



2023 Sustainability Report

Securing a Sustainable Future



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About this report

A message from our CEO



We will only achieve this with a dedicated, talented, and ambitious team. A team that has diverse perspectives and is highly trained. Here too, we have moved forward in 2023. For example, we have met our 2025 target for a minimum of 25 per cent of senior leadership positions to be held by women. Ultimately the goal is gender parity. We have also launched “Activate”, our in-house leadership training programme. In addition to the individual development of our managers, we thereby also promote the transformation of SEFE.

None of this would be enough without the right governance in place. In 2023 we introduced a new Code of Ethics and Business Conduct, setting out the high standards that guide us as a good corporate citizen — for our culture, core values and business principles. Closely related to this are our obligations regarding suppliers and the supply chain. So, we have established an enhanced “Know-Your-Customer” questionnaire for our trading counterparties and are reviewing our key suppliers to confirm that they have a code of conduct in place.

We have made substantial progress in 2023. But there remains a lot to do. This report sets out not just what we have delivered but our clear and ambitious targets for the future. These include achieving net zero Scope 1 and 2 GHG emissions by 2040, establishing talent programmes and career roadmaps for our whole organisation, and much more as you will see in the following pages.

All of us at SEFE are committed to meeting our ambitious targets, together with you: our partners, suppliers, customers, and stakeholders.

Sincerely yours,

Dr Egbert Laege
Chief Executive Officer

The energy industry is transforming and SEFE is at the heart of that change. We are delivering the secure and reliable energy that societies depend on, while also driving the energy transition forwards. In doing so, we are ensuring that SEFE has a strong future. This report sets out how.

We are committed to becoming a European major in the global low-carbon economy. This is why we are driving forward the energy transition: We are not only reducing our own greenhouse gas emissions but are also supporting our customers in particular with their decarbonisation as part of the realignment of our business model. The SEFE team made progress on these fronts in 2023.

We took action to reduce operational — Scope 1 and 2 — emissions last year. For example, we installed a continuous Methane Leakage Detection system at our Rehden storage site, following the successful completion of a system at Jemgum in 2022. These systems enable rapid detection and correction of fugitive methane emissions, which have a critical role in accelerating climate change.

We have been a backbone for natural gas supply in Europe for decades: sourcing, storing, and supplying gas to our customers. We intend to perform the same role for low-carbon hydrogen, and are putting the necessary foundations in place, from partnerships to projects. Thus, we are planning a hydrogen storage cavern at our Jemgum site in Germany — a further step in the transformation of our portfolio.

“ We aim to drive the energy transition by transforming our business and helping our customers to decarbonise. ”

2023 sustainability highlights

- Established SEFE’s Scope 1, 2, and 3 greenhouse gas (GHG) baseline emissions footprint
- Fulfilled our role to secure energy for Europe and deliver reliable storage services for our customers
- Achieved SEFE’s first diversity target with 25 per cent of senior leadership positions held by women, one year ahead of schedule
- Launched “Activate” Programme to develop SEFE talent
- Published new Code of Ethics and Business Conduct for all staff

SEFE at a glance

At SEFE, we secure the energy supplies that fuel economies, and we provide solutions for a low-carbon society. We drive the decarbonisation of our customers by building a diversified and integrated portfolio including competitive, affordable, innovative, and flexible products in a growing number of markets. Our activities span the entire value chain from sourcing and trading to sales, transport and storage, enabling us to play our role in the transformation of our industry.

Thanks to our decades-long expertise in trading and the development of gas, LNG and power businesses, SEFE has become one of the most important suppliers to industrial customers in Europe, with an annual sales volume of approx. 200 terawatt-hours (TWh) of gas and power.

By investing in clean energies and especially in hydrogen ecosystem, we are contributing to the energy transition. One of our priorities is to build and expand hydrogen infrastructure by developing hydrogen storage facilities and participating in the construction of the European hydrogen pipeline network.

Globally, SEFE employs around 1,500 people with over 50 different nationalities represented.

What we do

Sourcing 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. We are a leading 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 largest traders of natural gas, SEFE has active EFET contracts with around 500 counterparties and trades a wide range of standard and complex products across all major European hubs.

Sales

SEFE supplies more than 50,000 customers in European markets, from industrial customers to municipalities, regional gas suppliers, power plants, multinational organisations and commercial clients. With 30 years of experience in the European energy markets, we are a leading supplier of gas, electricity, and low-carbon products in Europe. Besides the German market, SEFE is also active in the United Kingdom, France, the Netherlands, Belgium and other European markets.

Transport

Be it hydrogen, green gases or LNG, the gas market is changing, and transport routes need to adapt accordingly. SEFE has a stake in several joint ventures operating critical natural gas logistics and is continually looking for ways to enable transportation of green gases or hydrogen to allow for a greener future. Additionally, SEFE has a dedicated centre of expertise for LNG shipping. In 2024, SEFE acquired the outstanding 50.02 per cent of the shares in gas network operator owner WIGA held by the previous joint venture partner Wintershall Dea.

Storage

Energy 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. They play a major role in contributing to the success of the energy transition. As one of Europe's largest storage operators, SEFE's storage subsidiary markets a storage volume of nearly 7 billion cubic meters and holds approximately 25 per cent of the total storage capacity in Germany.

Our capabilities position us well to enter low-carbon markets

Industry knowledge

Amid a high degree of uncertainty in the natural gas and LNG markets, we are diversifying energy sources, managing emerging risks, and taking advantage of geographic and seasonal differences in prices to create added value. All of these capabilities serve us well in negotiations for complex long-term contracts for energy products, including low-carbon power and hydrogen.

Infrastructure expertise

We have deep expertise in operating critical market assets such as storage facilities. These will allow us to transition smoothly from gas to hydrogen at competitive cost and when needed.

Broad customer experience

We have direct and close relationships with a wide range of gas and power customers, with whom we will work closely to enter low-carbon energy markets successfully.

Our ESG strategy

At SEFE, we believe that we can be at the forefront of the green energy transition, leading by example to push for a safer, more sustainable planet.

Our ESG ambitions

The transition into a low-carbon economy presents a huge challenge for both industry and society. Achieving critical emissions targets requires a fundamental overhaul of entire industries, prioritising efficiency and sustainability. Companies cannot reach their objectives merely by making incremental changes to technologies, workforces, regulations, and processes. Instead, the global economy must undergo a profound and comprehensive shift.

The energy transition also presents multiple opportunities for companies. Innovative energy products and services, the conversion to low-carbon infrastructure and the creation of new energy supply chains offer new material sources of revenue and the ability to lead the transition of the energy industry.

Environmental, social, and governance (ESG) principles are the foundation of our strategy. The integration of ESG into our outlook is essential, influencing everything from the energy markets where we compete, to the robust partnerships we establish with customers to achieve our shared sustainability goals.

Given the paramount importance of incorporating ESG into our daily business activities, the responsibility for upholding sustainability principles lies with leaders at all levels within SEFE. We are stronger together, and sustainability is a long-term journey.

ESG materiality assessment

We undertook our inaugural ESG materiality assessment in 2023, a process used by organisations to identify and prioritise the ESG issues that are most significant to their business and stakeholders.

This exercise helps companies understand which of their activities have the largest impact on society and which ESG factors have the largest impact on their financial performance, reputation, and long-term sustainability. Our assessment involved engagement with a wide range of stakeholders, including the German Government, customers, financial institutions, industry associations and our employees.

We followed a rigorous process to arrive at our conclusions in which we:

- Compiled 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.
- Grouped, condensed, and contextualised topics to align with SEFE's core purpose.
- Assessed the relevance of topics and their impact with external and internal stakeholders to determine their importance.
- Prioritised and validated the outcomes of this process with SEFE management.



ESG priorities

Our analysis led to the development of our ESG priorities following best practices and industry standards, such as the Global Reporting Initiative (GRI). We chose our key ESG priorities based on importance to SEFE stakeholders and the impact of each topic on the environment and society. The exercise resulted in the identification of 9 key topics for SEFE:

Environmental

To help create a more sustainable energy mix, we are applying our unique capabilities to building a suite of low-carbon energy solutions while reducing our own emissions. For example, we are using our long-standing energy expertise in sourcing, sales, transportation, storage, and trading, to expand into new products like hydrogen.

Priorities

- Facilitating the green energy transition
- Reducing Scope 1 and 2 GHG emissions
- Reducing Scope 3 GHG emissions

Social

Together, as one integrated and connected SEFE, we are becoming an employer of choice for innovative and diverse talent who can bring our transformation to life, and secure energy for our customers across Europe and the World.

Priorities

- Creating energy security and reliability for society
- Developing best in class employment practices
- Fostering diversity, equity, and inclusion

Governance

We are implementing a comprehensive governance model which reflects an increasing focus on innovation and digitalisation, whilst maintaining high ethical and compliance standards.

Priorities

- Building strong governance, ethics, and compliance practices
- Ensuring robust stakeholder engagement
- Enabling innovation and digitalisation across the company

Our approach to ESG risk management

We are committed to managing our ESG-related risks and opportunities in a responsible and effective manner.

Our comprehensive risk management framework includes the following key elements:

- **Governance:** SEFE's Supervisory Board is responsible for overseeing the Group's risk management framework, with a Risk Committee established to review and approve the Group's risk appetite, policies, and procedures. An ESG Committee has also been established to advise the Supervisory Board and the Management Board, with its role further detailed on [page 30](#) and in the appendices.

- **Risk Identification and Assessment:** SEFE's risk management framework includes a process for identifying, assessing and prioritising ESG-related risks, including physical climate risks and energy transition risks.
- **Risk Mitigation:** SEFE is implementing a range of risk mitigation strategies to address ESG-related risks. These strategies include evaluation and investment in low-carbon energy and storage decarbonisation opportunities.
- **Risk Monitoring and Reporting:** SEFE's risk management framework is being expanded to include a process for monitoring and reporting on ESG-related risks.

External reporting and ratings

Contribution to the SDGs

The 17 United Nations Sustainable Development Goals (UNSDGs or SDGs) were agreed in 2015 by 193 countries and unite the world in the fight to achieve 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.

At SEFE, we recognise the importance of collective action, so we are committed to advancing the agenda of the SDGs wherever possible in our ESG strategy. Our priorities naturally align well with many of the aims of the SDGs, and we're proud to be part of the world's biggest action plan.

In particular, our ESG priorities support the following SDGs and we have a set of targets and initiatives that underpin our commitments:



Preparing for CSRD reporting

All European businesses need to be prepared for rapidly developing reporting regulations. We are required to report under the Corporate Sustainability Reporting Directive (CSRD) and EU Taxonomy for the 2025 Financial Year. As a first step, we will build on our 2023 materiality assessment work by completing our first Double Materiality Analysis, in accordance with CSRD requirements, by the end of 2024.

Approach to ESG ratings

We had a silver rating from Ecovadis in 2023, which we are aiming to renew by the end of 2024. We have also started the process of making our first submission to CDP, with the goal to secure our first rating in 2025. We will also assess the value of other ESG ratings in 2025, and submit the relevant information and data to the selected rating agencies.

Facilitating a low-carbon economy

Our environmental progress

~60%

reduction in Scope 1 and 2 emissions in 2023 versus baseline period*

2

new methane leak detection systems installed at our storage sites

>15%

reduction in Scope 3 emissions versus 2021 baseline year

29,500 kWh

of electricity produced by solar power at Jemgum by end of Q1 2024

*See page 14.

Environmental mission

We are accelerating the transition to a low-carbon economy with an aim to achieve Net Zero GHG emissions in our operations and to grow our expertise in emerging fuels like hydrogen.

We stand on the brink of a historically significant shift in our industry. The green energy transition is our opportunity to power the world in a positive and more sustainable way, and we intend to play our part. As a company that sources, sells, transports, stores, and trades gas, we are keenly aware of our responsibilities. Our aim is to reduce carbon emissions, both in our own operations and those of our partners and customers, and minimise our environmental impact.

Whilst our own operations produce a relatively limited amount of GHG emissions, the gas that we purchase and sell to downstream customers places a burden on the environment. Therefore, we are increasingly providing a diverse suite of products, ranging from traditional offerings to alternative fuels and low-carbon energy solutions.

Environmental policy statement

We published our Environmental and Climate Change Policy Statement in 2024. As a responsible business and also in accordance with the German Supply Chain Due Diligence Act, we strive to minimise the environmental impact of our operations and value chains and use natural resources efficiently. We firmly believe that a stable climate and a thriving natural environment are fundamental to realising the UN Sustainable Development Goals.

We support the intent of the Paris Agreement on climate change. We understand that this requires a transition to a lower carbon energy system and that we have an important role to play in supporting a more sustainable world.

More specifically, we aim to become a cornerstone of the energy transition, empowering both industry and society to flourish in a low-carbon energy era. We embrace the challenge to support the energy needs of today while simultaneously investing in a portfolio of transition-enabling commodities and solutions. In addition, we are dedicated to reducing our broader environmental footprint as we recognise that our operational assets, including our storage facilities, may potentially cause wider impacts on the environment.



Environmental targets

We have set clear targets for reducing our emissions and growing our low-carbon business activities.

Energy transition

Target: Selling in total over 25 Terawatt hours p.a. of low-carbon energy by 2030 (including low-carbon hydrogen, renewable power and biomethane).

Target: Develop material hydrogen capability in line with expected hydrogen market developments.

Scope 1 and 2 emissions

Target: Reducing Scope 1 and 2 GHG emissions by more than 50 per cent by 2030 throughout our operations and office-related activities under our control, relative to our baseline.

Target: Achieving Net Zero Scope 1 and 2 GHG emissions by 2040.

Target: Purchasing 100 per cent renewable energy for Berlin, Kassel and London offices by 2025.

Scope 3 emissions

Target: Generating a 15 per cent reduction in absolute Scope 3 GHG emissions by 2030 globally relative to our 2021 baseline.

Environmental performance

We have worked hard to understand our baseline emissions, both in our own operations and our supply chains. Leaning on best industry practice and supported by leading environmental consultancy specialists, we have developed a greenhouse gas emission inventory and calculation methodology that is based on the most up-to-date international standards and guidelines, including the GHG Protocol.

Applying an operational control approach, we have established which activities to include in our emissions calculations. For entities included in the methodology please refer to [page 38](#). The value chains we include in our reporting and emissions calculations for our Scope 3 emissions are covered on [page 15](#).

The material categories included in this methodology are: 1. Purchased goods and services, 2. Capital goods, 3. Fuel and energy related activities, 4. Upstream transportation and distribution, 5. Waste generated in operations, 6. Business travel, 7. Employee commuting, 9. Downstream transportation and distribution, 11. Use of sold products, and 15. Investments.

Our emissions calculation methodology is covered in more detail in the appendices on [page 36](#). Data was also subject to independent limited assurance by ERM Certification and Verification Services Limited (ERM CVS). Please refer to ERM CVS' full assurance report on SEFE's website for more details.



Scope 1 and 2 emissions

Our Scope 1 and location-based Scope 2 baseline is 151 thousand tonnes of GHG emissions. More detail on Scope 1 and 2 emissions is shown in the appendices on [page 39](#).

The majority of our Scope 1 emissions arise from gas combustion at the Rehden storage facility, from the Industriekraftwerk Greifswald (IKG) gas power plant, and SEFE offices, as well as fuel consumption by company cars.

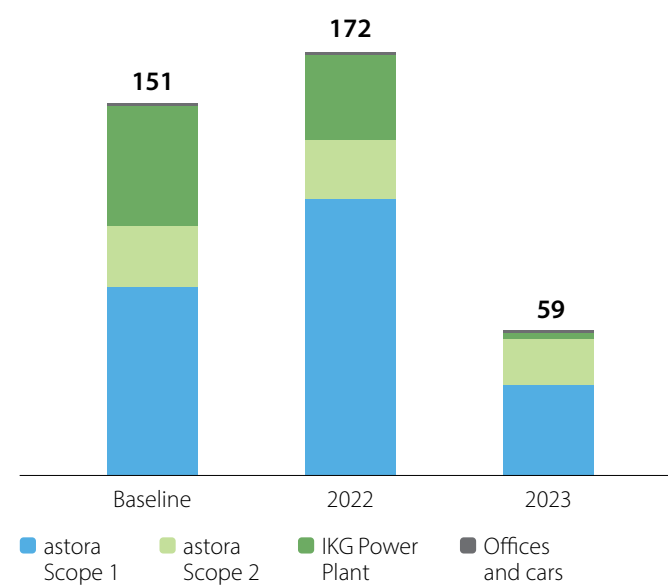
Scope 2 emissions primarily result from electricity consumption at the Rehden and Jemgum storage facilities in Germany, the Haidach storage facility in Austria, SEFE's fibre business, and the electricity and heat consumption by SEFE offices.

Notably, our storage activities contribute approximately 70 per cent of our Scope 1 and 2 emissions, while our offices and company cars account for less than 1 per cent.

From a baseline of 151 kt of GHG emissions, SEFE's emissions initially rose in 2022. This was driven, in part, by a requirement to fill storage to maximum capacity in line with German Gas Storage Act. The subsequent fall in storage emissions in 2023 was due to a reduced need for injections, with high levels of gas storage maintained following a mild winter. Emissions also fell with the shutdown of the IKG gas power plant in 2023.

Looking forward, storage emissions remain dependent on storage utilisation levels by our customers.

SEFE Group total Scope 1 and 2 emissions 2021–2023, ktCO₂e^{[1] [2]}



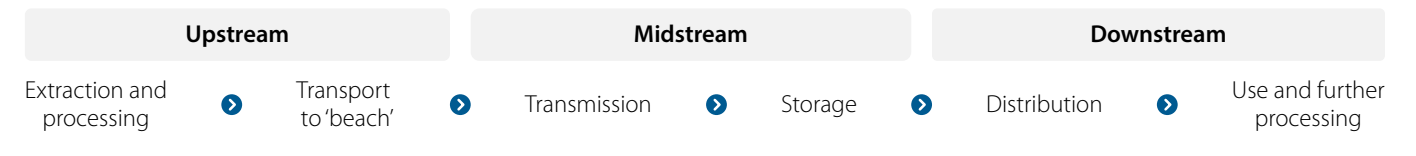
[1] Scope 1 and 2 baseline emissions based on average 2017–2020 astora emissions as these were more representative of a typical year than 2021, when reduced storage activity took place.
 [2] Location-based Scope 2 emissions.

Scope 3 emissions

Our Scope 3 emissions primarily originate from the two sources:

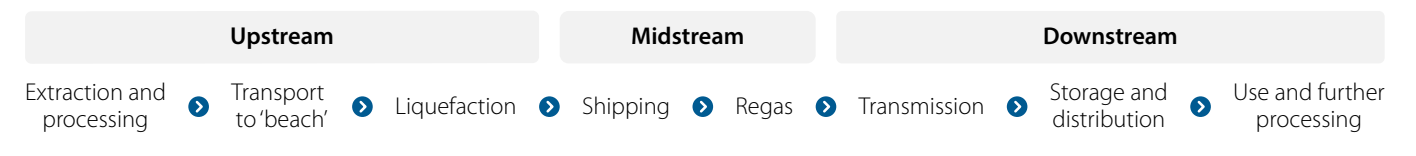
Our European gas value chain

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



Our LNG value chains

This value chain covers all upstream, midstream and downstream emissions associated with liquefied natural gas (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.



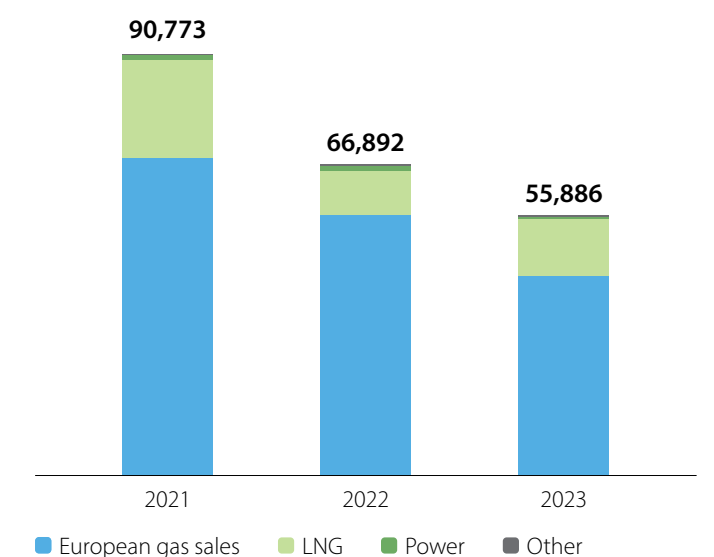
Our Scope 3 baseline amounts to 91 million tonnes of GHG emissions. This is around 600 times larger than our Scope 1 and 2 baseline emissions. More detail on Scope 3 emissions is shown in the appendices on [page 39](#).

This is driven by a number of key value chain activities which include gas combustion by SEFE's European energy customers as well as customers at the end of SEFE's non-European LNG value chains, energy use 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.

It is important to note that within our reported Scope 3 categories, the "Use of Sold Products" accounts for over 70 per cent of SEFE's emissions.

From a baseline of 91 mt of GHG emissions, SEFE's emissions have fallen significantly over the period 2021–2023. This is mainly due to a fall in SEFE's European gas and LNG sales volumes over this period.

SEFE Group total Scope 3 emissions 2021–2023, ktCO₂e



“ The energy transition is going to transform the business landscape over the next 10 years. ”

Facilitating the green energy transition

We have initiated a wide range of activities to support the delivery of our environmental targets:

Energy transition

Our current initiatives are centered on the development of partnerships to enable us to source and supply low-carbon energy to customers. We are focused on securing large-scale energy supply and investing into our infrastructure for transporting and storing energy.

Our Hydrogen and Clean Energies team is actively progressing the development of a secure clean energy offering to meet the needs of our customers in Germany and Europe. Given the dynamic nature of the techno-economic and regulatory landscapes, together with different customer requirements, SEFE is exploring a range of pathways to achieve these goals.

We are building global and local partnerships for securing large-scale and cost-efficient hydrogen supply through the future core hydrogen grid, as well as for creating more local and flexible decarbonisation solutions.

One example of our activities is our TSO Gascade which is implementing two foundational hydrogen pipeline infrastructure projects in Germany, namely “Flow — making hydrogen happen” and “AquaDuctus”. Through these projects, SEFE is making tangible steps towards creating the German core hydrogen grid and connecting this grid to other countries.

These projects, as well as the plans to develop hydrogen storage caverns at Jemgum, are examples of the essential practical steps needed for hydrogen market ramp-up and acceleration of the energy transition in Germany and Europe.

Scope 1 and 2 emissions

We are evaluating multiple storage decarbonisation initiatives, including energy efficiency improvements through asset replacements and optimising maintenance where feasible. We are also monitoring methane emissions at our sites.

Working closely with our landlords, our Facilities Management team are actively engaged in reducing energy consumption in our offices and investigating opportunities to secure renewable power supplies. As an example, we have purchased renewable electricity for our Kassel and Berlin offices for 2025.

Scope 3 emissions

While many Scope 3 emissions are outside our direct control, we are pursuing a range of initiatives to reduce our emissions footprint which include the following:

- Diversification of our portfolio to include a growing share of low-carbon sales.
- Optimising our LNG shipping vessels' operations to reduce fuel use.
- Seeking information from upstream suppliers on their emissions footprints and the actions they are taking to reduce emissions.
- Assessing opportunities to use internal carbon pricing to raise awareness of potential carbon costs from our activities.
- Developing a high-quality carbon offset portfolio to offer to customers and, subject to further clarifications around eligible use of offsets, potentially help SEFE to meet its emissions reduction targets.

Our HSE standards

SEFE is committed to its health, safety and environmental (HSE) priorities in alignment with our core values as an organisation. HSE ensures the integrity of our technical systems is maintained to the highest standard. This not only represents the fulfilment of legal obligations, but also a moral and ethical obligation that is a core part of our corporate culture. Our HSE objectives and requirements are defined in our centralised, integrated HSE management system (IMS). This system is an integral part of our day-to-day business and working life, and takes into account the requirements of the three ISO standards:

- ISO 14001 Environmental Protection;
- ISO 45001 Occupational Health and Safety
- ISO 50001 Energy Management

The implementation of these standards within our storage activities is also evaluated and reviewed by leading certification companies as part of regular audits.

Environmental spotlights

Inspiring behavioural change in LNG Shipping crews

Understanding the behaviours of our shipping crews is key to initiating long term, sustainable change. By positively influencing habits and behaviours, we can continue to make incremental improvements in how our vessels are operated to reduce emission intensity across our time-chartered fleet.



In 2024, we initiated a partnership with Signol — a behavioural change service — to engage our crew members and kickstart positive behavioural changes on board. We are preparing to trial Signol's unique Behaviour Change Service on two of our vessels. Signol leverages behavioural science best practice and combines this with deep maritime and data science expertise. Through this initiative, our crews will be able to see the impact of every operational decision and enable them to focus on specific opportunities to save fuel.

Signol supports these decisions by personalising maritime data and clarifying the impact of human factors on fuel efficiency, while also identifying opportunities for behaviour change. It provides targeted “nudges” via email and a web app to selected ship's officers. Signol deploys a suite of over 17 behaviour change techniques within its software. So far, Signol has already identified more than 25 behaviours that can be improved, including optimal sailing, optimal trim, efficient auxiliary engine use, and efficient main engine use. Ultimately, we expect these efforts to lead to sustained behavioural changes, which will significantly reduce the environmental impact of our shipping operations for years to come.

Turning carbon challenges into climate solutions

Our Environmental Projects team's goal is to build a portfolio of high-quality, high-integrity carbon projects. Our team continuously researches, analyses, and evaluates carbon developers and projects worldwide to identify attractive investment opportunities, with examples of two key projects currently being progressed being:

Afforestation in Kazakhstan

At the end of 2023, SEFE signed a Memorandum of Understanding (“MoU”) with the Kazakhstan Chamber of Commerce to support the development of forestation and other environmental projects in Kazakhstan. This MoU aims to scale a pilot 3,500-hectare afforestation project to 30,000 hectares in the coming years, improving local climate and biodiversity while benefiting local communities. The signing event, part of a ceremony celebrating key agreements identified by the Kazakh government, was presided over by the President of Kazakhstan, and underscores our potential to be a key leader in decarbonisation projects in Asia.

Carbon capture in Australia

We have made an investment in InterEarth, a carbon capture project in Australia. This high-quality carbon removal project 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 monitored specialised 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.

By 2050, SEFE expects to receive over 1 million high-quality and durable carbon removal credits from this investment, with the first credits anticipated as early as the fourth quarter of 2024.

Storing hydrogen at Jemgum

Hydrogen storage will be key to balancing fluctuations in the availability of hydrogen supplies. We are currently evaluating plans to develop caverns to store hydrogen at our Jemgum gas storage site in Germany. Jemgum's geological structures with a high potential for hydrogen storage and the proximity to the planned hydrogen network make the location in East Frisia particularly attractive. To design the hydrogen storage facility technically as close as possible to the needs of the future hydrogen market, we also conducted a nonbinding market survey in 2023 to gather information from potential capacity users. Our plan is for the hydrogen caverns to be operational by early 2030s.



Optimising energy use at our facilities

Just as the energy landscape is ever evolving, so is our commitment to responsible energy management in the physical spaces we occupy. Our Facility Management team has recently renegotiated the London office lease which has included a significant capital contribution from the landlord to carry out agreed energy efficiency improvement work.

This includes the replacement of all existing lights with LED; fan coils and all associated controls; and flow and temperature sensors within hot and chilled water pipework and associated control units. These items all directly consume energy or monitor consumption so are crucial elements in running an energy efficient building.

Our landlord has also re-confirmed its commitment to removing the building's gas boilers and original chillers and installing modern heat pumps.

Starting in 2024, our Kassel office in central Germany will undergo a significant transformation in its energy sourcing. This includes the move from a mixed energy source to 100% renewable electricity, and the upgrading of the lighting system to state-of-the-art LED technology by end June 2024.

Since March 2021, we have been producing solar power at our Jemgum storage facility. The photovoltaic system consists of 30 modules and has generated a total of 29,500 kWh of electricity by the end of Q1 2024.

Detecting and preventing methane leakage

We have installed a continuous Methane Leakage Detection System at our gas storage location Rehden in 2023, following successful completion of an initial system at Jemgum in 2022.

The system is comprised of:

- Laser based Open Path Gas Detectors (OPGD) to detect methane molecules over a detection path of 20m–40m. Jemgum and Rehden each have 14 pairs of sensors and detectors installed. The system can detect small quantities of fugitive methane emissions.

- Ultrasonic Gas Leak Detectors (UGLD) at various places 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 gas storage facilities are continuously monitored and, with the OPGD and UGLD systems, can detect gas leakages in a very short period of time, minimising any fugitive methane emissions.

Delivering energy security and a workplace to be proud of

Our social progress

55 TWh

of LNG made available for Europe in 2023

100%

of large customers requesting offers received them

~100%

availability of SEFE storages excluding planned maintenance

25%

of senior leadership positions held by women, one year ahead of target date

>50

nationalities in the whole SEFE Group

15 hours

of voluntary training undertaken per employee in 2023

Social mission

With the help of diverse and talented staff who are being given access to the latest tools, comprehensive training, and ongoing support, we are ensuring the security and reliability of energy supplies. Given the competition for talent across the industry, we have recognised that we must become an employer of choice for people who want to make a difference, delivering both energy security and the green energy transition.

We have a broader perspective on the sustainability of our business which also encompasses the importance of delivering secure and reliable energy for millions of people across Europe and beyond. Accomplishing this mission, and living up to our societal responsibilities, are only possible if we have a diverse workforce with the right skills to succeed. To live up to our commitments to our employees, partners, and society, we are unifying our systems and processes across the entire business to create a more efficient and responsive organisation.

At the same time, we are aiming to become a performance-driven workplace where people can grow and be rewarded as they develop their individual career paths. We are challenging ourselves to become a place where all people can thrive, regardless of gender, national origin, and educational and professional backgrounds.



Human rights policy statement

At SEFE, we are fully committed to acting ethically and with integrity across all of our operations and along our value chains in accordance with the German Supply Chain Due Diligence Act. In line with our wider ESG strategy, we introduced a Human Rights Policy Statement in 2024 and are developing policies on corporate social responsibility to fill key gaps in our policy framework.

Respect for human rights is integral to our corporate culture and forms the basis for our responsible business — every day and in every business operation. We aim to be an attractive employer, reliable partner, and good neighbour in the local communities where we operate.

We are wholly committed to ensuring fair and respectful working conditions throughout our company. Our priority is providing a working environment that is free from all forms of discrimination and harassment, including those based on gender, religion, colour, national or ethnic origin, marital status, sexual orientation, age, disability, or any other characteristic protected by law. We respect, recognise, and encourage diversity within our company and believe that it is the responsibility of all stakeholders to stand up against and report any form of discrimination, harassment, bullying or intimidation in any form. We treat all staff members fairly and respectfully and have set up a whistleblowing line to allow employees to report any incidents.

We also conduct our business with the utmost concern for the health and safety of all employees. We comply with all applicable health and safety legislation and strive to continually improve our performance.

Social targets and performance

We have set clear targets for delivering energy security and creating a diverse and inclusive workplace:

Energy security

Target: Issuing offers to all customers consuming over 30 GWh p.a. per delivery point that have asked for an offer.

Target: Supporting Europe's energy independence by ensuring significant volumes of LNG are available for delivery to Europe, with a target of over 70 TWh p.a. from diversified sources by 2030.

Target: Achieving storage availability of over 98 per cent. (excluding planned maintenance)

Employment practices

Target: Establishing a ONE SEFE talent programme.

Target: Ensuring each employee participates in at least five hours of self-selected training p.a., by 2025.

Diversity, equity, and inclusion

Target: Ensuring that 25 per cent of top leadership are women by 2025, ultimately aiming for gender parity.

Target: Maintaining or increasing the diversity of nationalities employed across the group as of 2023.

Target: Ensuring that 100 per cent of employees receive diversity, equity and inclusivity training each year by 2025.

“ SEFE provides very attractive employment opportunities for graduates. ”

Securing a prosperous future

We are already making significant progress against these targets, with a notable achievement being the meeting of our target for 25 per cent of senior leadership positions to be held by women:

Energy security

The diversification of our energy portfolio with long-term supply contracts from pipeline and LNG sources is a key priority. With a target of over 70 TWh p.a. of LNG volumes available for delivery into Europe by 2030, 55 TWh of our LNG volumes were available for Europe in 2023.

We are committed to ensuring that any large gas customer who wants an offer, receives an offer from SEFE. We monitor customer complaints very carefully and, for instance, received no complaints from customers in Germany in the first half of 2023 about our commitment to make offers. We are also offering our expertise in optimising power assets to UK customers and partners, with the intention to expand this service offering to continental Europe.

We ensure that our storage facilities are always available for customers, with maintenance activities only being undertaken within agreed planned maintenance periods. We are also actively managing our storage portfolio including the development of new hydrogen facilities to maintain our competitive market position in the long-term.

Employment practices

We will hold ourselves accountable at all stages on our journey to becoming a fully diverse, inclusive employer of choice. We are designing talent programmes, career roadmaps, and flexibility programmes for all staff. These will emphasise the diverse career prospects at SEFE.

With an unstoppable passion for excellence, growth, and learning, SEFE is committed to creating an environment that fosters the development of knowledge, skills and experience, so that our employees can thrive. We facilitate a high-performance culture through continuous learning and talent development, thereby ensuring that the organisation is equipped with the capabilities required to deliver our own strategic ambitions.

We also offer a variety of tools and activities to support both formal and informal learning. Formal educational events, coaching, team activities, job-related experiences, and more are available to help our employees learn and grow. We support our staff in their professional and career development by offering our learning hub and access to other best-in-class educational resources. These tools are designed to help our staff perform at their best and grow both individually and professionally.

Our initial target for a minimum of five hours of voluntary training being undertaken by all staff by 2025 is already being met, and this will be further supported by the introduction of new learning and development systems over the next two years.

Diversity, equity, and inclusion

As we work towards a truly diverse, equitable, and inclusive working world, we are committed to achieving gender parity in top leadership roles and ensuring that all selection processes for such roles include at least one female candidate.

Our initial target of over 25 per cent of the senior leadership being women has already been met, one year ahead of schedule, following key hires in 2024, and we are proud to have over 50 different nationalities working at SEFE.

We will be formalising a group-wide Diversity, Equity, and Inclusion (DEI) policy and designing and implementing gender equal leadership and mentoring programmes across our organisation to support future leaders.

Social spotlights

The diversification of our energy portfolio

Equinor pipeline gas supply

We have entered into an agreement for Equinor to supply 111 terawatt hours (approximately 10 billion cubic meters) of natural gas per year to SEFE from 2024 until 2034, with an option to extend for another five years. This annual supply will make a significant contribution to energy security in Germany and wider Europe.

Oman LNG supply

We have secured a long term contract with Oman LNG for 0.4 million tonnes per annum of liquefied natural gas (LNG) to be delivered between 2026 and 2029. This contract marks a milestone in the strategic energy partnership between Germany and Oman.



Signing the Charta der Vielfalt

We have proudly joined Germany's largest diversity charter initiative by signing the Charta der Vielfalt. Initiated in 2006, the Charta der Vielfalt has been signed by around 6,000 companies and institutions and focuses on promoting diversity and offering tools to support diversity initiatives in companies across Germany.

The implementation of the Charter in our organisation supports our aim to create a work environment free of prejudice. We are dedicated to ensuring that all employees are valued, regardless of gender, nationality, ethnic origin, religion or belief, disability, age, sexual orientation, or identity. In line with this charter, we pledge to:

- **Foster an Inclusive Culture:** Cultivate a culture of mutual respect and appreciation. Leaders and employees will recognise, share, and live these values.

- **Review HR Processes:** Ensure our HR processes reflect the diverse skills and talents of all employees and meet our performance standards.
- **Utilise Diversity:** Recognise and leverage the diversity within and outside our organization for mutual benefit.
- **Encourage Dialogue:** Promote internal and external discussions about the implementation of the Charta.
- **Public Reporting:** Annually report publicly on our activities and progress in promoting diversity.
- **Employee Involvement:** Inform and involve employees in the implementation of the Charta.

By committing to the Charta der Vielfalt, we are making a clear statement about our values. We believe that diversity enriches our company and will help us remain successful and ready for the future.

Developing our leadership

At SEFE, we believe that a strong, functional management system is key to ensuring all employees are well-supported and have adequate progression opportunities available to them.

“Activate” is SEFE’s 6-month leadership programme for people managers who are already in a leadership role and have up to two years’ experience or have been in the role for longer but have not had formal people manager training. Our CEO and Chief Information Officer (CIO) are the official sponsors of the programme, displaying top-down commitment to structural improvements.

The programme includes modules on self-leadership as well as leading others, and workshops prompting participants to delve into our core values and skills such as delegation and situational leadership. We know that investing in our people will help our company prosper for years to come, so we’re excited to see managers solidifying their skills and continuing to progress.

Thinking like our customers

We are committed to delivering the best possible experience for each and every customer that trusts us with their energy supply, which is why we are so proud of our outstanding customer satisfaction scores. To maintain the high standards our customers have come to expect, customer focus needs to be at the top of our minds in everything we do.

Our ‘Think Like a Customer’ (TLC) campaign helps us achieve this. TLC includes:

Keeping it simple

Navigating the complexities of today’s energy market is not an easy task, both for small businesses and large organisations alike. From decarbonisation to constant fluctuations in prices, it is up to us to find solutions that make energy management simpler and straightforward, so our customers can focus on delivering the products and services their own customers rely on.

Focusing on solutions

We are more than an energy supplier. We provide solutions to help our customers achieve their energy goals. We understand our customers’ needs, both short term and long term, and work with them to find constructive solutions to their biggest challenges.

Working in partnership with our customers

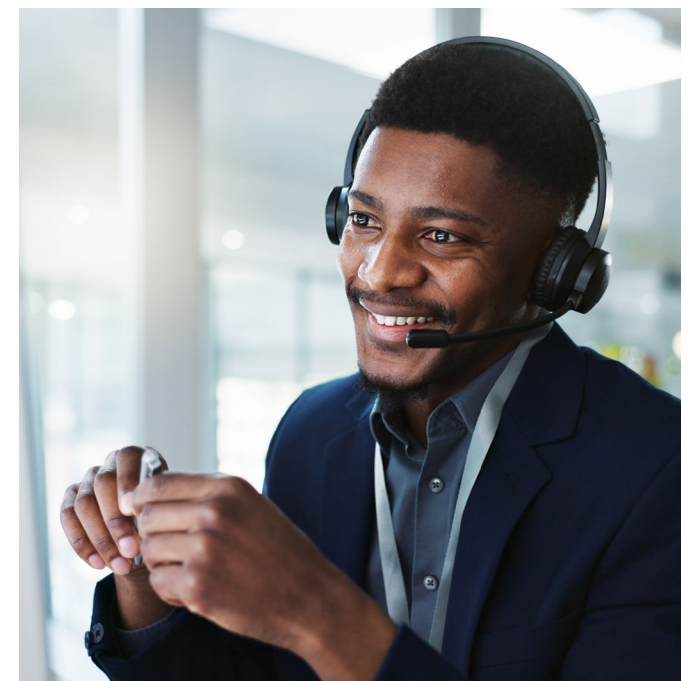
At SEFE, we work in partnership with our customers, and with each other, to define common goals that we can achieve together. Partnership requires empathy, open-mindedness, common sense and collaboration, all of which our sales colleagues are proud to demonstrate daily. By working together, we can be more effective in supporting the organisations we supply.

Reliably delivering on what is expected of us

Reliability is about consistently delivering in a positive way for the benefit of our customers, our business and each other. It’s about seeking out opportunities to deliver beyond the minimum that is expected. We will not always get it right, but we take responsibility for our actions and learn from our mistakes so we can grow and improve in the future.

Continuously reviewing

‘Think Like a Customer’ is an important part of our sales culture and continues to be embedded into our day-to-day ways of working. We review our TLC commitments at least once a year to ensure they always reflect our current standards.



Creating a responsible, engaged and innovative organisation

Governance mission

We are committed to forming lasting bonds of mutual trust and engagement with our customers and stakeholders, supported by a clear compass of ethical and compliance principles and a focus on innovation.

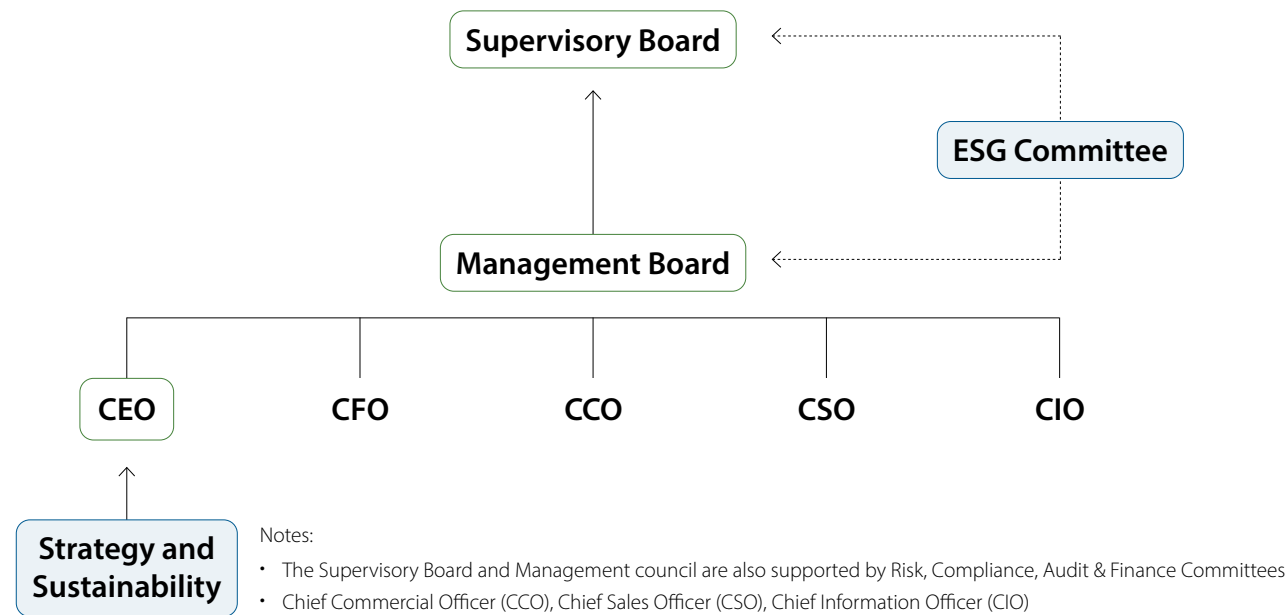
Increased regulation and scrutiny of governance practices requires high levels of ethical conduct and compliance. We have an increasingly diverse set of stakeholders with customers, partners, industry associations, governments, and the public holding a very wide set of views. As a result, we must engage frequently and in depth with our stakeholders and navigate sometimes competing goals, needs, and priorities. We appreciate this mutual exchange and will continue to align with them on a shared vision for SEFE and the green energy transition ahead.

We will always act with integrity and vigilance. We adhere to high governance standards and ensure rigorous compliance across our entire business. This approach supports us in delivering what our customers, partners, and the planet require.

To support innovation in this rapidly changing world, we are also creating a dedicated budget for out of the box innovation and digitalisation initiatives, as well as establishing dedicated spaces to foster innovation within our company and together with stakeholders.

Governance structure

For any organisation, clarity of roles and responsibilities is vital at every level. In line with this, our ESG Governance structure is shown below. By implementing distinct levels of supervision, we can ensure an appropriate and effective distribution of responsibilities for ESG within SEFE.



The distribution of key responsibilities under this Governance structure are as follows:

Supervisory Board

- Oversees strategy definition and implementation.
- Advises Management Board on key issues or risks.
- Requests reports from ESG Committee on ESG performance.

Management Board

- Defines ESG strategy and targets and adapts these based on internal and external factors.
- Oversees operational implementation of ESG measures and is accountable for meeting ESG targets.
- Reports to the Supervisory Board on operationalisation of ESG strategy.

ESG Committee

- Responsible for monitoring sustainable corporate governance and business activities and advising on the integration of sustainability into business strategy.
- Advises the Supervisory Board, its committees and the Management Board on issues relating to sustainable corporate governance.
- Advises and monitors the integration of ESG activities into business strategy.
- Makes recommendations on ESG targets and their delivery.

Strategy and Sustainability Team

- Responsible for implementing ESG Strategy and related ESG processes and activities working closely with the Functions.
- Reports progress, risks, and opportunities to the Management Board and ESG Committee.

Further details on our governance set up and approach are provided on [pages 38 to 40](#).

Our code of ethics and business conduct

SEFE introduced a new Code of Ethics and Business Conduct ("Code") in 2023. It reflects our culture, core values and business principles and links these to high standards of professional and ethical conduct. It applies to all staff members with our senior management responsible for leading by example at all times.

By following this Code throughout all aspects of our operations, we can:

- Continue to create a culture that enables us to succeed by building an environment that fosters the development of knowledge, skills and experience, allowing people to thrive and prosper in their careers with us, creating the best teams in the industry.
- Understand each other's needs and work as one team throughout SEFE.
- Remain a trusted business partner in the international energy markets.

We encourage new ideas and initiatives, as innovative thinking is central to the way we do business. Most importantly, we are a growing and developing business where inspired individuals can make a difference and help shape our future. To achieve our strategic priorities, we recognise the need for a progressive culture.

The Code also lays out our requirements for responsible business operations. From protection of personal data to compliance with regulatory requirements, and anti-corruption best practices, we require all employees to avoid even the appearance of illegal behaviour through following the guidelines in the Code.

For further information and detail, please view our [public code](#).

Governance targets and performance

We have established clear expectations on compliance, stakeholder engagement and fostering innovation in our organisation.

Governance, ethics, and compliance

Target: Ensuring that 50 per cent of our suppliers have a Code of Conduct in place by 2024, and 80 per cent by 2027.

Target: Ensuring 100 per cent of employees are trained on key compliance topics addressed by the Code of Ethics and Business Conduct each year by the end of 2025.

Stakeholder engagement

Target: Increasing our stakeholder interactions with the establishment of an annual stakeholder conference starting in 2024.

Target: Engaging in deeper dialogue on SEFE's ESG priorities and actions with at least ten key stakeholders across different groups from 2024 onwards.

Innovation and digitalisation

Target: Allocating at least 30 per cent of the annual IT budget for innovation and digitalisation activities by 2025.

Target: Establishing at least three new innovation partnerships each year across the SEFE Group from 2025 onwards.

“ Robust governance and a focus on innovation underpins SEFE’s business. ”

Leading with integrity

We are establishing key policies, processes and activities to deliver on our Governance targets:

Governance, ethics, and compliance

Our updated Code of Ethics and Business Conduct applies to all employees at every level. In conjunction with this, we have set up a whistleblower programme, including a dedicated hotline that is accessible to all employees.

We have also introduced an enhanced “Know Your Customer” (KYC) questionnaire for our trading counterparties. This now contains additional questions for our suppliers, including confirmation that they have a Code of Conduct in place, policies to protect human rights in their operations and supply chains and procedures to protect against environmental damage.

We have reviewed our key suppliers in our main procurement categories and confirmed that circa 70 per cent already have a Code of Conduct in place. We will be reviewing the potential introduction of a supplier code of conduct that will require our suppliers to confirm that they adhere to a set of expectations around their conduct.

We are also in the process of implementing the requirements of the German Supply Chain Due Diligence Act and respective EU procurement regulations throughout 2024 and going forward. This requires SEFE, amongst other requirements, to undertake appropriate risk assessments, develop mitigation actions and report on key environmental and human rights risks in our supply chains.

While our staff already undertake a range of mandatory compliance training courses, different approaches are being undertaken across SEFE’s different offices. As a result, we will be designing a training matrix, catalogue, and campaign that is consistent across the SEFE Group and applies to all staff, subject to any specific local legal requirements.

Stakeholder engagement

At SEFE, the views of our stakeholders are of critical importance to us. Our commitment to stakeholder engagement is central to our ESG strategy, ensuring that our operations align with the expectations and needs of those who are impacted by our activities.

Our stakeholders are diverse, and we recognise the importance of engaging with each group in ways that respect their unique perspectives and contributions. Our key stakeholder groups include the German Government, customers, financial institutions, suppliers, industry associations, local communities, our employees, our Work Councils and our Management.

By actively listening to and collaborating with our stakeholders, we can ensure that our operations not only meet regulatory requirements but also reflect the values and expectations of those we impact.

To ensure that our stakeholder engagement practices are effective and credible, we follow the AA1000 AccountAbility Principles. This internationally recognised standard guides us in inclusivity, materiality, responsiveness, and impact, ensuring that our engagement processes are robust and transparent. Being open and communicative with our stakeholders brings a wide range of benefits, and ultimately means that we can progress our operations in a way that is understood by those most affected by it.

As required under CSRD, and building on our 2023 materiality assessment, we are preparing for a Double Materiality Assessment which we aim to complete by the end of 2024. A Double Materiality Assessment is a dual lens approach that looks at topics which have a material impact both internally on our business and externally on society. For SEFE, this means we can get a well-rounded view on the key topics that matter and on which we need to take action.

To foster greater transparency and engagement, we also hold “open-door days” at SEFE operated facilities. These events provide key stakeholders with firsthand insights into our operations, demonstrating how we manage and operate key assets. By showing stakeholders our facilities, we aim to continue to build trust, understanding and support for our operations.

In November 2024, we will be holding our first Stakeholder Meeting, inviting over 30 key stakeholders to provide their feedback on our ESG priorities and targets. This meeting represents a significant milestone in our stakeholder engagement efforts, providing a platform for meaningful dialogue and collaboration with a range of different stakeholders.

Innovation and digitalisation

Innovation is vital to what we do. To fulfil our aim of leading the energy transition, we must be open to new and exciting ways of operating. Digitalisation is rapidly becoming a critical tool for revolutionising processes, and we intend to remain at the forefront of these developments.

In support of this, we have established an innovation partnerships programme to align and support existing innovation efforts across SEFE.

This programme will foster strategic collaborations across SEFE, and support programmes and events that enable employees to solve problems in innovative and cost-efficient new ways, spur engagement among employees, and give people opportunities to think differently and excel in a collaborative environment.

This programme will ensure we meet our targets on delivering a regular flow of innovation partnerships. They will also support the identification of IT spend to be spent on innovation and digitalisation activities so that our target of 30 per cent of our IT budget is achieved from 2025 onwards.

Governance spotlights

Development of SEFE's digital trading ecosystem

Our commitment to innovation is exemplified by the development of our digital trading ecosystem, which is designed to serve multiple cross-business purposes. By enhancing the capabilities of our traders and analysts with new and advanced tools, we can support them in performing their jobs more effectively.

In particular, and to keep SEFE at the cutting edge of trading technology, we are building our own algorithmic trading platform. This will ensure that we can continue to compete in rapidly evolving commodity trading markets.

We are also supporting the energy transition by offering a multi-product platform for clients. This platform will facilitate the selling of power, gas, carbon, and metals, significantly improving our "speed to serve" capabilities and ensuring that our clients receive comprehensive, efficient service.

Innovation in the power market

The power market is evolving and becoming very fragmented and complex, with many customers now becoming producers. It is critical for us to stay ahead.

To meet this challenge, we are developing and offering optimisation and risk warehousing solutions to energy transition asset owners. These solutions are designed to help clients optimise their operations and manage risks effectively, ensuring they can navigate the complexities of the energy market with confidence. Additionally, we are dedicated to serving renewable assets, offering tailored solutions and services to support the growth and efficiency of renewable projects.

By prioritising innovation and digitalisation, we are not only enhancing our operational efficiency but also empowering our clients and partners to thrive in a rapidly evolving energy landscape. Our commitment to these initiatives underscores our leadership in the energy transition, ensuring we remain at the cutting edge of industry advancements.

Engaging with industry associations

SEFE is committed to driving the decarbonisation of the energy sector, which extends to active engagement with various industry associations. Our focus is on organisations representing energy and gas companies, where we combine new or reactivated memberships with a full dedication to the energy transition.

The final shape of a low-carbon society is influenced by various legislative bodies at the EU and member state level. This results in a set of interdependent laws and definitions generally developed through an iterative consultation process between legislators and stakeholders. SEFE is providing support on this journey through its participation in stakeholder associations in Germany, UK, France, the Netherlands, Belgium and at an EU level.

Examples of these engagements include:

- **Bundesverband der Energie und Wasserwirtschaft (BDEW):** Reactivation of our membership of this German Association of Energy and Water Industries, with SEFE advocating for a comprehensive value chain committee to support the hydrogen ramp-up. In response, BDEW has established a range of new committees and expert groups dedicated to defining industry positions on import,

trading, storage, and transport of hydrogen. SEFE actively participates in all these groups, providing insights and supporting constructive industry feedback.

- **Eurogas:** Becoming a full member, contributing to the creation of the first Renewable Gas Conference in Brussels. SEFE has taken on the Chairmanship of the Renewable and Low-Carbon Gases Working Group, reinforcing our leading role in decarbonising the gas industry.
- **Zukunft Gas:** As a key member, SEFE has influenced the preparation for a clean gas spin off called Hydrogen Germany. This initiative promotes the energy transition and potentially guides the association towards a broader clean energy representation.
- **German Chapter of "Energy Traders Europe" (formerly EFET):** Collaborations with other trading companies to develop a strategy for the emerging hydrogen markets.
- **H2Global Foundation:** Support for an initiative designed to accelerate hydrogen and derivative imports through donations.

Through these strategic engagements and leadership roles, we are not only contributing to, but also shaping, the future of the energy sector's transition to a sustainable, low-carbon future.

Applying the German Public Corporate Governance Codex

The Public Corporate Governance Codex (PCGK) is aimed at companies in which the German state holds a majority stake. It supplements the statutory provisions on the management and supervision of federally owned companies with additional standards of good and responsible corporate governance.

SEFE is wholly owned by the German state and under the supervision of the German Federal Ministry for Economic Affairs and Climate Action. As a result, in April 2024, we released our first report. In this, we confirmed our compliance with the recommendations of PCGK with the exceptions of those matters outlined in the report.

You can read the full report here: [SEFE: Publications \(sefe-group.com\)](https://sefe-group.com).



Charitable donations for our communities

We are actively engaging with local communities around the world. A good example of this activity is our work with Medsupport.

The Medsupport e.V. charitable association was founded in 1993 by employees of SEFE. To this day, the association is run on a voluntary basis by active and former employees of SEFE. The strong partnership between the company and the charitable association is demonstrated through activities such as pre-Christmas fundraising marathons jointly organised by Medsupport, the company management, and the Works council of SEFE.

Medsupport has long financed a large portfolio of medical treatments for disabled and sick people from Western and Eastern Europe, who are dependent on help due to lack of funds or public healthcare. In addition, the association has been focusing on supporting vulnerable society groups in Germany, for example by helping the homeless or conducting projects to combat child poverty. Since 2022, humanitarian support to those affected by the crisis in Ukraine, such as hospitals and womens' shelters, has become an additional priority.

SEFE has consistently supported Medsupport e.V. with substantial donations. In 2023, Medsupport was able to implement the following projects, largely thanks to the support of SEFE:

Ukraine aid

Together with its partner, the medical aid organisation Johanniter e.V., Medsupport has facilitated the delivery of an ambulance to Ukraine, which is specially equipped for

gynaecology and obstetrics. It has also provided support to deliver humanitarian help to Ukrainian hospitals in the cities of Zaporizhzhia and Dnipro back in 2022.

Help for the homeless in Berlin

The energy crisis has further increased the problem of homelessness in Berlin. The day centre for the homeless in Weitlingstraße in Berlin-Lichtenberg is a drop-in centre for those affected, offering medical and dental treatment in particular. The donation enabled the centre to purchase medicines and dressing materials.

Charitable foundation Die Arche e.V., Berlin

Arche is a Berlin-based social organisation for children that Medsupport has been supporting for around 20 years. It helps children from disadvantaged or poor families and promotes their education and development.

Earthquake relief in Syria

After the severe earthquake in February 2023, Medsupport helped the Women Support and Empowerment Center in Idlib, Syria, through its partner Medico e.V. This institution has been working to protect womens' rights since 2015. After the earthquake disaster, it provided emergency relief for those affected.

Appendices

SEFE's emissions calculation methodology

Introduction

As a key player in the energy sector, SEFE recognises that it has an important role to play in supporting the transition to a low-emissions future. Part of this responsibility requires transparency in SEFE's corporate emissions footprint. Understanding SEFE's footprint is crucial to engaging with stakeholders and taking the appropriate steps to reduce emissions.

This appendix outlines SEFE's approach to accounting for its GHG emissions. This includes calculation boundaries, methodologies, assumptions and key sources used in the preparation of its emissions inventory.

Approach

SEFE uses the Greenhouse Gas Protocol Corporate Standard (GHG Protocol) and its related guidance documents as key reference points.

SEFE has opted for the operational control approach for its emission inventory, in line with many other oil and gas companies, under which SEFE accounts for 100 per cent of the GHG emissions over which it has operational control. This excludes legal entities which are planned or in the process of being divested in the reporting year.

Scope 1 and 2 emissions do not currently include fugitive methane emissions from SEFE storage facilities. While methane emissions are not expected to be material based on methane detection systems already in place, measurements are being undertaken in 2024 to accurately establish methane emissions levels.

SEFE has set 2021 as a baseline year for its emissions calculations and emissions reduction targets, representing the last full year before the start of the Ukrainian conflict when SEFE's businesses were materially impacted by the loss of supply contracts. The exception to this is the baseline calculation for SEFE's storage business, which is calculated using the average of its emissions over the period 2017 to 2020. This reflects the very low level of storage injection activity in 2021 leading up to the Ukrainian crisis.

This emissions inventory calculations are owned by SEFE's Accounting team and activities undertaken to reduce emissions are steered by SEFE's ESG team (part of the Strategy and Sustainability team) in close collaboration with relevant businesses and functions within SEFE Group.

Some external emissions reporting is already undertaken in SEFE Marketing and Trading Limited's UK Group accounts, though this is mainly limited to Scope 1 & 2 reporting at present.

In the event of material changes to the activities and scale of SEFE's businesses, SEFE will conduct a re-basing of its emissions by adjusting its GHG emissions inventory in its baseline year. For example, it is expected that SEFE will re-base its calculations following the acquisition of WIGA assets in 2024.

SEFE's GHG emissions inventory is based on data collected in a calendar year from the 1st January to the 31st December.

Where activity data used in GHG inventory calculations is sourced from trading and financial systems (for example, energy sales volumes), SEFE applies key controls over data accuracy and completeness as outlined in its internal financial control documentation.

Where data input used in GHG inventory calculations is not automated, a 'four-eyes' approach is applied, ensuring segregation of duties at data entry and data validation stages.

SEFE's total Scope 1, Scope 2 (location- and market-based) and total Scope 3 GHG emissions for 2021 to 2023 were subject to independent limited assurance by ERM CVS. Please see ERM CVS' full assurance report on SEFE's website for more details.

Emissions inventory and factors

Scope 1

- SEFE has collected activity data from SEFE's systems and invoices for fuel combustion by gas compressors and other equipment at SEFE controlled gas storage sites, direct gas combustion by SEFE leased offices and fuel combustion by SEFE owned or leased company vehicles where material. Vehicle emissions in 2021 in some of SEFE's offices were excluded due to unavailability of data. Energy consumption by SEFE's small offices and branches in Bulgaria, Belgium, Czech Republic and Slovakia were also excluded due to lack of available information. Emissions associated with refrigerants were excluded as being outside of SEFE's operational control. For its storage business energy consumption in 2021 SEFE uses the average gas and electricity consumption over the period 2017 to 2020. This reflects the very low level of storage injection activity in 2021 leading up to the Ukrainian conflict, resulting in 2021 not being a typical storage injection year.

Scope 2 (location- and market-based)

- SEFE has collected activity data from SEFE's systems and invoices for electricity consumption by SEFE operated gas storage facilities (primarily to run electric compressors) and SEFE leased offices and vehicles, and for heat consumption in SEFE leased offices (where material).

Scope 3

- SEFE has focused on three value chains related to its commercial activities (i) SEFE's natural gas sales to end users and associated sourcing activities (ii) SEFE's LNG trading activities and (iii) SEFE's electricity offtake and sales activities.
- In calculating its volumes for emissions calculations, SEFE has adopted a net volume accounting approach as recommended by International Petroleum Industry Environmental Conservation Association (IPIECA).
- SEFE has assessed Scope 3 categories for relevance, completeness, consistency, transparency and accuracy. As a result, SEFE identified the following Scope 3 categories as being relevant and material for SEFE's GHG emissions calculations:

- Category 1:** Upstream emissions associated with SEFE's LNG & natural gas purchases, third party LNG shipping and SEFE's use of data centre and other services' emissions. SEFE uses natural gas and LNG volumetric data sourced from its internal systems to calculate the volumes sourced from LNG and European gas hubs. Despite the co-mingled nature of European gas once it enters in the European gas system, SEFE assumes that all of its LNG delivered to Europe will be used to supply a portion of the SEFE's sales to its end customers, with the remainder being purchased from European gas hubs.
- Category 2:** SEFE's capital investments. SEFE sources capex data from internal systems for storage facilities and UK offices where available, and estimates capex in other offices by applying capex per employee ratios to the number of employees in these offices.
- Category 3:** Emissions associated with SEFE's power purchases from grids, embedded generation assets and transmission & distribution losses, as well as upstream emissions from gas consumption by SEFE's facilities and fuel consumption by SEFE's vehicles. SEFE uses data from its internal systems for electricity sales delivered volumes. Gas consumption by SEFE's facilities is based on gas meter readings for storage facilities and offices. SEFE uses internal systems to source vehicle fuel consumption by fuel type.
- Category 4:** Gas transmission, storage and distribution emissions associated with SEFE's downstream gas sales as well as emissions associated with SEFE's LNG shipping time charters and LNG regasification contracts. SEFE uses internal systems to source data on natural gas sales volumes for the calculation of transmission, storage and distribution emissions. SEFE sources LNG cargo information and regasification capacity utilisation data from internal systems.

- **Category 5:** Waste generated in SEFE's operations and offices. SEFE obtains data on recycled and general waste volumes from offices where available, and estimates waste volumes in other offices by applying a waste volume per employee ratio to the number of employees in each office.
- **Category 6:** SEFE employee business travel (cars, rail, air and hotel use). For business travel by cars SEFE uses business mileage claimed by employees and recorded in internal systems. For air and rail business travel, as well as for hotel use, SEFE utilises emissions data provided directly by travel management companies where available or estimates the emissions by scaling emissions data in line with employee numbers where actual emission data is not available.
- **Category 7:** SEFE employee commuting and homeworking. For employee commuting, SEFE calculates emissions using average data method, which involves estimating emissions from employee commuting based on average number of commuting days, average commuting distance, average national data on commuting patterns and applying this to the number of SEFE employees. To assess the extent of homeworking activities, the average data method is applied by utilising average household energy consumption data and applying this to numbers of SEFE employees and average homeworking days.
- **Category 9:** Downstream emissions from LNG regasification, gas transmission, storage and distribution associated with SEFE's LNG sales. SEFE sources data from internal systems on LNG sales volumes to LNG counterparties. For LNG deliveries to European markets, SEFE applies IPIECA guidance on net volume accounting, under which companies identify that point in the value chain where the largest total amount of potential sold products is transferred. This guidance recognises that SEFE sells significantly greater volumes in the European gas market than the LNG volumes which it delivers to European ports. As a result, SEFE excludes all European delivered LNG cargoes to avoid double-counting of downstream transmission, storage and distribution emissions already included under Category 4.
- **Category 11:** Downstream combustion emissions associated with SEFE's sales of natural gas and LNG to customers. For LNG deliveries to European markets, SEFE applies IPIECA guidance on net volume accounting, under which companies identify that point in the value chain where the largest total amount of potential sold products is transferred. This guidance recognises that SEFE sells significantly greater volumes in the European gas market than the LNG volumes which it delivers to European ports. As a result, SEFE excludes all European LNG deliveries to avoid double-counting of downstream combustion emissions.

- **Category 15:** Emissions arising from SEFE's 49.98 per cent share in WIGA Transport Beteiligungs-GmbH & Co. KG (WIGA). SEFE uses Investment-specific method: collecting Scope 1 and 2 emissions or activity data from the investee company and allocating the emissions based on SEFE's share of investment.
- SEFE used data from SEFE systems and estimates based on average data method where needed.
- Categories 8, 10, 12, 13 and 14 are deemed not applicable or immaterial and are excluded from Scope 3 emissions calculations.

Emission factors

- SEFE applied a range of emissions factors from third party proprietary databases such as Wood Mackenzie's LNG emissions tool (Excel-based version, October 2021), direct from contractual counterparties, such as LNG producers and travel management companies, and various public sources including the following:
 - IEA: Emission Factors (2023)
 - UK Government (BEIS/DEFRA) emission factors (2021, 2022, 2023)
 - EU Commission quarterly reports on European gas markets (2021, 2022, 2023)
 - EU Commission's Exergija Study on Actual GHG Data for Diesel, Petrol, Kerosene and Natural Gas (2015)
 - EPA Supply Chain Greenhouse Gas Emission Factors (2021)
- For Scope 2 market-based emissions, SEFE calculates the share of electricity supply from renewable sources based on the contractual data received from energy suppliers and applies residual grid emission factors as published by AIB — (Residual Mixes and European Attribute Mix) (2023)
- These factors are reviewed regularly and updated as needed. Over time, SEFE expects to replace emissions estimates with audited data obtained from our counterparties as this becomes available.

Responsibilities

- SEFE's Accounting team ensures that the inventory is up to date, adapted whenever needed due to activity changes, and continuously improved as more data becomes available.
- SEFE's ESG team updates the emissions factors, keeps this emissions methodology document updated and ensures that it is consistently applied to SEFE GHG emissions inventory.

SEFE's latest emissions footprint information and progress on emissions reductions initiatives are reported on a regular basis to SEFE senior management.

Supplementary information

A. Legal entities

The legal entities included in this report are as follows:

- SEFE GmbH
- SEFE Marketing & Trading Limited and its subsidiaries
- WINGAS GmbH (this entity was renamed SEFE Energy GmbH on 6th June 2024)
- astora GmbH (this entity was renamed SEFE Storage GmbH on 31st May 2024)
- Industriekraftwerk Greifswald GmbH (IKG)
- WIGA Transport Beteiligungs-GmbH & Co. KG (WIGA)

B. Employee numbers⁽¹⁾

	Female	Male	Total
Permanent employees	500	810	1,310
Europe (excluding UK)	248	390	638
UK	233	405	638
Rest of world	19	15	34
Temporary employees	23	42	65
Europe (excluding UK)	15	30	45
UK	8	11	19
Rest of world	0	1	1
Full time employees	407	862	1,269
Europe (excluding UK)	164	376	540
UK	204	411	615
Rest of world	39	75	114
Part time employees⁽²⁾	136	49	185
Europe (excluding UK)	99	44	143
UK	37	5	42
Rest of world	0	0	0
Workers who are not employees⁽³⁾	20	59	79
Rest of world	20	59	79

[1] As at end 2023.

[2] Include employees on maternity/paternity leave.

[3] Include workers on a contract with 3rd party performing work for the benefit of SEFE.

C. GHG emissions data

	Unit	2021	2022	2023
Total Scope 1^[1]	ktCO₂e	124	146	39
Total Scope 2 (Location-based)^[1]	ktCO₂e	27	26	21
Total Scope 2 (Market-based)^[1]	ktCO₂e	32	36	30
Total Scope 3^[1]	ktCO₂e	90,773	66,892	55,886
Category 1 — Purchased Goods and Services	ktCO ₂ e	15,303	10,054	8,550
Category 2 — Capital Goods	ktCO ₂ e	3	2	5
Category 3 — Fuel and Energy-Related Activities	ktCO ₂ e	1,277	1,120	496
Category 4 — Upstream Transportation and Distribution	ktCO ₂ e	3,267	2,631	2,241
Category 5 — Waste Generated in Operations	ktCO ₂ e	0 ^[2]	0 ^[2]	0 ^[2]
Category 6 — Business Travel	ktCO ₂ e	1	1	1
Category 7 — Employee Commuting	ktCO ₂ e	1	0	1
Category 9 — Downstream Transportation and Distribution	ktCO ₂ e	1,235	589	590
Category 11 — Use of Sold Products	ktCO ₂ e	69,440	52,248	43,758
Category 15 — Investments	ktCO ₂ e	245	245	245

[1] Data was subject to independent limited assurance by ERM CVS.

[2] Category 5 — Waste Generated in Operations emissions were (tCO₂e): 2021 — 313.2, 2022 — 293.1, 2023 — 336.9.

D. Governance structure

Supervisory Board composition

The Supervisory Board comprises six members. The selection process for the Supervisory Board members includes the following considerations:

- The members of the Supervisory Board collectively possess the necessary knowledge, skills, and professional experience required for the proper performance of the Supervisory Body's tasks. This includes adequate commercial or financial expertise as well as sufficient knowledge in the fields of law, compliance, and corporate governance.
- The Supervisory Board composition meets any existing legal quotas or internally set targets, whether voluntary or due to legal obligations, particularly regarding qualification and equal participation of genders.
- Only members who possess the knowledge, skills, and professional experience required for the proper performance of the tasks as a member of the Supervisory Board and have sufficient time to perform their duties, will be members of the Supervisory Board.
- Members of the Supervisory Board will not be able to hold more than three mandates in supervisory bodies simultaneously. For one of these three mandates, a mandate in the supervisory body of a company whose business is limited to holding functions for a group structure may be counted together with a mandate in the supervisory body of a subsidiary of that company as a single mandate.
- A person who has a business or personal relationship with the company or its management, which constitutes a significant conflict of interest, cannot be a member of the Supervisory Board.
- Members of the Supervisory Board will not hold any executive positions or consultancy roles with major competitors of the company.
- An appropriate age limit in accordance with legal requirements is taken into consideration in the nomination proposals for the Supervisory Board.
- Former members of the management can not switch to the Supervisory Board until five years after the termination of their managerial activities.

Supervisory Board member duties

These duties include the following requirements:

- The Supervisory Board Chairperson coordinates the work of the Supervisory Board, leads its meetings, and represents the resolutions externally.
- Members of the Supervisory Board must personally exercise their mandate, and not have their duties performed by others.

- For absent members, unless already legally required, participation in decision-making by proxy vote is possible.
- Each member must ensure that they have enough time available to perform their mandates.
- If any member of the Supervisory Board has participated in less than half of the sessions of the Supervisory Board in a fiscal year, this should be noted in the report of the Supervisory Board to the Shareholders' meeting.

The Supervisory Board has a Compliance Committee, a Risk Committee, an Audit and Finance Committee and an ESG Committee. The Supervisory Board appoints members of these committees for the period for which they were appointed as members of the Supervisory Board. The committees fulfill the tasks assigned to them by the law, their rules of procedure, and in accordance with special resolutions of the Supervisory Board.

Supervisory Board ESG experience

Current Supervisory Board members have extensive ESG related experience including the following:

- A member who heads the Department for Gas and Hydrogen Infrastructure in the Department for Economic Stabilisation and Energy Security at the Federal Ministry for Economic Affairs and Climate Action
- A member who is the Chair of the Climate Bonds Initiative and a board member of the Integrity Council for the Voluntary Carbon Market
- A member who is Chief Transformation Officer at thyssenkrupp Steel Europe
- A member who, as CEO of Vier Gas Transport GmbH, has initiated a 100 MW hydrogen project and at the European level, designed the integration of green and other low-carbon or carbon-free gases in ENTSG and GIE

ESG Committee

The ESG Committee consists of two members. The chairperson of the ESG Committee is elected by the Supervisory Board.

The ESG Committee has the task of examining and monitoring the sustainable corporate governance and business activities of the company in the areas of environment, social, and good corporate governance (ESG), as well as examining the integration of ESG topics into the overarching corporate strategy. The tasks of the ESG Committee include, in particular:

- a. Advising the Supervisory Board, its committees, and the management on questions of sustainable corporate governance and the business activities of the company in the ESG areas.

- a. Advising and monitoring the management on the integration of sustainability into the business strategy.
- b. Reviewing the non-mandatory ESG reporting.
- c. Monitoring the opportunities and risks, as well as the organisational structures and processes in the ESG areas.
- d. Reporting: The ESG Committee regularly reports to the Supervisory Board, on the implementation of the aforementioned tasks and the identified risks.
- e. Recommendations: The ESG Committee issues recommendations to the management and the Supervisory Board to improve sustainable corporate governance and the business activities of the company in the ESG areas and minimise the risks of the company and the group companies.
- f. Any other sub-tasks and projects assigned to the committee for investigation and assessment by the Supervisory Board or the chairperson of the Supervisory Board.

Conflicts of interest

Each member of the Supervisory Board must immediately disclose any conflicts of interest that arise, especially those from advisory or organisational functions at customers, suppliers, lenders, or other business partners.

Each member of the management must immediately disclose any conflicts of interest to the Shareholders' Meeting and the Supervisory Board. They must also inform other members of the management that a conflict of interest exists and that it has been disclosed to the Shareholders' Meeting and the Supervisory Board. All transactions between the company on the one hand, and members of the management, persons closely associated with them, or businesses personally close to them, on the other hand, must comply with industry-standard practices.

The undertaking of secondary activities, especially supervisory board mandates at other companies, requires the approval of the Supervisory Board.

Communication of critical concerns

In addition to the management's obligation to submit reports according to its Articles of Association, the Supervisory Board has the right to be comprehensively informed by the management about all issues relevant to the company concerning strategies, planning, business development, economic efficiency, risk situation, risk management, and compliance, as well as about transactions of particular significance for the economic efficiency or liquidity of the company and significant changes in the economic environment.

GRI index

Statement of use	SEFE Securing Energy for Europe GmbH has reported the information cited in this GRI content index for the period January–December 2023 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 6 , Page 40 , Page 41
	2-2 Entities included in the organization's sustainability reporting	Page 39
	2-3 Reporting period, frequency and contact point	Page 43
	2-4 Restatements of information	This is our first sustainability report. We plan to disclose on progress on ESG on an annual basis going forward.
	2-5 External assurance	Some selected GHG emissions data were subject to external independent limited assurance by ERM Certification and Verification Services Limited (ERM CVS). However, ERM CVS was not engaged to provide assurance in accordance with GRI standards. For the full assurance report and the reporting criteria used, please refer to ERM CVS' full assurance report on SEFE's website for more details.
	2-6 Activities, value chain and other business relationships	Page 6
	2-7 Employees	Page 39
	2-8 Workers who are not employees	Page 39
	2-22 Statement on sustainable development strategy	Page 4
	2-23 Policy commitments	Page 11 Page 22 Page 31
2-24 Embedding policy commitments	Page 32	
2-25 Processes to remediate negative impacts	Page 41	
2-26 Mechanisms for seeking advice and raising concerns	Page 41	
2-28 Membership associations	Page 34	
2-29 Approach to stakeholder engagement	Page 33	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 7
	3-2 List of material topics	Page 8
	3-3 Management of material topics	Environmental; Pages 10–19 Social; Pages 20–27 Governance; Pages 28–35

References

SEFE documents	Other references
<ul style="list-style-type: none"> • Code of Ethics and Business Conduct: SEFE Compliance • Whistleblowing Channel: SEFE Whistleblowing • PCGK Report: SEFE Publications • SEFE Marketing and Trading Limited TCFD Report: SEFE Media Centre Reports • Human Rights and Environmental Policy Statements: SEFE Publications 	<ul style="list-style-type: none"> • GHG Protocol: GHG Protocol — For Companies and Organizations • GRI (Global Reporting Initiative): GRI Official Website • IPIECA • SDGs (Sustainable Development Goals): United Nations SDGs • CDP (Carbon Disclosure Project): CDP Official Website • EcoVadis: EcoVadis Official Website • Zukunft Gas: Zukunft Gas Official Website • BDEW (Bundesverband der Energie- und Wasserwirtschaft): BDEW Official Website • EUROGAS: Eurogas Official Website • Energy Traders Europe (formerly EFET): EFET Official Website • H2Global Foundation: H2Global Foundation

About this report

As an organisation, we want to ensure that our sustainability strategy and associated methodologies are in line with international reporting standards. This is why we have chosen to report with reference to the global GRI standards for our first full sustainability report.

In line with the incoming CSRD requirements, we will be completing our first double materiality assessment by the end of 2024, and are working on our data collection and related processes to ensure we are responding comprehensively to this directive. This also includes further deepening our engagement with our key stakeholders to ensure they form part of our decision-making processes as we further develop our strategy.

We will report annually on our progress against our ESG strategy, taking into consideration the evolving energy market and our place within it. This will be in line with our financial year covering January–December.

For more information about this report, please contact esg@sefe.eu.

