

# Sustainability commitment

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

Energy transition timelines are adapting to reflect the realities of volatile energy markets, geopolitical tensions and economic pressures on households and businesses. Policymakers increasingly acknowledge that the transition cannot come at the expense of affordable access to energy, nor undermine resilience of supply chains. While the commitment to the energy transition remains, there is a new focus on finding a pragmatic pathway that balances climate ambition with the near-term needs of economies and societies.

ESG principles are the foundation of SEFE's strategy. The integration of ESG into SEFE's outlook is viewed as essential, influencing everything from the energy markets where SEFE competes to the partnerships SEFE needs to establish to support customers in achieving shared sustainability goals. Given the paramount importance of incorporating ESG into SEFE's daily business activities, the responsibility for upholding sustainability principles lies with leaders at all levels within SEFE.

## ESG progress since 2023

SEFE has made significant progress over the last three years in establishing ESG policies, processes and reporting across the Group. SEFE has also obtained a number of key ESG ratings and initiated preparations for future mandatory ESG reporting.

<b>2023</b>	July	SEFE's ESG priorities and targets established
	November	Environmental and human rights policies launched
<b>2024</b>	June	First meeting of the Supervisory Board's ESG Committee
	October	First voluntary Sustainability Report published
	November	First annual ESG Stakeholder Meeting
<b>2025</b>	January	First CPD rating obtained
	April	First EcoVadis rating obtained
	July	First Annual Report incorporating Sustainability Statement published
	September	Second annual ESG Stakeholder Meeting
	October	First Double Materiality Assessment completed First provisional MSCI ESG investor rating obtained
	December	First EU Taxonomy assessment completed

### HIGHLIGHTS

## July 2023

FIRST SET OF PRIORITIES AND TARGETS

## October 2024

FIRST VOLUNTARY REPORT LAUNCHED

## January 2025

FIRST CDP-RATING

## July 2025

FIRST ANNUAL REPORT INCORPORATING SEFE'S SUSTAINABILITY REPORT

## October 2025

FIRST PROVISIONAL MSCI RATING

## Basis of preparation

The Sustainability Statement has been produced on a consolidated basis for the SEFE Group, whose holding company is SEEHG Securing Energy for Europe Holding GmbH (SEEHG). It excludes any legal entities that were planned for divestment or were in the process of being divested during the reporting year. The Sustainability Statement is prepared on a voluntary basis and is therefore not part of the statutory audit of SEFE's consolidated financial statements.

The legal entities included in this report are as follows:

- SEFE Securing Energy for Europe GmbH (SEFE GmbH)
- SEFE Energy GmbH
- SEFE Marketing & Trading Ltd. Group
- SEFE Storage GmbH
- Industriekraftwerk Greifswald GmbH
- WIGA Transport Beteiligungs-GmbH & Co. KG (WIGA), which includes the gas network operators GASCADE Gastransport GmbH (GASCADE) and NEL Gastransport GmbH (NGT)

SEFE's reporting period for this Sustainability Statement is 1 January 2025 to 31 December 2025. SEFE confirms that it has not omitted any material information from this Sustainability Statement.

## Governance model

The governance of sustainability and climate change topics at SEFE is built on efficient collaboration between the Management Council, including the Managing Directors of SEEHG and SEFE GmbH, and the Supervisory Board, in line with the dual board system required for German state-owned companies. This structure is further strengthened by the expertise of the ESG, Audit and Finance, Risk, and Compliance committees of the Supervisory Board. Robust risk management and transparent disclosures are key elements of this framework.

The current remit, roles and experience of key SEFE Group bodies in relation to ESG matters are as follows:

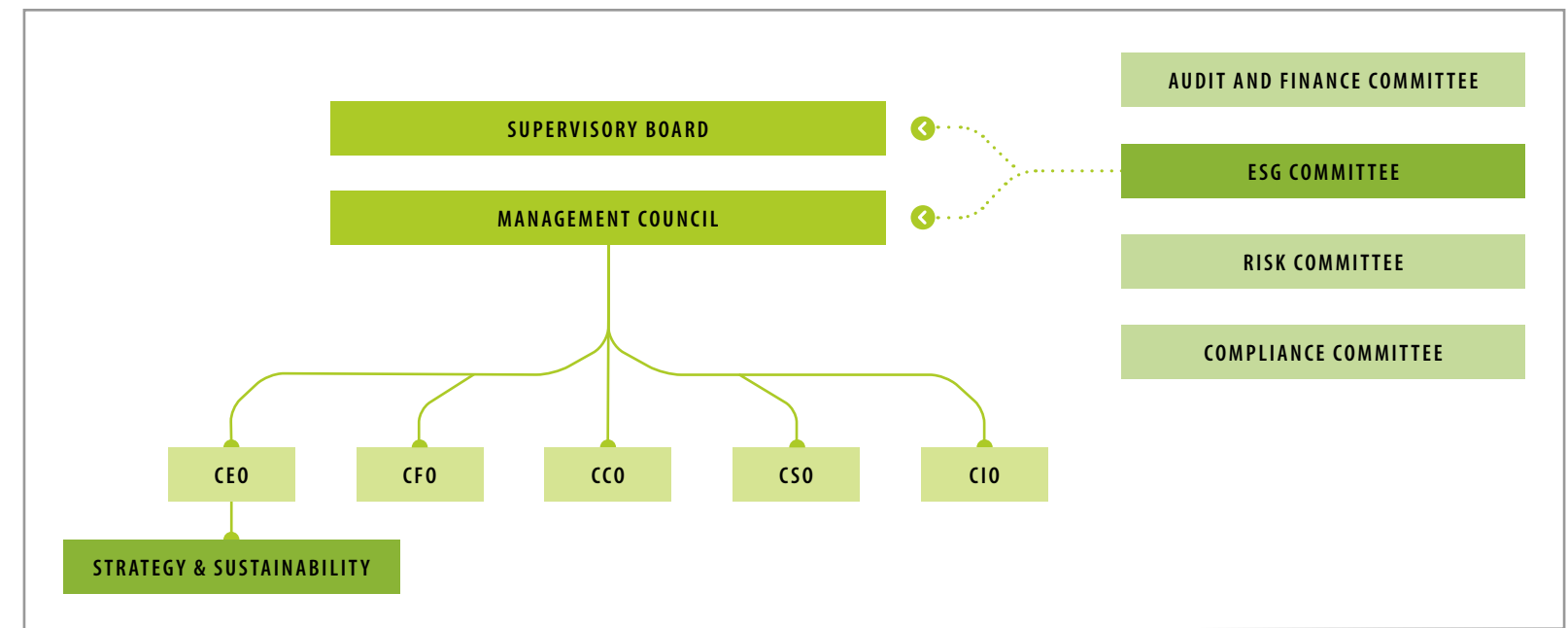
**Supervisory Board:** This body, implemented at the level of SEFE's holding company SEEHG, oversees strategy development and implementation, advises the Management Council on key ESG issues or risks, and requests reports from the ESG Committee on ESG performance. The Supervisory Board comprises six independent non-executive directors led by the Supervisory Board Chairman. The average ratio of female to male board members at the end of 2025 was 100 %.

The Supervisory Board has extensive ESG-related experience and includes a member who heads the Department for Gas and Hydrogen Infrastructure at the Federal Ministry for Economic Affairs and Energy, as well as a member who is the Chair of the Climate Bonds Initiative and a board member of the Integrity Council for the Voluntary Carbon Market.

Further information on the Board's composition, duties and experience is provided in Appendix 1 and Appendix 4.

SEFE's ESG governance structure is shown below. By implementing distinct levels of supervision, SEFE ensures an appropriate and effective distribution of ESG responsibilities within SEFE.

In 2025, sustainability matters discussed by SEFE's Management Council included SEFE's progress on delivering on its energy security and decarbonisation objectives, updates to ESG targets following the achievement of previous targets, and the ongoing development of SEFE's transition plan.



**Management Council:** To oversee and control the activities of the SEFE Group as a whole, the SEFE Managing Directors have established a Management Council. This body comprises five executive members, namely the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Commercial Officer (CCO), Chief Sales Officer (CSO) and Chief Information Officer (CIO). This body, amongst other responsibilities, defines ESG strategy and targets, adapts these based on internal and external factors, oversees implementation of ESG measures, and reports to the Supervisory Board on the operationalisation of the ESG strategy.

Information on the composition of the Management Council is provided in Appendix 4.

**Key executive directors' ESG responsibilities:** SEFE's CEO is accountable for strategy development and execution, including SEFE's approach to ESG topics such as climate change, in consultation and collaboration with the Management Council and Supervisory Board. SEFE's CFO is responsible for ensuring processes are in place to manage and mitigate ESG risks, including climate-related risks.

**Supervisory Board ESG Committee:** This body consists of two members, one of whom is elected as the chairperson by the Supervisory Board. The tasks of the Supervisory Board ESG Committee include the provision of advice to the Supervisory Board and the Management Council on sustainable corporate governance and ESG activities, and monitoring the integration of sustainability into business strategy, organisational structures, processes and ESG reporting activities. Further information on the Supervisory Board ESG Committee’s responsibilities is provided in Appendix 1.

In 2025, there were two meetings of the ESG Committee. Amongst other items, these meetings reviewed SEFE’s progress against key ESG targets and SEFE’s approach to future ESG reporting. The ESG Committee’s reports to the Supervisory Board confirmed that the SEFE Group is on track with the implementation of its ESG strategy.

**Supervisory Board Risk Committee:** This body oversees the identification, assessment, management and mitigation of SEFE’s key risks, and reports on its findings to the Supervisory Board. It is responsible for approving SEFE’s risk policy and monitoring adherence to the SEFE risk limits.

**Supervisory Board Compliance Committee:** This body is responsible for monitoring the governance of compliance activities and advising the Supervisory Board to ensure that the management fulfils its obligation to establish and maintain an appropriate, effective and efficient Group-wide compliance management system in order to prevent violations of laws and regulations by SEFE.

**Supervisory Board Audit and Finance Committee:** This body reviews and provides advice to the Supervisory Board on multiple topics, including SEFE’s accounting process, internal control system, internal audit system, the annual financial audit and the internal audit function.

**Strategy and Sustainability team:** This function is responsible for implementing ESG strategy and related ESG processes and activities. It works closely with other SEFE functions and reports on progress, risks and opportunities to the Management Council and ESG Committee.

**Employee representative bodies:** Employees in SEFE’s main locations are represented by a number of employee representative bodies, including German works councils, the London Employees Association, the Manchester Employee Action Group and the Comité social et économique in Paris.

The role of these bodies is to ensure employees have a voice in the company’s strategy, activities and management of staff. For example, the Berlin Works Council has nine full members and 10 substitute members, the London Employees Association has 11 members and the Manchester Employee Action Group has 14 members.

In addition, a Group Works Council has been established in Germany, which has eight members and is made up of elected representatives from each individual company’s works council. These members work closely together to ensure a unified and strong voice for the entire workforce.

This council focuses on Group-wide topics and strategic decisions, coordinates the activities of local works councils and negotiates Group-wide agreements. It also has responsibility for exceptional topics such as restructuring activities and initiatives with Group-wide relevance, such as IT projects. In contrast, individual companies’ works councils focus on local site issues and cover topics such as working conditions, health and safety issues, and local grievances.

**ESG-linked remuneration:** SEFE has established a scheme which links staff remuneration to key ESG objectives. For the 2025 financial year, the majority of staff received a variable remuneration amount that was dependent on the Group’s financial and ESG performance, including the progress made towards its emission reduction targets, its CDP climate change rating, its employee satisfaction score and the publication of its 2024 Sustainability Statement. The aim is to unite employees behind a common goal and reward staff for their collective contribution to making SEFE a more sustainable company.

**ESG due diligence:** Given SEFE’s significant greenhouse gas (GHG) emissions impact, SEFE has obtained independent limited assurance on its emissions inventory.

## Risk management

SEFE is committed to managing its ESG-related risks and opportunities in a responsible and effective manner.

SEFE’s risk management processes cover the identification, assessment, mitigation and reporting of material ESG-related risks. These include energy transition risks resulting from changes in regulations, market prices and consumer preferences, as well as physical climate risks that could disrupt SEFE’s operations.

SEFE’s approach links sustainability considerations with risk management, ensuring that relevant findings are incorporated into internal controls and regular reporting to the governing bodies. SEFE’s risk management processes, which are more fully described in the section of the condensed management report titled “Risk management system at the SEFE Group”, include the following:

- The scope, main features and components of the risk management and internal control processes and systems;
- The risk assessment approach followed, including the risk prioritisation methodology;
- The main risks identified and their mitigation strategies including related controls;
- A description of how the company integrates the findings of its risk assessment and internal controls into relevant internal functions and processes;
- A description of the periodic reporting of the findings referred to the management and the supervisory bodies.

## Business model

SEFE's activities span the entire energy value chain, from origination and trading to sales, transport and storage.

**Supply and trading:** SEFE has an established worldwide footprint with the ability to access markets globally, not only to source and trade energy but also to optimise the company's portfolio. SEFE is an important player in the European traded energy markets, combining physical and financial trading of gas, power and environmental products with the provision of risk management and market access services. As one of Europe's leading traders of natural gas, SEFE has a large number of EFET contracts in place and trades a wide range of standard and complex products across all major European hubs.

**Sales:** With 30 years of experience in the European energy markets, SEFE is a leading supplier of gas, electricity and low-carbon products in Europe. SEFE supplies more than 50,000 customers, from industrial firms to small businesses, municipal resellers, regional gas suppliers, power plants, multinational organisations and commercial clients. SEFE's sales businesses are active in Germany, the United Kingdom, France, the Netherlands, Belgium and other European markets.

**Transport:** SEFE operates over 4,200 km of European natural gas pipelines through its ownership of the gas network operator WIGA. In addition to operating gas pipelines, WIGA is developing a significant part of the German hydrogen core network that will enable the creation of a future supply chain of clean hydrogen to allow for a low-carbon future. Additionally, SEFE has a dedicated centre of expertise for LNG shipping.

**Storage:** SEFE's storage sites guarantee security of supply, function as cornerstones of an affordable energy system, and provide a storage solution for renewable energy in the future. As one of Europe's largest storage operators, SEFE's storage subsidiary markets a storage volume of more than six billion cubic metres and holds approximately 25 % of the total storage capacity in Germany. Some of SEFE's storage sites are salt caverns, which are well suited for potential storage of hydrogen in the future.

More details on SEFE's business model is provided in the section of the condensed management report titled "Background information about the Group".

## Stakeholder engagement

SEFE has a diverse range of stakeholders, including customers and suppliers, financial institutions, governments, industry associations, local communities, employees, and employee associations.

The views of stakeholders are of critical importance. Engagement is crucial to SEFE's ESG strategy for ensuring that the company's operations align with the expectations and needs of those who are impacted by its activities. Being open and communicative with stakeholders brings a wide range of benefits. Ultimately, this approach means that SEFE can progress its operations in a way that is understood by those most affected by them.

In September 2025, SEFE held its second Stakeholder Meeting Conference. The company invited 25 key stakeholders, including financial institutions, to provide their feedback on SEFE's ESG priorities and targets. This was an important meeting for SEFE's stakeholder engagement efforts, providing a platform for meaningful dialogue with a range of different stakeholders. The key feedback from this meeting included requests for SEFE to provide more information on its low-carbon energy and methane reduction activities, its progress on preparations to implement the Corporate Sustainability Reporting Directive (CSRD) and EU Taxonomy reporting, its energy transition plan, employer value proposition and IT security activities.

SEFE also maintains an ongoing exchange of information with customers and suppliers through a range of channels, including its website and online portals such as IntegrityNext. These channels are used to share ESG information, distribute relevant certificates, and provide contact points for addressing specific concerns.

SEFE periodically holds "open-door days" at SEFE-operated storage facilities. These events provide stakeholders with first-hand insights into SEFE's operations, demonstrating how it manages and operates key assets. This helps to build trust, understanding and support for SEFE operations.

SEFE actively engages with its local communities around the world and, in 2025, continued to make contributions in support of a range of community initiatives covering healthcare, wellbeing, education and culture, humanitarian help, sustainable energy and other environmental projects.

In 2025, SEFE donated approximately EUR 600,000 to a wide set of charities, compared to donations of approximately EUR 500,000 in 2024. As an example of these activities, SEFE's Medsupport programme funds a large portfolio of medical treatments for people from Western and Eastern Europe who are dependent on help due to a lack of funds or public healthcare. Since its inception, the association's charitable work has been sustained through SEFE's long-standing support and contributions. This initiative exemplifies SEFE's dedication to creating tangible benefits for its local communities.

Within the company, SEFE has also created a dynamic ESG community that serves as a vital forum for discussion and collaboration on ESG topics and goals. By providing an online platform for open dialogue and shared learning, the ESG community not only raises awareness, but also empowers employees to take ownership of sustainability initiatives.

SEFE's ESG team further enhances its efforts by participating in conferences and meetings to exchange ideas with industry peers.

General information

These engagements allow SEFE to understand key sustainability trends, adopt best practices and strengthen its network with other ESG teams. As an example, SEFE participated in PwC’s “women&energy” network event in 2025. This engagement highlights SEFE’s commitment to advancing women in the energy industry and promoting knowledge exchange on sustainable business practices. Looking ahead, SEFE will consider participation in other external women’s networks, foster external networking initiatives and strengthen cross-company female collaboration on ESG and energy topics.

SEFE also actively engages with industry associations in Germany, the UK, France, the Netherlands, Belgium and at EU level. Through these strategic engagements, SEFE is contributing to the future of the energy sector’s transition to a sustainable, low-carbon future. Examples of these strategic engagements include:

**German Association of Energy and Water Industries (Bundesverband der Energie und Wasserwirtschaft, BDEW):** SEFE is active in committees and project groups, advocating for a comprehensive value-chain approach to support the hydrogen ramp-up. The BDEW has established a range of committees and expert groups dedicated to defining industry positions on the import, trading, storage and transport of hydrogen. SEFE actively participates in all these groups, providing insights and supporting constructive industry feedback. Since May 2025, following the formation of the new German federal government, the Federal Ministry for Economic Affairs and Energy has introduced a technology-neutral approach to decarbonisation. This includes focusing on the carbon management value chain and its potential contributions to an affordable energy transition. The BDEW, as well as SEFE, actively supports the development of a legal framework for carbon capture, storage and utilisation.

**Eurogas:** SEFE is a full member and has taken on the chairmanship of the renewable and low-carbon gases working group, reinforcing its leading role in decarbonising the gas industry.

**The German Gas and Hydrogen Industry (Die Gas- und Wasserstoffwirtschaft):** Hydrogen is vital for a sustainable, secure and affordable energy supply in the future. SEFE, as a key member, strongly supports the visible commitment of this association to hydrogen.

**Hydrogen Germany:** This is a clean gas spin-off supervised by the “Die Gas-und Wasserstoffwirtschaft” association. This initiative promotes the energy transition and potentially guides the association towards a broader clean energy representation. SEFE is one of the main supporters of this initiative and encourages a broad-based communication approach.

German chapter of Energy Traders Europe: SEFE is collaborating with other trading companies to develop a strategy for the emerging hydrogen markets. Fundamental rules for the future shape of the physical market (network regulation) as a basis for trading and sufficient liquidity are in preparation by the German national regulatory authority. Energy Traders Europe plays an active role in the discussions and development of the best possible set-up for efficient market regulation.

**H2Global Foundation:** SEFE is one of the donors of the H2Global Foundation, an initiative designed to promote the emergence of markets for clean hydrogen and other zero- and low-emission molecules and accelerate hydrogen and derivative imports to Europe. The foundation promotes an auction-based purchase and sale instrument for hydrogen and hydrogen derivatives, which is implemented through its subsidiary Hintco.

**The European Network of Network Operators for Hydrogen (ENNOH):** This non-profit organisation was established in 2025 to strengthen cooperation between network operators and create the necessary framework for the development of an efficient hydrogen transport infrastructure at a European level. The managing director of GASCADE was appointed as the first president of ENNOH.

**AquaVentus “Förderverein”:** This association is an alliance of over 100 companies, organisations and research institutions along the entire value chain, focused on the production of green hydrogen in the German North Sea. The association and its members aim to install 10 GW of green hydrogen production capacity from offshore wind by 2035. An integral part of the initiative is the transport infrastructure planned by the GASCADE subsidiary AquaDuctus Pipeline GmbH. GASCADE’s managing director is a member of the AquaVentus board.

**Lobbying register:** All direct contacts by SEFE personnel with members of the Bundestag or the federal government are disclosed transparently. SEFE documents all of its lobbying activities as part of the political decision-making process in the Bundestag’s Lobby Register.

## Materiality assessment

An ESG materiality assessment helps companies understand which of their activities have the largest impact on society, and which ESG factors have the largest impact on the companies’ financial performance, reputation and long-term sustainability.

SEFE’s materiality assessment involved engagement with a wide range of stakeholders, including customers, financial institutions, industry associations, the German government and SEFE employees. To prepare the assessment, SEFE followed a rigorous process that consisted of three steps: first, compiling an extensive list of potential topics based on oil and gas industry standards, priority topics for the German government, peer examples and ESG reporting standards; second, grouping and assessing the topics based on their impact and importance to external and internal stakeholders; and third, prioritising and validating the findings with SEFE management.

Following best practices and industry standards, such as the Global Reporting Initiative, this analysis led to the identification of the following nine ESG priorities, based on their importance to SEFE stakeholders and the impact of each topic on society and the planet. These remain SEFE’s current ESG priorities and are the basis of the disclosures in the remainder of this report.

MATERIALITY ASSESSMENT	
<b>SEFE’s current ESG priorities</b>	
<b>Environmental priorities</b>	
	Facilitating the energy transition
	Reducing Scope 1 and 2 GHG emissions
	Reducing Scope 3 GHG emissions
<b>Social priorities</b>	
	Creating energy security and reliability for society
	Developing best-in-class employment practices
	Strengthening diversity, equity and inclusion
<b>Governance priorities</b>	
	Building strong governance, ethics and compliance practices
	Ensuring robust stakeholder engagement
	Enabling innovation and digitalisation across the company

## CSRD and EU Taxonomy preparation

In the coming years, SEFE will be required to report under the CSRD (currently expected from the 2027 financial year onwards). As a result, SEFE has initiated preparations by undertaking its first preliminary Double Materiality Assessment (DMA) in 2025, in line with the European Sustainability Reporting Standards (ESRS).

This assessment involved the identification of SEFE's material ESG impacts, risks and opportunities, grouping them into key topics and then mapping these against ESRS reporting requirements to understand which data points will need to be disclosed in a future CSRD report. SEFE's preliminary DMA results will be updated in 2026 and adjusted for both further stakeholder feedback and any relevant internal and external developments.

As further preparation for future mandatory reporting, SEFE has also undertaken its first preliminary EU Taxonomy assessment. The EU Taxonomy aims to direct capital flows to environmentally sustainable activities and requires companies to identify, classify and report on the extent to which their economic activities are sustainable.

To be considered "aligned" with the EU Taxonomy, an economic activity must meet a set of technical screening criteria and certain minimum safeguards. The results of SEFE's preliminary EU Taxonomy assessment will also be updated in 2026, with a key focus being to put in place the required documentation to support the alignment of sustainable investments.

## Contribution to UN Sustainable Development Goals

The 17 United Nations Sustainable Development Goals (SDGs) were agreed by 193 countries in 2015 and unite the world in the pursuit of sustainable change. These 17 goals cover the range of environmental, social, human rights and economic issues that need to be solved at a global level. They require commitment to targets and meaningful progress against these targets. In particular, the private sector has a key role to play in developing and mobilising knowledge, expertise, technologies and financial resources to support the achievement of the SDGs.

SEFE recognises the importance of collective action and is therefore committed to advancing the agenda of the SDGs wherever possible in its ESG strategy. SEFE's priorities align well with many of the aims of the SDGs, and it is proud to be part of the world's biggest action plan.

In particular, SEFE's ESG priorities support the following SDGs:



## ESG ratings

SEFE has made significant progress on securing important ESG ratings from three key ratings agencies, namely CDP, EcoVadis and MSCI.

SEFE received its first CDP climate change assessment rating in 2024 and improved this to a "B" rating in 2025 following the adoption of new climate risk management processes, amongst other actions taken.

SEFE was awarded a "Bronze" rating from EcoVadis in 2025. An EcoVadis rating is particularly important for energy customers because it provides assurance that their suppliers undertake responsible business practices. SEFE will be renewing its rating in 2026.

Lastly, SEFE has obtained a provisional ESG rating of "AA" from MSCI, the leading provider of ESG investor ratings to the financial community.

SEFE will continue to renew and potentially improve its ratings over time by identifying areas where it needs to undertake new ESG initiatives and disclose further information.