related risks and opportunities ("CRROs").

This involved identifying potential climate-related impacts, risks and opportunities and cross-checking them against the CSRD, the EU Taxonomy and CDP climate disclosure requirements. SEFE's enterprise risk management framework was then applied to determine, at a high level, whether a CRRO could be potentially material.

- For physical risks, this involved assessing the relevance of the 28 physical climate events that are classified as "climate-related hazards" in the CSRD and the EU Taxonomy.
- For transition risks, this involved cross-checking potential transition impacts, risks and opportunities against key categories identified by the CSRD and the CDP.

This process resulted in an initial set of CRROs to be prioritised for scenario analysis.

Climate scenario analysis

SEFE undertook a climate scenario analysis of the CRROs to evaluate the resilience of its business model and strategy under different climate futures.

Methodology: Climate data was combined with SEFE-specific data (including asset locations), and potential materiality was determined through discussions with key stakeholders across the supply and trading, sales, storage and transport businesses.

Using insights gathered in the stakeholder workshops as well as scenario-trend data, each risk and opportunity was assigned a significance level for each time horizon and scenario assessed. Any risk or opportunity which had a "highly significant" rating was considered to be material for SEFE. The analysis was conducted for the 2030 and 2050 time horizons to capture short- and long-term impacts.

The assessment process involved five steps:

1. Company data collection: To ensure the results of the scenario analysis were specific to SEFE's operations and value chains, the company collected data on its asset types, locations, operational processes and key suppliers and customers.

2. Climate data collection: Climate data was reviewed to understand how climate-related risks and opportunities might unfold across SEFE business operations and value chains over a range of climate scenarios and time horizons.

For physical climate risk, SEFE applied two Shared Socioeconomic Pathways (SSPs) scenarios prepared by the Intergovernmental Panel on Climate Change (IPCC), SSP1-2.6 (low-emissions) and SSP5-8.5 (high-emissions). For transition risks and opportunities, SEFE used three sets of scenarios reflecting varying transition pathways:

a) Low-emissions pathways: the Net Zero Emissions by 2050 scenarios prepared by the International Energy Agency (IEA) and the Network of Central Banks and Supervisors for Greening the Financial System (NGFS);

b) Low-emissions pathways: the IEA's Announced Pledges (APS) and the NGFS's Below 2 °C scenarios;

c) High-emissions pathway: The IEA's Stated Policies (STEPS) and the NGFS's Fragmented World scenarios;

3. Business implications: Data from steps 1 and 2 above was combined to create a picture of how climate trends might impact the company today and in the future. A set of refined CRROs were identified for further stakeholder review.

4. Stakeholder engagement: A number of internal workshops were held to discuss the CRROs and agree on their potential current and future significance for the business. Each CRRO was mapped onto SEFE's internal risk matrix to ensure consistency with the company's Enterprise Risk Management framework. The implications were assessed using a combination of qualitative factors, such as reputational impacts, as well as operational performance and quantitative metrics, including financial gain or loss.

5. Finalised list of risks and opportunities: Following stakeholder engagement, a list of material CRROs was finalised.

Climate analysis findings

The following CRROs have been identified and assessed as potentially material for SEFE:

CLIMATE ANALYSIS FINDINGS

Climate-related risks and opportunities
Physical risks
The risk to SEFE from flooding, storms or wildfires occurring at its assets and within its value chains, leading to downtime and loss of revenue.
The risk to SEFE from extreme temperatures, water stress or drought causing increased operational expenditure at its assets and within its value chains.
Transition risks
The risk to SEFE of the low-carbon energy market not developing as expected, resulting in stranded assets and lower-than-anticipated returns.
The risk to SEFE of gas demand in Europe continuing a long-term structural decline, resulting in reduced revenues.
The risk to SEFE from not securing competitive long-term contracts to access the supply of low-carbon energy (including renewable power, hydrogen and biomethane).
Transition opportunities
The opportunity for SEFE from the expected growth in the low-carbon energy market to generate increasing revenues and returns from its low-carbon energy market activities.
The opportunity for SEFE to accelerate emissions reduction by replacing gas-driven compressors with electricity-driven compressors and contracting for renewable energy supply.
The opportunity for SEFE to convert existing gas infrastructure into a hydrogen pipeline business.
The opportunity for SEFE to supply LNG to growing markets (e.g., China, India and wider Asia), thereby displacing coal in these countries and increasing trading- and revenue-generation opportunities.

Climate measures

SEFE is committed to managing its climate-related risks in a responsible and effective manner, while taking advantage of the opportunities arising from the energy transition.

SEFE has a number of mitigations in place to manage its exposure to physical climate risks. For GASCADE and NGT, these include the construction of protective walls to prevent flooding, as well as collaboration with local fire departments and increased capacity of fire-fighting ponds to address increased risk of wildfires. For SEFE's storage activities, these include construction of facilities on higher elevations and additional cooling measures for ventilators during periods of very high temperatures. SEFE will continue to review its physical climate risk exposures and develop further mitigation actions for its operations if needed.

In terms of energy transition risks, SEFE has established a set of emissions reduction targets for its Scope 1, 2 and 3 emissions, including a goal to achieve Net Zero for its Scope 1 and 2 emissions by 2045. SEFE is already undertaking a range of actions to achieve these targets.

In the short to medium term (up to five years), SEFE is implementing a range of energy efficiency and decarbonisation measures in its pipeline and storage businesses and offices, including gas routing optimisation and automation initiatives, and contracting for renewable power.

Over all time horizons (up to five years and beyond), SEFE is growing a portfolio of low-carbon energy products, potentially enabling Scope 3 emissions reduction through customers switching to lower-carbon products. SEFE has a target for low-carbon product sales based on expected market developments in Europe.

SEFE is evaluating agreements and partnerships to source competitive supplies of low-carbon energy, including biomethane, hydrogen and renewable power.

In the short to medium term (up to five years), SEFE is supporting its customers and partners in improving energy efficiency on their sites and reducing their carbon emissions. This is delivered through energy audits for retail customers, state-of-the-art asset optimisation solutions for energy asset owners, including renewable power balancing activities, and the origination of green gas and power certificates.

In the short term (up to one year), SEFE is improving its low-carbon energy trading capability and its ability to manage the associated risks. SEFE is enhancing the capabilities of its traders and analysts with new and advanced tools, including the development of an algorithmic trading platform that will provide it with new sources of trading revenue. SEFE is also developing a multi-product platform for customers, which will facilitate the selling of products, significantly improve its execution capabilities and ensure that customers receive a comprehensive and efficient service.

In the medium term (one to five years) and long term (beyond five years), SEFE is growing a carbon offset portfolio to support customers in mitigating their emissions impacts. This includes investments in projects that offer access to high-quality carbon credits at an attractive price.

Depending on the tenor of the contract, SEFE may also apply an internal carbon price in its evaluation of new long-term supplies of gas and LNG to raise awareness of potential carbon costs associated with these contracts.

Lastly, SEFE works closely with its financial partners to answer their ESG questions and maintain access to ongoing funding. SEFE's key decarbonisation activities are described in more detail in the sections titled "Scope 1 and 2 GHG emissions", "Scope 3 GHG emissions" and "Energy transition".

It is important to note that SEFE regularly tests its long-term financial forecasts against a set of forward prices derived from internal and external energy transition scenarios. This analysis continues to demonstrate that there is significant uncertainty in the pace and nature of the energy transition, resulting in a wide range of outcomes under different scenarios.

Nevertheless, the SEFE Group's corporate strategy, with its flexible portfolio approach, is expected to be resilient under each of these scenarios. SEFE's volumetric supply portfolio is not over-contracted versus forecasted demand and is constructed so that long-term market risk is quantified and sized appropriately for the company's risk appetite. Flexibility, for example in pricing and delivery locations, is a common theme in the long-term portfolio; this allows SEFE to react quickly to changes in market requirements.

Furthermore, SEFE's business areas will anticipate structural market shifts. For example, under low-emissions scenarios, European gas demand declines significantly over the long term, impacting revenues from fossil fuel activities and emphasising the importance of SEFE developing a low-carbon-energy sales portfolio. By building this portfolio, earnings from low-carbon activities will gradually replace reduced income from activities based on fossil fuels.

This stress-test analysis focuses on the expected financial outcomes of each scenario and supports the assessment of different strategic options in delivering reductions in the SEFE Group's Scope 3 emissions.

GHG emissions calculation methodology

SEFE's GHG emissions inventory and calculation methodology is based on the most up-to-date international standards and guidelines, including the GHG Protocol.

SEFE applies an operational control approach to identify the activities to include in its emissions calculations.

In particular, SEFE assesses the two value chains shown on the right-hand side of this page in its emissions analysis.

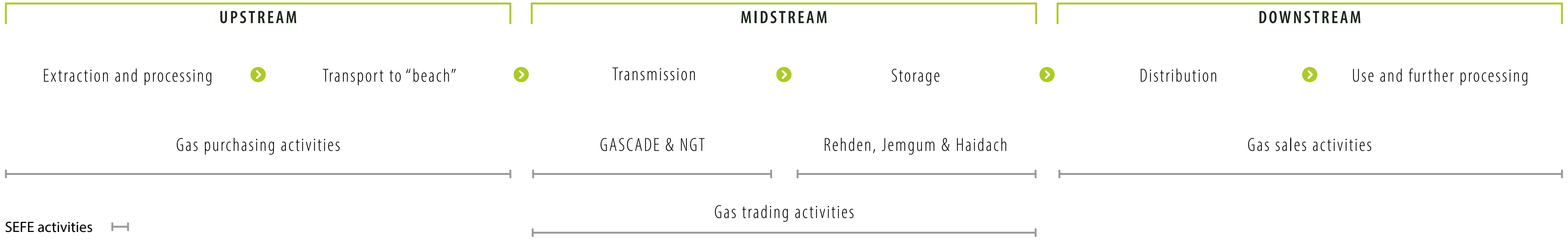
The material categories included in SEFE's Scope 3 emissions inventory are:

- **Category 1:** Purchased Goods and Services
- **Category 2:** Capital Goods
- **Category 3:** Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
- **Category 4:** Upstream Transportation and Distribution
- **Category 5:** Waste Generated in Operations
- **Category 6:** Business Travel
- **Category 7:** Employee Commuting
- **Category 9:** Downstream Transportation and Distribution
- **Category 11:** Use of Sold Products

SEFE's emissions calculation methodology is covered in more detail in Appendix 2.

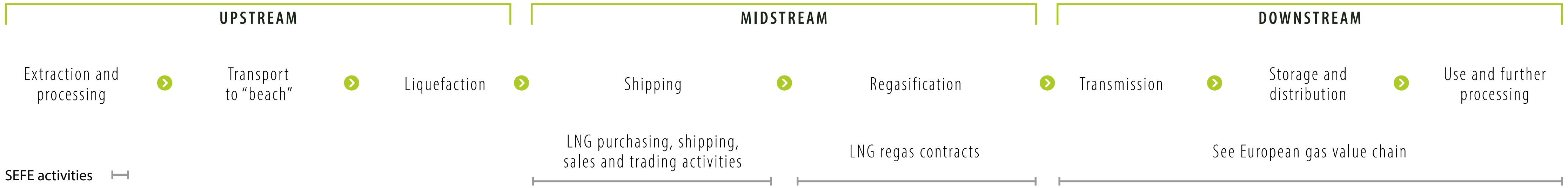
SEFE'S EUROPEAN GAS VALUE CHAIN:

This value chain covers all upstream, midstream and downstream combustion emissions associated with the production, transportation and ultimate sale of pipeline gas to end-user customers by SEFE.



SEFE'S LNG VALUE CHAIN:

This value chain covers all upstream, midstream and downstream emissions associated with LNG cargoes which have been purchased, sold or regasified by SEFE. For all LNG delivered to Europe, SEFE's LNG value chain becomes merged with SEFE's European gas value chain.



Scope 1 and 2 GHG emissions

Metrics and targets

SEFE continued to monitor its performance against the following key targets and metrics for its Scope 1 and 2 emissions in 2025.

Firstly, SEFE aims to achieve net-zero Scope 1 and 2 GHG emissions by 2045 for its operations and office-related activities.

Secondly, as intermediate targets, SEFE aims to reduce Scope 1 and 2 GHG emissions by more than 50 % by 2030 and 80 % by 2040, relative to its baseline. SEFE's base year is 2021, with the average energy consumption for the period 2017 to 2020 being used for the pipeline and storage businesses. This reflects the low level of SEFE's operating asset activity in 2021 leading up to the Ukrainian conflict, with the result that 2021 did not represent a typical storage injection and pipeline utilisation year.

Thirdly, SEFE will have secured 100 % renewable energy for the Berlin, Kassel and London offices by the end of 2025.

GHG emissions performance

SEFE's Scope 1 and 2 emissions are closely linked to its energy consumption, and its energy use varies significantly year to year depending on customer utilisation of its storage facilities and pipeline capacities. Key sources of SEFE's emissions are GASCADE and NGT pipeline compressors and SEFE Storage compressors, which utilise both gas turbines and electric motors.

ENERGY CONSUMPTION METRICS

MWh	2025	2024	2021 baseline **
Coal and coal products	0	0	0
Crude oil and petroleum products	6,058	6,364	310
Natural gas	1,622,809	957,741	3,291,518
Other fossil sources	0	0	0
Total energy consumption from fossil sources	**1,628,867**	**964,105**	**3,291,828**
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	127,211	38,889	623
Consumption of self-generated non-fuel renewable energy	70	0	0
Total energy consumption from renewable sources	**127,281**	**38,889**	**623**
Total energy consumption related to own operations *	**1,877,218**	**1,171,953**	**3,538,686**
Percentage of renewable sources in total energy consumption	6.8 %	3.3 %	0.0 %

* Energy consumption data excludes flared, vented and fugitive gas volumes.
** SEFE's base year is 2021, with the average energy consumption for the period 2017 to 2020 being used for the pipeline and storage businesses.

SEFE's energy use increased between 2024 and 2025, mainly due to higher compressor utilisation and changes in gas flows in both GASCADE's and NGT's transport system. In 2024, GASCADE and NGT were able to deliver gas transport services with minimal compressor usage and very low energy consumption, due in part to high pressure levels upstream.

This benefit was no longer available in 2025, with the result that energy consumption increased significantly. In addition, the volumes transported rose compared to 2024 because transport routes have changed. For example, there have been increased flows to Germany's eastern neighbouring countries to maintain the security of gas supply. It should be noted that there will always be volatility in the use of pipeline and storage compressors depending on customer utilisation of facilities.

SCOPE 1 AND 2 GHG EMISSIONS METRICS

kt CO_2e	2025	2024	2021 baseline **
Total Scope 1 GHG emissions	358	228	734
Percentage covered by regulated emissions trading schemes *	82.0 %	74.0 %	36.3 %
Scope 2 GHG emissions (location-based)	68	70	56
Scope 2 GHG emissions (market-based)	108	125	76
Total Scope 1 and 2 GHG emissions (location-based)	**426**	**299**	**790**
Total Scope 1 and 2 GHG emissions (market-based)	**465**	**353**	**809**

* The 2025 metric is calculated based on preliminary data reported under the EU emission trading scheme.
** SEFE's base year is 2021, with the average energy consumption for the period 2017 to 2020 being used for the pipeline and storage businesses.

Most of SEFE's Scope 1 emissions arise from gas combustion at GASCADE's and NGT's pipeline compressor stations, the Rehden storage facility gas compressors, and SEFE offices, as well as fuel consumption by company cars.

Scope 2 emissions result primarily from electricity consumption at GASCADE's and NGT's electric compressor stations, the Rehden and Jemgum storage facilities in Germany, the Haidach storage facility in Austria, SEFE's fibre optics business, and the electricity and heat consumption by SEFE offices.

SEFE's pipeline and storage activities contributed approximately 99 % of SEFE's Scope 1 and 2 emissions in 2025, while SEFE offices and company cars accounted for less than 1 %.

From a baseline of 790 thousand tonnes of GHG emissions (location-based), SEFE's Scope 1 and 2 emissions fell significantly to 299 thousand tonnes in 2024 but rose to 426 thousand tonnes in 2025, mainly due to increased energy use by GASCADE's and NGT's transport system. While SEFE's Scope 1 and 2 emissions are currently above its target of a 50 % reduction by 2030, the company remains on track to meet this reduction target by 2030.

In 2025, SEFE purchased 100 % of its electricity for the Berlin, Kassel and London offices from renewable sources.

GHG emissions actions

SEFE is implementing ongoing programmes to deliver efficiency improvements across its operating assets including gas routing optimisation and automation initiatives, while also continuing to investigate longer-term decarbonisation opportunities and secure renewable power where feasible.

Pipeline activities: GASCADE and NGT's energy management system, which is certified in accordance with ISO 50001, ensures that there is a continuing focus on improving energy efficiency. One example of the actions being taken is the gas volume control between the towns of Eynatten and Weisweiler, which is now being optimised with a new control mechanism. This will enable a reduction in electric drive power consumption.

GASCADE and NGT are also introducing automated integration, visualisation and evaluation of their energy data. The aim is to provide consumption data centrally through an interactive dashboard, allowing users to easily access and analyse load profiles, data tables, and insightful visualisations. In addition, GASCADE is working with an IT service provider to develop a new software solution that will make the operation of the gas network more efficient and predictive by optimising how the gas is routed through the network, taking into account different compressor combinations and their optimal operating points.

GASCADE and NGT have purchased renewable power for their compressors linked to Germany's electricity network and are also evaluating opportunities to replace gas compressors with electric compressors. For new projects, electric compressors are preferred, as they can be powered by renewable electricity.

Lastly, GASCADE and NGT have one major compressor station operating with three electric compressors, which are not currently connected to the power network. As a result, power has to be sourced from a local fossil fuel power plant. However, this station will be connected to the power network by the end of 2028, providing further opportunities to purchase renewable power in the future.

Storage activities: SEFE continues to evaluate multiple decarbonisation initiatives at its storage sites, including opportunities to improve energy efficiency, purchase renewable power, optimise maintenance where feasible and evaluate compressor replacements.

A range of energy efficiency activities have already been implemented at the Rehden and Jemgum storage facilities, including turbine washing, switching off supporting units and using mobile compressors to store and recompress methane during maintenance activities.

Renewable power contracting is currently under review by all storage facilities. Replacement of gas compressors at the Rehden storage facility is also being assessed, while the Jemgum and Haidach storage facilities already operate with electric compressors only.

Since March 2021, SEFE has been producing solar power at its Jemgum storage facility. The photovoltaic system consists of 30 modules and generates approximately 9 GWh of electricity per annum. Solar panels were also installed at the Haidach storage facility in 2024 to generate electricity both for the site and an electric vehicle charging station.

Pipeline methane emissions: GASCADE and NGT ran a comprehensive measurement campaign for their entire pipeline network in 2025, with 260,000 measuring points tested and plant-specific measurements undertaken. Methane measurements have been included in SEFE's Scope 1 GHG emissions calculations. They currently show a very low level of methane emissions intensity (less than 0.01 % of transported volumes) across the GASCADE and NGT pipeline network.

GASCADE is a member of the OGMP Oil & Gas Methane Partnership 2.0. In 2025, it was awarded, for the fifth year in a row, the Gold Standard for methane emissions reporting, as part of the International Methane Emission Observatory (IMEO) of the United Nations Environment Programme (UNEP) for data reported for 2024.

To further reduce methane emissions, most of GASCADE and NGT's maintenance work is now conducted with mobile compressors.

Storage methane emissions: SEFE measures methane emissions at its storage sites and reports on these in accordance with the EU Methane Regulations.

A plant register was created for the Rehden and Jemgum natural gas storage facilities, in which all potential leak points, approximately. 40,000 measuring points per plant, are recorded. For this purpose, a baseline measurement was carried out, and the results were reported to the relevant supervisory authorities as part of the mandatory reporting process.

To support its leak detection and repair programme, SEFE has also installed continuous methane leakage detection systems at these storage sites.

These detection systems involve innovative technology such as laser-based open path gas detectors (OPGDs) and ultrasonic gas leak detectors (UGLDs). OPGD systems detect methane molecules over a range of 20 m–60 m. Jemgum and Rehden each have 14 pairs of sensors and detectors installed that can detect small quantities of fugitive methane emissions. UGLD systems are also located at various places across the storage sites to detect gas leakages on high-pressure piping. The system detects sound signals generated by gas leakages and gives a warning to the operator in real time. The Haidach gas storage site has also initiated a methane leak detection and repair programme and is modifying pressure relief systems to return methane into process and avoid any flaring or venting.

SEFE offices: SEFE works closely with its landlords to reduce energy consumption at its offices and contract for renewable energy. SEFE prioritises energy-efficient, sustainably certified buildings and invests in practical measures that reduce energy use, emissions and waste. In 2025, SEFE advanced several initiatives that delivered significant environmental benefits and reinforced its circular-economy approach.

Berlin office: Staff moved into a new head office which utilises a very efficient LED lighting solution with a range of sensor-based, time-based and manual controls. Renewable electricity has been purchased from 1 January 2025, and charging boxes for e-bikes have been installed. In the next few years, all water and heat meters will be replaced by radio-based distributors and integrated into the building management system. The electricity meters are already integrated into this system, ensuring continuous consumption monitoring. These actions are supported by raising employee awareness through regular internal information campaigns on energy efficiency and sustainable workplace behaviour, including recycling practices.

Kassel office: In 2024, SEFE's Kassel office in central Germany undertook a significant transformation in its energy sourcing, including the move to 100 % renewable electricity, the upgrading of the lighting system to LED technology and the installation of solar panels on the office roof, which are expected to generate 58 MWh per annum. In 2025, this work continued with the upgrading to more energy-efficient switches in the IT network infrastructure. In addition, six charging stations for electric vehicles were installed to support the replacement of existing pool vehicles with electric vehicles in the future.

London office: Certified as a "Good" building, according to BREEAM (Building Research Establishment Environmental Assessment Method) this office has initiated a LED lighting upgrade across all floors, which will be completed in the first half of 2026. Once implemented, it is expected to save around 100 MWh per annum and reduce emissions by approximately 19 t CO_2. The building is supplied with 100 % renewable energy, and the landlord has also launched an air-source heat pump programme to replace gas systems. Around 40 % of existing furniture is being reused during office upgrades, with the remainder either sold or donated, supporting SEFE's commitment to the circular economy.

Finally, single-use cups have been eliminated, avoiding approximately 340 kg of waste in 2025; tap aerators have been installed, cutting water use by approximately 30 %; and digital workflows have been adopted, reducing paper use by more than 80 %.

Manchester office: Certified as a BREEAM "Excellent" building, this office has optimised its heating, ventilation and air conditioning system to better match occupancy levels, reducing annual energy use by around 12 MWh. This building is also supplied with 100 % renewable energy, with further efficiency measures planned for 2026.

Paris office: This office holds BREEAM "Very Good" and Haute Qualité Environnementale (HQE)-certifications, has lowered annual energy use by approximately 14 % through LED lighting, motion sensors, and smart thermostats. In 2025, 11 % of the building's supply was from renewable energy sources, but this will increase to 100 % from 2026 onwards. During the planned office expansion, approximately 30 % of existing furniture is expected to be reused. A 50 % public transport subsidy is also available for all employees.

Rotterdam office: SEFE opened its new BREEAM "Very Good" office in the World Trade Centre in October 2025. The lease includes a green clause that aligns SEFE and the landlord on energy, waste and water efficiency. This building is also supplied with 100 % renewable energy. Around 25 % of the office furniture was reused from the former Den Bosch site.

Singapore office: This office, located in a building that has received the Green Mark Platinum certification from the Singaporean Building Control Authority (BCA), continues to perform strongly in energy efficiency through LED lighting, motion sensors, and automated timers that restrict lighting to operational hours only.

Scope 3 GHG emissions

Metrics and targets

SEFE's key Scope 3 target is to reduce absolute Scope 3 GHG emissions by 15 % by 2030 relative to its 2021 baseline.

GHG emissions performance

SEFE's Scope 3 emissions performance compared to its baseline of 92 million tonnes of GHG emissions, and the breakdown by key categories, is shown below.

SCOPE 3 GHG EMISSIONS METRICS

kt CO_2e	2025	2024	2021 baseline
Category 1 – Purchased Goods and Services	8,133	6,101	15,460
Category 2 – Capital Goods	41	60	137
Category 3 – Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	857	642	1,391
Category 4 – Upstream Transportation and Distribution	2,681	2,531	3,295
Category 5 – Waste Generated in Operations	1	1	0
Category 6 – Business Travel	2	3	2
Category 7 – Employee Commuting	2	2	2
Category 9 – Downstream Transportation and Distribution	1,288	825	1,234
Category 11 – Use of Sold Products	62,509	54,445	70,162
Total Scope 3 GHG emissions	**75,513**	**64,609**	**91,684**
Percentage of Scope 3 data calculated using primary data *	<1.0 %	<1.0 %	0.0 %

* The only material primary data source is Equinor's upstream emissions data in 2024 and 2025. Although Equinor supplied significant volumes to SEFE in 2024 and 2025, its upstream emissions intensity is relatively low and, as a result, represents only a very small percentage of SEFE's overall Scope 3 emissions.

SEFE's emissions are driven by a number of key value chain activities. These include gas combustion by SEFE's European energy customers as well as customers at the end of its non-European LNG value chains; energy use and methane emissions by upstream suppliers of gas and LNG to SEFE; and fuel consumption by LNG shipping contracted by SEFE and by third parties for deliveries to SEFE. In addition, energy use in the transmission and distribution of gas to customers also contributes to these emissions.

Within SEFE's reported Scope 3 categories, the "Use of Sold Products" (Category 11) accounts for over 80 % of SEFE's emissions.

From a baseline of 91.7 million tonnes of GHG emissions, SEFE's emissions decreased significantly to 64.6 million tonnes by 2024 but rose to 75.5 million tonnes in 2025. The increase in 2025 was due to the ongoing rebuilding of SEFE's gas and LNG portfolio. In particular, SEFE traded an additional 46 LNG cargoes in 2025. This resulted in an increase in upstream emissions in Category 1, midstream emissions in Categories 4 and 9, and downstream combustion emissions in Category 11.

GHG emissions actions

While many Scope 3 emissions are outside SEFE's direct control, it is pursuing a range of initiatives to reduce its value chain footprint.

These initiatives include diversifying SEFE's portfolio to incorporate a growing share of low-carbon sales, digitalising its sales and trading activities, optimising its LNG shipping vessels' operations to reduce fuel use and, in the longer term, moving to a more modern, fuel- and carbon-footprint-efficient vessel mix.

It also includes requests for information from upstream suppliers on their emissions footprints and actions being taken to reduce emissions, the development of a high-quality carbon offset portfolio, the assessment of carbon capture and storage opportunities, and support to staff for purchases of electric vehicles to reduce commuting emissions.

Power offering: A key SEFE strategic initiative is to increase its power sales to customers, including low-carbon electricity products. SEFE already supplies customers in the UK and the Netherlands, and is growing and extending its electricity offering across other key markets. In 2025, SEFE started selling power in Germany, secured a licence to sell power in France and developed new power products in the Netherlands.

More specifically, SEFE's customer offers include renewable-backed electricity supply contracts supported by certificates which guarantee that the origin of the electricity is from renewable electricity sources such as hydro, wind and solar.

Beyond traditional market-based contracts, corporate power purchase agreements are expected to play a key role in SEFE's electricity offering, enabling customers to source their electricity directly from specific renewable generation sites. SEFE facilitates the physical delivery of this electricity from producer to end customer, helping customers make a tangible link to the renewable assets powering their operations.

Hydrogen and biomethane offerings: These are covered in the "Energy transition" section below.

Digital enablers: SEFE's decarbonisation approach is under-pinned by digitalisation, including an AI-enabled analytics stack, an algorithmic trading platform and a multi-product customer platform for gas, power, carbon and metals. These tools improve data quality for GHG accounting, enhance forecasting and optimisation of low-carbon portfolios, and reduce "speed-to-serve" for customers adopting renewable power, battery solutions, biomethane and, in the future, hydrogen. SEFE's AI Centre of Excellence coordinates careful deployment of tools across the Group, accelerating efficiency gains while maintaining robust governance and cyber security controls.

LNG shipping: SEFE focuses on reducing its LNG shipping emissions by understanding the behaviours of crew on board its time-chartered fleet of LNG carriers. SEFE aims to influence crew habits and behaviours to improve how vessels are operated and, in the process, reduce emission intensity across its chartered fleet.

In support of this, SEFE initiated a partnership with Signol to trial its unique behaviour change service. Signol creates both awareness and motivation for ships' officers to improve vessel performance by making the impact of their decisions on fuel and emissions visible at the individual officer level.

Crew goals are framed around three key behaviours – optimal sailing, efficient auxiliary engine use and efficient fuel oil consumption. Ultimately, this tool is expected to lead to sustained behavioural changes, which will improve the environmental impact of shipping operations.

During the initial 6-month trial phase of the project, SEFE achieved savings of 1,343 tonnes of fuel and 4,298 tonnes of CO_2 by positively engaging crews and building awareness of operational efficiency opportunities.

In addition, SEFE has commenced investigation of potential efficiency devices in partnership with a shipowner. This includes gas chromatographs, hull air lubrication systems and high-efficiency hull paint, which could, subject to their assessed performance, be added to SEFE's long-term chartered vessels during their next dry-docking cycle. In the longer term, progress is being made towards a more efficient fleet mix that will feature the latest technological specifications with regard to fuel consumption, cargo optimisation and regulatory compliance.

Upstream emissions: SEFE engages with upstream gas and LNG suppliers to obtain better information on their emissions intensities and the actions being taken to reduce emissions footprints. These information requests are becoming an increasingly important part of supplier due diligence, and the information is shared with SEFE governance bodies as needed.

Carbon offsets: SEFE is researching, analysing and evaluating carbon developers and projects worldwide to identify attractive investment opportunities for its portfolio of high-quality, high-integrity carbon projects. In addition, progress continues to be made on SEFE's two key projects:

1. Afforestation in Kazakhstan: SEFE has entered into an agreement with Kazakh developer SAFC to develop an afforestation project in Kazakhstan. This agreement aims to expand the pilot project, which currently covers 1,500 hectares, to over 5,000 hectares within the next few years. Ultimately, this figure could increase to 30,000 hectares. The project is being designed to improve the local climate and biodiversity while benefiting local communities. Project planting has commenced and registration is underway.

2. Carbon capture in Australia: SEFE has entered into a project collaboration with the developer InterEarth to help catalyse durable emissions removal in Australia through terrestrial storage of biomass. InterEarth is currently piloting its first such project under the Puro Earth standard, which involves planting drought-resistant native eucalyptus trees on degraded land at the edge of the Australian outback. The trees are periodically coppiced, and the biomass is buried in specialised, monitored chambers that prevent decomposition, achieving carbon storage for at least 100 years. The regenerative nature of eucalyptus allows this process to be repeated every few years, offering a cost-effective, nature-based alternative to industrial carbon removal solutions such as direct-air-capture, while also restoring the soil and providing local employment. The first credits from the pilot project were issued in the second quarter of 2025, and the project is now being scaled up.

In 2025, SEFE did not develop any GHG removal projects in its own operations or contribute to any removal projects in its upstream and downstream value chains. In addition, SEFE did not purchase or cancel any carbon credits related to projects beyond its value chains to reduce its emissions exposure.

Carbon capture: SEFE aims to position itself as a CO_2 management partner for its customers that coordinates the entire carbon capture and storage (CCS) value chain, from CO_2 aggregation and transport to permanent CO_2 storage in suitable geological formations. SEFE intends to create flexible and cost-effective solutions combining different decarbonisation paths to support the energy transition for industrial partners, mainly from sectors with hard-to-abate CO_2 emissions such as waste-to energy, cement, chemicals, and steel.

Waste-to-energy (WtE) has been identified as one of the industry sectors producing unavoidable CO_2 emissions. To address this, CO_2 must be efficiently captured from the flue gas stream using suitable carbon capture technologies. Then it must be safely transported via pipelines, rail or ship and either permanently stored underground or reused in a long-term, permanent manner. As approximately 40-60 % of the waste treated in waste incineration is of biogenic origin, the resulting capture and storage of biogenic CO_2 could potentially generate negative emissions, supporting GHG reduction targets and CCS business cases. As a result, SEFE is actively reviewing opportunities to support carbon capture at WtE facilities.

As its first project, and together with EEW Energy from Waste, SEFE is exploring the potential of carbon capture at the WtE plant in the Chemiepark Knapsack and other EEW locations in Germany and the Netherlands. At the Chemiepark Knapsack, the WtE facility processes up to 320,000 tonnes of residual waste from households and businesses each year, supplying companies in the chemical park with process steam and electricity. SEFE and EEW have partnered with YNCORIS and OGE to evaluate the feasibility of a CO_2 capture and storage solution at the facility.

This initiative also has wider potential to underpin an industrial cluster in the Cologne area, contingent on political and financial support.

With the goal to find the economically and technically most efficient way to safely transport and store CO_2 emissions, SEFE has also joined a study called "Rheinische Modellregion CO_2" (REMCO2), which is supported by the industrial players at the Chemiepark Knapsack.

The aim of the study is to examine the feasibility of a carbon infrastructure from the Rhineland to a CO_2 export terminal at Antwerp or Zeebrugge. SEFE is contributing with its expertise in gas transport and storage as well as certificate trading.

Commuting emissions: To reduce employee-related emissions, SEFE has established an electric vehicle scheme in the UK. This scheme offers employees the opportunity to lease a new, or nearly new electric vehicle through a salary sacrifice arrangement. This enables employees to save up to 45 % of the monthly cost by reducing national insurance and income tax contributions. Electric vehicles provide lower running costs and support a more sustainable, environmentally friendly lifestyle.

Total Scope 1, 2 and 3 emissions

Total SEFE GHG emissions are shown in the table below. This includes a GHG emissions intensity calculation, measured as a ratio of SEFE's total GHG emissions to its revenue. While the emissions intensity of SEFE-supplied energy has increased in 2025, this is mainly due to slower growth, in revenues relative to SEFE's energy sales volume growth as a result of lower energy prices in 2025 versus 2024.

SCOPE 1, 2 AND 3 GHG EMISSIONS METRICS

kt CO_2e	2025	2024	2021 base-line *
Total Scope 1, 2 and 3 emissions (location-based)	**75,939**	**64,908**	**92,474**
Total Scope 1, 2 and 3 emissions (market-based)	**75,979**	**64,962**	**92,493**
GHG emissions intensity, location-based (total GHG emissions per net revenue, $kgCO_2e$ / EUR **	4.9	4.6	4.7
GHG emissions intensity, market-based (total GHG emissions per net revenue, $kgCO_2e$ / EUR **	4.9	4.6	4.7

* SEFE's base year is 2021, with the average energy consumption for the period 2017 to 2020 being used for the pipeline and storage businesses.
** As the financial results of WIGA were consolidated only partially in 2024, these metrics are calculated using the sum of SEFE Group IFRS 15 revenues (see Note 1 Revenue from SEFE's consolidated financial statements) and WIGA full-year revenues for all respective periods (see Note 3 Revenue from WIGA's annual reports).

Energy transition

Metrics and targets

SEFE has two key targets for its energy transition activities:

- Firstly, SEFE aims to sell over 25 TWh of low-carbon energy per year by 2030. This covers SEFE's sales of renewable power, biomethane and low-carbon hydrogen, and includes energy sold with attached renewable certificates, such as renewable energy guarantees of origin in the UK.
- Secondly, SEFE will develop material hydrogen infrastructure, origination and supply capabilities in line with expected hydrogen market developments.

Performance and actions

LOW-CARBON ENERGY *

TWh	2025	2024 **
Low-carbon energy sales	2	1

* Covers sales of renewable power, biomethane and low-carbon hydrogen including energy sold with renewable certificates attached.
** 2024 restated due to a correction in the calculated sales volumes.

SEFE focuses on the sourcing and supply of low-carbon energy to customers, investing in the infrastructure for the transport and storage of hydrogen, and developing capabilities in the sourcing and supply of energy transition metals.

In 2025, SEFE increased its sales of low-carbon-energy, mainly through sales of renewable power certificates to customers in the UK and the Netherlands.

SEFE's power activities, including low-carbon power products, are covered in the "Scope 3 GHG emissions" section above.

Biomethane: SEFE views biomethane as an essential part of its decarbonisation offering. In its key markets, SEFE is offering renewable gas certificates that enable customers' gas supply to be matched with the production of green gas from anaerobic digestion. SEFE is also laying the groundwork (certification, processes and contracts) for physical supply of biomethane to customers in key markets.

The European biomethane market is expected to grow significantly in the coming years, driven by new regulatory frameworks and increasing demand from customers. With green gas quota systems being introduced in several EU countries, including the Netherlands and France, demand for certified biomethane is set to rise.

This creates new opportunities across both regulated and voluntary markets, including support to industrial customers in reducing their European Union Emissions Trading System I (EU ETS I) exposure and to resellers in reducing their future EU ETS II exposure from switching to biomethane.

In response, SEFE is scaling its biomethane business as part of its strategy to decarbonise the European gas mix and provide customers with traceable, high-integrity renewable molecules. In 2025, SEFE initiated International Sustainability and Carbon Certification (ISCC) processes in Germany, the Netherlands, France and the UK, ensuring full compliance with the EU Renewable Energy Directive III (RED III) and national sustainability schemes. ISCC certification, which verifies that biomethane is produced using responsible sourcing practices, is required for companies to access these markets.

SEFE's approach combines origination, certification and digital tracking of renewable gas molecules to guarantee end-to-end integrity. SEFE is developing innovative low-carbon solutions based on the price differential between European Union Allowances (EUAs) and biomethane to help customers lower their compliance costs. Standardised contracts and registry interfaces are being put in place to enable transparent transfer of certificates across markets and to support corporate customers with verifiable GHG reduction claims.

Through these initiatives, SEFE is positioning itself as a trusted partner in Europe's renewable gas value chain, linking producers and industrial consumers while contributing to the scaling of biomethane and other green gases as key enablers of the energy transition.

Hydrogen: SEFE believes that hydrogen will play an important role in the energy transition. Clean hydrogen and its derivatives enable substantial emission reductions, especially in industries where electrification is not a viable solution for decarbonisation, such as steel, chemicals, aviation and shipping.

SEFE focuses on positioning itself in the future hydrogen value chain with a long-term business model. SEFE's goal is to ensure end-to-end solutions that deliver a secure supply of competitive hydrogen and hydrogen-based derivatives, such as ammonia, methanol or synthetic methane for customers. The aim is to accelerate the widespread and competitive availability of renewable and low-carbon hydrogen by connecting hydrogen production with demand supported by local, regional and global partnerships along the value chain. SEFE is pursuing a flexible and technology-open approach, aiming to meet the requirements of future hydrogen users in terms of economic feasibility and the associated GHG footprint.

Hydrogen sourcing: SEFE's strategy includes diversification across sourcing regions, volumes, technologies, hydrogen types and delivery modes. SEFE is exploring options with experienced and reputable partners to source renewable and low-carbon hydrogen in Germany, Europe and overseas, either via the German hydrogen core network and the European hydrogen backbone or by shipping it to Europe in the form of hydrogen derivatives.

An example of these activities is SEFE's development of a potential supply of clean hydrogen from Brazil through a partnership with Brazilian power leader AXIA Energia and Kuwaiti developer EnerTech.

SEFE is also collaborating with marine infrastructure provider Höegh Evi on the feasibility of a hydrogen shipping supply corridor and is a member of "H2med Southwestern Hydrogen Corridor", a cross-border hydrogen infrastructure initiative connecting Portugal, Spain, France and Germany. SEFE also supports "SouthH2 Corridor", a major infrastructure initiative to develop a 3,300 km hydrogen pipeline connecting North Africa with Italy, Austria and Germany.

Hydrogen sales: SEFE is in discussions with a range of customers on their decarbonisation pathways and potential hydrogen supply opportunities. An example of this is the memorandum of understanding for future hydrogen supply with Pfalzgas, a leading regional natural gas supplier in the German state of Rhineland-Palatinate. SEFE has been supplying Pfalzgas with natural gas and will now explore potential hydrogen supply through Germany's hydrogen core network, helping Pfalzgas to deliver on its mission to operate a green gas network for its customers.

Hydrogen pipeline infrastructure: The hydrogen core network will enable the large-scale transport and supply of hydrogen across Germany. It involves over 9,000 kilometres of hydrogen pipelines, of which approximately 60 % consist of natural gas pipelines that are to be repurposed.

As part of this network, SEFE, through GASCADE, is implementing three key hydrogen pipeline infrastructure projects, namely the "Flow – making hydrogen happen" onshore project, the AquaDuctus offshore pipeline project and the Baltic Sea Hydrogen Collector (BHC). These projects represent significant steps towards creating the German hydrogen core network and connecting this network to other countries. GASCADE will implement 22 % of the approved core network and provide the market with central hydrogen import routes in the North Sea and Baltic Sea regions as well as with domestic hydrogen interconnectors in Germany.

"Flow – making hydrogen happen": This project is a north-south transport corridor in Germany for clean hydrogen. This corridor will enable the connection of production capacities and imports in Northern Europe with hydrogen storage sites along the pipelines and consumption centres in eastern and southern Germany. The development of the hydrogen pipeline system will occur in multiple stages, mainly through the conversion of existing gas pipelines.
By the end of 2029, hydrogen will be transported from the Baltic Sea coast to the German state of Baden-Württemberg, connecting at least nine industrial sites along the way.

Imports will be possible via the ports in Lubmin, Rostock and, in the long term, via a connection with the BHC, which is described further below. GASCADE is responsible for the establishment of the connection between the BHC and the German core network.

From 2030 onwards, the international rollout of the "Flow – making hydrogen happen" initiative will start with cross-border connections to Poland and the Czech Republic. GASCADE's eastern part of the "Flow – making hydrogen happen" project is an integral component of the Czech German Hydrogen Interconnector, implemented together with the Czech network operator NET4GAS and Open Grid Europe from Germany. The route from the Baltic Sea to the Czech Republic and Poland, along with the BHC, have been recognised as one of the EU's Projects of Common Interest (PCI). Extensions to the neighbouring countries are possible in the future and are being finalised together with other network operators.

In October 2024, GASCADE made the decision to invest in the northern section of the "Flow – making hydrogen happen"" initiative. The world's first hydrogen filling of a 1.4 metre-diameter pipeline then began in February 2025.

By the end of 2025, GASCADE had successfully filled the first 400 km section with hydrogen, stretching from the Baltic Sea coast to Bobbau in in the German state of Saxony-Anhalt. With this, GASCADE has achieved a significant milestone in building the German hydrogen network and advancing a climate-neutral hydrogen economy.

AquaDuctus: This is a gigawatt-scale hydrogen pipeline which will form the core of a new offshore infrastructure connecting Germany with the other countries bordering the North Sea.
It will consist of an offshore section in the German Exclusive Economic Zone (EEZ) in the North Sea and an onshore section that will connect to the downstream onshore hydrogen pipeline network. Starting in 2030, the pipeline will offer network users open, non-discriminatory network access.

AquaDuctus will be built in two phases. In the first phase, AquaDuctus will connect the 1 GW hydrogen wind farm site SEN-1 in the German North Sea, northwest of the island of Heligoland, to the German mainland and from there via a 100-kilometre long onshore pipeline to Bunde in the German state of Lower-Saxony. In the second phase, the offshore pipeline will be extended by a further 200 kilometres to the German sea border. This will create the opportunity to connect additional offshore hydrogen wind farm sites and link up with neighbouring hydrogen infrastructures from Norway, Denmark, the Netherlands, Belgium or the United Kingdom.

AquaDuctus has already been confirmed as a PCI and an Important Project of Common European Interest (IPCEI) as part of the Hy2 Infra wave, which includes 23 German hydrogen projects spanning production, transport and storage stages of the value chain. AquaDuctus's status as part of the German hydrogen core network was confirmed by the Federal Network Agency in October 2024.

In May 2025, the UK transmission system operator (TSO) National Gas and GASCADE signed a memorandum of understanding to explore the feasibility of a hydrogen interconnector between the UK and Germany.

BHC: This is a pioneering European infrastructure project designed to connect Northern European production capacities for green and renewable hydrogen to the German hydrogen core network. The project is being developed by GASCADE together with Gasgrid Finland and Copenhagen Infrastructure Partners.

Finland, with its favourable conditions, including ample land availability and high onshore wind potential, offers one of Europe's most competitive locations for green hydrogen.

To unlock this potential for Central Europe, an approximately 1,000 km long offshore pipeline is planned from the Finnish coast through the Baltic Sea to Germany. Near Lubmin in the German state of Mecklenburg-Vorpommern, the pipeline will connect directly to the section of the hydrogen core network managed by GASCADE ("Flow – making hydrogen happen"). The German section of the BHC (about 56 km from the outer boundary of the exclusive economic zone) is part of the German core network. The European Commission has recognised the BHC as a PCI. For the current project phase, EUR 15.3 million in funding from the Connecting Europe Facility (CEF) programme has been approved. The project's high strategic relevance is further highlighted by its political visibility and support at the EU level.

The BHC provides Europe with a geopolitically stable and direct hydrogen import route from the Nordic-Baltic production regions to German consumers, without transit countries and with low transport costs. This secures Germany's long-term supply of large volumes of renewable hydrogen, complements the supply from southern regions, and reduces dependence on transit countries as well as conversion losses from alternative transport methods.

European cooperation on hydrogen: GASCADE also collaborates with other European TSOs to advance the coordinated development of a hydrogen network that extends beyond existing projects. Particular emphasis is placed on developing the offshore sector in alignment with the onshore hydrogen supply networks.

One example of such cooperation is HyNOS – Hydrogen Network Operators for the Northern Seas. Since 2024, employees of TSOs from Belgium, Denmark, France, Germany, Ireland, the Netherlands, Norway, and the United Kingdom have been meeting regularly to discuss interface issues.

Maximising the potential of offshore wind energy requires the combined production of electricity and hydrogen as well as the seamless integration of long-distance transmission networks, both onshore and offshore.

As a result, HyNOS is developing policy recommendations and communicating these to relevant decision-makers to support informed and effective policy decisions.

Hydrogen storage: SEFE is developing plans for hydrogen caverns close to the Jemgum gas storage site in Germany. Jemgum's geological structures, with a high potential for hydrogen storage and the proximity to the approved hydrogen network, make the location in the German state of Lower-Saxony particularly attractive. The project aims to store around 500 gigawatt hours of hydrogen by the mid-2030s. A technical concept for the implementation has been developed as part of the basic engineering, and the connection process to the hydrogen core network has been initiated. The land required for the facilities has also been acquired.

Metals strategy: SEFE has established a metals trading capability to secure critical raw materials for Europe's energy transition. These activities focus on battery and network metals – such as copper, nickel, cobalt and tin – and involve offering transparent market access and risk management services to industrial customers, as well as developing accredited warehousing warrant solutions with reputable providers. Sourcing is aligned with OECD due diligence guidance and EU expectations under the Critical Raw Materials agenda, with supplier codes of conduct, "know you customer" checks and traceability built into onboarding. By linking metals flows to low-carbon power, LNG, hydrogen and storage build-outs, SEFE will strengthen European supply resilience while embedding high ESG standards across the value chain.

SEFE's transition plan

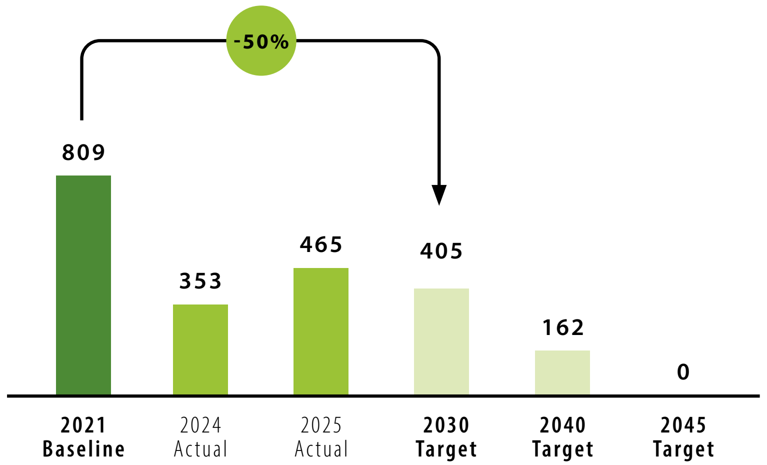
SEFE operates in an extremely dynamic external environment, with the pace of the energy transition subject to considerable political, regulatory, macroeconomic and technological uncertainties.

While SEFE exerts limited influence over the development of its external environment, it does control how it is able to respond. To this end, SEFE is developing a range of levers that will enable it to navigate the energy transition and ensure that relevant climate targets are achieved.

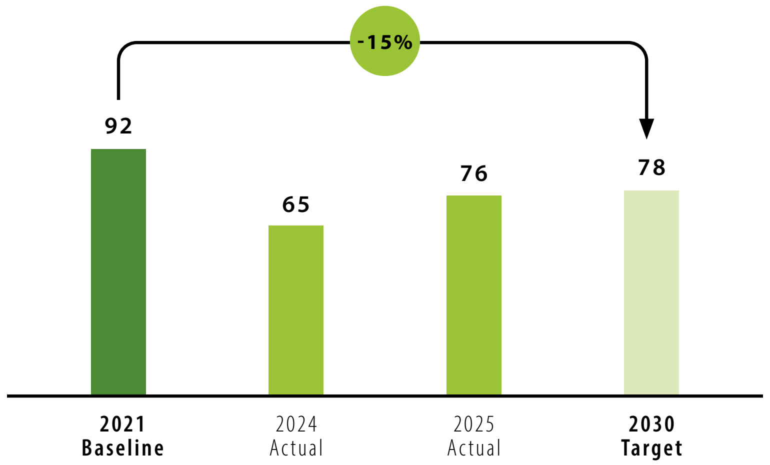
Emissions reduction targets: SEFE has defined clear emissions targets to guide its transition plan, including the target to achieve Net Zero for Scope 1 and 2 GHG emissions by 2045, with a 50 % reduction by 2030, and to reduce Scope 3 (value chain) GHG emissions by 15 % by 2030.

Achievement of these targets will reduce climate risks, increase business resilience and create new revenue opportunities from low-carbon products and services. These will, in turn, impact SEFE's attractiveness to investors, banks, and partners, which increasingly view ESG criteria as an important consideration in their engagements.

Scope 1&2 GHG emissions targets (market-based) (in KtCO_2e)



Scope 3 GHG emissions targets (in MtCO_2e)



It is important to note that SEFE's emissions levels will always be highly volatile year-to-year. Scope 1 and 2 emissions are closely linked to the operation of pipeline and storage compressors, which depend in turn on customer utilisation of SEFE's operating assets. Likewise, SEFE's Scope 3 emissions are dependent on European gas and global LNG demand, as well as SEFE's role in delivering energy security to customers.

Nevertheless, SEFE has a range of levers available to ensure its emissions targets are met. These levers, and the current actions being undertaken, are listed below.

Scope 1 and 2 emissions levers and actions: Key levers within SEFE's control include gas compressor replacement, renewable energy purchasing, energy efficiency measures and methane leak reduction.

1. Energy efficiency: The majority of Scope 1 and 2 emissions result from the operation of, and energy consumption by, SEFE's pipeline and storage compressors. SEFE has ongoing programmes to deliver efficiency improvements across all of its operating assets, including gas routing optimisation, automation initiatives and turbine washing, amongst others.

2. Compressor electrification: Replacement of gas compressors by electric compressors provides opportunities to purchase renewable power and reduce emissions. All new GASCADE and NGT compressors for its main routes have electric motors, and there is a plan to connect the sole off-network compressor station in 2028. Replacement of gas compressors at the Rehden storage facility are under review, while the Jemgum and Haidach storage facilities operate with electric compressors only.

3. Renewable power: GASCADE and NGT already purchase renewable power for all network-connected electric motors. Renewable power contracting is currently under review for SEFE Storage's facilities. In addition, solar panels have been installed at Jemgum and Haidach, reducing base-load energy consumption.

4. Methane fugitive emissions reductions: GASCADE and NGT have a comprehensive measurement and repair programme in place, with approximately 260,000 measuring points tested. Methane measurements currently show a very low level of pipeline methane emissions intensity. Rehden and Jemgum have installed laser-based open-path gas detectors and ultrasonic gas leak detectors across their sites, ensuring fast repairs of any leaks detected, while Haidach is also measuring fugitive emissions as key part of its leak detection and repair programme.

5. Flaring and venting reduction: To reduce CO_2 emissions from flaring and methane emissions from cold venting, GASCADE and NGT use mobile compressors where possible to recompress natural gas back into the network during maintenance work. The Rehden storage facility also utilises mobile compressors during maintenance work and uses safety flare units only to manage any leaks from gas seals and unusable flash gases from the dehydration system. Jemgum operates a ground flare for maintenance purposes, with leakage gas used for heating and power production. A cold venting stack is available only for safety reasons. Lastly, Haidach is currently modifying its pressure relief system to return methane into its process.

6. Biomethane and biogas: This option to reduce emissions will be evaluated in the future and could involve, for example, the substitution of natural gas with biomethane in glycol heaters at Rehden and Jemgum.

7. Facility use: While not within SEFE's direct control, pipeline and storage emissions are expected to fall over the longer term in line with declining European gas demand. In the short to medium term, however, emissions will remain volatile, depending on customer utilisation, changes in gas flows, mandatory filling requirements and storage and location spreads.

8. Carbon offsets: These would be considered only after other abatement measures have been fully explored and, to date, have not been used to manage SEFE's Scope 1 and 2 emissions exposures. Any future use is expected to focus on high-quality offsets.

Scope 3 emissions levers and actions: SEFE has a range of levers to support a reduction in its Scope 3 emissions, many of which are being implemented or under evaluation. However, as many of these are not fully within SEFE's control, a long-term emissions reduction pathway remains difficult to predict with certainty.

1. Energy efficiency: SEFE supports its customers in tracking their energy consumption, which is the foundation for energy efficiency improvements. Through smart metering technology and online portal access, customers can view their energy consumption and see patterns in historic usage. This provides insights that customers can use to identify energy efficiency opportunities and measure the impact of improvements. In addition, SEFE's LNG fleet business is reducing its fuel use through the deployment of the Signol fuel efficiency information tool and will also be reviewing low-carbon fuels and LNG fleet replacement options.

2. Power offerings: SEFE supplies customers with low-carbon power to their sites, currently in the form of renewable power certificates and potentially, in the future, through power purchase agreements with renewable generators. SEFE already supplies power products to customers in the UK and the Netherlands and is growing and extending its electricity offering to other key markets. For customers with significant embedded generation on their sites, SEFE also offers an optimisation and trading service, supporting them in maximising the value of their energy assets.

3. Green gas sales: SEFE is developing its green gas offering, which includes the supply of biomethane in the short term and hydrogen in the longer term as a substitute for natural gas. This is supported by GASCADE's and NGT's programme to convert pipelines into hydrogen carriers, as well as by ongoing planning development work for hydrogen storage at Jemgum. SEFE is also preparing to meet all mandatory country requirements to blend biomethane into natural gas supply.

4. Deployment of CCS solutions: SEFE is aiming to position itself as a CO_2 management partner for its customers that coordinates the entire CCS value chain, from CO_2 aggregation and transport to permanent CO_2 storage in suitable geological formations. SEFE is working with potential partners to develop carbon capture solution offers at customer sites. Such offers will facilitate the development of CO_2 transport through SEFE and third-party infrastructure and secure capacity at advantaged carbon storage sites onshore and offshore in Europe.

5. Carbon offsets: These would be considered only after other abatement measures have been fully explored and, to date, have not been used to manage SEFE's Scope 3 emissions. Any future use is expected to focus on high-quality offsets.

6. Supporting activities: SEFE is already engaging with upstream gas and LNG suppliers to obtain better information on their emissions intensities and the actions being taking to reduce their emissions footprints.

In the longer term, and if required due to declining European gas demand, SEFE's flexible supply portfolio provides it with opportunities to reduce volumes, divert LNG cargoes to alternative markets and terminate contracts subject to contractual conditions.

Key dependencies: The speed at which the levers above are deployed, and the contribution each lever makes, is dependent on many external factors. These include the evolution of policies to support the energy transition, as well as the need to maintain affordable access to energy and resilient supply chains. These factors also include the willingness of customers to embrace new forms of energy and invest in the necessary modifications to their sites to enable the deployment of low-carbon solutions.

Governance: SEFE's Management Council defines the ESG strategy and targets, and has responsibility for the implementation of emissions reduction initiatives. This is overseen by SEFE's Supervisory Board and supported by the Supervisory Board's ESG Committee.

Conclusion: SEFE has a wide range of emission reduction levers that it is already utilising or could deploy in the future. With the growth in its low-carbon portfolio, the electrification of facilities, and the development of hydrogen infrastructure, amongst many other activities, SEFE expects to meet its emissions reduction targets and sustain a viable business.

For SEFE the message remains clear: sustainability is not an add-on, but a core component of its business model. By proactively addressing risks and seizing opportunities, SEFE will combine energy security, climate protection, and value creation in its activities and, in the process, make a major contribution to the energy transition.

Other environmental information

SEFE recognises the importance of minimising its impact on the local environment, including water resources, ecosystems and biodiversity, land resources and air quality. SEFE is committed to responsible environmental stewardship, adheres to all legal requirements and has robust internal processes in place to monitor and minimise its environmental impact.

SEFE's operating assets in Germany operate under the provisions of the Federal Mining Act and the Federal Nature Conservation Act, which mandate biodiversity assessments, ecological compensation, and habitat restoration for any land disturbance. These requirements are embedded in SEFE's project planning and approval processes, ensuring that adverse impacts on protected species and ecosystems are avoided, mitigated or compensated.

SEFE has also implemented certified HSE management systems that are ISO 14001-compliant. These systems apply the principles of avoidance, minimisation and compensation in the design and construction of new infrastructure. Past examples include clustered drilling to reduce land use, horizontal directional drilling to avoid surface disruption and ecological landscaping around storage facilities.

SEFE verifies its biodiversity measures externally in collaboration with both governmental authorities such as the German State Office for Mining, Energy and Geology, and environmental organisations, including NABU (Germany's Nature and Biodiversity Conservation Union). Voluntary re-naturalisation projects are also undertaken, such as wetland creation, insect hotels, and the erection of nesting boxes.

Lastly, SEFE monitors ecosystem changes and implements targeted measures, such as fish deterrents and light filters, to protect aquatic and insect life. While the company does not operate in areas affecting traditional land use or indigenous communities, it ensures full compliance with environmental regulations.

GASCADE and NGT pipeline networks: Local environmental impacts arise from the construction of new pipeline infrastructure and the maintenance of existing facilities. SEFE focuses on minimising these impacts, for example through nature conservation measures implemented to compensate for the construction of pipelines. These include the introduction of landscape hedges on intensively used arable land near Flemsdorf in the Uckermark region of the German state of Brandenburg. In 2021, a landscape hedge stretching almost one kilometre was planted on former arable land and secured with a wildlife protection fence. The shrubs were then maintained and watered over four summers. Due to the fertile soil, this hedge had already reached a mature stage by 2024. The hedge provides food and hiding places for numerous animal species, and serves as a stepping stone biotope, allowing animals to migrate between the protected areas 'Felchowseegebiet' and 'Unteres Odertal' by connecting otherwise isolated habitats.

These actions have also included ecological enhancement on both sides of Olbernhauer Straße in the Germany state of Saxony. Near the village of Rübenau, various ecological measures were implemented across an area of approximately three hectares. These included the development of pollarded willows, the construction of a deadwood fence, and the removal of lupine, an invasive species. Further activities involved the creation of reptile habitats using fieldstones, the construction of a path with a dry-stone wall and the clearing of a mountain meadow from quaking aspen.

A series of ponds were created to support endangered bird species, and a flowering area was established to promote biodiversity. These measures have helped to protect species and biotopes.

Apart from nature-focused measures, GASCADE and NGT also collect and analyse data on waste disposal to comply with legal and internal reporting obligations. GASCADE prepares an annual waste balance sheet, which includes wood, residual waste, paper, packaging, hazardous waste and special waste. In 2025, GASCADE and NGT generated a total of 38,521 tonnes of waste, including around 1,182 tonnes of hazardous waste. Reported waste volumes have increased significantly with the introduction of new data classification approach based on ISO 14001 requirements. This reporting now includes all non-hazardous waste from construction activities, which mainly consists of removed soil and stones. All waste is disposed of professionally and, where possible, recycled.

Lastly, GASCADE and NGT consumed 6,676 cubic metres of fresh water in 2025 from public water supply across 14 sites.

Storage: While the Rehden storage site is not located within nature conservation or water protection areas, the Jemgum gas storage facility is situated in a nature conservation area.

As a result, several measures are being undertaken to protect biodiversity as part of the ongoing planning for the Jemgum hydrogen storage project. Extensive biodiversity assessments are being conducted, including the identification of existing plant species and rare species. Bird counts are being carried out to document the frequency and diversity of birds in the area. Additionally, a noise measurement study is being conducted to re-assess noise emissions from the existing facility.

In accordance with the requirements of Germany's Federal Mining Act, which prescribes extensive environmental and nature protection regulations for construction and operational projects, an environmental impact assessment will be carried out as part of the permitting process for the Jemgum hydrogen project.