

ESG Report 2024

Accelerating the energy transition



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1 Introduction to VARO

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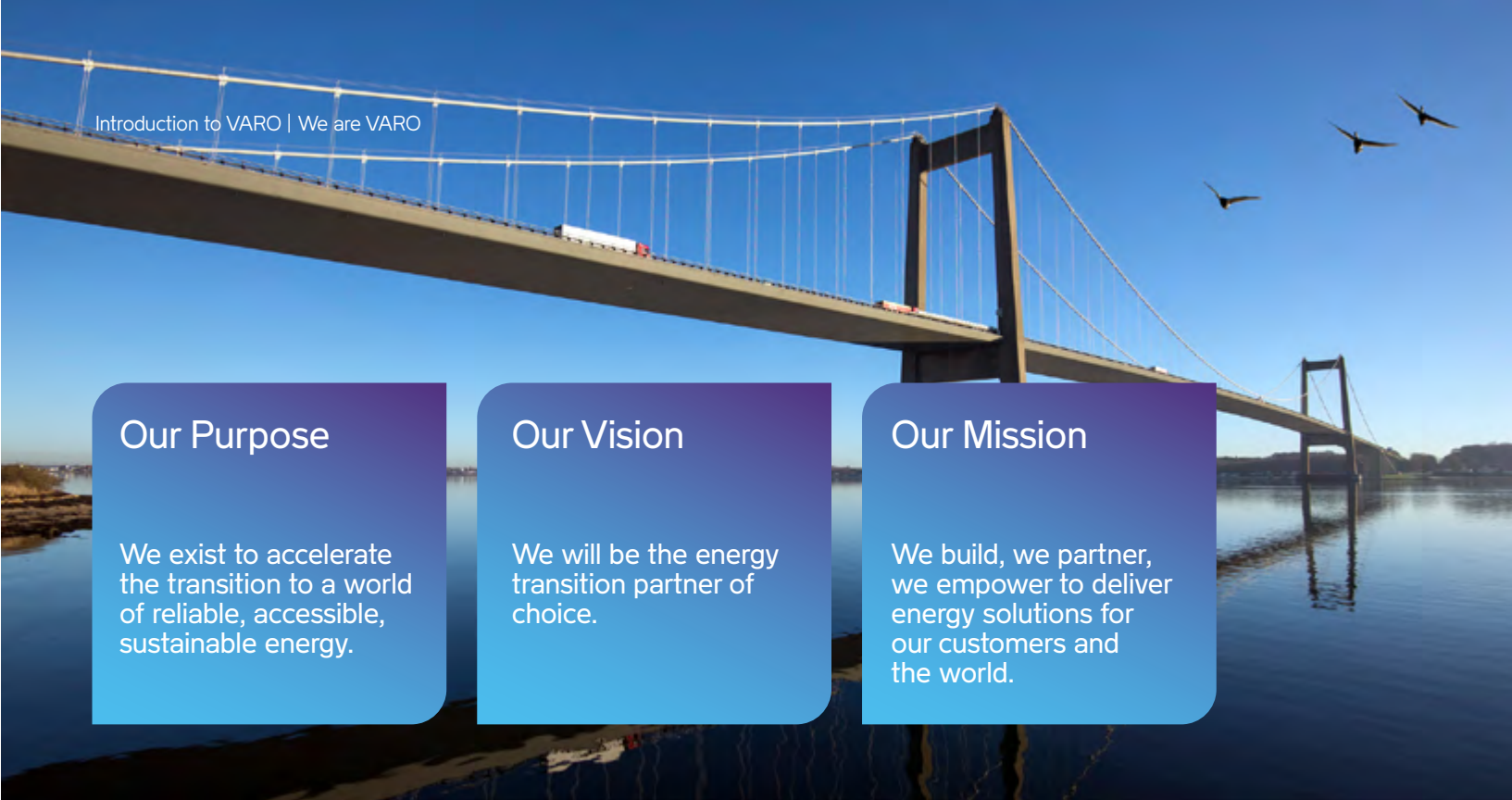
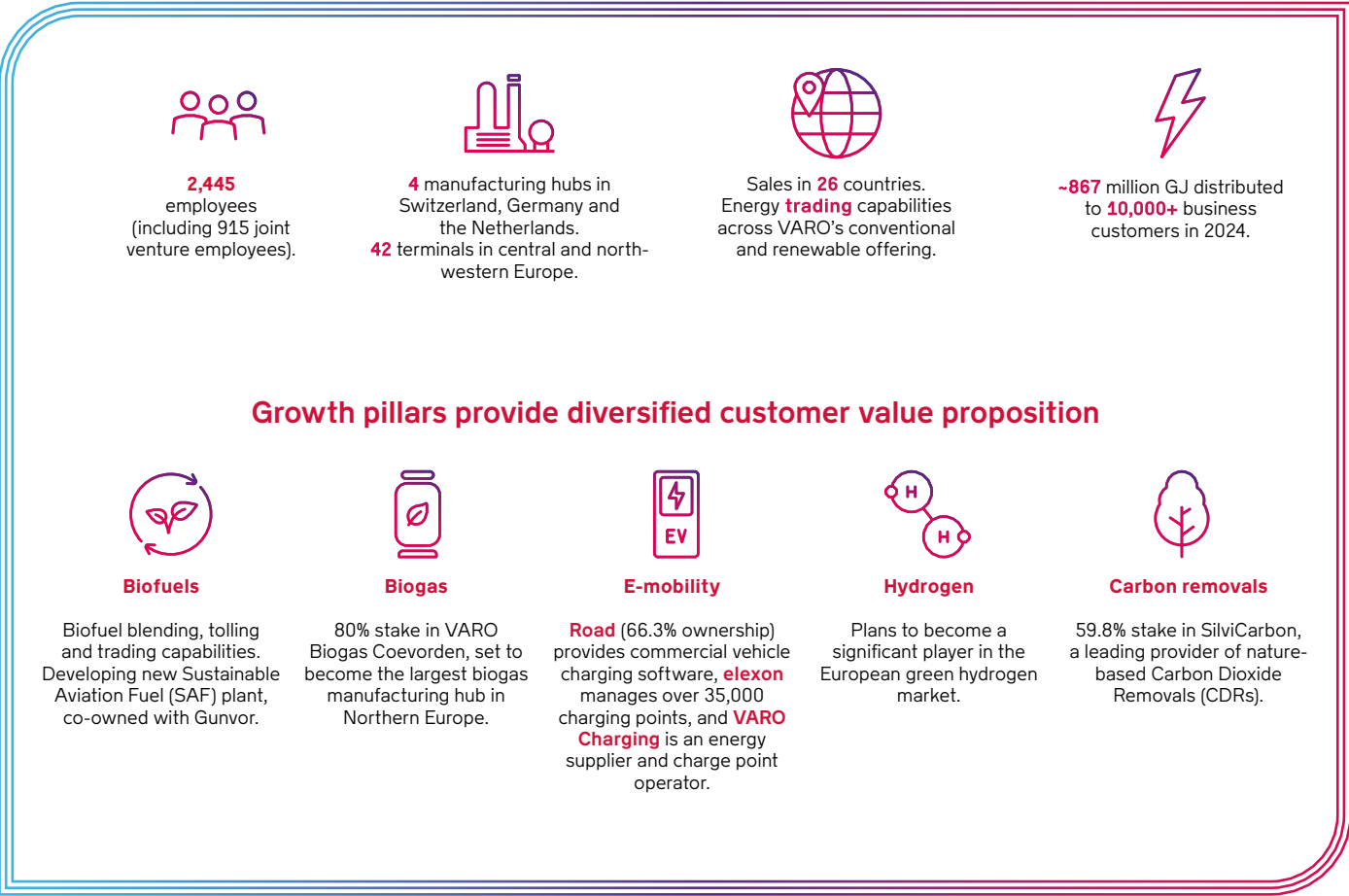


We are VARO

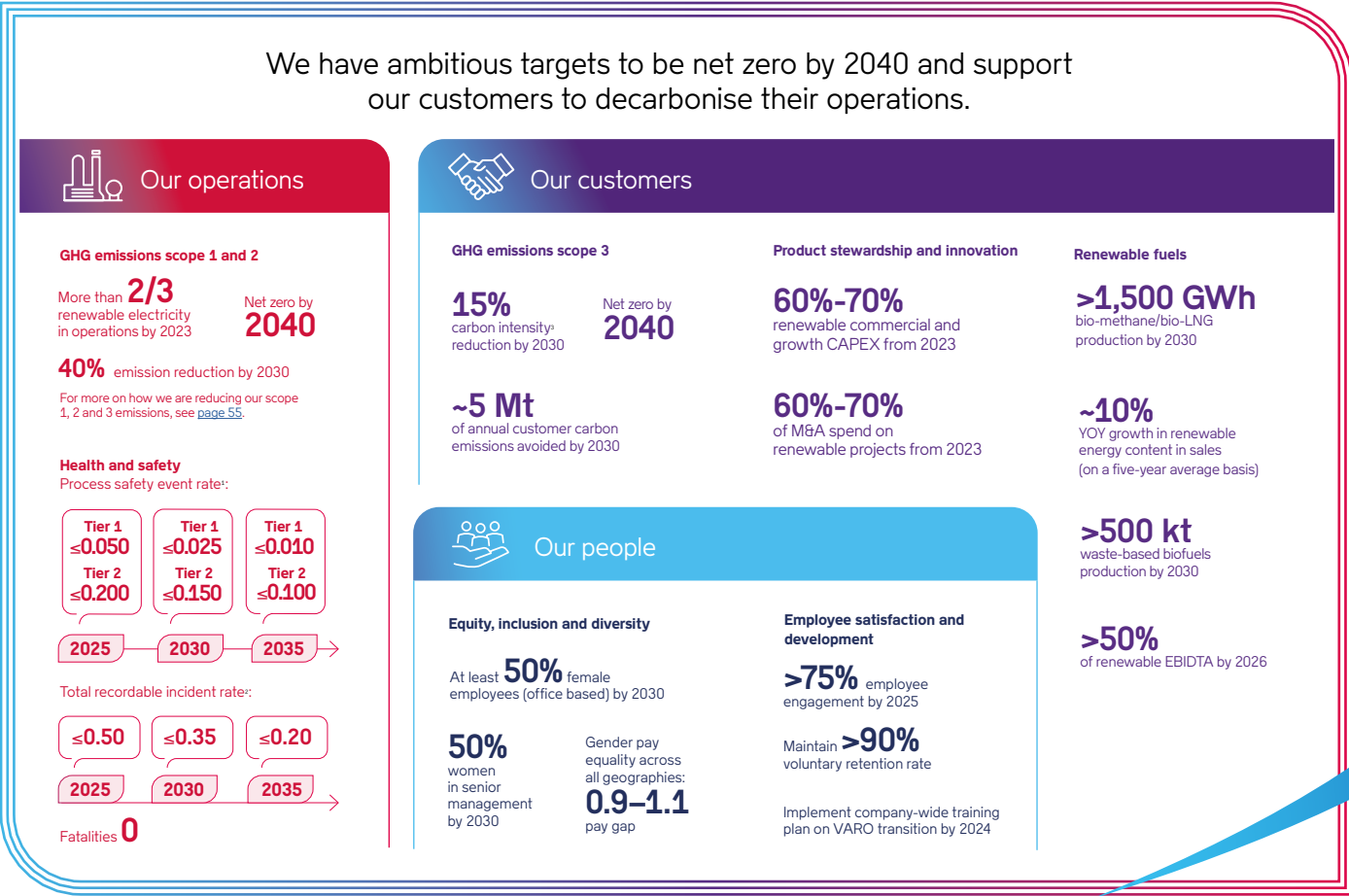
VARO Energy (VARO) is a leading European energy company and the energy transition partner of choice for its customers. Guided by our ONE VARO Transformation twin-engine strategy, we are driving the shift to a low-carbon future while helping to ensure a resilient and reliable energy supply.

We source, manufacture, blend, trade and distribute both conventional (Engine 1) and sustainable energies (Engine 2). From advanced biofuels to biogas and e-mobility solutions, we are committed to reducing the carbon intensity of our products and services while decarbonising our operations to meet ambitious sustainability targets. Headquartered in Switzerland, the company is owned by Carlyle (66.66%) and Vitol (33.33%).

Our business



Our commitments



Sustainability highlights 2024

New e-truck charging hub in the Port of Rotterdam

The VARO Charging® hub was created in partnership with the Port of Rotterdam and Truckparkings Rotterdam Exploitatie BV, offering a 24/7 charging solution for all battery-electric heavy-duty trucks and coaches.

[Read more on page 45.](#)



Scaled-up sustainable shipping fuel capabilities with Orim Energy

The new strategic alliance combines our expertise in biofuel supply with Orim Energy's blending and bunkering facilities – to help decarbonise Europe's largest maritime shipping hub, Amsterdam-Rotterdam-Antwerp.

[Read more on page 38.](#)



Top 6% in EcoVadis

EcoVadis, a leading sustainability rating platform, awarded VARO a Silver Medal. We were placed in the top 6% of companies assessed by EcoVadis around the world.



Expanding capacity at the VARO Biogas Coevorden hub

We are preparing to double our capacity at the VARO Biogas Coevorden's biogas production capabilities to 600 GWh/year.

[Read more on page 42.](#)

Stepped up our Health, Safety, Security and Environment management

We began rolling out our Operational Excellence Management System (OEMS), which provides a structured framework to achieve our goals and raise the bar on HSSE throughout VARO.

[Read more on page 78.](#)



Trialled 100% renewable bio-marine fuel with cruise ship company

We began a 100% renewable bio-marine fuel trial with the AIDA Cruises vessel, the AIDAprima, at the Port of Rotterdam. We supply the biofuel, which is produced from advanced feedstocks such as organic waste and residue, and reduces greenhouse gas emissions by at least 85% compared to conventional fuel based on petroleum.

[Read more on page 38.](#)



Launched new renewable diesel customer proposition

VARO Renewable Diesel® (HVO100) is a 100% renewable drop-in fuel that is compatible with diesel engines without modification while reducing CO₂ emissions by up to 90%.

[Read more on page 36.](#)

Made progress on our Rotterdam SAF project

We continued to develop our Sustainable Aviation Fuel (SAF) manufacturing facility, and energy commodities trading company Gunvor became a 50/50 partner in the project.

[Read more on page 36.](#)



Governance

We launched a **Supplier Code of conduct** to define minimum responsibility and ethical standards for all our suppliers and business partners.



Operations

91% of the electricity used in our operations was sourced from certified renewable sources. (87% in 2023) (purchased renewable electricity by Guarantee of Origin, following the yearly matching principle)

Biofuels

34,980 TJ of liquid biofuels supplied.



2.9 million tonnes CO₂e emissions saved by customers using VARO-distributed biofuels and biogas. (up 14% compared with 2023)

[Read more on page 36.](#)

Biogas

405 TJ of biogas produced.



31,300 tonnes CO₂e emissions saved by customers using biogas from VARO Biogas Coevorden.

[Read more on page 41.](#)

Renewable energy sales

8% YoY growth in renewable energy sales in line with our target.



Developed our e-mobility business

We signed several new large customer agreements for our EV charging platform provider Road, including with Deutsche Post and DHL. Our commercial e-mobility business elaxon is now a major player with more than 35,000 charging points (6,414 new chargers installed in 2024) and a total installed power of 44 MW in 16 European countries.

[Read more on page 44.](#)

CEO letter

Enabling the energy transition

In 2024, we demonstrated resilience in a challenging energy market and maintained our commitment to more sustainable energies by making pragmatic choices to continue to enable the energy transition. Building on our strong foundations, we focused on the areas that are in our control, with a customer-centric approach that creates value for VARO and our shareholders.

Europe is facing a pivotal moment – an opportunity to recalibrate and even reset to shape the next phase of the energy transition. However, the geopolitical landscape in 2024 significantly impacted the transition, with shifting power dynamics, trade disruption and new alliances influencing energy policies. Rising tensions have accelerated the desire for energy independence and security, to diversify energy sources and reduce reliance on fossil fuels from volatile regions. While the transition to renewable energy has gained urgency, deployment is slowing. The challenge is no longer about ambition, it is now about execution.

Our positioning

Through our ONE VARO Transformation strategy – including our ‘Engine 1’ Conventional Energies and ‘Engine 2’ Sustainable Energies businesses – we promote energy security by offering a diverse energy mix while enabling our customers to decarbonise. By reinvesting revenue from conventional energies into more sustainable energy solutions, we can provide more reliable and affordable energy today while remaining agile to deliver even more sustainable solutions in the future.

Dev Sanyal,
Chief Executive Officer



While some of our peers scaled back on their renewable projects and investments in 2024, we remained committed to grow our sustainable energy business. Our pragmatic and flexible approach gives us the agility to navigate market volatility and geopolitical and legislative uncertainty. I believe that collaboration is critical to succeed. Our work with our partners Gunvor, Port of Rotterdam and AIDA Cruises for example enables us to create scalable solutions for decarbonisation in the aviation and maritime sectors. Governments, policymakers and industry must work together – to align regulation with investment, integrate new technologies and build cross-sector partnerships throughout the sustainable energies ecosystem.

Safety is a core value

Safe and reliable performance is the cornerstone of our success, and while we made some good progress during the year, we continue to strive to improve. Our new Operational Excellence Management System (OEMS) involves embedding safety leadership into every aspect of our operations. Built on a risk-based approach, it is helping us to enhance safety and create lasting value for everyone. Whether in our manufacturing hubs or terminals, we are committed to embedding the right processes to make safety a reality in the field.

We also reinforced safety as a shared responsibility through a system-wide cultural shift by integrating our Just Culture framework and Life-Saving Rules into our daily operations. Ensuring the open reporting of incidents and near misses, balancing accountability with fairness and setting clear expectations for safe behaviour, creates a stronger safety culture to prevent injuries. Our commitment to safety was exemplified by the safe execution of the Cressier scheduled maintenance shutdown, and across our operations in our manufacturing hubs and distribution network.

Providing energy transition solutions

We increased the amount of biofuels we supplied by 13% compared with 2022 and helped our customers to avoided 2.9 million tonnes of CO₂e emissions by replacing conventional fuels with renewable alternatives. But enabling the energy transition goes beyond supporting our customers in meeting their decarbonisation goals – it means partnering with them throughout their journey by providing tailored, practical solutions that combine emissions reduction with supply security. This reflects our vision of being the energy transition partner of choice.

In 2024, we continued to refine our sustainable product offering and expand our capabilities. We remained committed to long-term partnerships – through renewable fuels, electrification and other tailored solutions – and selectively grew our sustainable energy portfolio through acquisitions, strategic partnerships and capital-efficient investments.

In biofuels, we launched VARO Renewable Diesel® – a 100% renewable drop-in fuel compatible with existing diesel engines, enabling customers to reduce CO₂e emissions by up to 90%. As demand for biofuels grows, we are expanding our capabilities with a focus on advanced, waste-based options, such as those derived from societal waste streams. In 2024, we conducted our first trial using non-food oils with an industrial customer, reinforcing our belief in the potential of next-generation feedstocks.

Our planned SAF plant in Rotterdam is an important part of our work to become a low-carbon fuel business. Upon completion, it could meet up to 7% of the EU’s 2030 SAF mandate. In 2024, we welcomed Gunvor as a 50% partner in the project, strengthening both the project’s industrial foundation and our commitment to supporting the decarbonisation of aviation.

We also began trialling the supply of 100% renewable bio-marine fuel with AIDA Cruises at the Port of Rotterdam. Produced entirely from advanced feedstocks, organic waste, or residues, the fuel is expected to reduce greenhouse gas emissions by at least 85% compared to conventional marine fuels.

In biogas, we advanced the upgrade of our VARO Biogas Coevorden facility as we prepare to double its capacity to 600 GWh/year. We also integrated biogas trading capabilities from the acquisition of Renewable Energy Services (RES), resulting in approximately 1 TWh of biogas and green certificates traded annually.

In e-mobility, we restructured Road, integrated elexon and launched VARO Charging. Together, these businesses support a full-service offering across software, infrastructure and power. We inaugurated a new charging hub at the Port of Rotterdam and identified further opportunities to combine e-mobility and renewable fuels in our customer proposition.

Integrating ESG into our business

Sustainability is at the heart of how we operate, and we are proud to announce that our 2024 EcoVadis rating places us in the top 6% of 130,000 companies globally. Our rating reflects strong progress across key areas, including Environment, Labor & Human Rights, and Sustainable Procurement. We also sharpened the focus of our sustainability program during the year to make sure we focus on the most material topics in both our sustainability management and reporting to maximise its contribution to value creation.

Outlook

2025 will mark the beginning of a new chapter for VARO. In March, we announced our intention to acquire Preem, one of Scandinavia’s largest energy companies and a pioneer in renewable fuels. On completion, this transformative acquisition will significantly expand our manufacturing capacity, geographic footprint and renewable production – positioning us as Europe’s second-largest renewable fuel producer and enabling us to serve over 50,000 business customers across 33 countries.

The expertise and dedication of our colleagues were instrumental in navigating the challenges in 2024 and their efforts remain vital to our success in 2025 and beyond. On behalf of the Executive Board, I extend my thanks to all our employees, customers and lenders as we build an integrated energy system and more sustainable future together.

I look forward to what we will achieve together in 2025 as we continue to make VARO a leading energy company in the heart of Europe. The energy transition will succeed when we balance ambition with realism. At VARO, we are turning that balance into action – helping make the ambition of a sustainable future, in the fullest sense, a reality.

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The changing energy market

The energy market is shaped by global megatrends that bring both challenges and opportunities for businesses that produce, market and trade energy solutions.



New e-truck charging hub in the Port of Rotterdam.

The energy sector is in the midst of a major transition. While society still relies on conventional fuels for stability, reliability and affordability, it faces a growing climate crisis that threatens ecosystems, economies and communities around the world. 2024 was the warmest year on record, surpassing 1.5 degrees Celsius above pre-industrial levels for the first time.¹ Affordable, low-carbon energy solutions are key to accelerating the energy transition — and strong policy and regulation are crucial to making it happen.

Other significant megatrends, which we believe will drive change in the energy sector in the foreseeable future, include energy security and resilience, the adoption of pragmatic decarbonisation solutions, electrification, and AI and automation (see the megatrend table). VARO is well positioned to respond to developments in both the conventional and sustainable energy markets.

What is the energy transition?

The energy transition is the shift from fossil fuels to more sustainable, low-carbon energies. To reduce greenhouse gas emissions and combat climate change, we must embrace cleaner energy while ensuring a smooth, secure and affordable transition. This requires a gradual shift to more sustainable and reliable energy solutions, without disrupting access.

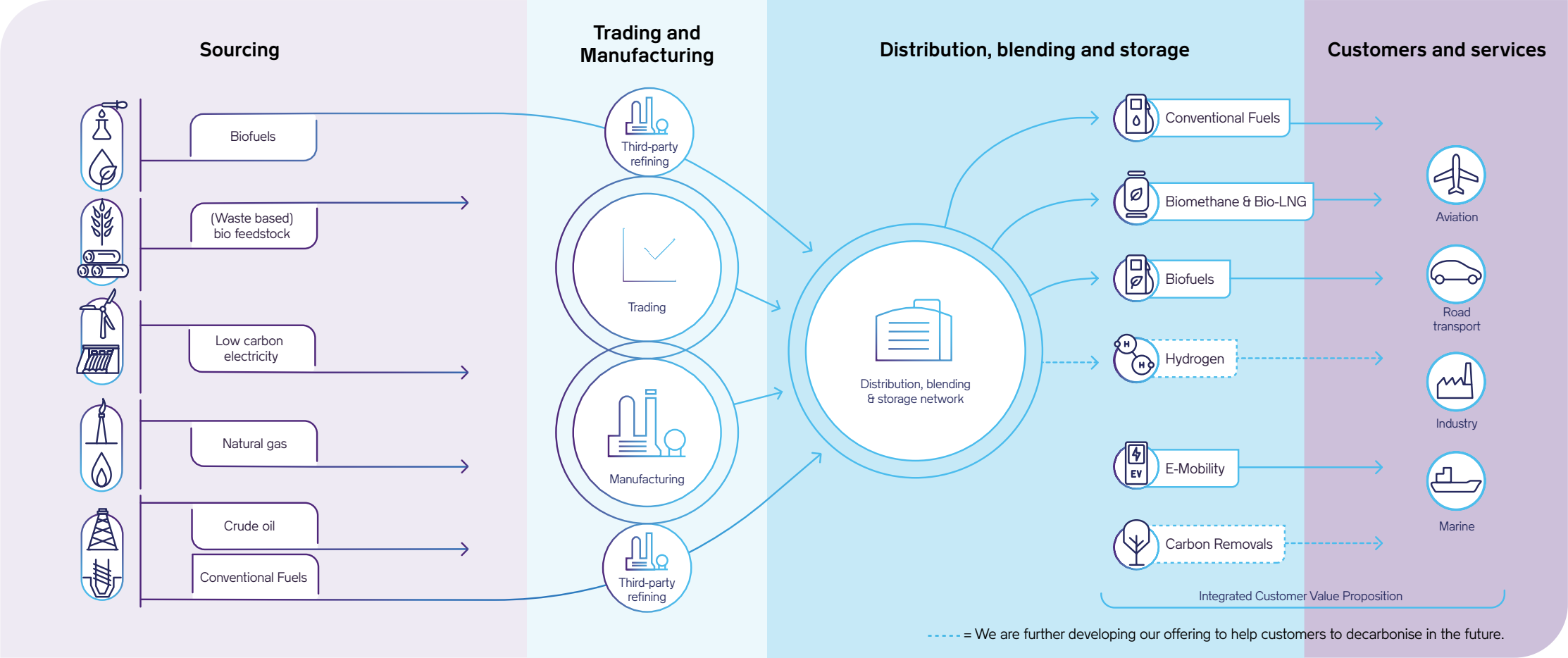
¹ Copernicus: a second record-breaking year, following the exceptional 2023. www.climate.copernicus.eu/global-climate-highlights-2024


The megatrends shaping the energy industry – and the challenges and opportunities for VARO

Megatrends	Challenges for VARO	Opportunities for VARO
Transition in action The development of more sustainable energy solutions will continue to be driven by regulatory demands, investment appetites and cost breakthroughs. However, transitions are creating market disruptions through supply/demand disequilibrium leading to volatility and inflation.	<ul style="list-style-type: none">▪ Navigating market instability and managing risk exposure to ensure reliable and affordable supply as well as resilient financial performance.▪ Addressing decarbonisation in sectors that are harder to transition.	<ul style="list-style-type: none">▪ Our twin-engine strategy provides flexibility to meet the changing market and legislative demands.▪ We have built inherent flexibility through our risk management framework and dynamic exposure management as they enable resilient operations and performance in a volatile context.
Fuels still matter Despite increasing decarbonisation efforts, fossil fuels remain a key part of the energy mix, driven by affordability and infrastructure inertia. The transition will be gradual, with demand for fossil fuels continuing to decline slowly over the coming years.	<ul style="list-style-type: none">▪ Managing the coexistence of traditional fuels with emerging energy solutions and remaining competitive.▪ Adapting to changing market dynamics in energy supply and demand, and setting the pace of investments accordingly.	<ul style="list-style-type: none">▪ We leverage the skills of our people and our existing infrastructure to deliver drop-in fuels that can be used in existing engines.▪ We help our conventional energy customers to switch to more sustainable solutions.▪ We invest proceeds from our conventional business into our sustainable energies business.
Security and resilience Recent geopolitical shifts have underscored the critical importance of energy sovereignty and security, prompting nations to prioritise local production, diversify supply chains, and secure critical minerals. Energy security now takes precedence over affordability and sustainability.	<ul style="list-style-type: none">▪ Managing investments in sustainable energies in the face of regulatory uncertainty and energy affordability concerns.▪ Ensuring resilient supply chains and counterpart due diligence, especially in a fragmented geopolitical landscape.	<ul style="list-style-type: none">▪ We have a diversified and resilient platform across conventional and sustainable energies.▪ We are a critical energy player in our core markets through our extensive supply network.▪ We manage and invest in critical energy infrastructure with an unwavering focus on safety and reliability.▪ We act as a key industry voice, actively engaging with policymakers to find solutions in times of crisis and have a long-term energy strategy.
Pragmatic pathways to decarbonisation Proven transition energies deployable at scale, such as gas, biofuels and biogas, are favoured as practical solutions. These options are considered to provide effective, actionable and affordable steps to drive immediate progress.	<ul style="list-style-type: none">▪ Meeting the need for cost-effective sustainable energy solutions.▪ Waiting for delayed, postponed or non-existent regulations that support solutions, e.g. the ability to co-process in Switzerland, biomethane blending mandates in the Netherlands, and biofuel mandates in Sweden.	<ul style="list-style-type: none">▪ We decarbonise in accordance with regulation and customer readiness, with a focus on biofuels, biogas and e-mobility.▪ We are establishing ourselves as the energy transition partner of choice by helping our customers to navigate their decarbonisation journey.▪ We develop our existing infrastructure to create cost-efficient opportunities for biofuel expansion.
Electrify everything (almost) As electrification progresses, it will replace fossil fuels across various sectors, driven by cost breakthroughs in renewable energy technologies. Nuclear energy is emerging as a viable low-carbon solution, while grid and storage investments become critical.	<ul style="list-style-type: none">▪ Managing the declining demand for conventional fuels in the transportation sector as they are substituted by electrification.▪ Developing the necessary e-mobility capacities and efficient business models.▪ Navigating the complexities of grid and power markets.	<ul style="list-style-type: none">▪ We decarbonise in accordance with regulation and customer readiness, with a focus on biofuels, biogas and e-mobility.▪ We are establishing ourselves as the energy transition partner of choice by helping our customers to navigate their decarbonisation journey.▪ We develop our existing infrastructure to create cost-efficient opportunities for biofuel expansion.
AI, automation and the energy surge The energy sector is experiencing a surge in demand driven by the digitalisation of processes, data management, and the integration of AI. This is creating productivity gains and enabling new business models.	<ul style="list-style-type: none">▪ Upskilling our workforce and integrating AI and automation in an industry traditionally focused on heavy infrastructure.▪ Balancing the surge in demand with sustainability goals.▪ Maintaining cybersecurity.	<ul style="list-style-type: none">▪ We accelerate the adoption of AI and automation to optimise our operations, increase productivity and fast-track data-driven decision-making.▪ We explore new business models and partnerships.

The VARO value chain


We operate an integrated energy value chain that enables us to deliver our twin-engine strategy – including both conventional fuels and low-carbon solutions. From sourcing to distribution, our approach allows us to serve customer energy needs while supporting their transition.



**Sourcing**

We source a broad mix of products – from crude oil and refined conventional fuels to biofuels and bio feedstocks. Two major pipelines supply crude to our inland refineries and we utilise natural gas and low-carbon electricity for our manufacturing processes.

We are rapidly expanding our renewable feedstock sourcing and continuously assess new feedstocks and global suppliers to add to our portfolio, with a particular focus on waste-based and advanced bio-feedstocks. This includes feedstock for biomethane that is usually waste-based and sourced locally, and feedstock for liquid biofuels that is reliant on global supply chains.

**Trading**

Trading is a core pillar of our business model, enabling us to complement our own production with third-party energy products to meet evolving customer demand. These capabilities extend across conventional and renewable energy solutions, including biofuels and biogas, and enable a capital-light and flexible approach. Trading also plays a key role in optimising our supply chains and enhancing the value we deliver to customers across Europe.

**Manufacturing**

We manufacture a variety of energy products across Europe by leveraging our key assets. Our Cressier manufacturing hub is the only fuel manufacturing facility in Switzerland, and we own a 51.4% share in Bayernoil that includes the Neustadt and Vohburg manufacturing hubs in Germany. These three manufacturing hubs have a joint capacity of approximately 176,000 barrels of liquid fuels per day. We are also a major biogas producer through our 80% ownership of VARO Biogas Coevorden in the Netherlands. These form the foundation of our ability to deliver conventional and renewable energy products to the European market.

Looking ahead, we will grow and expand our manufacturing capabilities – both through investments in our existing asset base as well as new capabilities. This includes repurposing our infrastructure to process bio-feedstocks, continuing to develop our SAF plant in Rotterdam, and the acquisition of Sweden’s largest fuel company, Preem (announced in March 2025 and subject to approvals), which would strengthen our manufacturing portfolio.

**Distribution, blending and storage**

Our integrated network of assets ensures the flexibility to blend and distribute products to meet diverse customer and regulatory requirements across markets. By leveraging our infrastructure, we can efficiently adjust liquid product mixes – such as blending HVO or FAME – to align with market demand, sustainability goals and compliance requirements. Additionally, our biogas platform enables injection into national grids or sales in the road transport and LNG markets, to position us as a key partner in the European energy transition.

Our reliable and efficient logistics network enables us to deliver energy where and when our customers need it.

**Customers and services**

We serve a large network of more than 10,000 business-to-business customers, as well as retail customers and consumers across Europe. In addition to our own production, we buy and sell energy products from third parties to meet customer demand while providing flexible conventional and renewable energy solutions. By offering a broad portfolio of energy solutions, we are able to guide customers across industries to navigate their regulatory obligations, optimise energy use and transition to lower-carbon alternatives. We also partner with existing and potential customers (such as in aviation, road and marine transport, and industry) to co-develop energy solutions that meet fully their decarbonisation needs (read more on [pages 34, 40 and 44](#)).

Double Materiality Assessment

We conducted a Double Materiality Assessment in 2024 in line with the principles of the new European Sustainability Reporting Standards (ESRS) under the EU Corporate Sustainability Reporting Directive (CSRD) framework.

Our Double Materiality Assessment (DMA) identified the most material topics to be managed and reported in accordance with VARO’s ESG programme. By quantifying their severity and the likelihood of impacts, risks and opportunities, these topics can be scored from a materiality perspective.

Double materiality assesses risks and opportunities from financial materiality, and the positive and negative impacts from non-financial perspectives:

- **Financial materiality** – the assessment of environmental and societal risks and opportunities on VARO’s financial performance.
- **Impact materiality** – the positive and negative impacts of VARO’s value chain on the environment and society.

Stakeholder views guide our DMA

Our double materiality process involved input from different internal stakeholders, including various business activities with insight into external stakeholder perspectives. This included our employees working with conventional fuels, our five Growth Pillars, logistics, manufacturing hubs, Health, Safety, Security and Environment (HSSE), and Human Resources (HR). We also gathered input from our owners during the process. In 2025, we will carry out a validation process with external key stakeholders, such as our owners and lenders.

Engagement with local, regional and national stakeholders is a key part of our day-to-day business activities. As part of our DMA, we identified our most material stakeholder categories based on their influence on our business and our impact on them.



Our employees are a key stakeholder category.



Stakeholder category	Focus of engagement	Form of engagement
Employees	Health and safety, employee well-being, compliance, professional development, equal opportunities and salary competitiveness.	Training and development initiatives, group and one-to-one meetings, internal communication, networks, surveys and benchmarking.
Shareholders	Financial performance, competitive business, cost efficiency, reputation and licence to operate.	Regular discussion on the ONE VARO Transformation strategy and VARO’s performance.
Lenders and banks	Long-term financial and ESG performance.	Regular meetings and communication.
Workers in the value chain (including VARO joint ventures and suppliers)	Working conditions, equal treatment and other work-related rights.	Promoting alignment with the VARO Supplier Code of Conduct.
Business partners	Building strong relationships based on mutual understanding and respect.	Formal business partners, such as in joint ventures, and cooperation with associations and networks.
Customers	Reliable product supplies, product safety and quality, and the delivery of more sustainable energy solutions.	Our customer services teams ensure customer needs are met. Strategic cooperation to provide more sustainable products and services.
Media and journalists	Transparency in our operations and role in the energy transition.	Direct open communications.
NGOs and sustainability experts	Sustainable business conduct and performance.	Communication with local NGOs and experts on specific topics that may impact communities or the environment.
Local communities	Local socio-economic and environmental impacts, with a focus on optimising positive impact and mitigating negative impact.	Communication through local channels and engagement through site-level meetings, visits and direct contact.
Governments and regulatory authorities	Regulatory compliance, potential negative impacts and optimising local socio-economic contribution.	Communication and dialogue with local communities and the authorities on topics and initiatives that affect them.
VARO management	Group management oversees VARO’s strategic development and corporate governance.	Regular management meetings.

Our material sustainability topics

Our DMA identified the most important topics related to our business based on internal and external stakeholder

perspectives. These topics were prioritised based on environmental, social and governance perspectives as per the ESRS material sub-topics.

The 19,000 panels in our solar park at Cressier generate enough electricity to power around 2,000 homes.



VARO’s material sustainability topics based on the European Sustainability Reporting Standards

Environmental

ESRS material topics			Our materiality rationale
Topic	Sub-topic	Time horizon	
E1: Climate change	Climate change mitigation	S-M-L	The use of fossil fuels is a material contributor to climate change. We aim to support reduced climate impact by offering low-carbon energy alternatives and by driving climate-smart operations. IRO type (I+, I-, R, O)
E2: Pollution	Pollution of air, soil and water	S-M	Contaminating air, water, or soil with harmful substances that can have negative impacts on people and the environment. Exceeding pollution limits can result in financial fines for our business. IRO type (I-, R)
E4: Biodiversity	Impacts on biodiversity and ecosystems	M-L	We work to minimise the negative impacts our operations have on biodiversity and ecosystems. IRO type (I-)
E5: Circular economy	Resource inflows, including resource use	M	By producing biofuels and biogas from waste-based feedstocks, we can both contribute to a more circular society and increase our sales of more sustainable fuels. IRO type (O, I+)

Social

ESRS material topics			Our materiality rationale
Topic	Sub-topic	Time horizon	
S1: Own workforce	Health & Safety	S-M	We work proactively to protect the physical well-being of our workforce, including measures to prevent accidents, injuries and occupational illnesses. IRO type (R, I-)
	Working conditions and equal treatment	S-M-L	We aim to ensure the fair treatment of our workers in terms of pay, benefits, opportunities and rights, regardless of gender, race, or other characteristics. This helps to create positive working environments. IRO type (I+, I-)
S2: Employees in the value chain	Working conditions and equal treatment	S-M-L	We promote good working conditions among the employees of our joint ventures and suppliers with a focus on topics such as HSSE, employment conditions and decent pay. IRO type (I+, I-)
	Other work-related rights	S-M-L	We work to avoid the exploitation of children and adults and promote the privacy rights of individuals in the value chain. IRO type (I-)
S3: Affected communities	Communities' economic, social, and cultural rights	S-M-L	By respecting the rights and needs of the communities where we operate, we can mitigate the risk of negative impact and contribute to vibrant local communities. IRO type (I+, I-)

Governance

ESRS material topics			Our materiality rationale
Topic	Sub-topic	Time horizon	
G1: Business conduct	Corruption and bribery	S-M-L	We work to prevent unethical practices such as bribery, fraud and corruption, in compliance with legal and ethical standards. IRO type (I-)

Legend:

IRO: Impact, Risk, Opportunity

R: Financial Risk

O: Financial Opportunity

I-: Negative Impact

I+: Positive Impact

Footnotes:

1: IROs above our materiality threshold

2: The reference time horizons can be short (S), medium (M) and long (L) term

The ONE VARO Transformation strategy

Conventional energies currently account for a large portion of our business, but our ONE VARO Transformation strategy lays out our plan to contribute to society’s need for reliable and low-carbon emission energy solutions.

Creating the energy system of the future

The ONE VARO Transformation strategy is our ‘twin engine’ strategy that is both meeting the need for energy security and the energy transition requirements of our customers. We are doing this through our ‘Engine 1’ Conventional Energies business, and our ‘Engine 2’ Sustainable Energies business.

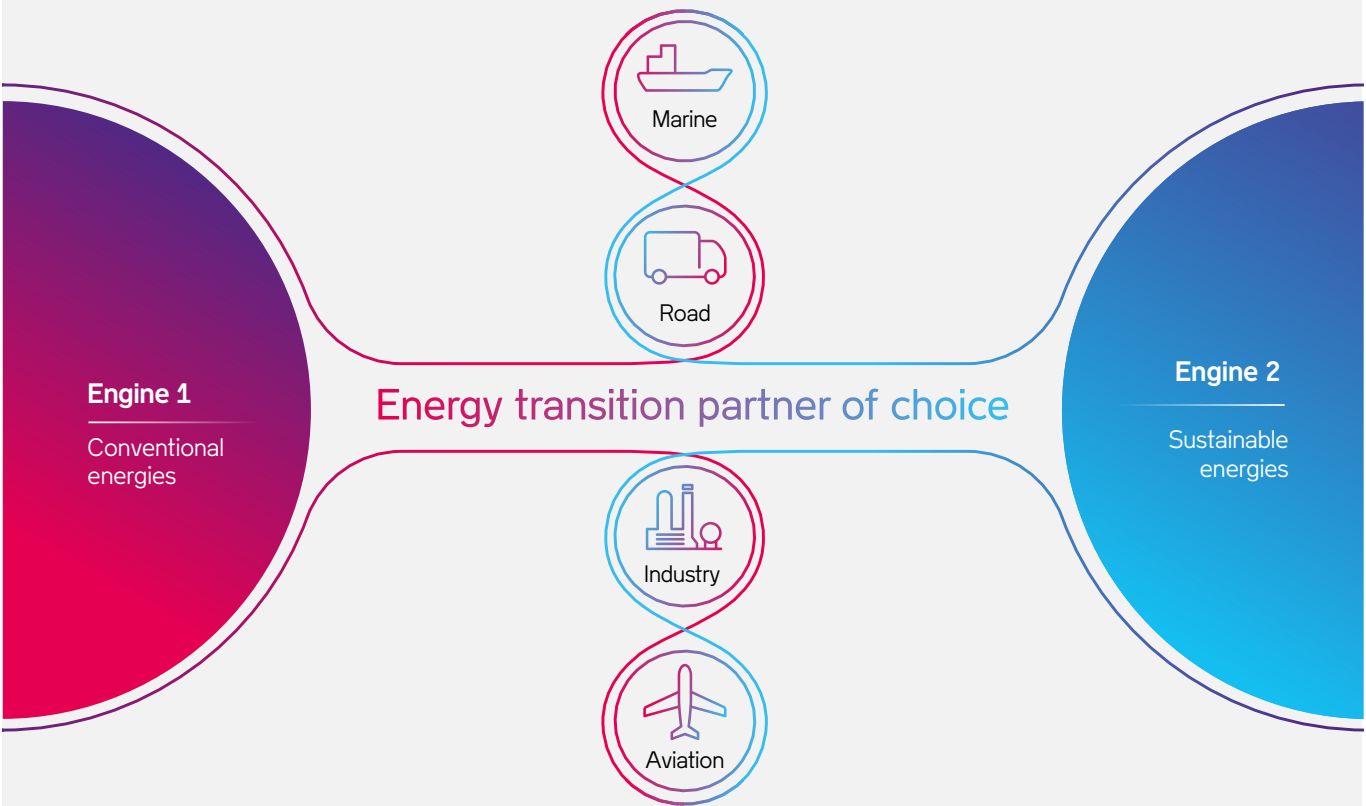
Our strategy is enabling us to create a diverse portfolio of more sustainable, accessible and reliable energy solutions that meet different customer needs depending on where they are in their transition. Sustainable energies will account for an increasing proportion of our business over time as we meet the growing customer demand for decarbonised

energy. Offering low-carbon products will support our ambition to become net-zero by 2040 – assuming the market and society evolves at such a pace.

In the first phase of our ONE VARO Transformation strategy, we aim to invest USD 3.5 billion between 2022 and 2026, with the majority of this investment committed to sustainable energy solutions. This includes investments in repurposing and building new infrastructure at scale, as well as making acquisitions and forging new partnerships to be able to deliver more sustainable energies. The remaining third is being invested in the reliability of our conventional energy capabilities and in areas such as occupational health and safety.

AIDAprima, the flagship vessel of AIDA Cruises, is piloting our Bio Marine Fuel (BMF100).

The ONE VARO Transformation strategy



Conventional energies – Ensuring energy security today.

Engine 1 activities include the sourcing, manufacture, blending, trading and distribution of conventional energies. We aim to ensure energy security for our customers, while enabling the transition by gradually repurposing our existing assets and diversifying our portfolio of sustainable energies.

Sustainable energies – Accelerating the energy transition for tomorrow.

Engine 2 involves building our capabilities in our five strategic growth pillars: biofuels, biomethane and bio-LNG, e-mobility, hydrogen and carbon removals. We are developing our existing capabilities and establishing strategic partnerships and acquisitions to further enhance our customer value proposition.

Our ONE VARO Transformation strategy ambitions

- Treble Group earnings by 2026.
- >50% of renewable EBITDA by 2026.
- ~10% year-on-year growth in renewable energy content in sales (on a five-year average basis).
- A 15% reduction in the carbon intensity of our sold products by 2030 – to help our customers to annually avoid more than 5 million tonnes of emissions compared with 2022.
- USD 3.5 billion investment target with more than two thirds dedicated to sustainable energies.
- Operational targets for each of our five Strategic Growth Pillars.
- Net-zero emissions from our products by 2040.





Evolving the ONE VARO Transformation strategy in 2024

We continuously monitor industry trends and refine our ONE VARO Transformation strategy by leveraging our experience and adapting to an evolving market and legislative landscapes, as well as changing customer demand. In this way, we focus our resources on our strategic pillars that have the greatest positive impact on our business and society.

We see continued market demand and significant opportunities in our biofuels, biomethane and bio-LNG, and e-mobility pillars. In particular, biofuel demand in the EU transport sector is projected to increase by between 50% and 80% by 2030, depending on the pace of electrification, as EU member states accelerate decarbonisation to meet the ambitious renewable energy targets outlined in the Renewable Energy Directive (RED) III. Meanwhile, biogas production in Europe has exceeded 22 billion m³, with the RePowerEU target set at 35 billion m³ by 2030. In the e-mobility sector, the EV stock share in Europe is expected to grow significantly, from 3.8% in 2023 to approximately 18% by 2030, according to the IEA.

Our progress in the hydrogen and carbon removals pillars is hindered by regulatory uncertainty and slow market demand, and future opportunities are conditional on the introduction of government incentives as well as market conditions.

Read more in the Market trends section on [page 14](#), and in the Enabling the energy transition chapter on [page 30](#).


Our ESG approach

The ONE VARO Transformation strategy led to the development of our ESG programme, and both drive our purpose to accelerate the energy transition. Promoting sustainability throughout our value chain is not only essential for creating long-term stakeholder value, but is also integral to the growth of our business.




Our ESG programme and targets are based on four key areas: our operations, our customers, our people, and our supply chain. By identifying and prioritising our material impacts, risks, and opportunities related to the environment

and society, and by understanding how sustainability shapes our business, we aim to drive positive change, create long-term value for all our stakeholders, and contribute to a more sustainable future.




Our supply chain

Our ESG strategy encourages our suppliers and business partners to act responsibly and ethically. Our work with suppliers is based on long-term cooperation, reliability and trust. All supplier agreements refer to our Human Rights Policy and the VARO Supplier Code of Conduct covers all our suppliers.




Our operations

We work to proactively minimise the negative environmental and social impacts of our operations. This includes mitigating our detrimental environmental impacts, decarbonising our operations, and promoting the safety of our employees, contractors and surrounding local communities.



Our people

Our employees are the driving force behind our success, and we are dedicated to their well-being, safety, growth and development. We promote diverse and inclusive workplaces, invest in individual development, and prioritise employee well-being and satisfaction.



Our customers

We are committed to delivering reliable, accessible and sustainable energy solutions that align with the requirements of our customers. The ONE VARO Transformation strategy drives our business and supports our customers with their energy transition.

Responsible sourcing

We strive to promote a responsible supply chain by incorporating ethics and sustainability into our procurement decisions. We strengthened our responsible sourcing initiatives and improved our reporting standards during the year.

Our approach

Responsible sourcing is fundamental to our business success. It helps reduce reputational and financial risk, ensures we meet new legislation and satisfies customer demand. Our work with suppliers promotes our sustainability agenda by reducing our value chain greenhouse gas emissions, and enabling us to source renewable waste-based fuels and feedstocks.

We source labour, feedstocks, engineering services, consulting services, licenses and equipment from suppliers and contractors. We consider sustainability in our procurement decisions to ensure that our agreements and contracts reflect the relevant social and environmental regulations.

Our Know Your Customer (KYC) Policy enables our procurement teams to assess the overall risk of a supply chain partner, with a risk score provided by our KYC team. These assessments may include financial health as well as business ethics criteria. We plan to expand our KYC to include our suppliers.

Through our Human Rights Policy and Supplier Code of Conduct, we have defined minimum responsibility and ethical standards applicable to all our suppliers and business partners. We finalised and approved the VARO Supplier Code of Conduct in 2024 and published it in 2025. The code, which builds on our Human Rights Policy, is generally referenced in our agreements with supply chain partners.

Responsible feedstock sourcing

Biofuels represent an important source of renewable energy and they contribute to the UN Sustainable Development Goals (SDGs), particularly in the context of energy security and climate change. The production of biofuels can also promote employment, economic growth and rural development.

We work to ensure that the biofuels we source from trading companies and biofuel producers comply with all relevant local (EU or national) regulations. We recognise the importance of bio-based feedstock type and quality for the energy transition. Since the adoption of the EU RED, the transition to biofuels has been considered an important element of EU policy on transport decarbonisation.

VARO purchases ethanol, Fatty Acid Methyl Ester (FAME), Hydrotreated Vegetable Oil (HVO), Ethyl Tertiary Butyl Ether (ETBE) and bio-naphtha products from a wide variety of producers that are certified under an EU biofuel certification scheme. Most producers we source biofuel products from are certified according to the International Sustainability



The VARO Biogas Coevorden biogas plant in the Netherlands.

and Carbon Certification (ISCC), while others are certified through the Roundtable on Sustainable Biomaterials (RSB), REDCert-EU or 2BSvs. These voluntary certifications for biofuel producers involve regular audits to fulfil the EU requirements on sustainable fuels. Our entities are ISCC certified to be able to operate within a certified supply chain recognised as RED II compliant. Our ISCC EU certifications are our 'license to operate' in the EU's regulated renewable energy market and form an important part of our supply chain risk management for biofuels that covers environmental and social aspects.

VARO stopped sourcing Russian crude due to the war in Ukraine before official sanctions came into effect in 2022.

VARO's Renewables Compliance

The Renewables Compliance department supports the operation and development of VARO's Engine 2 business with its specialist knowledge and advice – particularly on biofuels. It processes all sustainability documentation flows and ensures that we comply with reporting according to relevant external obligations through our ISCC EU certifications and throughout all our jurisdictions in a timely and accurate manner. The department reports to the General Counsel, who in turn reports directly to the CFO.

Managing our material ESG topics

Our approach

Managing our ESG material topics creates value by working to ensure compliance with relevant legislation, while also mitigating risk and creating business opportunities. The management of material ESG topics is integrated and cascaded down from the Board and management team through our committees that oversee specific ESG-related topics.

Our management and support systems enable corporate governance to function smoothly and effectively. Read more in the Corporate governance section on [page 89](#).

Policies and standards

Our policies ensure that our rules, standards, values, culture and benefits are implemented in our day-to-day operations. Our key policies related to ESG topics include the VARO Code of Conduct, our KYC (Know Your Customer) Policy, our Human Rights Policy, Renewables Compliance Control Framework and our Supplier Code of Conduct.

We make our policies available to employees on our intranet and we will promote them through our Learning Experience Platform, which will provide training and employee development opportunities to all VARO employees.

See Appendix VI for a list of our ESG-related policies, and download our key policies at www.varoenergy.com/en/our-company/governance/.

Certified management systems

Our integrated management system approach is based on various certifications, as shown in the table below. Regular internal and external certification audits ensure that our asset management processes are based on responsible business practices and continuous performance improvements.

Our Operational Excellence Management System (OEMS) provides a structured and documented set of interdependent practices with the objective to identify, assess and manage operational risks related to employees, contractors, stakeholders, the business and the environment. It identifies, prioritises and controls operational risks in a consistent manner. We introduced and began implementing the OEMS in 2024.

Bayernoil's EU Eco-Management and Audit Scheme (EMAS) certification goes beyond the requirements of the ISO 14001 environmental management system. EMAS helps Bayernoil to implement a structured environmental management system (EMS) and independent verification.

	The Bayernoil Manufacturing hubs	Cressier Manufacturing hub	VARO Terminals Switzerland	VARO Terminals Germany	VARO Terminals Netherlands	VARO Terminals Belgium	VARO Terminals France
ISO 9001	●	●	●	●	●	●	
ISO 14001 / EMAS	●	●	●	●		●	●
ISO 45001		●	●			●	
ISO 27001	●						
ISO 50001	●			●			

Memberships

We are a member, participant and board member of numerous national and international industry organisations and associations that support the different stages of the fuel value chain in Europe. Many of these organisations support our work with ESG topics. Two of the most

important partnerships from a pan-European collaboration perspective are the European Fuel Manufacturers Association and the voice of Europe's independent fuel suppliers (UPEI). We are a partner of the World Economic Forum and the UN Global Compact.

SDG	Relevant SDG sub-targets	VARO's contribution	Read more in this report
	5.5 – Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	<ul style="list-style-type: none">Promoting female managers and business leaders.Avoiding gender pay gaps.	Diversity and inclusion, page 73.
	7.1 – Universal access to modern energy. 7.2 – Increase substantially the share of renewable energy in the global energy mix by 2030. 7.3 – Double the improvement in energy efficiency. 7.a – Enhance research, technology and investments in clean energy.	<ul style="list-style-type: none">Promoting biofuels, biomethane and bio-LNG, green hydrogen and e-mobility in Europe.Investing in renewable energy.Working with energy efficiency in manufacturing.	Enabling the energy transition, page 30. Climate change, page 55.
	8.1 – Sustainable economic growth. 8.2 – Promote economic productivity through diversification, technical innovation and upgrading. 8.4 – Improve resource efficiency in consumption and production. 8.5 – Full employment and decent working conditions with equal pay for work of equal value. 8.7 – Eradicate forced labour, slavery and child labour. 8.8 – Protect labor rights and promote safe and secure working environments for all.	<ul style="list-style-type: none">Positive economic impact on a local, national and regional level where VARO operates.Developing more resource-efficient energy systems.Providing decent working conditions and equal pay.Zero tolerance to all forms of forced labour and child labour.Promoting safe and secure working environments.	Affected communities, page 79. Reducing CO₂e emissions to decarbonise our value chain, page 37. Diversity and inclusion, page 73. Workers in the value chain, page 78. Human rights, page 81.
	9.1 – Develop sustainable, resilient and inclusive infrastructure. 9.2 – Promote inclusive and sustainable industrialisation. 9.4 – Upgrade all industries and infrastructures for sustainability. 9.5 – Enhance research and upgrade industrial technologies.	<ul style="list-style-type: none">Developing more sustainable and resilient energy infrastructure.Driving the development of more sustainable energy supplies for industry.	Enabling the energy transition, page 30. Climate change, page 55.
	13.1 – Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.2 – Integrate climate change measures in politics and planning. 13.3 – Improve education and capacity to manage climate change.	<ul style="list-style-type: none">Developing fuels and energy systems with lower climate impact.Building climate resilient energy systems.VARO's carbon removals customer offering.	Enabling the energy transition, page 30. Climate change, page 55. Carbon removals, page 50.

3 Enabling the energy transition

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Enabling the energy transition | An agile customer value proposition for the energy transition

An agile customer value proposition for the energy transition

VARO supports the transition to a more sustainable society by providing both secure access to reliable energy and more sustainable energy solutions.

Our customer value proposition is built on our ‘twin engine’ ONE VARO Transformation strategy, which delivers both conventional and sustainable energies to support a secure and flexible energy transition, helping our customers decarbonise at their own pace. Read more about the ONE VARO Transformation strategy on [page 22](#).

Our diverse portfolio includes conventional fuels, biofuels, biomethane, bio-LNG and e-mobility, as well as carbon removals and the ambition to expand into green hydrogen and e-fuels. Read more about our five strategic growth pillars – biofuels, biomethane and bio-LNG, e-mobility, hydrogen and carbon removals – in this chapter.

Supporting a ‘just transition’ for our stakeholders

Transitions are often disruptive, and the shift towards cleaner and more sustainable energy sources will have significant impacts on our customers, communities and employees. We aim to help achieve a just transition that meets our customer and societal energy demands by being fair, inclusive and equitable for all.

We work together with policymakers to promote regulation that supports more sustainable energies and helps to future proof the energy industry. In addition, we invest in our employees by reskilling and upskilling them so they can thrive in the evolving energy landscape.

Our conventional fuels offering – the basis for societal energy security

As society is still heavily dependent on conventional fuels – such as truck and marine diesel, gasoline, petroleum-based aviation fuels and liquefied petroleum gas (LPG) – they remain essential for energy security. Conventional fossil fuels are based on reliable and well-established supply chains and infrastructure.

VARO manufactures and trades a diverse range of conventional fuels, which it sells in Europe. We own and operate critical energy infrastructure in our core markets, such as the Cressier manufacturing hub, which is the only producer of liquid fuels in Switzerland.

In March, we announced our intention to acquire Preem, which is Sweden’s largest fuel company and accounts for 35% of the Nordic refinery capacity. Subject to customary closing conditions and the receipt of regulatory approvals, our combined business will supply around 10% of Europe’s road and marine fuel. The acquisition will not only enhance our conventional fuels offering but will also complement our sustainable energies business through Preem’s ongoing transition to sustainable energies.

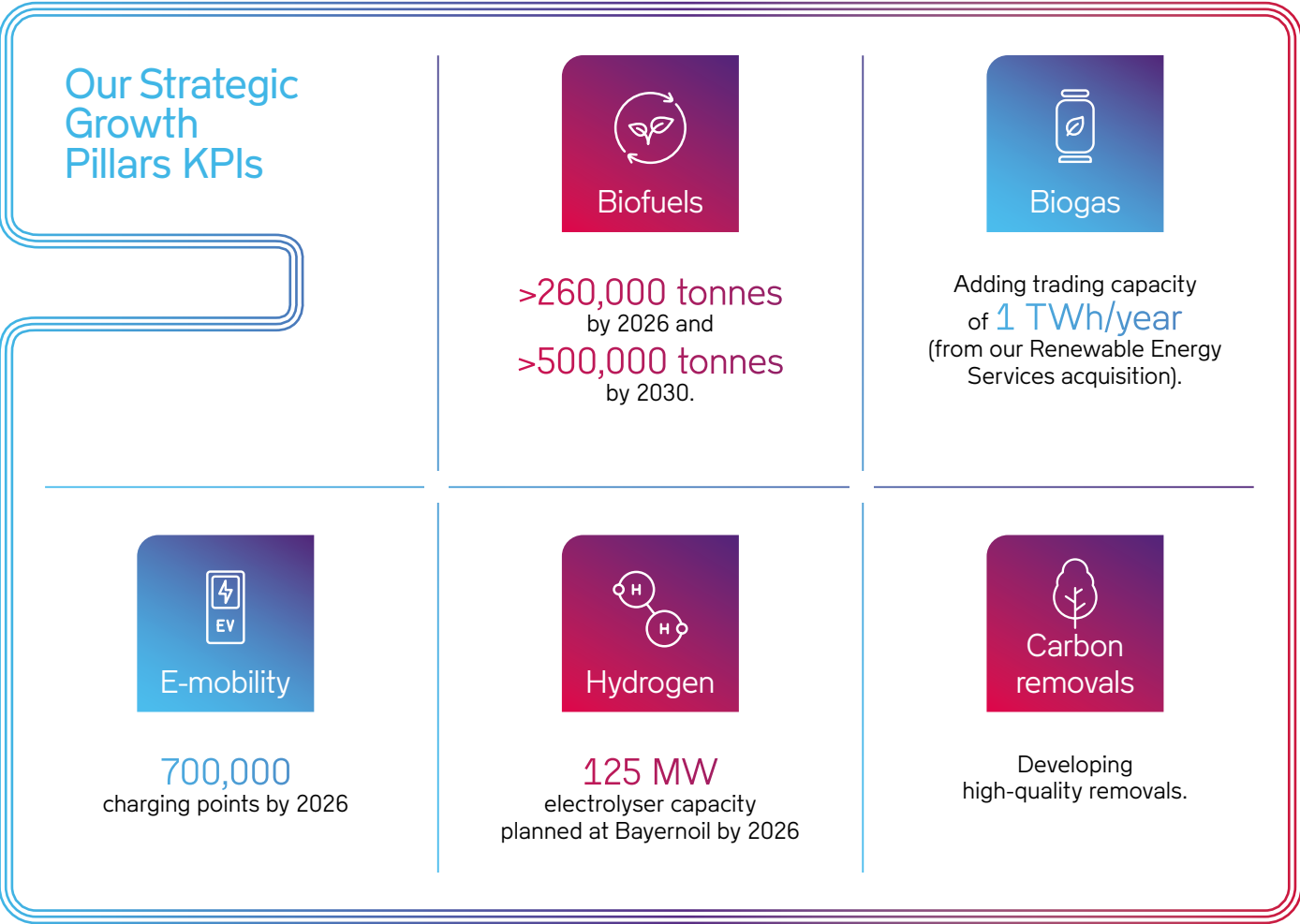
Promoting the energy transition

In 2024, we advanced our ONE VARO Transformation strategy by further enhancing our ability to manufacture and deliver low-carbon energy solutions by developing the capabilities of our sites. We held training days to

familiarise more of our employees with our renewable energy solutions. We also ran a sales academy to train our sales staff on these solutions and their particular customer benefits.

Besides meeting the energy needs of our different customers, we engage with local communities to understand their needs and aspirations by working collaboratively to create new opportunities and help mitigate any adverse effects of the transition. Managing these societal impacts is part of our licence to operate and creates business opportunities as a respected player in the energy market.

One example of this is our ongoing partnership with the Swiss energy company Groupe E at our Cressier manufacturing hub to develop a district heating network. This network makes use of excess heat from the hub’s operations to supply homes in the neighbouring municipalities, replacing thousands of natural gas or oil-fired heating systems. As a result, the system will have the potential to annually avoid up to 2,700 tonnes CO₂e. A second network, which will be developed between 2025-2034, will supply 3,500 households and businesses in the Canton of Neuchâtel and could annually avoid around 15,000 tonnes CO₂e.





Biofuels

Biofuels offer huge opportunities for society to transition from conventional fuels to more sustainable alternatives that enable decarbonisation.

Our approach

We aim to become an integrated producer of second-generation advanced biofuels, which are produced from waste and advanced feedstocks¹. We are developing our biofuel capabilities, with a focus on our planned SAF plant in Rotterdam and are securing our renewable feedstock supply now and in the future.

Subject to customary closing conditions and the receipt of regulatory approvals, our acquisition of Preem will make us the second largest renewable fuel producer in Europe. The acquisition will increase our renewable fuel manufacturing capacity by 1.3 million tonnes per annum and bring additional capabilities. This includes expertise in co-processing and producing advanced biofuels from renewable raw materials such as tall oil, used cooking oil and bio-oil from forest residues.

¹ According to Annex IX A and B of the RED regulations.

Biofuels blending: an important step on the energy transition

VARO manufactures and trades a range of blended biofuels that contain both conventional fuels and renewable fuels, such as bio-ethanol or renewable diesel. These blended biofuels are an important step in the energy transition as they use existing fuel infrastructure and replace fossil fuels, while helping to reduce emissions and pollutants. They can also promote energy security by reducing the need for fossil fuel imports.

Examples of blended biofuels include:

- **E10** – contains 10% renewable ethanol and 90% conventional gasoline. Can be used in most gasoline engines, including many passenger car models.
- **E85** – contains 85% renewable ethanol and 15% conventional gasoline. Can only be used in flex fuel vehicles (FFVs) that are specifically designed to run on such high-ethanol blends.
- **B10** – contains 10% biodiesel and 90% conventional diesel.
- **B30** – contains 30% biodiesel and 70% conventional diesel. Can be used in commercial diesel engines.

We blend fuels at our manufacturing hubs and at some of our terminals, which sometimes have the capabilities to create blends tailored to customer preference. We are obliged to comply with regulations regarding taxation and CO₂e emission or blending mandate compliance in all countries in which we operate.

Biofuel trading

VARO sources, markets, trades and distributes biofuels in Europe, with a long experience of blending biofuels with conventional fuels. Such fuels include Hydrotreated Vegetable Oil (HVO), which we market as VARO Renewable Diesel® and represents a significant commercial opportunity as an important low-carbon, drop-in biodiesel that fulfils mandates for renewable fuel content. Read more about VARO Renewable Diesel® on [page 36](#).

We also produce biofuels through tolling agreements for renewable feedstock at third-party producer locations and around 54% of our current bio-feedstocks are waste-based. The majority of the biofuels we source and produce are used to meet our greenhouse gas reduction or blending mandates that are implemented on a national level.

Phased approach to biofuel manufacturing

We are building new biofuel manufacturing facilities and progressively repurposing our existing assets to accommodate biofuels. This involves developing our own production capabilities to produce advanced biofuels – such as with our planned SAF plant in Rotterdam.

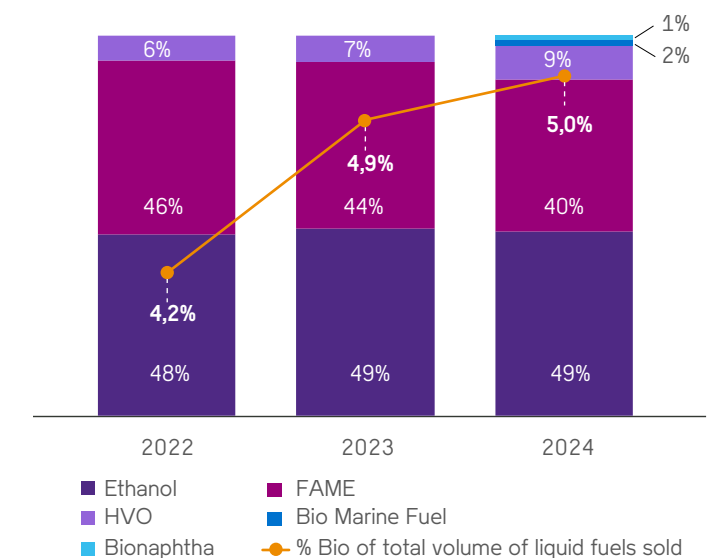
Biofuel compliance

Our dedicated compliance experts support our various teams to ensure all legislation is met when trading different biofuels and bio-feedstocks. This includes assurance advice and the necessary documentation to comply with legislation such as the EU RED and certification schemes like ISCC and ISCC Plus. This ensures we operate in accordance with the traceability and chain of custody processes of the relevant biofuel and bio-feedstock certification schemes. We transparently communicate this information to our customers. Read more in the Responsible sourcing section on [page 26](#).

Customer focus

As part of global decarbonisation efforts, society will need millions of tonnes of biofuels to meet growing demand across the maritime, aviation and road transport sectors in the coming years. We will meet this customer demand through our own production of advanced biofuels and

Marketed biofuels distribution evolution (energy content based)



by continuing to be an important biofuel trading partner. In addition, we have the potential to help industrial customers to replace edible oils with our waste-based products (read more in the Case Story on [page 39](#)).

Our progress in 2024

Biofuel production projects

Progress on developing our new SAF plant in Rotterdam gained momentum with Gunvor becoming a 50/50 partner in the project. A Project Director was assigned to the project full-time to manage the VARO-led team.

The SAF plant will feature an advanced pre-treatment unit, utilising proven global technology to process various feedstocks into SAF and HVO, depending on market demand and regulatory requirements. With a projected annual capacity of 250,000 tonnes when complete, the facility can meet up to 7% of the EU's 2030 SAF mandate.

We are also developing other biofuel projects, for example FAME, ethanol and renewable methanol that are at various stages of development in our markets.

Biofuel trading and blending

In 2024, 97% of our bio-gasoline components were derived from ethanol (including ETBE). HVO, which represented 17% of the total volume of biodiesel we offered in Europe in 2024, originated from mainly waste-based products. We began importing HVO in Switzerland in 2024.

Enhanced transparency on the CO₂e savings of biofuels

We strengthened our biofuel customer value proposition by quantifying CO₂ emission savings for customers. For example, we strengthened our value proposition for VARO Renewable Diesel², which is a 100% renewable drop-in fuel that is compatible with diesel engines³ without modification while reducing CO₂e emissions by up to 90%⁴.

² Produced from waste and residues (such as used cooking oils and animal fats).
³ Compliant with the EN15940 standard. Check with vehicle manufacturers for fleet compatibility.
⁴ Covering emissions from feedstocks and raw materials to production, processing, distribution and use.

VARO provides customers with emission calculations to guarantee a CO₂e emissions reduction of 80-90%. The actual figure provided by the tool is based on underlying proof of sustainability for the volume actually supplied to a specific customer. This is a unique and important market differentiator for VARO as many companies only provide generic standard carbon savings figures. More accurate CO₂e emission data supports customer carbon reporting and enables better customer energy-related decisions.

In addition, our transparency and leading position in biofuels can help VARO customers to meet their potential internal sustainability targets while not negatively impacting the food or feed industries by providing second-generation waste-based biofuels.

Bio-feedstock procurement

We continued to develop new commercial partnerships with bio-feedstock producers and collectors by working closely through our bio trading desk and compliance experts. We secured commercial commitments with suppliers to source more than 500,000 tonnes of bio-feedstock. 250,000 tonnes of bio-feedstock volumes were also identified for our SAF manufacturing for when the hub in Rotterdam is in operation.

By constantly monitoring and adapting to the regulatory developments related to bio-feedstock, we will continue to develop new commercial solutions for the market.

Biofuel handling and distribution capabilities

By strengthening our biofuel handling and distribution capabilities, we ensure greater market accessibility for our products. We repurposed more terminal infrastructure and retail sites to handle HVO instead of fossil fuels. VARO Renewable Diesel[®] was available at 15 VARO terminals by the end of 2024, with more planned to begin offering biofuels in 2025.

In Germany for example, our terminal in Würzburg increased its HVO capacity along with a EUR 2 million HVO investment at the VARO Regensburg terminal. These investments are being driven by the strong demand for biofuels in southern Germany. Several terminals in Switzerland converted tanks from diesel to HVO to use them for blending biofuels and we opened our first HVO depot in France. Our third-party terminal storage operators also continued to invest in their facilities, which boosted our HVO storage capabilities.

Advocating co-processing opportunities in Switzerland

We are working with the Swiss authorities to allow the co-processing of waste-based feedstocks with crude oil at the Cressier manufacturing hub to produce biofuels. We made progress with the Swiss customs authority, which paves the way for co-processing in Switzerland in the future.

2025 and beyond

- Continue to develop our capabilities to produce advanced second-generation biofuels from waste and advanced feedstocks:
 - Develop our plans for a SAF plant in Rotterdam.
 - Integrate the Preem acquisition into our business.
 - Incorporate 5% bio-components in fuels from our co-processing project at Cressier from 2027.
- Further enhance our bio-based feedstock procurement capabilities.
- Continue to develop low-carbon solutions with waste-based, non-edible and bio-based feedstock and biofuels for industrial customers.
- Establish partnerships to enable the deployment of advanced biofuels.



CASE STORY

Creating biofuel opportunities in the maritime industry

We established strategic biofuel partnerships in 2024 to help decarbonise Europe’s largest maritime shipping hub and specific customer operations.



We are piloting 100% renewable Bio Marine Fuel (BMF100) with AIDA Cruises.

Decarbonising the Amsterdam-Rotterdam-Antwerp shipping hub

We have established a strategic alliance with Orim Energy to help decarbonise Europe’s largest maritime shipping hub, Amsterdam-Rotterdam-Antwerp (ARA). The alliance combines our expertise in biofuel supply with Orim Energy’s blending and bunkering facilities to scale-up more sustainable shipping fuel capabilities.

“Upcoming EU regulations drive the need to scale up biofuels and ensure quality assurance going forward,” said Edwin Coppens, Managing Director of Orim. “Partnering with VARO allows us to do just that, using each other’s strengths to optimise our blending expertise and network.”

Current demand for fuel oil in ARA is approximately 14 million tonnes per year. Supported by new EU regulations, the market for B30, a blend of 70% fuel oil and 30% biofuel, is expected to grow rapidly toward 2030. As a result of this joint initiative, VARO and Orim aim to be well positioned to meet this increased demand and support their customers in pursuing their decarbonisation objectives.

100% biofuel customer trial in the cruise sector

We began a trial with 100% renewable bio-marine fuel with AIDA Cruises. The trial involves the vessel AIDAprima, which is based at the port of Rotterdam. The biofuel we supply is produced from advanced feedstock such as organic waste and residue and reduces greenhouse gas emissions by at least 85% compared to conventional shipping fuel. The trial paves the way for us to offer more 100% renewable bio-marine fuel in the future.

First Dutch ‘wheat ship’ powered by HVO100

We also began collaborating with Royal Koopmans Foodcoatings & Ingredients, a leading innovator in grain ingredients, on a ship fuelled by HVO100. Through our marine energy solutions company, REINPLUS FIWADO, we provide a seamless supply of HVO100 biofuel that enables Royal Koopmans to pioneer sustainable shipping. HVO100 avoids around 44 tonnes CO₂e per year, which is equivalent to the emissions from almost 65 air journeys from Amsterdam to Rome.

CASE STORY

Helping customers shift from edible to waste-based oils

By offering waste-based oils, we empower industrial customers to transition from using edible oils to more sustainable alternatives in their operations.

“We have identified and approached several market segments in the chemicals industry currently using vegetable oils that compete with the food and feed industries,” said Marcel Andriessen, VP Biofuels & Bio Feedstock at VARO Energy. “There is huge potential for us to substitute these food oils with our waste-based oils that do not compete with the food industry, while helping customers to meet their sustainability objectives. This helps to safeguard precious arable farmland for food purposes rather than for fuel.”

We focus on advanced biofuels made from waste and residues, such as waste cooking oils and other waste streams. Such advanced biofuels are already helping some of our customers to replace food oils with non-edible oil such as tall oil.

“In 2024, we began a test to replace a customer’s food-based oil with one of our waste-based oils and initial results are very positive,” said Andriessen. “It takes time to approve new raw materials, ensure they meet all functionality requirements and prove they do not negatively impact food production, but we are confident our waste-based oil will be approved for their application.”

Contributing to circularity and climate objectives

Using oils and other products derived from waste not only promotes circularity – it also helps us to meet our carbon targets by reducing the emissions from our products (scope 3 emissions). Such waste-based oils can contribute to the UN SDGs, such as SDG 12 on responsible consumption and production, and SDG 13 on climate action, as well as SDG 2 on zero hunger by avoiding the use of food-based oils.

We have an agreement with a German tolling partner to deliver at least 60,000 tonnes of advanced biofuels in 2025 to contribute to our blending mandates. Some of this capacity will be used to replace edible oils as well as other applications, such as HVO, SAF, FAME and other chemicals.

In 2024, we began a test to replace a customer’s food-based oil with one of our waste-based oils.





Biomethane and bio-LNG

As one of the largest producers and traders of biogas in Europe, we help our customers to reduce their CO₂e emissions. We are expanding our biogas manufacturing hub, VARO Biogas Coevorden, and integrating our biogas trading capabilities.

Our approach

Biogas has an important role to play in providing customers in hard-to-abate sectors such as process industries, heavy-duty transportation and shipping with cost-competitive low-carbon fuels. It also offers the same flexible properties as natural gas, can be used in existing infrastructure and helps to decarbonise society. In addition, biogas can contribute to circularity in the agricultural sector.

As a leading producer and trader of biomethane and bio-LNG, we help customers to cost-effectively reduce their emissions by more than 90%, while promoting energy security. We are creating a biogas product portfolio through selected acquisitions, long-term trading positions and industrial-scale projects that draw on our production, construction and trading expertise and capabilities. We also leverage our customer relationships in our fuels business and our expertise in bio-based feedstock sourcing to become a preferred partner.

VARO owns an 80% stake in VARO Biogas Coevorden, which is the largest biogas manufacturing hub in Northern Europe.

Our progress in 2024

We produced 405 TJ (11.5 million m³) of biogas at VARO Biogas Coevorden and expanded our biogas production capabilities. These biogas products helped our customers avoid 31,300 tonnes CO₂e emissions compared with conventional fuels. In addition to a capacity increase, the 2024 upgrade to the manufacturing hub enabled the liquification of CO₂ – most of which will be used to enrich crops in greenhouse agriculture through Carbon Capture and Utilisation (CCU).

Our expansion into biogas trading has broadened our biogas portfolio and enables us to develop integrated solutions that combine biogas production and trading. We integrated our biogas trading capabilities from the acquisition of RES, which includes trading capabilities up to 1 TWh/year (our 2026 commercial target). In 2024, we traded approximately 0.6 TWh of biogas.

We are serving new markets and customers, and are further developing our sales capabilities for biomethane

and bio-LNG. We began bio-LNG truck tests in Germany with two customers that switched from fossil LNG. The potential to scale up these tests will be investigated in 2025.

We also began providing new logistics and industry customers with bio-methane to replace fossil natural gas for space heating and to be used as industrial feedstock, which has broadened our customer offering into new segments. Bio-methane is an important drop-in solution as customers do not need to upgrade their natural gas infrastructure.

2025 and beyond

- More than double the manufacturing capacity of VARO Biogas Coevorden to 600 GWh by 2026.
- Build an integrated value chain by developing VARO's manufacturing capacity and utilising bio-based feedstock from agricultural waste to produce 1 TWh of biogas per year by 2026.
- Trade 1 TWh of biogas per year by 2026.



The VARO Biogas Coevorden biogas plant in the Netherlands.

Insight into VARO's biogas manufacturing: A Q&A with Fritz Ullrich, CEO at VARO Biogas Coevorden

How did the biogas capacity expansion progress at VARO Biogas Coevorden in 2024?

We worked towards completing the construction of our new gas upgrade facility and will start commissioning it in 2025. This investment paves the way for us to gradually double our production in the coming years.



What feedstocks do you use to produce biogas and where do they come from?

At VARO Biogas Coevorden, we typically use around 60% manure, in line with legislation that requires a minimum of 50% animal manure. The remainder of our feedstock includes waste streams such as spoiled corn, pet food and grains that are non-food and non-feed grade. While most of our waste feedstocks are sourced from within Europe, some may originate from other regions. To support and verify the sustainability of our sourcing practices, our operations are certified under recognised schemes such as ISCC and the Netherlands Technical Agreement (NTA).



Following biogas production, what happens to the residue?

Our biogas process leaves behind nutrient-rich liquid and solid material that can be used as agricultural fertilisers. Our liquid residual waste is used by Dutch farmers and our solid waste by farmers in Germany and Eastern Europe.



Have you made any recent investments to improve your environment performance?

As part of a new gas upgrade system, we have installed CO₂ capture and liquefaction equipment and will begin to liquify our CO₂ in 2025. The liquified CO₂ will be used to enrich crops in greenhouse agriculture. We plan to recover energy from the liquified CO₂ we cannot sell, given that the demand is seasonal.



What have been the biggest changes at VARO Biogas Coevorden since VARO became a majority owner?

With health and safety being a key focus area at VARO, we have welcomed a greater emphasis on protecting the health and well-being of our employees. We have made a lot of operational safety improvements in our processes and safety systems, and implemented a lot of safety training in 2024. We have also welcomed new measures such as health checks, the promotion of physical exercise and more regular meetings for all our employees.





E-mobility

We are a major player in the European e-mobility market with an integrated customer offering that delivers holistic EV charging solutions to commercial vehicle owners and operators.

Our approach

E-mobility in Europe, including passenger vehicles and trucks, has huge growth potential in the coming years – which will be driven by falling prices for electric vehicles and batteries. Our integrated e-mobility offering includes charging software, charging infrastructure and power supply. We focus on delivering operational stability and customer affordability.

Our three e-mobility businesses are:

- **Road** – (66.3% VARO ownership) a leading provider of charging software for more than 600,000 charge points across Europe – primarily in Benelux, Germany and France. Road offers software-based service subscriptions to customers.
- **elexon** – (100% VARO ownership) has more than 35,000 charging points at over 1,000 locations, primarily within the logistics sector.
- **VARO Charging** – is a charge point operator that provides power supply at customer depots. It is developing an international network of public charging hubs tailored to commercial fleet owners and operators.



By offering EV charging software through Road, charging infrastructure through elexon, and holistic commercial vehicle charging solutions including power supply through VARO Charging, our presence covers the entire e-mobility value chain. We are increasing synergies between our three e-mobility businesses to enhance our customer offering (read more in the Case Story on [page 46](#)). By supporting greater EV penetration in commercial fleets, we also help fleet customers in their decarbonisation journey.

Our e-mobility business creates additional opportunities for us to bring our full customer value proposition to the market through direct contact with the fleet customers we provide charging solutions to. These cross-selling opportunities, including conventional fuels and biofuels, are increasingly driving new business and developing our customer relationships.

Our progress in 2024

Road

We restructured our Road business in 2024 to focus on the key VARO markets of Germany, France and Benelux.

Large new customers included Bouygues and Intermarché in France, and Vattenfall in the Netherlands, which switched 15,000 charging points to Road. Road also serves the commercial vehicle market, directly or via elexon.

elexon

We continued to integrate elexon into the VARO business. elexon focuses on Germany, Austria and Switzerland, which accounted for 95% of its business in 2024, and has delivered systems to many other European countries. The company continued to deliver commercial EV charging infrastructure to several major logistic companies. It also won large Direct Current (DC) fast-charging tenders for logistics customers such as DHL Group.

VARO Charging

In January 2024, we opened the first public truck charging hub at the Port of Rotterdam, which we operate in collaboration with the Port of Rotterdam and Truckparkings Rotterdam. The hub offers 24/7 access to eight charging stations with a charging capacity of up to 360 kW for all battery-electric heavy-duty trucks and coaches, irrespective of brand.

VARO Charging aims to develop a network of commercial charging infrastructure, with a series of projects in the pipeline in the Netherlands and Germany. It offers two solutions: charging infrastructure at customer depots and public charging hubs at logistical hotspots. In 2024, we enhanced the VARO Charging power proposition by setting up renewable power supply licenses for the Netherlands and Germany and securing the first customer commitments to start providing charge point operator and power supply services at customer depots.

By providing charging infrastructure and supplying power, VARO Charging receives biofuel credits, which further improves the profitability of charging infrastructure projects.

2025 and beyond

- Continue to build an integrated e-mobility offering, including scalable customer charging solutions as well as laying the basis for a public network for truck charging.
- Develop synergies, create new partnerships with flagship customers and market players, and draw on the digitisation potential throughout the e-mobility value chain to support our customer's daily operations in commercial fleet charging.

CASE STORY

Greater e-mobility integration delivers flexible customer energy solutions

In a complex e-mobility market, where commercial customers require software, infrastructure and power, our integrated e-mobility offering can provide flexible and scalable solutions.

“Our Road, elexon and VARO Charging businesses give us a unique customer offering that is flexible to provide charging software, infrastructure and power – depending on the customer’s particular needs,” said Bas van Oosterhout, VP Customer Value Proposition at VARO Energy. “It’s about making it easy for the customer by avoiding the complexity that characterises the e-mobility market and the energy transition.”

Road is now the default software platform for all elexon’s charging points in Europe. As a default platform, Road offers a seamless plug-and-play solution for elexon’s customers.

Helping customers to cost effectively decarbonise their fleets

By enabling customers to electrify their fleets, elexon helps avoid 76,000 tonnes of CO₂ each year.¹

In 2024, elexon developed and installed 188 AC customised charging points and extensive charging infrastructure for Deutsche Post and DHL’s largest integrated site in Nuremberg, Germany.

“As a company with a large vehicle fleet, it is essential to address the issue of e-mobility,” explained Sascha Weigl, Head of Delivery for Letters and Parcels at Deutsche Post and DHL. “At our Nuremberg branch, over 50% of the vehicles in use are electric, delivering shipments CO₂ emission-free to our customers.”

1 Based on 7 million charging cycles at 30 kW per charge and 366 g CO₂/kW (source: statista).

“It’s about making it easy for the customer by avoiding the complexity that characterise the e-mobility market and the energy transition.”

Bas Van Oosterhout - VP Customer Value Proposition at VARO Energy

E-mobility offers direct route to the full VARO offering

In addition, e-mobility customers can benefit from our comprehensive range of energy solutions to fully meet their particular requirements.

“While many of our customers have begun electrifying their fleets and will continue to add more electric vehicles over time, they require solutions for their conventional fleets,” concluded Oosterhout. “By providing e-mobility solutions, biofuels such as VARO Renewable Diesel, and conventional fuels, VARO’s customer value proposition meets their energy needs and allows them to decarbonise at their own pace.”

Elaxon wallboxes: smart design for sustainability

Elaxon’s AC wallboxes, which were developed in-house and are manufactured in Germany, not only offer high availability but they also have a unique modular component design. This design means that individual components can be replaced in the event of a failure rather than the entire wallbox – to promote resource efficiency, and lower operating and disposal costs.

“In Austria, elaxon installed one of the largest private charging hubs in Austria for logistics company Hofmann & Neffe in December 2024 where ten e-trucks with a power output of up to 480 kW can be charged at a single charging point.”

Marcus Scholz - CEO at elaxon



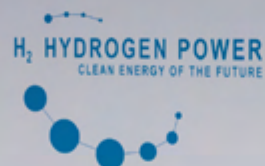
Road is now the default software platform for all elexon’s charging points in Europe.



Hydrogen

We are ready to roll-out our strategy to become a significant player in the European hydrogen market, starting with using green and low-carbon hydrogen to decarbonise our own operations. In the mid-term, we aim to commercialise hydrogen, and provide e-fuels to support hard-to-abate sectors in the longer term. Progress on our hydrogen agenda depends on greater regulatory and political certainty.

Hydrogen H_2



Our approach

Hydrogen is an essential input for refinery processes. Most of the hydrogen currently used by European refineries has a significant carbon footprint as it is produced with natural gas. Lowering or eliminating CO₂e emissions across the hydrogen value chain therefore represents a significant decarbonisation opportunity.

Green hydrogen, which is produced through the electrolysis of water using renewable electricity, could play a role in tackling emissions in hard-to-abate sectors such as steel manufacturing, industrial sectors and transportation. Beyond supporting the transition to a more sustainable energy system in Europe, green hydrogen can also help create greater flexibility and balance in the electricity grid by increasing electrolyser utilisation when surplus renewable energy is generated.

Europe has ambitions to develop large-scale green and low-carbon hydrogen ecosystems by introducing incentives as well as market-specific obligations. We aspire to participate along the green and low-carbon hydrogen value chains through the production, supply and consumption of hydrogen molecules.



After being transported by ship from Italy to Kelheim in Germany, two reactors ordered for the Mild Hydro Cracker (MHC) reached Bayernoil in Neustadt.

Our focus is on decarbonising our existing and future manufacturing hubs. However, in the coming years we aspire to manufacture and sell low-carbon green hydrogen and e-fuels to our customers to support them in their decarbonisation journeys.

Throughout the year, we also progressed several new hydrogen and e-fuel opportunities that will promote the future adoption of hydrogen. This included taking steps to ensure a reliable hydrogen supply for our SAF project in Rotterdam.

Our progress in 2024

We progressed our strategy to become a key player in the green hydrogen market. An important milestone was the completion of the engineering preparations for a 125 MW electrolyser project to produce green hydrogen at Bayernoil. The electrolyser could help annually avoid around 65,000 tonnes of CO₂e emissions for VARO and provide a pathway for our compliance with Europe's Renewable Fuels of Non-Biological Origin (RFNBO) obligations.

We continued to work in partnership with the German authorities to help create the green hydrogen market and set the foundations for green hydrogen to play a critical role in the energy transition. We have applied for a CAPEX subsidy according to the Important Project of Common European Interest (IPCEI) rules under the Klima-, Energie- und Umweltbeihilfen (CEEAG) programme. Simultaneously, we are working with the authorities and key industry stakeholders to improve regulatory clarity on the role of green hydrogen in Germany's decarbonisation in order to underpin investment decisions.

Partnering on green hydrogen

We continued to engage with various organisations working to promote the adoption of green hydrogen and e-fuels in Europe. We closely monitor the pace of regulation, sector-specific associations (e.g. Hydrogen Europe), infrastructure developers, and other hydrogen producers and consumers to collectively tackle the challenges of this developing industry.

2025 and beyond

- Continue our measured approach with a potential investment in a 125 MW electrolyser in Germany.
- Promote the adoption of green and low-carbon hydrogen in Europe.



Carbon removals

VARO's investments in nature-based carbon removals can play a key role in decarbonising hard-to-abate sectors.

Our approach

Removing carbon from the atmosphere can play an important role in climate change mitigation by supporting the decarbonisation of hard-to-abate emissions.

We believe that emission reduction should always be the primary focus of climate mitigation. This is true for our own operations, and we encourage our customers to take a similar approach.

SilviCarbon

We have a 59.8% stake in SilviCarbon, a leading provider of nature-based CDRs that brings together reforestation projects and the carbon market for the long-term carbon removal from the atmosphere. SilviCarbon develops nature-based carbon removal projects, provides advice to other project owners and supports the generation of carbon removal certificates. SilviCarbon's projects focus on reforestation, restoration and regenerative farming that provide tangible long-term environmental and socio-economic local benefits.

SilviCarbon is developing nature-based carbon removal projects in Laos and Paraguay that will provide the rights to approximately 10 million tonnes of CO₂e removals over their lifetime. SilviCarbon forestry operations (SCALA) is a reforestation and restoration agro-forestry and carbon removal project in Laos, that holds a concession of 35,000 hectares, with potential to expand further. Through a joint venture with EcoCorp, SilviCarbon also manages a nursery in Paraguay where it develops plant species that can store more carbon and are better suited to local conditions than standard varieties.

Our progress in 2024

SilviCarbon forestry operations

As of the end of 2024, 4,240 hectares of SCALA's 35,000 hectares of land concessions in Laos, had been reforested. 5,565 hectares of land had also been cleared of unexploded bombs to make them safe for future plantations and community use.

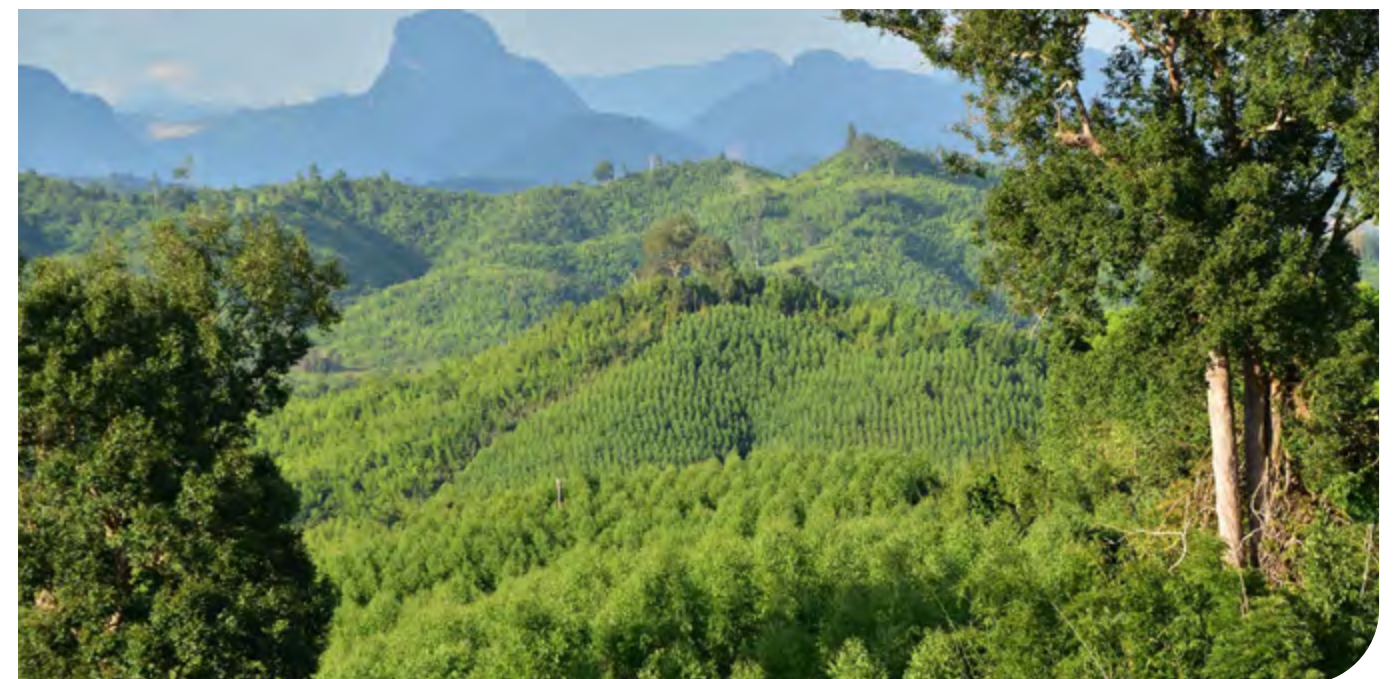
SilviCarbon advisory projects

During 2024, SilviCarbon completed the advisory work for a significant reforestation project in Paraguay that includes the issuance of carbon removal certificates. The project is registered with Verra, a global leader in the development and management of high-impact sustainability programmes.

2025 and beyond

- Enhance SCALA's biodiversity impact by developing a natural forest restoration project.
- Assess additional opportunities to restore highly degraded land through bomb clearance (Laos) and promote more sustainable agroforestry practices (Laos and Paraguay).
- Complete the advisory work for third-party reforestation projects in Laos and Paraguay.

SilviCarbon holds a concession of 35,000 hectares of land in Laos.



4 ESG performance

- 54 **Environment**
 - 55 Climate change
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ESG performance

Environment

We proactively mitigate the environmental impacts of our operations by working to reduce climate impact, reduce pollution, promote biodiversity, and optimise resource use and circularity.

Our environmental management

Environmental management is an integral part of our Health, Security, Safety and Environment (HSSE) work related to emissions, potential spills, water and energy use, waste generation, land use, as well as transportation via pipelines, water, rail and road. We proactively assess and mitigate environmental risks, and promote energy efficiency measures and the use of low-carbon electricity in our operations.

Our manufacturing hubs have comprehensive processes to assess, minimise and report on environmental impacts.

We conduct regular assessments that focus on emissions to air, water and land, waste, noise pollution, energy and water use, odours and potential impacts from incidents. In 2024, we began rolling out our OEMS throughout the company to promote environmental management through greater operational efficiency.

We hold regular HSSE meetings with Bayernoil with a focus on gradually improving environmental performance. The VARO OEMS will be introduced at Bayernoil in 2025.

Climate change

We work to achieve net-zero emissions throughout our value chain by 2040 by decarbonising our products, operations and supply chain.

Our targets

Scope 1 and 2 emissions

- 40% absolute reduction in scope 1 and 2 CO₂e emissions by 2030 compared with 2022.
- Low-carbon electricity certificates for 100% of operations by 2030.

Total emissions

- 15% reduction in carbon intensity in marketed energy by 2030.
- Net-zero value chain emissions by 2040 (scope 1, 2 and 3).

Our progress in 2024

- Scope 1 and 2 decreased by 16% compared with the baseline.
- Scope 2 decreased by 94% due to sourcing electricity from certified low-carbon sources, representing 91% of our total electricity consumption.
- 163,000 tonnes CO₂e avoided by switching to green electricity.
- 37,529 TJ of biofuels supplied, including 34,980 TJ of liquid biofuels and 2,549 TJ of biogas.
- Avoided 2.9 million tonnes CO₂e emissions by enabling VARO customers to replace conventional fuels with renewable alternatives (increase of 20% vs our 2022 baseline).
- Our Carbon Intensity of Products (CIP) was 85.5 gCO₂e/MJ, which was the same as our 2022 baseline.

Our approach

We continue to make progress on decarbonising our manufacturing hubs and terminals (scope 1 and 2 emissions).

Most of our scope 3 emissions are associated with the final use of the conventional fuel products we supply to our customers. Transitioning to low-carbon emission fuels is therefore key to address our Carbon Intensity of Products (CIP) and net-zero targets. Read more in the Biofuels section on [page 34](#) and the Biomethane and bio-LNG section on [page 40](#).

Decarbonising our operations (scope 1 and 2 emissions)

Our scope 1 and 2 emissions represent less than 2% of our total value chain emissions. But as we have direct control over these emissions, we have set an ambitious reduction target.

Most of our scope 1 and 2 emissions are related to energy use and hydrogen production at our manufacturing hubs. Mitigating these emissions is therefore essential to achieve our 2030 target to reduce our scope 1 and 2 emissions by 40%.

In 2024, our solar park at Cressier generated 7 GWh or 7% of the hub’s annual power needs. In addition, we sourced low-carbon electricity with Guarantees of Origin from certified renewable sources for 91% of our total usage (following the annual matching principle) and reduced the associated scope 2 emissions by 94% or 163,000 tonnes.

Additional measures are required to achieve our 40% reduction target for scope 1 and 2. Ongoing and potential emission reduction measures at our manufacturing hubs include energy efficiency, process optimisation and the electrification of processes. We constantly investigate and analyse new decarbonisation opportunities and have identified numerous potential abatement initiatives with varying impact as part of our refinery decarbonisation planning.

Switching to green hydrogen production, such as from local electrolyzers, offer significant emission reduction opportunities. We are currently planning a green hydrogen project, but the viability of the project is dependent on government support.

Looking ahead, carbon capture and storage (CCS) may offer future opportunities for carbon abatement, particularly for manufacturing hubs with high concentrations of CO₂ emissions. However, CCS solutions currently require financial incentives to be viable as well as the development of logistic chains to transport CO₂ to designated storage locations.

Carbon pricing associated with Emission Trading Schemes is an integral part of our investment decisions and business planning related to CO₂ emissions. We also use carbon pricing in evaluating M&As and business development projects.

Decarbonising the value chain (scope 3 emissions)

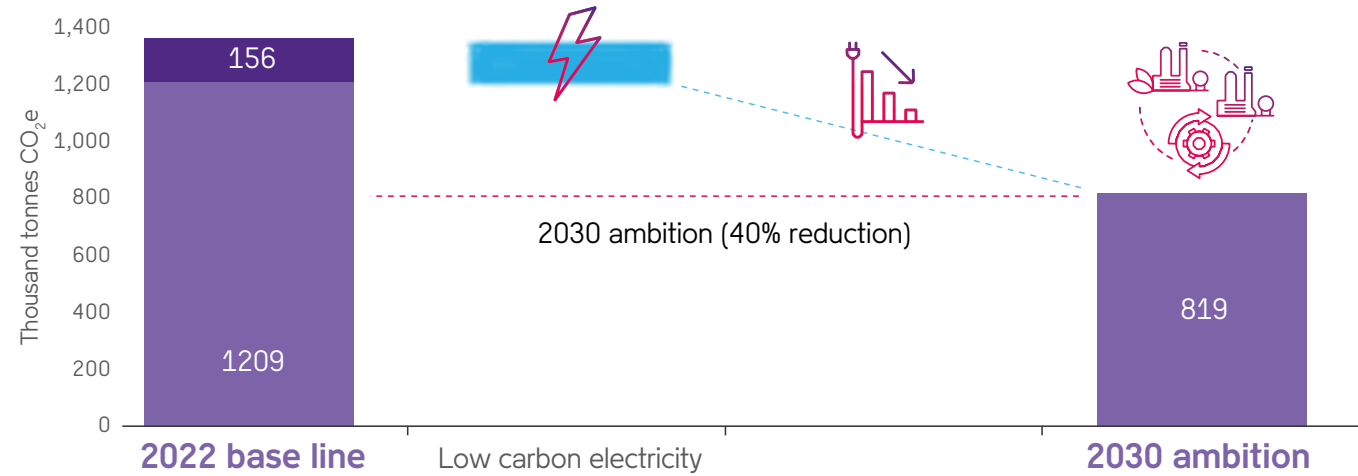
The customer use of our products and services generates around 81% of our total value chain CO₂e emissions. We must therefore reduce the carbon intensity of our portfolio by offering more sustainable energy solutions to achieve our 2030 carbon intensity target and our 2040 net-zero target. Our work to promote the energy transition must be in sync with our customers, which are influenced by decisions such as affordability and energy security.

Of our total emissions, 15% relates to upstream emissions from the traded volumes of products that have been sourced or produced externally (referred to as ‘Product sourcing’ in the emissions distribution chart).

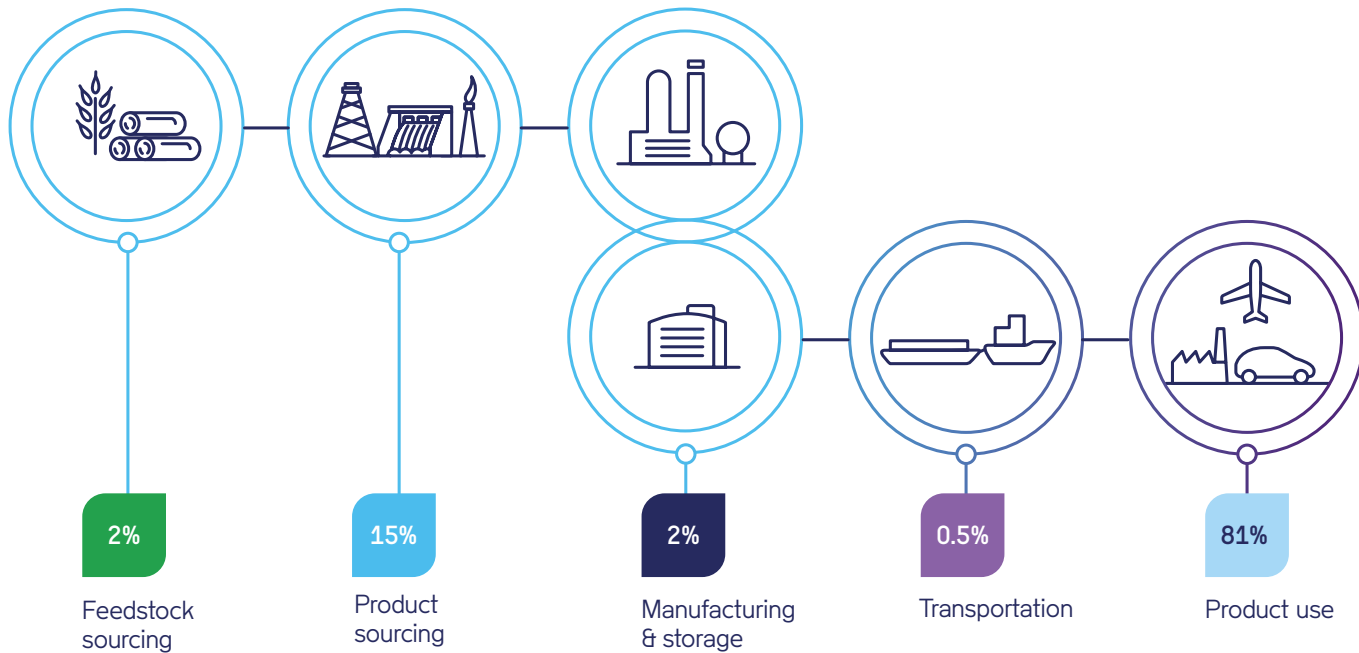
[See Appendix I on page 98 for a list of methodologies.](#)

Feedstock sourcing refers mainly to crude oil supply and accounts for 1.8% of our value chain emissions. In 2024, 26% of our crude oil was sourced from the US, with an average emission intensity of 16.5 kg CO₂e/boe (barrel of oil equivalent), and 2% from the North Sea, with 0.7 kg CO₂e/boe. The rest of our crude oil was sourced from around the world with an average emission intensity of 28.5 kg CO₂e/boe.

Our scope 1 and 2 emission reduction journey to 2030



VARO’s value chain CO₂e emissions in 2024



GHG performance in 2024, our operations (scope 1 and 2)

Our 2024 scope 1 and 2 emissions amounted to 1,146 k tonnes CO₂e which represented a 16% decrease compared with our 2022 baseline. The Carbon Intensity Manufacturing, or Cl_M was 20.8 kg CO₂e/boe, a 6% improvement compared with 2022. This progress is in line with our plans and expectations, driven primarily by the purchase of low-carbon electricity, which accounts for up to 67% of the emissions reduction. Additionally, lower crude oil processing volumes in 2024 and the implementation of various efficiency projects contributed to the reduction, as detailed for each manufacturing hub in this chapter.

Compared with 2023, scope 1 and 2 emissions increased by 11%, which was expected and primarily the result of a 26% higher crude throughput at the Bayernoil manufacturing hubs, which was not fully compensated by a 10% decrease at Cressier. Bayernoil's Cl_M remained at the same level as the previous year, while Cressier's Cl_M improved slightly. The



Stable operations at the Cressier manufacturing hub in 2024 helped to improve efficiency.

combined Cl_M value increased by 2% due to the increased proportion of crude processing from Bayernoil that has a higher Cl_M compared to Cressier.

CO ₂ emissions (k tonnes)	Category	2024	2023	Baseline 2022	Delta vs 2023	Delta vs baseline
Purchase raw materials and products	Scope 3.1	12,277	12,498	13,327	-2%	-8%
Own operations	Scope 1 & 2	1,146	1,029	1,365	11%	-16%
	Scope 1	1,137	1,012	1,209	12%	-6%
	Scope 2, Market based	9	16	156	-44%	-94%
	Scope 2, Location based	81	80	101	1%	-19%
Use of sold products	Scope 3.11	60,186	61,117	66,556	-2%	-10%
Other	Scope 3, cat 2, 3, 4, 5, 9, 12, 13	518	522	466	-1%	11%
Total	Scope 1, 2 & 3	74,127	75,165	81,715	-2%	-9%
Carbon intensity of manufacturing (kg CO ₂ e/boe)	Scope 1 & 2	20.8	20.4	22.1	2%	-6%
Carbon intensity of sold products (gCO ₂ e/MJ)	Scope 1, 2 & 3	85	86	85	0%	0%

GHG emissions at the Cressier manufacturing hub

We maintained stable and reliable operations in 2024, which improved efficiency.

Absolute emissions at Cressier decreased due to a scheduled two-month maintenance shutdown with no production. The manufacturing energy efficiency at Cressier – calculated according to the Solomon Energy Intensity Index guideline – slightly improved by 1.3% after the maintenance shutdown in 2024 compared with 2023.

Cressier's Cl_M decreased by 3% compared to 2023, primarily due to the use of a fuel gas with a slightly lower emission factor. Cressier has a multi-year decarbonisation plan with a number of projects that can achieve estimated annual savings of 50,000 tonnes CO₂e by 2030. Efficiency actions in 2024 included:

- A steam trap programme, resulting in an emissions reduction of approximately 3,000 tonnes CO₂e.
- More efficient hydrogen membrane modules that saved approximately 3,000 tonnes CO₂e.
- Two new efficient reactors in the reformer unit, which saved around 3,500 tonnes CO₂e.
- Cleaning the heat exchanger, which improved efficiency.
- The solar park at Cressier generated 7 GWh or 7% of Cressier's annual power needs. Renewable electricity certificates are purchased for all externally sourced power to ensure zero scope 2 emissions.

Bayernoil certified its operations to the ISO 50001 energy management system in 2024.



We also delivered around 0.6 MW of excess heat to the municipal district heating system, which was a slight increase compared with 2023 and avoided an estimated 332 tonnes CO₂e emissions. Read more on [page 33](#).

GHG emissions at Bayernoil

Scope 1 emissions increased due to greater crude throughput at Bayernoil compared with 2023, when a planned maintenance shutdown took place. Compared with our 2022 baseline, scope 1 emissions were 1% lower. Bayernoil had zero scope 2 emissions as it sourced 100% renewable electricity by Guarantee of Origin. Sourcing renewable electricity also had a positive impact on the Cl_M, which decreased by 8% compared to 2022.

- Energy efficiency projects part of Bayernoil's decarbonisation plan included:
- An upgrade and reconfiguration of process units, which avoided 4,300 tonnes CO₂e per year.
 - Two energy efficiency projects at Vohburg, which will save 5.3 MW and reduce CO₂e emissions by approximately 9,000 tonnes per year from 2026. Pipelines were also insulated to reduce heat loss.
 - Measures at Vohburg included the modification of control systems.

Bayernoil also revised its organisation to promote better energy management and continued its Energy Scouts programme to empower operators to identify and propose energy efficiency measures. Bayernoil certified its operations to the ISO 50001 energy management system, which will help it to further enhance energy efficiency.

Decarbonising our logistics

We have reorganised our logistics to better optimise goods transportation across borders. We manage and audit our logistics suppliers, including their efforts to reduce emissions.

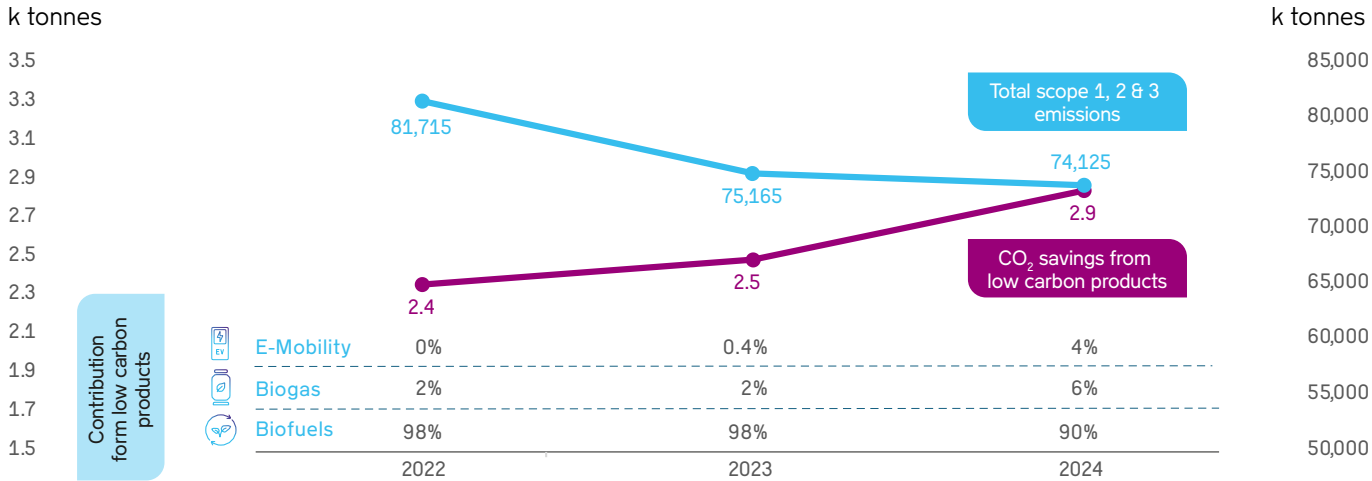
We have commenced a trial with B30 fuel for two inland barges. Using B30 throughout our entire barge fleet could potentially avoid around 21,400 tonnes of CO₂e per year.

GHG performance in our value chain (scope 3)

The carbon intensity evolution of our sold products reflects the gradual increase in our proportion of low-carbon products, largely driven by mandated biofuel blending in our various markets. Small reductions were observed in 2024 and 2023 compared with our baseline of 2022, with the volume increase of our low-carbon products expected to accelerate in the coming years.

Our total scope 3 emissions decreased by 1.6% compared with 2023 and by 9.2% compared with the 2022 baseline. In total, 2.9 million tonnes CO₂e emissions were avoided though enabling VARO customers to replace conventional fuels with renewable alternatives, which represents an increase of 20% compared with 2022 and of 14% compared with 2023.

CO₂ emissions & savings evolution



VARO Biogas Coevorden achieved neutral emissions for the biogas it produced in 2024 (0.0 kg CO₂e per GJ). This is due to the high proportion of manure in the feedstock mix used in the process. If not processed in a controlled manner in a biogas plant, manure ferments naturally, releasing methane into the atmosphere. When processed in a biogas plant, the methane is captured and supplied to the natural gas grid where it releases CO₂ into the atmosphere when combusted. Since methane has a global warming potential 28 times higher than CO₂, preventing its release results in significant emissions savings. The emission factor of this biogas is calculated by accounting for the avoided methane emissions.

The carbon intensity of our sold products was 85.5 g CO₂e/MJ, which was a decrease of 0.14% compared with 2023, and similar to the value in our 2022 baseline year.

We supplied 34,980 TJ of liquid biofuels and 2,549 TJ of biogas in 2024. Biofuels accounted for 4.1% of our total marketed products, which is a 19% increase compared to our baseline and a 13% increase compared to 2023.

We improved our methodology for calculating biofuel emissions and applied it retroactively to 2023 and 2022. Whereas average emission factors were previously used, we now base calculations on the official emission factor provided by the sustainability certificates with each shipment.

FAME and ethanol remain central to our business, but the graph illustrates how other products such as biogas and HVO are gradually increasing as we develop new market opportunities.



The supply of biogas from VARO Biogas Coevorden equated to emission savings of 30,960 tonnes CO₂e by replacing natural gas in the market.

Production at VARO Biogas Coevorden decreased by 32% compared to 2023 as we decided to temporarily shut down the plant while regulatory uncertainties regarding the use of residue from the plant in agriculture were resolved. The supply of biogas from VARO Biogas Coevorden equated to emission savings of 31,300 tonnes CO₂e by replacing natural gas in the market.

Our biogas trading activity increased significantly, accounting for 2,145 TJ. The savings from our trading activity represented 138,800 tonnes CO₂e.

In 2024, our e-mobility businesses installed 6,414 new charging points, bringing our total installed power to 44 MW. Assuming an average daily usage of 7 hours, this would correspond to an estimated saving of approximately 100 ktCO₂ compared to using diesel engines. Our truck charging hub at the Port of Rotterdam alone supplied 219 MWh of low-carbon electricity, which avoided approximately 350 tonnes of CO₂e compared to conventional diesel trucks.

Fully electric vehicles produce zero CO₂e emissions during their use. Based on the average emission factor¹ for electricity generation in the European countries where we serve the EV market, along with average electricity and diesel consumption values for EVs and conventional cars,² we estimate that each kWh charged into an EV saves approximately 1 kg CO₂e. If the electricity comes from

renewable sources, this saving increases to 1.6 kg CO₂e. By providing charging infrastructure and software, we play a key role in realising these emissions reductions.

2025 and beyond

- Continue to implement decarbonisation plans at our manufacturing hubs.
- Develop a 125 MW electrolyser in Germany to produce green hydrogen.
- Continue to accelerate our ONE VARO Transformation strategy to reduce scope 3 emissions. Read more about our work with our five strategic pillars in 'Enabling the energy transition' section on [page 30](#).
- Drive greater efficiency and emission reductions in our logistics.

We remain committed to our decarbonisation ambitions. However, some planned projects face delays due to factors such as evolving regulatory frameworks, market uncertainty and project-specific risks. This includes, for example, our hydrogen electrolyser investment at Bayernoil, where decisions on state-supported incentives are pending and continue to impact the project's feasibility. We continue to monitor developments across our markets and pursue transition projects that can strengthen our long-term positioning and resilience.

¹ Source AIB

² <https://ev-database.org/cheatsheet/energy-consumption-electric-car> and https://climate.ec.europa.eu/news-your-voice/news/publication-real-world-co2-emissions-and-fuel-consumption-cars-and-vans-collected-2022-2024-07-26_en

Pollution

We work to minimise non-greenhouse gas emissions from our operations and to prevent spills that can cause environmental damage.

Emissions

Emissions from our manufacturing hubs include SOx, NO_x and particulate matter. Such emissions are managed within local environmental permits and are regularly verified. Advanced equipment such as infrared and optical gas cameras allow the early detection of any diffuse emission leaks to ensure we can act quickly. We conduct preventive maintenance to help minimise emissions and ensure equipment operates as expected. The storage and loading of gasoline can also cause VOC emissions, and we use Vapour Recovery Units to ensure we abide by permit limits.

Spills and spill prevention

We work with comprehensive process safety and state-of-the-art safety technologies to ensure that our infrastructure is operated safely to avoid spills. Our Safety and Response Plan procedure manages our response to spills. Additionally, our OEMS promotes clear strategic direction and common standards across all our sites.

We aim to reduce risk by focusing on asset integrity on high-risk sites to avoid loss of primary containment. We carefully monitor and control production processes, make regular inspections and conduct process Hazard and Operability Studies (HAZOPS) to prevent incidents.

We provide employees and contractors with training on spill prevention and emergency spill management. All contractors must have the correct authorisation and follow our prevention plans and procedures. Our strong reporting culture ensures any spill is classified according to the American Petroleum Institute 754 standard and is investigated.

Our emergency planning and response procedures ensure any leakage is cleaned up as quickly as possible to minimise environmental damage and harm to people. We investigate and review the causes of any leak to inform future measures and minimise the risk of recurrence. Our sites hold regular training exercises in-house and some training with external parties such as local emergency services.

We engage with local stakeholders by promoting good dialogue on our spill prevention procedures. For example, at Cressier, we hold annual local meetings and provide communities with a 24/7 hotline. Our emergency response teams are on hand in the event of a spillage.

Pipeline safety

We avoid pipeline leakages by regularly checking above and below-ground pipelines for cracks, holes, deformations or the deterioration of pipeline walls due to corrosion or other faults, as well as internal inspections of pipelines with sophisticated equipment.

In Switzerland, apply stricter French standards that require pipeline inspections every four years. At Bayernoil, a third party inspects and verifies compliance with regulatory requirements. Pipelines are also fitted with leak detection systems, and are mapped and clearly marked at ground level.

Effluent management

We manage and monitor any effluent discharges from our sites. We have our own wastewater treatment plants and take regular site soil samples.

We avoid the use of firefighting foams that contain per- and polyfluoroalkyl substances (PFAS) to minimise negative environmental impact. PFAS were historically used to fight fires but may have contaminated soil and water. We use water and PFAS-free foam for firefighting training. PFAS is monitored on a Group level but managed locally to meet the local legislation.

Performance in 2024

Other air emissions

Our sites complied with all local environmental regulations although we had some minor short-term exceedances of emission limits with no significant environmental impact.



VARO's Amsterdam Terminal in the Netherlands.

Compared with 2022, NOx emissions decreased by 7%, SOx by 4% and VOC emissions by 18%.

At Bayernoil, some short-term daily permit exceedances of SO₂ emissions occurred due to unexpected process disturbances. Bayernoil minimises changes in feeds to avoid potential air quality issues. In 2024, Bayernoil continued to replace burners with ultra-low NOx burners.

VARO's terminals in Belgium and the Netherlands are upgrading vapour recovery units at all terminals to reduce VOC emissions.

Spills and spill prevention

Our fully owned operations have reduced the number of more serious Tier 1 events in recent years through various measures. A Tier 1 Process Safety Event is a loss of primary containment (LOPC) with the greatest consequence. Improved awareness and reporting procedures significantly increased the number of reported incidents in 2024, which is expected to help avoid spills in the future.

VARO's air emissions by type	Unit	2024	2023	2022
NOx	Tonnes	640	599	686
SOx	Tonnes	865	666	901
VOC (volatile organic compounds)	Tonnes	152	154	185
PM (Particulate matter)	Tonnes	8	7	8
CO	Tonnes	27	15	19

In 2024, three Tier 2 incidents (less severe) involving a LOPC occurred at Cressier. These incidents were related to a loading truck system, rail loading and a heat exchange leak. An improvement programme was launched to help avoid future spills. Cressier also completed VARO's first OEMS voluntary audit that will occur every three years.

At Bayernoil, one Tier 1 spill occurred at Vohburg when a petrol blender pump leaked around 4 m³ of product. At Neustadt, a small spill was detected while renovating a paved area and an investigation is ongoing. The spills were properly cleaned up with no significant long-term environmental impact.

Bayernoil has since implemented more reliable operation and start-up processes. Internal spill prevention training continued for all operators. A programme to upgrade pump mechanical seals was accelerated to improve process safety. Since 2023, process safety reviews have been implemented at Bayernoil to improve safety procedures. Process safety training for operators has been provided to raise awareness of the safety risks associated with spills and how they can be avoided. Corrosion inspection and detection continued along with the removal of unused pipelines.

At our terminals, one small spill of a few cubic meters occurred when a barge was unloading in Amsterdam. We followed the correct procedures, immediately contacted the authorities and created a barrier to successfully contain the spill. The clean-up took less than two days.

Our terminal teams are cleaning up historic ground contamination in Germany, Belgium and the Netherlands that occurred before VARO's ownership. For example, we are remediating the Regensburg terminal together with the port authority as part of a 10-year programme.

Effluent management

In 2024, VARO sites only measured very short-term minor exceedances of the relevant effluent discharge limits for chemical, biological and physical parameters. The Cressier and two Bayernoil manufacturing hubs discharged respectively 0.42 m³ and 0.47 m³ of effluents respectively per tonne of produced fuel on average.

Work with PFAS

We continued investigations into which of our sites have been historically exposed to PFAS-containing substances. We work closely with the authorities, local communities, consultants and other companies to define and implement the most effective way to resolve historical PFAS issues.

With contamination identified on firefighting training grounds at Cressier, we have used PFAS-free foams for training since 2023 and we are phasing out our PFAS foam inventory by 2028 in agreement with the local authorities. An external consultancy is conducting technical and remediation investigations on our behalf in collaboration with the local authorities. Cressier has assisted the local authorities to eliminate their own PFAS foam inventories.

Bayernoil has identified PFAS groundwater treatment solutions at Vohburg and Neustadt. At Neustadt, an environmental impact assessment was conducted to investigate the impact of lowering the groundwater levels outside the site.

2025 and beyond

- Roll-out of Process Safety Fundamentals, and focus on “learning from high potential event”.
- Roll out of new operator safety programme.
- Learn from recent Tier 1 spills to avoid similar events in the future.

We focus on asset integrity management to avoid loss of primary containment.



Biodiversity

We proactively safeguard and enhance biodiversity on our sites and use a biodiversity mitigation hierarchy to guide our work.

Our approach

Protecting biodiversity

Cressier is located between two areas of natural habitats: one to the north-east, and the other about 600 metres to the south across the Thielle River.

Neustadt is located 200 metres from Lake Mauerner Badesee and adjacent to a forested area, and Vohburg lies to the north of a small forest and close to the Paar and Danube rivers. This is a Natura 2000 area that includes protected habitats and breeding grounds for rare and threatened species. There is one Flora Fauna Habitat (FFH) 300 meters from Vohburg and another four FFHs 5 km to 7 km from the site. The FFHs are home to species such as beaver and several species of fish, amphibians and slugs.

We have a long history of protecting and promoting local biodiversity at our sites. We conduct Environmental Impact Assessments (EIAs) and Species Protection Assessments to evaluate the potential impacts of activities on biodiversity. We also minimise discharges to avoid damaging local ecosystems.

At Cressier, we work closely with local authorities and with neighbouring communities on biodiversity initiatives. All our investments are subject to their approval and they can voice any concerns they might have regarding local natural habitats.

We apply a biodiversity mitigation hierarchy to assess planned investments:

- Completely avoid negative impacts on biodiversity.
- Where avoidance is not possible – minimise the negative impact.
- Where the impact occurs – remediate any adverse effects.
- If none of the above is possible – compensate by creating a positive impact on biodiversity elsewhere.



A falcon nesting in a refining unit at the Cressier manufacturing site, successfully raising chicks to fledging.

Protecting biodiversity on SilviCarbon's forestry projects

SilviCarbon is involved in four afforestation projects in Laos and Paraguay. It also manages seedling nurseries in Laos and Paraguay.

SilviCarbon uses land that has been designated by the Laos government for plantations as it is degraded with little ecological or social value to the local communities. Some of the land is also littered with unexploded bombs from the Vietnam war that pose major safety hazards to local people. We believe there is significant potential to convert areas of degraded land into large-scale plantations and agro-forestry projects that remove carbon from the atmosphere while improving local biodiversity and creating long-lasting socio-economic benefit. Such projects must be carefully selected and executed to create long-term value.

Performance in 2024

Our operations were not subject to any fines or regulatory breaches related to adverse biodiversity impacts. On the contrary, we are working to enhance biodiversity at our main manufacturing hubs. During the year, a 200 m² industrial area on the Cressier site with limited ecological value was converted into a wetland habitat, with small ponds, piles of stones and logs to provide habitats for rodents, snakes, lizards and other small fauna.

In addition, we planted 1,000 shrubs at Cressier, including more than 20 different species, to provide food and habitats for various species. The project was completed in February 2024 and was validated by the canton Forest, Wildlife and Nature Service.

Bayernoil has conducted biodiversity assessments to identify areas of valuable natural habitats that will be protected going forward. The assessments will guide future actions to enhance biodiversity.

SilviCarbon
In 2024, SilviCarbon’s land in Laos passed its annual Forest Stewardship Certification® audit, which assesses forestry practices and biodiversity. SilviCarbon promotes biodiversity in its eucalyptus plantations by leaving dead trees to create habitats for insects and by preserving any existing rare or endangered trees on the land. SilviCarbon also upgraded its seedling nursery in Laos, which resulted in an eight-fold improvement in sustainable water supply.

2025 and beyond

- Continue to identify and implement actions to promote biodiversity at our manufacturing hubs.

SilviCarbon’s land in Laos passed its annual Forest Stewardship Certification® audit.



Resource use and circularity

We contribute to the more efficient use of resources and circularity in society by sourcing, producing and selling fuels derived from waste-based bio-feedstock. By converting waste into sustainable energy solutions, we can create value from materials that would otherwise be discarded.

Our approach

We source various biofuels made from waste-based feedstocks around the world – including waste oils and fats from different industries, such as tallow and used cooking oil. These feedstocks are used to manufacture HVO, FAME and Ethanol that we sell to our customers. We are progressively rolling out our Supplier Code of Conduct to promote alignment with our expectations for bio-feedstock suppliers – see the Responsible Sourcing section on [page 26](#).

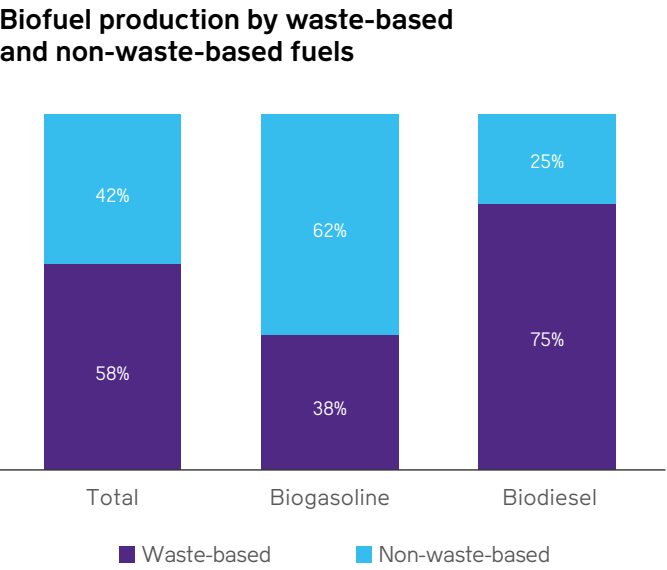
At VARO Biogas Coevorden, which is the largest biogas manufacturing hub in Northern Europe, we promote circularity by producing biogas from waste streams. The hub’s feedstock is made up of around 60% animal manure and 40% non-food waste streams, such as agricultural waste and spoiled pet food. Liquid and solid residue from the hub is used as a fertiliser in the Netherlands, Germany and Eastern Europe.

Performance in 2024

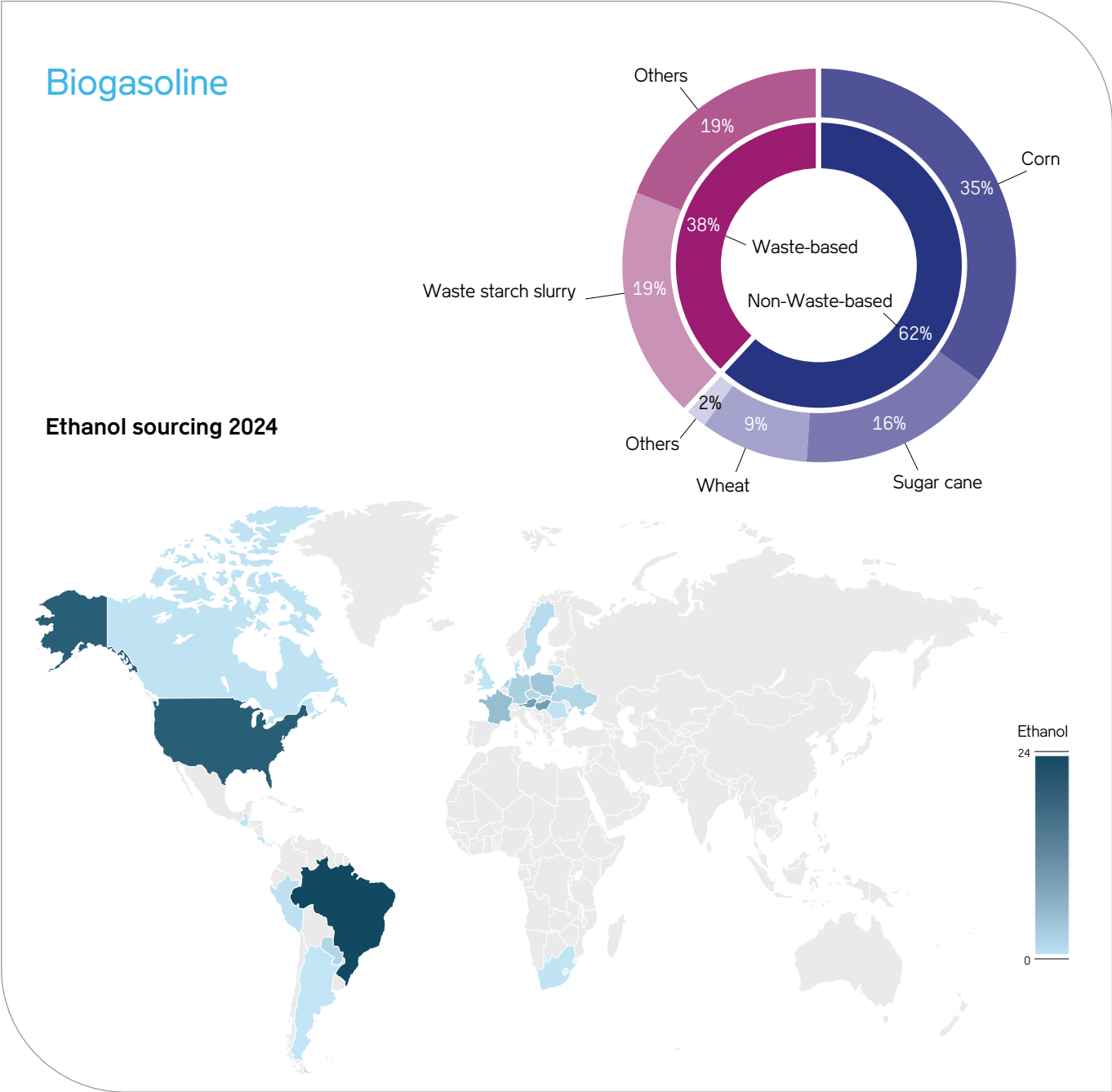
In 2024, the volume of marketed biofuels amounted to 37,529 TJ, which represents an increase of 13% in comparison with our baseline and 7% in comparison with 2023.

93% of our marketed biofuels corresponded to liquid biofuels. 58% of the bio-feedstock used in the production of these liquid biofuels was waste based, with the remainder being sourced mainly from agriculture.

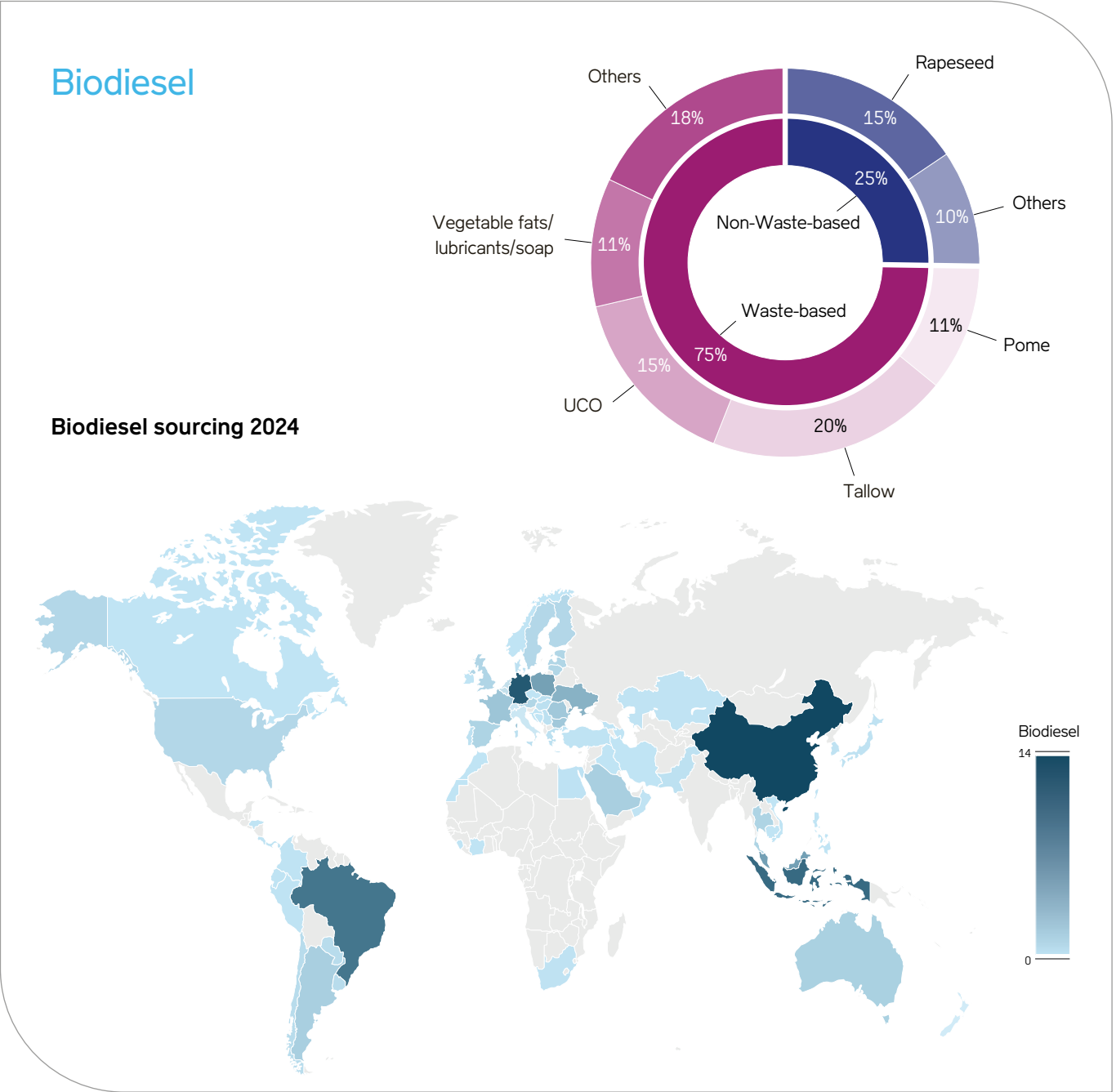
83% of the feedstock for our HVO came from waste-based materials, mainly from Palm Oil Mill Effluent (POME) sourced from Asia. 74% waste-based materials were used in our FAME production – including tallow sourced from around the world, used cooking oil from Asia and Europe, and waste materials from the production of vegetable fats, lubricants and soaps, sourced globally.



36% of the feedstock for ethanol (including the bio component of ETBE) was waste-based, with 19% comprising of starch slurry from Europe.



Note: the information in the maps are based on our sold biofuel volumes in Germany, Belgium and the Netherlands, which represent 89% of our total biofuel volumes. The maps were created with data from the Australian Bureau of Statistics (ABS) platform and internal sources.



Note: Distribution of sourcing by region

2025 and beyond

We are in the process of developing our own capabilities to manufacture liquid waste-based fuels, such as through our SAF project in Rotterdam and our co-processing capabilities at our manufacturing hubs. We actively collaborate with regulators to enhance governance and transparency in our biofuel sourcing.

ESG performance Social

Promoting employee health and safety is a top priority. We also aim to create an inclusive and diverse organisation, support the well-being and upskilling of our employees and maintain good relations with local stakeholders.

Own workforce

We prioritise the health and safety of our employees and contractors while fostering inclusion and diversity, employee satisfaction and development. We recognise that their growth is the foundation of our business success.

Our health and safety targets

- Total Recordable Incident Rate (TRIR) ≤ 0.50 per 200,000 work hours by 2025 and ≤ 0.20 by 2035
- Tier 1 Process Safety Event Rate (PSER) ≤ 0.050 per 200,000 work hours by 2025 and ≤ 0.010 by 2035
- Tier 2 Process Safety Event Rate (PSER) ≤ 0.200 per 200,000 work hours by 2025 and ≤ 0.100 by 2035
- Zero fatalities

Our performance in 2024

- TRIR of 0.66 per 200,000 work hours
- 0.099 Tier 1 PSER per 200,000 work hours
- 0.230 Tier 2 PSER per 200,000 work hours
- Zero fatalities

Our inclusion and diversity targets

- At least 50% female employees in office-based positions by 2030.
- 50% senior managers are women by 2030.¹
- 0.9-1.1 gender pay gap across all geographies.

¹ Defined at VARO as Category 6 and above.

Our performance in 2024

- 40% female office-based employees.
- 21% female senior managers (5% increase compared with 2022).
- No relative gender pay gap.

Our employee satisfaction and development targets

- >75% engagement level by 2025.
- Maintain >90% voluntary employee retention rate.

Our performance in 2024

- Voluntary employee retention rate of 94%.

Our approach: own workforce

We are committed to being a preferred employer by creating safe workplaces that promote employee satisfaction. We believe this is essential for us to be able to attract and retain talented employees.

Health and safety

We work to promote a safety culture with strict procedures for managing work-related hazards and employee health. We follow international, national and

industry-specific regulations to manage biological, chemical, ergonomic and physical hazards.

Our manufacturing hubs and terminals have VARO-specific or ISO 45001-certified occupational health and safety management systems. For a full list of the certifications held by our facilities, see [page 28](#). We use HAZOP and Safety Integrity Level (SIL) assessments to manage safety-related risks, with internal and external audits to verify adherence to our standards and to promote continuous improvement.

We continuously monitor incidents and perform risk assessments to identify and classify risk.

Our OEMS is based on our HSSE management systems and a VARO-wide risk assessment. The OEMS is promoting a single safety culture throughout the company, which will make it easier to protect our employees.

We focus on promoting safety in high-risk activities, such as: working under high temperatures, in confined spaces, excavation activities, safety system bypass, working at height and lifting activities. Detailed employee instructions for such activities regulate how to mitigate risk.

Emergency plans are in place to manage hazards, including fire, explosions, toxic leaks, on-site injury and rescue scenarios. We regularly review our emergency plans, both internally and with the emergency services.

Health and safety reporting and performance monitoring to manage risk

Our incident categorisation and reporting is based on the US Occupational Safety and Health Administration categories. We promote open and honest reporting, and the reporting of near misses, high-potential incidents and minor spills. This provides us with an accurate status and guides continuous improvement.

Our safety teams monitor KPI data and company-wide monthly safety performance. Each month, our Operational Risk Committee, which is presided over by the CEO, reviews

our overall performance with a focus on serious injuries, spills and high-potential incidents.

Incident investigation and follow up

We continuously monitor incidents and perform risk assessments to identify and classify risk. All incidents and ‘near misses’ are investigated and their root causes are identified to help adjust procedures and take action to prevent their recurrence. Following a root cause analysis, we prioritise corrective and preventative actions to eliminate or minimise the causes of an incident. All investigations are recorded in our incident tracking system and follow-up actions are reviewed monthly. Learnings from incidents are shared with our workforce.

Employee engagement on safety

Our precautionary measures to mitigate risks include training and establishing new processes to enable employees and contractors to work safely. We proactively communicate, consult and involve all relevant employees and contractors through various channels and forums, including tool-box meetings, daily production and maintenance meetings, our intranet and risk assessments.

We provide relevant safety training to each employee and formal site-specific induction programmes on health and safety hazards for contractors and visitors. During pre-placement at work, we assess potential health

impacts based on an occupational health matrix. Our sites are equipped with medical facilities and medical professionals as necessary.

Safe logistics

We promote safe driving through the implementation of driving standards for truck drivers and employees who frequently drive as part of their work. Every truck driver has a personalised manual and is provided with mandatory defensive driving training.

To ensure the highest level of safety, we implement a vetting procedure for all barges and vessels. Each barge or vessel undergoes thorough inspections based on specific criteria to maintain optimal safety standards.

Inclusion and diversity

Our heritage and success are rooted in uniting and celebrating the diverse backgrounds and cultures of around 20 companies, each with a legacy of entrepreneurship. As we grow, we remain committed to championing this diversity to attract and retain top talent for the future.

Providing everyone with equal opportunities to reach their full potential is central to our approach. We strive to support every individual by offering the opportunities, networks, resources and encouragement they need to thrive.

We are dedicated to ensuring fairness in hiring, promotion and compensation practices. We promote working environments where no one is discriminated against based on race, colour, religion, sex, gender identity or expression, sexual orientation, national origin, genetics, disability or age. We maintain a strict zero-tolerance policy for all forms of harassment, whether verbal, physical or otherwise to promote a respectful and inclusive workplace.

Our EI&D Policy applies to all our business relationships, ensuring that employees demonstrate inclusive conduct with colleagues, customers, suppliers, authorities, stakeholders and the public. Our HR Committee manages the effectiveness and alignment of our EI&D Policy and the related initiatives.

Employee satisfaction and development

We aim to create working environments where everyone feels empowered to speak up and be heard, with the intention of driving greater creativity and innovation. Our approach to employee satisfaction and development is guided by our Employee Handbook and policies such as our Code of Conduct and Flexible Work Policy, which clarifies our conditions for flexible and remote working. We also promote employee dialogue through various channels and person-to-person encounters to support our employee culture.

We encourage our employees to act in accordance with our company values – aiming high, embracing challenges, driving progress and collaborating with responsibility and respect.

Employee well-being

We implement various initiatives that promote employee well-being, including mental health. Healthy lifestyles are promoted by offering employees healthy snacks in our offices, sponsoring sport activities, and offering discounts for yoga classes and gyms, as well as a well-being app.

As part of our Flexible Working Policy, employees can work remotely up to two days a week, depending on their role and departmental needs.

Employee satisfaction is also related to equal opportunities, equal treatment and non-discrimination as well as competitive pay. Read more in the Inclusion and diversity section on [page 77](#).

We always seek to pay fair wages and benchmark salaries against industry peers. We offer parental leave, accident insurance and favourable pensions.

Employee development

The personal and professional development of our employees is essential to our succession planning and business continuity. We are committed to identifying and nurturing individuals with the potential to lead and grow within our organisation. We provide annual employee performance reviews as part of our Performance Evaluation Process. The reviews focus on assessing employee performance and career growth by making development plans and setting personal targets.

Our ‘Lunch & learn’ sessions in some countries encourage employees to share experiences, and offer training and development opportunities delivered by in-house subject experts, supported by e-learning materials.



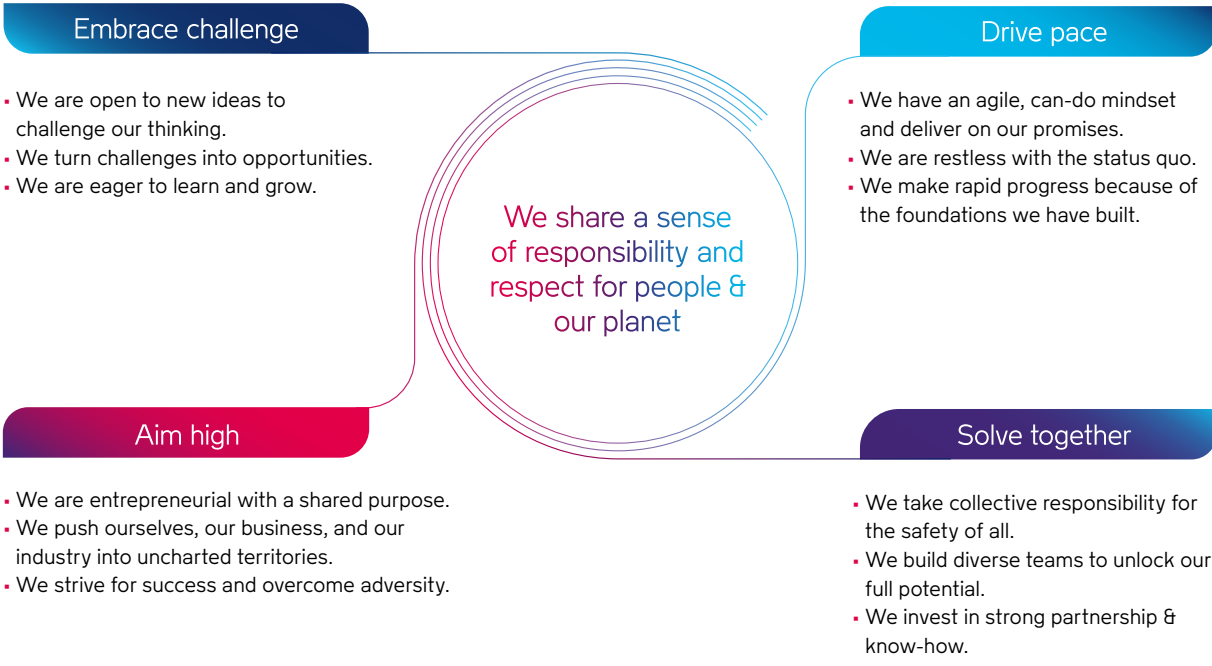
We are committed to identifying and nurturing individuals with the potential to lead and grow within our organisation.

Our focus topics

Learning and development	Career, succession, learning and development plans.
Collaborate and communicate	Clearly defined roles and responsibilities and to be organised in a systematic, functional and agile way.
Feedback and recognition	Culture of regular constructive and fair feedback on general performance, but also particular achievements.

Our values

We always aim high, we challenge the status quo and we solve together. This is how we act to make a difference in society and drive the pace of change in our industry.



Performance in 2024: own workforce

Headcount by country and gender

Headcount as of 31 December 2024	Switzerland	Germany	Benelux / France	Total	Male	Female
Total employees	552	539	439	1,530	1,109	421
Employees with permanent contract	552	483	403	1,438	1,055	383
Employees with temporary contract	-	56	36	92	54	38
Full-time employees	501	416	373	1,290	1,021	269
Part-time employees	51	123	66	240	88	152

Safety performance

Importantly, there were no high-consequence work-related injury injuries in 2024. At VARO-operated sites, the number of more serious Tier 1 process safety events remained steady with three incidents, while Tier 2 events rose to seven. Due to fewer hours worked in 2024, this resulted in an overall increase in the PSE rate. Our TRIR was 0.66 per 200,000 work hours on average.

Despite 1,000 people being involved in the maintenance shutdown at Cressier, it only resulted in three minor lost-time incidents. Several small personal safety injuries involving slips, trips and falls occurred at Cressier in the second half of the year. These were followed up with employee awareness activities to prevent such incidents in future. Cressier maintained a focus on high-potential near misses or incidents – Serious Injury Frequency Potential (SIFP) – and on creating a culture where individuals feel they can report incidents and near misses.

Life-Saving Rules

We continued to roll out our Life-Saving Rules aligned with the International Association of Oil & Gas Producers (IOGP) – which raise safety awareness and can help to prevent severe injuries and fatalities. Most incidents at VARO could be avoided if the life savings rules were always followed.

Stepping up safety measures

We launched several initiatives to improve safety and continued our asset integrity reviews. The results led to the creation of improvement plans to promote a high standard of asset integrity, including the roll out of process safety training for leadership functions to raise risk awareness.

As part of improving our asset base and integrating new businesses, we expanded our central HSSE organisation and introduced new competences, including a Process Safety and Asset Integrity Manager, to enhance our approach to our OEMS and process safety.

We introduced several HSSE initiatives:

- **Stop Work Authority initiative** – to give anyone the right to stop an activity they perceive as unsafe.
- **Process Safety Fundamentals initiative** – to help our employees to understand and avoid high-risk events.
- **‘Just Culture’ initiative** – to improve our safety awareness and reporting culture to avoid incidents.



Our Life-Saving Rules are designed to prevent severe injuries and fatalities.

Safety performance in 2024

		2024	2023	2022
Process Safety Event	Tier 1 PSE	3	3	5
	Tier 2 PSE	7	5	4
Work-related injuries	Fatalities	0	0	0
	Lost time injury rate	0.39	0.23	0.43
	High-consequence work-related injury rate	0	0	0
	Total recordable injury rate	0.66	0.70	0.86

Inclusion and diversity

In 2024, we filled 21% of our vacant 14 senior management positions with women.¹ The proportion of female office-based employees at VARO was 40% by the end of 2024.

We continue to improve our hiring processes with a focus on trying to ensure diverse interview panels. Our new Learning Experience Platform will include non-bias training for all managers involved in recruitment, which is mandatory from 2025.

Building on our country-level gender pay gap assessments in recent years, we conducted a company-wide assessment, which confirmed our previous findings of no gender pay gaps at VARO.

We promote inclusion and diversity among our joint ventures through our Equity, Inclusion and Diversity (EI&D) Policy. This involves providing equal opportunities and promoting non-discrimination as we do with our own workforce.

We supported Women in shipping (WISH), which is a network to get more women working in shipping, by hosting an event at VARO's offices in 2024.

Employee well-being, satisfaction and development

Employee well-being and satisfaction

We are committed to maintaining a voluntary retention rate of above 90%, which reflects employee well-being and satisfaction at VARO.

Our most recent Employee Satisfaction Survey was in 2022, and we continue to implement employee initiatives to address areas identified for improvement – particularly around transparency, employee engagement and development. One significant outcome in 2024 was the launch of a new Bonus Policy to improve transparency on our employee bonus system internally.

Employee development

We invested around USD 3 million in employee training. We continued to give career opportunities to internal candidates and job vacancies are always posted internally two weeks before they are released externally to promote internal applications.

¹ Defined at VARO as Category 6 and above.



We launched a new Bonus Policy in 2024 to improve internal transparency on our employee bonus system.

We provided our Leadership Development Programme to our two top management tiers, including around 45 managers.

We launched and rolled out the VARO Sales Academy, which upskills our customer-facing employees to work with our full customer value proposition – including both sustainable and conventional energies. The academy aims to enable our teams to navigate the complex energy landscape to best help our customers to decarbonise and meet their energy security needs.

Our long-term partnership with the International Institute for Management Development (IMD) in Lausanne delivers powerful learning experiences for our individuals and teams. Around 45 VARO employees were involved in IMD trainings in 2024.

We planned the Learning Galaxy to drive best-in-class employee growth and development opportunities from 2025. The platform offers courses, resources and interactive tools to support employee development.

2025 and beyond

- Launch and roll out of the Learning Galaxy in 2025 with ‘learning kiosks’ at our manufacturing hubs and terminals to provide training and employee development opportunities for all VARO employees.
- Set ambitious targets and KPIs – including a new set of OEMS internal targets.
- Ensure the same high standards of safety and incident investigations throughout VARO.
- Continue to promote equal opportunities when hiring, promoting and compensating employees.
- Continue initiatives that promote employee satisfaction and development.
- Develop and roll out leadership training for all people leaders.

Workers in the value chain

We work to encourage positive working conditions in our value chain – including employees in our joint ventures, investment companies and those of our suppliers.

Our approach

We are involved in several joint ventures and investment companies together with partners. We strive to promote our standards in joint ventures by ensuring our partners either adopt our policies or have similar standards in place. We have less influence on our suppliers but are working to ensure they abide by our new Supplier Code of Conduct.

Health and safety

We are implementing our OEMS across all our joint ventures, which will help to standardise our HSSE management systems. Our OEMS serves as our risk-based framework, integrating safety leadership and execution to enhance safety and create value. Our goal is to embed a strong safety culture across all our operations.

Safe logistics

We encourage safe driving through the implementation of driving standards for direct contractors delivering VARO products. We have control measures and maintain a risk register that includes the likelihood of rail transportation safety risks. We also ensure regular safety training for employees and partners that operate trains on our behalf.

For sea and river transport, we have verification processes and inspections for the companies from which we lease vessels to promote safety. For barges, we engage third parties in technical inspections to evaluate the risk level of nearly 300 onboard aspects and a risk-based vetting approach.

Performance in 2024

We launched a Supplier Code of Conduct, which is used in all new partner agreements and is being rolled out together with our policies and standards at all our joint ventures.

Bayernoil met its target of a TRIR of 0.1 with a rate of 0.20 per 200,000 hours worked at year end. The annual targets for near-miss reports (>550) and inspections (>700) were both achieved.

Lost-time injuries decreased for the fourth year in a row, which demonstrates that although our TRIR remains high, our lost time injuries are steadily decreasing.

One spill at Bayernoil during the year led to a small fire and a contractor breaking a forearm. The fire was quickly extinguished with PFAS-free foam and resulted in no asset or environmental damage or loss of production. An investigation into the incident was made.

Bayernoil implemented more than 70 safety initiatives and improvements during the year. Examples of work safety improvements include:

- Executing recommendations from fire insurance audits.
- Hiring safety walkers to improve employee and contractor behaviour.
- Adopting VARO's Life-Saving Rules.
- Promoting a safety culture and highlighting breaches of safety rules.
- Communicating safety reporting to all Bayernoil employees every two months.
- Digitalisation of a near miss reporting process via an app.

SilviCarbon workplace investments and assessments

SilviCarbon created a new forestry plantation camp in the Burapha district in Central Laos, with improved employee facilities for its plantation activities in the region. The working environment for SilviCarbon employees was enhanced by reducing dust and the camp is certified according to the Forest Stewardship Council®, which includes clear standards for worker safety and labour conditions.

Logistics

To promote safety in our logistics supply chain, we introduced the EcoOnline system to report near incident misses, covering all logistics suppliers and their employees. We also implemented a safety KPI dashboard for our logistics supply chain and hold monthly meetings to discuss our progress.

We improved our risk-based process to promote safety in our logistics supply chain.

2025 and beyond

Enforce the VARO Supplier Code of Conduct among all direct suppliers.

Affected communities

Our licence to operate is closely related to the positive contributions we aim to make in the communities in which we operate. We prioritise open dialogue and good relations with neighbouring communities and relevant local stakeholders.

Our approach

Along with our contribution to energy security and the societal energy transition, our licence to operate is based on engagement and a positive contribution to the local communities in which we work. Our business provides local employment opportunities, and we invest in projects such as solar energy and district heating that benefit local communities.

Transparent local stakeholder communication

Open communication and frequent dialogue help maintain good relationships with local communities. We engage on key topics, such as potential impacts from planned overhaul activities and manufacturing shutdowns. Our HSSE Policy requires us to communicate openly with all stakeholders on relevant HSSE topics.

We use various communication channels and share information through our website, third-party websites and in local newspapers. We also maintain an emergency hotline for communities to express their environmental or social concerns.

Local authorities are key stakeholders, and we arrange site visits for local officials every year to share ideas and concerns. Our manufacturing hubs organise open days to present their activities and future plans to local stakeholders.

At Cressier, a virtual sustainability map informs the public about our initiatives in environmental protection, energy efficiency, safety and social engagement. The map includes 46 initiatives to improve local sustainability. Visit the map at www.sustainability-varoenergy.com/en/.

Noise disturbance

Managing noise includes both protecting employees exposed to high noise levels during production processes, and minimising noise disturbance for the communities surrounding our facilities.

We regularly monitor equipment that might affect noise levels and maintain contact with the local authorities

on abnormal noise disturbances. Such events mostly occur when equipment fails or during shutdown/start-up operations. If we identify abnormal noise or in the case of a complaint, the source of the noise is found and mitigation actions are taken.

Economic impacts

We have positive economic impacts on a local and national level through the employment of local people, the procurement of goods and services, and the payment of taxes. In addition, we create economic value by building and maintaining energy infrastructure in north-west Europe and by supplying energy that enables mobility, economic activity and well-being.

The district heating systems we are developing to make use of excess heat from the Cressier manufacturing hub heat thousands of homes. This is a good example of how our infrastructure can have direct local benefit. Read more in the Climate change section on [page 55](#).

Community support

We strive to provide a positive contribution through actively supporting local projects and other initiatives related to people in need through our local community engagement programmes, donations and sponsorships.

SilviCarbon promotes local benefit in Laos by paying a fee per hectare to local Village Development Funds, which local people decide how to use. Half the fee is paid when the plantations are established and the rest over the concession agreement.

SilviCarbon invites local farmers to intercrop rice with eucalyptus plantations for free or use the unfenced SilviCarbon plantation areas for cattle grazing. Some of the land SilviCarbon acquired is contaminated with unexploded bombs from the Vietnam war, which pose major safety hazards to local people. SilviCarbon works with a specialist contractor to remove unexploded bombs and make the land safe.

Performance in 2024

Community dialogue

Cressier holds annual meetings with five neighbouring communities to ensure we consider their interests. To improve our societal communication and dialogue, we have updated our website and social media communications to better inform stakeholders about our activities, strategy and progress.

Minimising noise disturbance

In total, there were two complaints related to noise disturbance from local stakeholders around our sites that were managed and dealt with by our local teams.

At Bayernoil, a long-term programme to measure noise sources at Neustadt was conducted. There were no noise complaints from local communities near the Neustadt or Vohburg manufacturing hubs in 2024.

Dealing with smell complaints at Neustadt

Bayernoil’s Neustadt manufacturing hub, which is located close to neighbouring villages, was within its air quality limits throughout 2024. However, there were nine smell complaints – mainly related to special actions at the site, such as tank cleaning.

Bayernoil always informs local communities on the company website and the authorities when it will conduct activities that may result in smells. E-nose smell detectors are installed on site at Neusadt and in the neighbouring village, and all air quality and smell-related reports are investigated. Bayernoil has a long-term programme to reduce smells.

Economic impact

VARO provided employment opportunities for 2,445 people² and paid USD 275 million in employee wages.

Community support

Cressier provides long-term support to the local authorities, including a payment of CHF 130,000 in 2024. This was spent on projects such as the construction of a new playground in Cressier and the refurbishment of the sports area in Cornaux.

We donate to charities, local cultural events and infrastructure initiatives instead of giving gifts to customers and partners. These included sponsoring the ‘Rotterdam Olympic days’, which involves hundreds of primary school children from deprived neighbourhoods in Rotterdam. We also made donations to Vaarwens, Make a Wish and the

Queen Maxima Center Foundation, which help people with life-threatening illnesses.

In Germany, we donated items such as sleeping bags, toothbrushes and warm clothes, and supported a shower bus charity for homeless people in Hamburg. Other donations included Tonie audio book boxes for children. Our employees made donations to children being looked after by social services and donated gifts to disadvantaged children.

Bayernoil funds various community investment initiatives. The main beneficiaries in 2024 were 15 local kindergartens and schools that were provided with financial donations. Bayernoil sponsored an open-air theatre that had public performances throughout the summer, participated in the Bavarian Entrepreneur Day and supported a municipal event on enterprise.

SilviCarbon community benefit

SilviCarbon maintains close and collaborative relationships with local communities. An example of this commitment is the hundreds of village meetings held between the company and community members in 2024. These meetings serve as a platform to jointly determine the schedule, budget and objectives for the Village Development Funds. Popular initiatives financed through the funds in recent years include water supply systems, livestock projects, village office improvements, and temple and school renovations.

In total, 577 families participated in SilviCarbon’s agriculture schemes, such as intercropping with its plantations and utilising unused land. This totalled 835 hectares of land used to grow cassava and rice.

SilviCarbon cleared unexploded bombs from 680 hectares of land – safely removing and destroying 270 bombs in the process.

2025 and beyond

- Continue to support various community investment activities at the local level.

² Including Bayernoil

Human rights

We launched a dedicated Human Rights Policy in 2024 and created a new cross-functional group to guide our teams.

Our approach

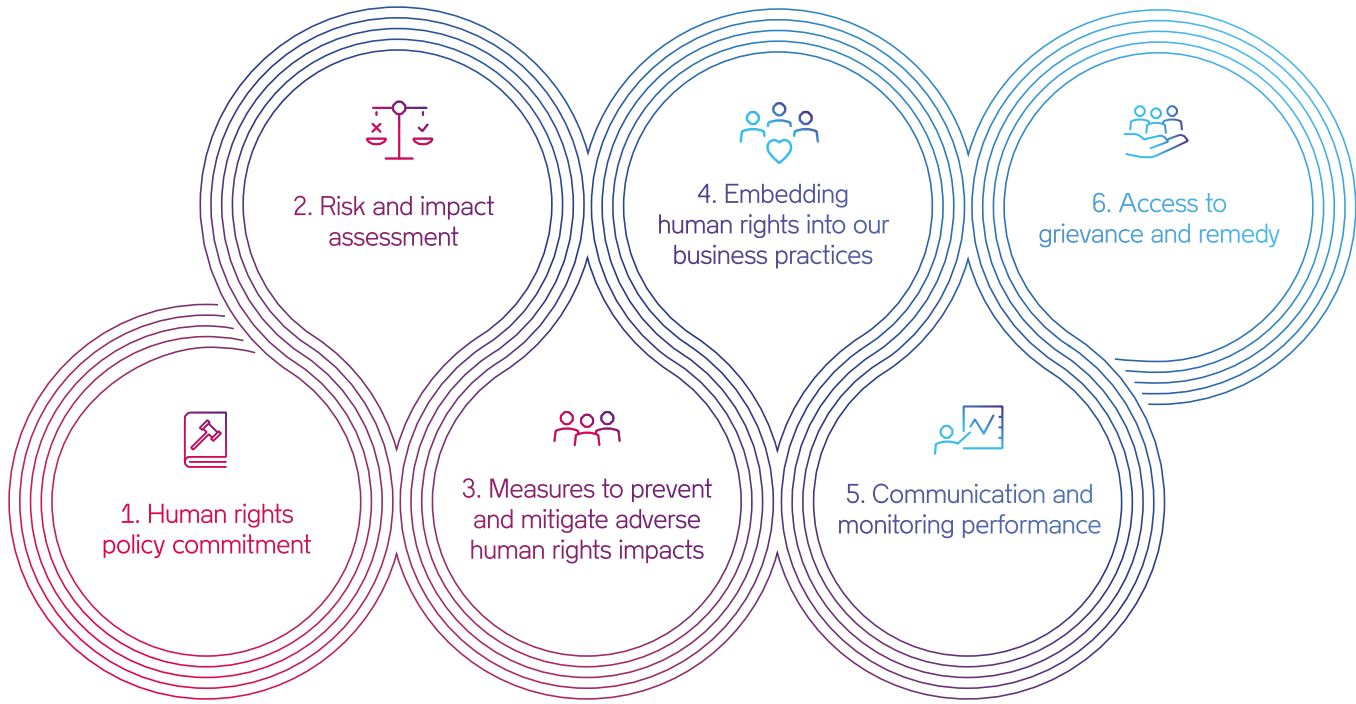
All the main countries where we operate – Belgium, France, Germany, Luxembourg, the Netherlands and Switzerland – are ranked highly on the Human Freedom Index. This means that most of our relations with employees and society are well regulated by local legislation, with high standards governing human rights.

However, we recognise the potential for human rights risks in some parts of our supply chain – such as in our investment company SilviCarbon’s projects in developing countries

and in our value chain. We also expect supply chain risks to increase in the coming years due to the greater need for us to source bio-feedstock from raw material and waste commodity supply chains in countries with higher risks.

We aim to promote safe and healthy workplaces, fair labour practices and a commitment to sustainability throughout our value chain. We do this by expanding our capabilities to manage human rights risks among our employees, suppliers, customers, joint ventures and the communities affected by our operations, products and services.

Our approach is part of our commitment to respect human rights in accordance with the requirements of the UN Guiding Principles on Business and Human Rights and ordinance on due diligence and transparency in relation to metals and minerals from conflict-affected areas and child labour. We are also a signatory of the UN Global Compact and its ten principles, which include human rights and labour rights, and are incorporated into our corporate practices.



Our long-term structured approach to managing human rights throughout the value chain

Human rights policy commitment

Based on a risk assessment of negative human rights impacts and the definition of salient human right issues, we launched our Human Rights Policy with input from shareholders, lawyers and human rights experts. The policy is referenced via our Supplier Code of Conduct in all agreements with our joint ventures, subsidiaries and direct suppliers. Our cross-functional Human Rights Council provides technical and strategic guidance.

Our policy is aligned with the Swiss legislation on child labour and the Corporate Sustainability Due Diligence Directive (CSDDD).

Risk and impact assessment

Our human rights risk assessments evaluate potential and actual human rights risks along our value chain based on their severity and likelihood. This includes relevant business areas such as conventional fuels, biofuels and carbon removals along the value chain:

- Feedstock sourcing (including forestry plantations)
- Feedstock processing
- Transportation and storage
- Distribution and services
- Customer product use
- Support functions

We identified risks through desk research and interviews with internal stakeholders from legal and compliance, ESG, operations, as well as partners such as SilviCarbon and external stakeholders. This was supported by external experts and drew on various relevant sources such as the guidance from the global not-for-profit oil and gas industry association for environmental and social issues (Ipieca) and the International Labour Organisation.

VARO's most salient human rights issues

- Access to water and sanitation
- Child labour
- Community and land rights (including indigenous peoples)
- Conflict and the use of force
- Freedom of association and collective bargaining and living wage / income
- Occupational Health and Safety (OHS) and working conditions

The risk analysis identified our most salient human rights impacts based on their potential severity and likelihood.

Measures to prevent and mitigate adverse human rights impacts

We work with highly flammable materials, high temperatures and high pressures. The health and safety of our own operators, contracted workers and surrounding communities is therefore our top priority to prevent adverse impact.

While salient risks within our own operations are well managed, challenges increase in our value chain where our influence is more limited. We are committed to assessing and monitoring our human rights impacts in both our own operations and our value chains through a risk-based approach. We are committed to follow up salient issues with targeted preventive and remedial measures.

We recognise the risk of human rights violations in our value chain, particularly among indirect suppliers. Our bio-feedstocks and fuels used in EU member states meet EU sustainability criteria for biofuels, helping to mitigate these risks. For example, the ISCC certification includes human rights criteria such as the prohibition of child labour and is externally verified.

As SilviCarbon manages forestry plantations in developing countries, the local investment company has comprehensive processes in place to ensure that local workers are treated fairly and that no forced or child labour is used. SilviCarbon's tree plantation operations in Laos are Forest Stewardship Council certified, which considers human rights issues.

Read more in the Carbon removals section on [page 50](#).

Embedding human rights into our business practices

Through our Human Rights Policy and Supplier Code of Conduct we have defined minimum human rights standards applicable to all our suppliers and business partners. Our code enables us to better monitor and promote supplier compliance with our requirements.

We manage human rights through regular ESG Committee meetings with the executive management team. We created a Human Rights Steering Group in 2024 to ensure cross-functional alignment and ownership on a tactical and operational level. A Human Rights Officer has been assigned to lead and co-coordinate the work of the steering group.

The regular assessment of human rights risks enables us to actively monitor changes in the value chain risk landscape



as well as the extent and effectiveness of our human rights framework. This will help us to inform our decision making in strategic business development, investments and acquisitions, as well as screening our business partners to complement our KYC process.

We raise awareness of our Human Rights Policy and employee Code of Conduct through internal communications and training activities.

Communication and monitoring performance

We provide regular updates on our human rights related framework and performance in our annual ESG reporting, which is available at www.varoenergy.com. Our Human Rights Policy, employee Code of Conduct and Supplier Code of Conduct are also available on our website.

We are rolling out internal training on our Human Rights Policy and Supplier Code of Conduct in 2025, and we will investigate the opportunities to set targets.

Our grievance mechanism

We are committed to providing access to grievance and remedy mechanisms as outlined in our Human Rights Policy. Our Code of Conduct requires employees to report any suspected human rights violations in good faith through our Whistleblower system, which will also be made available for external stakeholders throughout the value chain. Read more about VARO's Whistleblower system on [page 95](#).

In addition, we promote dialogue and communication with local communities adjacent to our sites.

ESG performance

Governance

Our comprehensive approach to ESG governance helps us to meet our strategic objectives and ensure that we do not create unexpected impact or risk to ourselves or others.



Corporate governance

Our comprehensive approach to managing ESG-related material topics is guided by our governance structure.

Corporate information

VARO is privately owned by CIEP II S.à.r.L, CIEP Energy Transition B.V. (funds managed by the Carlyle Group), and Vitol Refining Group B.V. (a wholly-owned subsidiary of the Vitol Group).

The Group's holding company is VARO Energy B.V., which is a limited liability company incorporated on 25 November 2013 and domiciled in the Netherlands with its registered office at World Port Center Wilhelminakade 919, 3072 Rotterdam (Chamber of Commerce number 59297247). Its operational head office is based in Switzerland, through VARO Energy Marketing AG.

The ESG Report for the Group for the year ending on 31 December 2024 was prepared with reference to the Universal GRI Standards 2021, and with other sustainability reporting standards and commonly used guidance as deemed necessary to communicate VARO Energy's ESG strategy and performance.

Information about the Group

This ESG Report covers VARO Energy B.V. and its major subsidiaries and joint operations.

Subsidiaries	% share 2024	% share 2023	Country of incorporation	Principal activities
VARO Energy Netherlands BV	100	100	The Netherlands	Marketing of oil products
VARO Energy Retail BV	100	100	The Netherlands	Marketing of oil products
VARO Energy Inland Bunkerservice BV	100	100	The Netherlands	Marketing of oil products
VARO Energy Tankstorage BV	100	100	The Netherlands	Logistics of oil products
Bio Energy Coevorden B.V.	80	0	The Netherlands	Biogas manufacturing
VARO Energy Marketing AG	100	100	Switzerland	Crude oil supply and products marketing
VARO Refining (Cressier) SA	100	100	Switzerland	Refinery operations
VARO Energy Tankstorage AG	100	100	Switzerland	Logistics of oil products
VARO Energy Germany GmbH	100	100	Germany	Marketing of oil products
VARO Energy Refining GmbH	100	100	Germany	Refinery investment
VARO Energy Tankstorage GmbH	100	100	Germany	Logistics of oil products
VARO Energy Belgium NV	100	100	Belgium	Marketing of oil products
VARO Energy Tankstorage NV	100	100	Belgium	Logistics of oil products
Joint operations				
Bayernoil Raffineriegesellschaft mbH	51.43	51.43	Germany	Refinery operations

Board structure

We have a two-tier board structure that consists of the Supervisory Board (SB) and the Executive Board (EB). The SB supervises and advises the EB, which performs all necessary initiatives to achieve our objectives.

The SB oversees our ESG strategy and performance through regular ESG sessions led by the SB Chair that involve the Executive Board and VARO’s ESG Director. Their scope includes the performance review of material ESG topics as well as providing strategic direction for key topics such as the management of climate-related risks and opportunities related to the ONE VARO Transformation strategy.

Audit Committee

The Audit Committee (AC) is an expert committee comprising members of the SB or their nominees. Its overall task is to support the SB in the performance of its oversight

duties, including overseeing financial reporting integrity and the effectiveness of the company’s risk management and internal controls.

Remuneration Committee

The Remuneration Committee consists of the members of the SB or their representatives. Its responsibilities include:

- Preparing nominations and approvals of EB members.
- Determining, agreeing and developing VARO’s Executive and Senior Management Remuneration Policy.
- Determining specific remuneration packages for Executive Directors, including salary, benefits and performance-based incentives.
- Reviewing and agreeing significant changes to remuneration packages and periodical amendments of key employment terms.

Structure of the Supervisory Board



Marcel van Poecke
Chairman



Russell Hardy
Member of the Board



Joost Dröge
Member of the Board



Bendik Dahle
Member of the Board



Jay Gleacher
Member of the Board

Executive Board

The EB oversees the operational management of the Group and is responsible for VARO’s continuity under the supervision of the SB. The EB includes seven members and meets on a weekly basis. The EB’s operational management of the Group’s activities includes:

- Developing VARO’s strategy, including the ESG strategy and targets.
- Enhancing VARO’s performance.

- Identifying, analysing and managing general and financial risks through internal control systems.
- Financial reporting and non-financial reporting.
- ESG topics, including climate risks and opportunities, are an integral part of the EB’s work in setting the strategy to create long-term value, setting the management agenda and conducting business planning, including financial planning.

Structure of the Executive Board



Dev Sanyal
CEO



Georges Menane
EVP & CFO



Rick Klop
EVP Markets and Commercial



Hugues Bourgogne
EVP Operations, Projects and Infrastructure effective start 2025



Ernestina Benedetto
EVP Strategy and Transformation



Gilles Vollen
EVP Integration and Capability



Theo Pannekeet
EVP New Energies and Innovation

General Counsel / Company Secretary



Keir Ashton
General Counsel / Company Secretary

Internal governance structure

To facilitate our strategy, business development and effective decision making, we have established a governance structure with dedicated committees that support the EB.

Our ESG Committee oversees the implementation and effectiveness of our ESG programmes and manages risk. The committee defines our ESG priorities, objectives, strategy and performance. It aims to further integrate sustainability into our strategy and operations.

ESG topics are also managed by other governance committees, such as the Operational Risk Committee that oversees issues related to HSSE and Asset Integrity.

We promote the reporting of all HSSE incidents and the HSSE Director issues a monthly summary and trend analysis to the EB. The SB is updated on HSSE on a quarterly basis and on individual incidents when necessary.

Our Human Resources Committee works to improve our performance in the social aspects of our ESG programme. It also oversees our ability to attract and retain skilled employees. Our Human Rights Council manages topics related to human rights.

The Business Development Committee assesses potential business initiatives that align with our strategic goals, including our ESG strategy. Decisions on investments, such as in energy transition projects, are made centrally by the Investment Committee and approved by the SB, as part of the annual budget process or as part of extraordinary meetings for projects outside the budget.

Our Human Resources Committee works to improve our social performance oversees our ability to attract and retain skilled employees.

Risk management

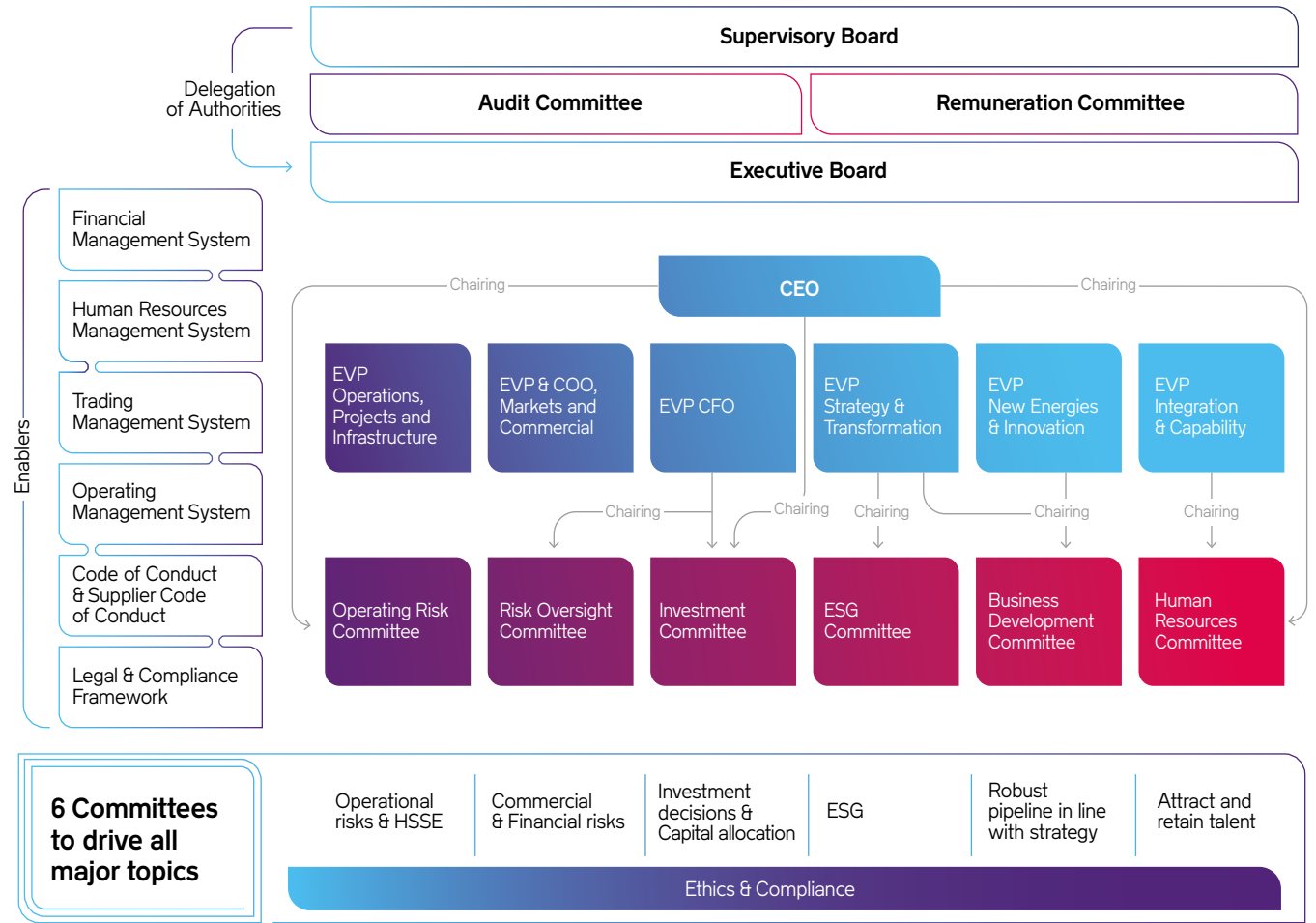
We are exposed to various risks – including those related to legislative changes, the energy transition, commodity prices, foreign currency exchange rates, financing and credit risk. Uncertainty in the energy market has been created in recent years by sudden changes in rules and regulations regarding bio-based raw materials. For example, Swedish legislative changes in the mandatory blending of biofuels depressed biofuel prices across Europe.

Enterprise risk management
Our Enterprise Risk Management (ERM) system provides a clear framework for managing and reporting short-term risks in our activities and operations to the SB and its sub-committees.

Risk management includes daily monitoring of the market, monthly Group Risk Oversight Committee (ROC) meetings, and real-time credit risk and market risk evaluation and reporting. Significant risk exposure from prices and markets is reported to and discussed by the ROC.

Our management systems and Code of Conduct, combined with our organisational structures, processes, controls, standards, compliance and ethics, together form our System of Internal Control, which governs how we conduct business and manage risk.

VARO’s governance model



We introduced a tool to enable financial checks on suppliers during the year.

Examples of risk areas

Unsupportive regulation

Developments in regulations, technology and the market related to climate change and the transition to a low-carbon society could increase or decrease demand for certain products within our portfolio. We are investing in sustainable energies (Engine 2 of our ONE VARO Transformation strategy) to strengthen our market positions, and we expect to benefit from future legislative changes. We monitor research and global market data to determine future investments and the shift to more sustainable energy solutions.

Extreme weather events

Events such as storms and floods, changes in precipitation patterns and greater variability in weather patterns may lead to price volatility, demand fluctuations, unexpected operational disruptions, asset write-offs and financial losses. These risks have been identified as low in the short-term and as not currently material in the DMA.

Major safety incident

A major incident could potentially cause serious injury or even death to employees and contractors as well as environmental damage. Such an incident could result in financial penalties, damage to the VARO brand, significant asset damage and business disruption. We have comprehensive process safety procedures in place to prevent such incidents.

Margin volatility and price exposure

We are exposed to market price fluctuations for oil products, renewable fuels, carbon pricing, other commodity inputs and interest rates, as well as foreign currency exchange rates and the general macroeconomic outlook. Besides managing the associated price risks, we seek to ensure supply continuity by operating flexible manufacturing models that are not dependent on the supply of certain grades of crude oil.

Information and cyber security

We manage critical energy infrastructure that relies heavily on IT and digital systems to function. Safeguarding information and cybersecurity to protect against threats from a wide range of actors – ranging from individuals to state-sponsored entities – is vital for ensuring our operational continuity as well as societal energy security.

We strive for continuous improvements in information and cybersecurity in response to the changing threat landscape. Monthly reports on cybersecurity KPIs are provided to the EB to promote transparency and accountability.

In 2024, we assessed our assets to ensure we have the right measures and controls in place to sufficiently protect them. We reviewed and updated our related policies and launched a Data Classification Policy and Generative AI Policy. Employee device security controls were updated to improve our detection and response capabilities, and an email phishing button was added to allow employees to report

suspicious emails. Several audits were performed during the year – both internally and by external actors. To build greater resilience, we transitioned from a global incident security response plan to more local plans with simulations of threat scenarios involving relevant employees.

We implemented tighter controls over third parties that access our digital environments through a privileged access tool to control how external vendors and partners access our systems. New checks were made on all new vendors.

ESG Risk management

ESG risks and opportunities are identified and integrated into our ERM process as well as the ONE VARO Transformation strategy. Our DMA provides an overview of the ESG risks and opportunities in the coming 5-10 years and multi-year global challenges and market outlook form the basis for our business model and five-year strategy cycle. Read more about our DMA on [page 18](#).

We use a system that alerts us of investigations, convictions, suspected bribery, and ESG breaches among partners. All alerts are discussed with the VARO Risk Oversight Committee and may lead to engagement with the partner along with a request for more information to reassess the partner relationship. We can potentially take more serious action if necessary.

Progress on managing risk

We introduced a tool to enable financial/credit checks on suppliers during the year, along with some additional checks. All elxon counterparties and suppliers were added to VARO's risk assessment processes. Our DMA also identified the most material ESG risks in accordance with the CSRD requirements.

2025 and beyond

- Further integrate physical climate risks as well as transition risks as part of our Climate Transition Plan.
- Ongoing commitment to cybersecurity with a focus on continuing to adapt, evolve and innovate to stay ahead of emerging threats and safeguard our critical infrastructure.
- Initiate trainings on topics such as market abuse regulation, KYC, credit risk and market risk.
- Screen all consultants and self-employed workers and add them to the KYC procedure.
- Expand due diligence processes for the supply chain with potentially elevated ESG risk.

Crisis management

We prepare for various crises related to our operations that could potentially harm people and the environment or disrupt our business.

Our approach

Besides causing potential harm to people and the environment, a crisis could potentially interrupt our production and harm our business through fines and reputational damage. We meet all relevant regulations and have established systems for all potential emergencies. We continuously monitor risks that could develop into a crisis.

Emergency procedures cover fire, flooding, explosions, the release of gases, terrorist attacks, extreme weather events and significant process disruption caused by human error. Emergency systems include procedures and tools for warning people on site and off site. We review our emergency plans annually and conduct regular training to simulate various possible incidents.

Emergency preparedness

All our terminal operations conduct crisis scenario exercises, which can cover the management of a fire emergency, oil spill, personal injury and terrorism. The exercises are coordinated internally by the HSSE department and with the assistance of external trainers when required.

When necessary, terminals have 24/7 crisis teams, firefighting resources and capabilities, emergency control rooms, CCTV and can initiate emergency responses in other locations and coordinate evacuations. We provide fire management training quarterly and annual training for all personnel on responding to terrorism attacks.

Performance in 2024

We rolled out a new Crisis Management Policy to improve our response to crises at all sites – including offices. The policy will promote consistent and structured processes and routines throughout our business.

Emergency preparedness

Bayernoil collaborated with local firefighter departments and emergency services, including an annual practice crisis simulation.

Tier 1 events

No incidents in 2024 resulted in significant negative environmental impacts. Read about spills and spill prevention on [page 63](#).

Ongoing investigations

We continued investigations into the explosion and fire that occurred at Vohburg in 2018. Corrective actions arising from internal investigations are being implemented, and the consequential reinvestment and rebuild programme was completed.

Contributing to regional and national crisis plans

We prepared for potential crises, including cooperation with local emergency services to secure their fuel supply in the event of a major emergency. We are an important part of the Energy Crisis Plans in some countries.

2025 and beyond

- Refine and improve our crisis management procedures.





Business conduct

Our approach to business conduct and ethics is driven by our Code of Conduct, and our practices related to ethical business, data privacy and anti-corruption.

Our approach

The core values that guide our business practices are honesty, integrity and reliability. We expect everyone acting on behalf of VARO to abide by our ethical business practices – including employees, consultants and representatives.

Our Code of Conduct

Our code is a comprehensive set of principles related to legal standards, business behaviour and ethics. It forms part of every employee employment agreement and is a key part of their induction, on-boarding and ongoing training. The code is available on our website in VARO's four languages: English, Dutch, German and French. It is also an integral part of management agreements, service agreements and other partnerships. VARO's General Counsel, VARO's Compliance Manager and the EVP Integration and Capability are custodians of the Code of Conduct.

Ethical business practices

We believe that conducting business in an ethical way is a precondition for maintaining our reputation as a trusted partner, and for being a successful long-term business. Thus we abide strictly by national and EU regulations, and all related international sanctions, such as the ban on importing Russian crude oil and other sanctioned products. We ensure our employees who engage in commercial activities with counterparties are trained in compliance with relevant rules.

Anti-corruption

We are committed to complying with all laws and regulations aimed at preventing bribery and corruption.

This commitment is reinforced through the procedures outlined in our KYC Policy. We strive to identify, mitigate and manage risks related to sanctions breaches, fraud, bribery and corruption. The VARO KYC department is tasked with conducting due diligence and for vetting counterparties. Business partner screening is based on their level of perceived risk to our business, with a focus on trade-related counterparties.

Our Whistleblower channel

Our employees have a duty to report in good faith any suspected violations of our policies. We provide a channel for reporting breaches anonymously. Reports are made via email or in-person communication to the Human Resources Department and/or to the General Counsel. Whistleblowers are protected from retaliation.

Partnerships and advocacy

We establish sustainability-related partnerships with like-minded partners. Our active role in various partnerships enables us to exchange best practice experience and advocate for a business environment that promotes sustainability.

One example is our partnership with the World Economic Forum, which allows us to collaborate with other leading global companies to develop solutions to some of the world's greatest challenges. See Appendix V on [page 114](#) for a list of associations that VARO collaborates with. We are also a signatory of the UN Global Compact and its ten principles, which include human rights and labour rights, and are incorporated into our corporate practices.

Data privacy

Our information and cybersecurity measures safeguard data privacy for both internal and external VARO stakeholders. Our measures to safeguard data privacy include how we control access to data for vendors. Relevant policies include the HR Privacy Notice and Data Retention Policy, and we have a Privacy Committee that meets quarterly.

We meet the requirements of the comprehensive German Federal Data Protection Act Bundesdatenschutzgesetz (BDSG), which we use as the basis of our approach to data privacy. VARO passed a General Data Protection Regulation (GDPR) audit in 2024.

We have clear responsibilities for safeguarding the personal data of individuals – including our employees, customers, suppliers and business partners. The VARO Privacy Policy aligns with the requirements of applicable laws and regulations, particularly the General Data Protection Regulation 2016/679 (GDPR). The VARO Data Retention Policy regulates the time limit for retaining the data of stakeholders stored for various purposes. We train and inform employees on safeguarding confidential information, particularly in relation to the handling of computer equipment used for work purposes. Read more about cybersecurity on [page 90](#).

Our Conflict of Interest Policy forms part of our Code of Conduct, and is intended to prevent the risk of personal interests. It encourages employees to declare if there is any situation that could lead to a conflict of interest in their performance of work duties. To promote an impartial and equitable approach among all our employees, we have imposed a policy of transparency of all personal ties between employees and potential employees.

Performance in 2024

- Established a dedicated compliance function through the appointment of a Group Compliance Manager.
- Updated our KYC Policy.
- Launched a Supplier Code of Conduct.
- Continued to strengthen VARO's Ethics and Compliance program.
- 93% of employees of fully owned VARO entities (excluding joint ventures) completed our Code of Conduct training.
- One grievance and one whistleblowing case were reported through our whistleblowing mechanism. Both cases were followed-up on.
- No breaches of our KYC Policy were reported.
- Created a Group-level Advocacy Committee to build on our country-level advocacy. The objective is to create a Group-wide framework at EU-level and to formulate VARO's position.

2025 and beyond

- Continue to reinforce our work with business ethics throughout VARO.

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Appendix I: Our ESG report

This report has been prepared with reference to the Universal GRI Standards 2021, and with other sustainability reporting standards and commonly used guidance as deemed necessary to communicate VARO Energy’s Environmental, Social and Governance (ESG) strategy and performance.

The report describes VARO’s general governance of sustainability, programmes and particular initiatives (historical, present and planned for the future), as well as quantitative data reflecting ESG performance.

For the evaluation of material topics, in 2024 VARO conducted a Double Materiality Assessment in line with the principles of the European Sustainability Reporting

Standards (ESRS), as required under the EU Corporate Sustainability Reporting Directive (CSRD) framework.

VARO Energy B.V. is the reporting company and main holding company of the Group. The company’s operational headquarters are in Baar, Switzerland. Throughout the report, VARO Energy and VARO are used interchangeably.

Financial year reporting unless otherwise stated

Disclosures are reported using VARO’s fiscal year, which corresponds to a standard calendar year – 1 January to 31 December. The most recent completed financial year is reported in the following year’s reporting.

Definition on selected disclosures

GHG inventory and scope of reporting

VARO measures and reports GHG emissions in line with the Greenhouse Gas Protocol Corporate Standard (scope 1 & 2) and the Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. While we strive to report CO₂e, this information is not always readily available. The GHGs that are most material to VARO’s operations and value chain are CO₂ and CH₄.

Entities included in GHG accounting are: VARO Benelux, VARO France, VARO Germany, VARO Switzerland, the four VARO manufacturing hubs (Cressier, the Neustadt and Vohburg hubs, and VARO Biogas Coevorden). We also report on several scope 3 categories along the VARO value chain.

Emission factors for GHGs

VARO’s GHG calculations are based on various emission factors:

- **Scope 1:** Emissions from our Bayernoil and Cressier manufacturing hubs are calculated internally and aligned with the reporting for the European Emission Trading Scheme.
- **Scope 2:** When available, emission factors provided by the electricity supplier are used for market-based reporting. When there is no specific information about the source of the electricity, the AIB (Association of Issuing Bodies) values for country residual mix are used. For location-based calculations, production mix emission factors from AIB are used.
- **Scope 3 category 11:** emissions for the combustion of sold products are based on DEFRA ‘Combustion – Fuels’.
- **Scope 3, category 1:** emissions for purchased ready-made products are based on ‘DEFRA WTT – fuels’ for the fossil part and on the emissions provided by the sustainability certificates for the bio part. For the crude oil processed at Cressier and the two Bayernoil hubs, specific factors based on country of origin and crude density are used.

Type	Explanation	Application in VARO reporting (if different from above)	In scope limited assurance
Scope 1	Direct emissions from combustion of fuels in own operation	Operational data and direct CO ₂ as reported by manufacturing hubs included in ETS (Emission Trading Scheme).	Yes
Scope 2	Indirect emissions from e.g. electricity usage	Market-based reporting using supplier-specific factors or the national residual mix (AIB). Location based using national production mix (AIB).	Yes
Scope 3 cat. 1	Purchased goods	Processed crude oil and renewable feedstock using crude-type and country of origin specific emission factors. Purchased ready-made products are calculated using generic factors.	No
Scope 3 cat. 2	Capital goods	Includes purchases for manufacturing hubs, terminals, retail and offices, as well as investment in construction.	No
Scope 3 cat. 3	Fuel and energy	Production-related emissions for all fuels and energy sources used by VARO and not included in scope 1 or 2.	No
Scope 3 cat. 4	Upstream transport	Service purchased by VARO to transport crude oil, feedstock and final products.	No
Scope 3 cat. 5	Waste	Third-party disposal and treatment of waste generated in VARO’s operations.	No
Scope 3 cat. 9	Downstream transport	Services purchased by VARO’s suppliers or clients to transport feedstock and final products.	No
Scope 3 cat. 11	Use of sold products	Total sale of fuels including both, VARO’s own manufactured products and traded products (if sold to direct users, distributors or other parties). Fuels are assumed to be combusted. Bitumen is not considered in this category.	Yes
Scope 3, cat. 12	End of life treatment	Applied to bitumen.	No
Scope 3, cat 13	Downstream leased assets	Applied to time charter barges leased to third parties	No

Consolidation approach on GHG emissions

VARO applies a financial control approach and it is reporting emissions according to its share in joint ventures.

Bayernoil, of which VARO owns 51.4%, estimates the emissions corresponding to each shareholder based on their use and the capacity of the production units. Therefore VARO’s emissions from Bayernoil do not necessarily coincide with its participation in this joint venture. In 2021, the actual allocation of scope 1 and 2 emissions was 52.38%. During 2022, VARO took control over additional manufacturing capacity, and the allocated emissions corresponded to 56.64%. In 2023, the allocation corresponded to 53.09% while in 2024 it was 52.75%.

GHG emissions and energy use associated with biofuels for EU markets, are now aggregated using data from official sustainability certificates that follow these volumes. As of the reporting date, emission figures for Q4 biofuel volumes are not available due to the timing of bio-certificate processing. To ensure consistency and comparability, the reported volumes comprise Q4 of the prior year and Q1 to Q3 of the current reporting year. Reporting for scope 3 category 1 has been completed with emissions from biofuels blended at our manufacturing hubs.

Additionally, total scope 3 category 1 emissions are adjusted to avoid double counting with emissions related to the logistics of traded volumes not produced by VARO, which are reported under scope 3 categories 4 and 9.

Restatement figures for 2022 are:

KPI (k tonnes CO ₂)	ESG Report 2023	ESG Report 2024
2022 GHG emissions scope 3, category 1	12,601	13,327
2022 GHG emissions scope 3, category 11	66,324	66,556
2022 GHG emissions scope 3, rest of categories	476	466
2022 GHG savings (from low carbon products)	-	2.4

The adjustment is made by subtracting the difference between total emissions from all logistics activities and the emissions related solely to the logistics of VARO's own production from scope 3 category 1.

Scope 3 category 1 and 11 have been recalculated applying the same methodology for 2022 and 2023.

Corrections resulting in minor adjustments were applied to the calculation of scope 3 category 3, 4 and 9.

Restatement figures for 2023 are:

KPI (k tonnes CO ₂)	ESG Report 2023	ESG Report 2024
2023 GHG emissions Scope 3, category 1	11,637	12,498
2023 GHG emissions Scope 3, category 11	61,260	61,117
2023 GHG emissions Scope 3, rest of categories	482	522
2023 GHG savings (from low carbon products)	2.6	2.5

Units

VARO reports GHG emissions in metric tonnes of carbon dioxide equivalents (tCO₂e)

Disclosures on carbon intensity

Product Carbon intensity (PCI) is calculated using the following formula:

CI

=

gCO₂e

MJ

=

Total GHxG¹

Marketed conventional fuels

+

Marketed sustainable energies

Disclosure on electricity generated from renewable sources

The reported 91% renewable electricity usage reflects total consumption across all our operations (purchased renewable electricity by Guarantee of Origin, following the annual matching principle).

Scope of the assurance audit is limited to the percentage of electricity generated from renewable sources at the Bayernoil and Cressier manufacturing hubs and the terminals in Switzerland and Germany, which in 2024 has been 100%. Renewable electricity at the Cressier manufacturing hub includes also electricity generated by its on-site solar park.

Reporting on Health & Safety

Disclosure on Tier 1 Process Safety Events

Tier 1 Process Safety Event is defined at VARO based on standard API-754 as an unplanned or uncontrolled release of any material, including non-toxic and non-inflammable materials from a process that results in one or more of the consequences listed below:

- An employee, contractor or subcontractor ‘days away from work’ injury and/or fatality.
- A hospital declared community evacuation or community shelter-in-place.
- A fire or explosion resulting in greater than or equal to USD 100,000 of direct cost to the company.
- A pressure relief device discharge to the atmosphere whether directly or via a downstream destructive device that results in one or more of the following four consequences:
 - Liquid carryover
 - Discharge to a potentially unsafe location
 - An on-site shelter-in-place
 - Public protective measures (e.g. road closures)
- A release of material greater than the threshold quantities in any one-hour period (Ref. standard API 754).

Disclosure of total number of recorded significant spills

A significant spill is defined by VARO as an unplanned or uncontrolled release of hydrocarbons or chemical substances to the ground or water equal to or above 100 litres.

Disclosure on TRIR

Total Recordable Work-related Injury Rate (TRIR) is disclosed at a rate of 200,000 working hours. It is calculated by dividing the number of Total Recordable Injuries (TRI) by the number of working hours, and is based on the following formula:

TRIR

=

TRI

Working hours

×

200,000

Where:

- TRI is the Total Recordable Injuries, which include fatalities, Lost time injury (LTI), Restricted Work Injury (RWI) and Medical Treatment Case (MTC).
- Working hours is estimated as the number of hours of work performed by employees and contractors.
- 200,000 hours reflect 100 full-time equivalent employees on a yearly basis, based on the assumption they work 2,000 hours (250 days) per year, as required by the compilation requirements of the GRI Disclosure 403-9 Work-related injuries. 2.1.

The definition for this KPI was changed in 2024 compared to 2023.

Reporting on our people

Disclosure on women in senior management

Senior management is defined by VARO's human resources system as VARO employees in category 6 and above. Category 6 includes senior leaders with larger departments, some of them covering VARO operations in several countries, leaders of the leaders of other teams, and Senior Project managers.

The percentage of female employees in this category is defined by share of females in senior management.

The calculations are based on the headcount of VARO employees.

Disclosure on voluntary employee retention rate

The voluntary employee retention rate includes permanent and temporary employees that have terminated their contract with VARO on a voluntary basis (voluntary attrition). It does not include retired VARO employees. It is calculated based on the following formula:

Voluntary retention rate

=

1-

Voluntary resignations

Average number of VARO employees in 2024

Where number of employees is based on headcount. Students are excluded.

1 Total GHG include scope 1, 2, and 3, as defined by the GHG Protocol. Scope 3 includes categories 1, 2, 3, 4, 5, 6, 9, 11, 12 and 13, as defined by the GHG Protocol.

Appendix II:

ESG Data

Environment

Greenhouse gas emissions (GHGs)				
	Unit	2024	2023	2022
Direct (scope 1) GHG emissions	metric tonnes CO ₂ equivalent	1,136,674	1,012,440	1,208,576
of which from Cressier	metric tonnes CO ₂ equivalent	313,367	359,183	381,067
of which from Bayernoil	metric tonnes CO ₂ equivalent	784,371	620,693	788,811
Energy indirect (scope 2) GHG emissions, market-based	metric tonnes CO ₂ equivalent	9,003	16,125	156,317
of which from Cressier, market-based	metric tonnes CO ₂ equivalent	-	-	-
of which from Bayernoil, market-based	metric tonnes CO ₂ equivalent	-	-	145,557
Energy indirect (scope 2) GHG emissions, location-based	metric tonnes CO ₂ equivalent	81,190	80,418	100,814
of which from Cressier, location-based	metric tonnes CO ₂ equivalent	164	311	1,442
of which from Bayernoil, location-based	metric tonnes CO ₂ equivalent	73,463	69,781	88,968
Other indirect (scope 3) GHG emissions	metric tonnes CO ₂ equivalent	72,980,859	74,136,523	80,349,646
of which categories 3.1	metric tonnes CO ₂ equivalent	12,276,600	12,601,849	13,415,136
of which categories 3.3	metric tonnes CO ₂ equivalent	83,302	68,841	72,216
of which categories 3.4	metric tonnes CO ₂ equivalent	306,084	253,481	267,904
of which categories 3.11	metric tonnes CO ₂ equivalent	60,186,000	61,116,690	66,556,179

Carbon Intensities				
	Unit	2024	2023	2022
Intensity of refinery processing	kg CO ₂ e/boe	20.79	20.43	22.06
Intensity of sold products	gCO ₂ e/MJ	85.51	85.63	85.47

Air emissions				
	Unit	2024	2023	2022
NOx	tonnes	640	599	686
SOx	tonnes	865	666	901
VOC (volatile organic compounds)	tonnes	152	154	185
PM (Particulate matter)	tonnes	8	7	8
CO	tonnes	27	15	19

Safety¹

Work related injuries, employees and contractors				
	Unit	2024	2023	2022
Fatalities	Number	-	-	-
Rate of fatalities	per 200,000 hours worked	-	-	-
Number of hours worked, total employees and contractors	Hours	6,088,638	6,877,516	5,114,620
Number of hours worked, employees	Hours	3,527,424	3,303,198	3,242,870
Number of hours worked, contractors	Hours	2,561,214	3,574,318	1,871,750
Lost Time Injuries, total employees and contractors	Number	12	8	11
Lost Time Injury Rate, total employees and contractors	per 200,000 hours worked	0.39	0.23	0.43
Lost work days	Days	158	358	249
High consequence work-related injury, total employees and contractors	Number	3	2	-
High consequence work-related injury, employees	Number	1	1	-
High consequence work-related injury, contractors	Number	2	1	-
High consequence work-related injury Rate, total for employees and contractors	per 200,000 hours worked	0.1	0.1	-
Total Recordable Work-related Injuries, total employees and contractors	Number	20	24	22
Total Recordable Work-related Injuries, employees	Number	10	15	16
Total Recordable Work-related Injuries, contractors	Number	10	9	6
Total Recordable Work-related Injury Rate, total employees and contractors	per 200,000 hours worked	0.66	0.70	0.86
Total Recordable Work-related Injury rate, employees ²	per 200,000 hours worked	0.51	0.91	0.99
Total Recordable Work-related Injury rate, contractors ³	per 200,000 hours worked	0.86	0.50	0.64

1 Health and safety actual KPIs are regularly monitored and may be subject to change to ensure the accuracy of data reported.
2 Main types of injuries: more than half of injuries are related to the damage of limb muscle, twisting, breaking and damage to a finger as a result of handling equipment or moving on the premises. This is followed by damage caused by moving objects, chemicals, damage to body muscle or ligament, and falls from height or off equipment.
3 Total Recordable Injury (TRI): includes fatalities, Lost Time Injury (LTI), Restricted Work Injury (RWI), Medical Treatment Case (MTC).

Process safety				
	Unit	2024	2023	2022
Tier 1 process safety events	number	3	3	5
Tier 1 process safety events rate	per 200,000 hours worked	0.099	0.087	0.196
Tier 2 process safety events	number	7	5	4
Tier 2 process safety events rate	per 200,000 hours worked	0.230	0.145	0.156

Spills of oil and refined products				
	Unit	2024	2023	2022
Total number of recorded significant spills (above 100 litres)"	Number	18	10	18
Total volume of recorded significant spills	litres	22,846	9,005	53,210
Total number of spills with low severity (below 100 litres)	Number	94	84	107

Our people

Total employees (excluding joint ventures), by region, gender, employment and contract type

Status as of 31 Dec 2024

	2023						2022		
	Switzerland	Germany	Benelux/ France	Total	Male	Female	Total	Male	Female
Total employees	552	539	439	1,530	1,109	421	1,433	1,046	387
Employees with permanent contract	552	483	403	1,438	1,055	383	1,322	981	341
Employees with temporary contract	0	56	36	92	54	38	111	65	46
Full-time employees	501	416	373	1,290	1,021	269	1,192	956	236
Part-time employees	51	123	66	240	88	152	241	90	151

Diversity of employee categories, by age and gender

Status as of 31 Dec 2024

2024								2023			2022		
	Senior Mgmt.	Middle Mgmt.	Senior Expert	Other Operations	Total	Male	Female	Total	Male	Female	Total	Male	Female
Below 30 years old	0%	2%	9%	18%	12%	11%	16%	12%	12%	14%	7%	15%	10%
Between 30 and 50 years old	53%	63%	59%	47%	53%	51%	56%	52%	50%	55%	56%	n.a.	n.a.
Above 50 years old	47%	35%	32%	35%	35%	38%	28%	36%	38%	31%	37%	n.a.	n.a.

Diversity of governance bodies, by age and gender

Supervisory Board

	2024	Male	Female	2023	Male	Female	2022	Male	Female
Total	5	5	0	5	5	0	5	5	-
Below 30 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
Between 30 and 50 years old	40%	40%	0%	40%	40%	0%	40%	40%	0%
Above 50 years old	60%	60%	0%	60%	60%	0%	60%	60%	0%

Executive Board

	2024	Male	Female	2023	Male	Female	2022	Male	Female
Total	7	6	1	7	6	1	7	6	1
Below 30 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
Between 30 and 50 years old	29%	17%	100%	43%	17%	100%	57%	50%	100%
Above 50 years old	71%	83%	0%	57%	83%	0%	43%	50%	0%

Employees new hires (excluding joint ventures), by region, gender and age

Status as of 31 Dec 2024

	Unit	2023				2022	
		Switzerland	Germany	Benelux/ France	Total	Total	Total
Total	Headcount	58	121	61	240	233	176
Below 30 years old	Headcount	12	50	22	84	93	42
Between 30 and 50 years old	Headcount	35	58	34	127	114	102
Above 50 years old	Headcount	11	13	5	29	26	32
Below 30 years old	%	21%	41%	36%	35%	40%	24%
Between 30 and 50 years old	%	60%	48%	56%	53%	49%	58%
Above 50 years old	%	19%	11%	8%	12%	11%	18%
Male, headcount	Headcount				147	146	127
Male, rate	%				61%	63%	72%
Female, headcount	Headcount				93	87	49
Female, rate	%				39%	37%	28%

Employees with terminated contracts (excluding joint ventures), by region, gender and age

Status as of 31 Dec 2024

	Unit	2023				2022	
		Switzerland	Germany	Benelux/ France	Total	Total	Total
Total	Headcount	35	106	60	201	167	154
Below 30 years old	Headcount	6	38	17	61	55	14
Between 30 and 50 years old	Headcount	18	37	30	85	70	82
Above 50 years old	Headcount	11	31	13	55	42	58
Below 30 years old	%	17%	36%	28%	31%	33%	9%
Between 30 and 50 years old	%	51%	35%	50%	42%	42%	53%
Above 50 years old	%	31%	29%	22%	27%	25%	38%
Male, headcount	Headcount				124	116	119
Male, rate	%				62%	69%	77%
Female, headcount	Headcount				77	51	35
Female, rate	%				38%	31%	23%

Appendix III: GRI Index

Statement of use	VARO Energy has reported with reference to the GRI Standards for the period 1 Jan 2024 - 31 Dec 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 11: Oil and Gas Sector 2021

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organisational details	Appendix I: Our ESG report. VARO Energy operates in Switzerland, Germany, Netherlands, Belgium and France.	ESRS 2
	2-2 Entities included in the organisation's sustainability reporting	The Group's holding company is VARO Energy BV, based in the Netherlands. The Group's operational headquarters company is VARO Energy Marketing AG (VMAG), in Switzerland. VMAG is where the Group's main financial risks are managed, inventory is held, working capital is financed and associated rewards are recognised. All other companies perform well-defined services for the Group following OECD guidance for the correct transfer pricing of intra-Group services.	ESRS 2
	2-3 Reporting period, frequency and contact point	1 Jan 2024 - 31 Dec 2024 (equivalent to period of data reporting in the Annual Report) Contact point: Mr Jens Bruno (jens.bruno@varoenergy.com)	ESRS 2
	2-4 Restatements of information	Restatements are related to data and are marked by word 'restatement'	ESRS 2
	2-5 External assurance	Assurance statement	ESRS 2
	2-6 Activities, value chain and other business relationships	The VARO value chain	ESRS 2
	2-7 Employees	Appendix II: ESG Data. Our People. VARO does not work in a sector with many seasonal employees. However, temporary contractors are employed during manufacturing shutdowns.	ESRS 2
	2-8 Workers who are not employees	Appendix II: ESG Data. Our People. Safety training for contractors as described in 'Spills & spills prevention'. Type of workers who are not employees omitted - information unavailable/incomplete (part b).	ESRS 2

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
	2-9 Governance structure and composition	Corporate governance Constitution and operations of the company's governance bodies is based on the provisions of Dutch law in effect on the date of this document, the articles of association of the company (the Articles of Association) and the shareholders agreement. The company has a two-tier board structure consisting of the Management Board and the Supervisory Board. Executive Board has seven members. Data on composition is in Appendix II. ESG Data. Our People. The Remuneration Committee prepares nominations and approvals of Executive Board members and supervising policies for Senior Management selection criteria and appointments by the Executive Board.	ESRS 2
	2-10 Nomination and selection of the highest governance body	The company recognises that differences in skills, experience, education, background, nationality, age, race, gender, sexual orientation, religious beliefs, physical ability and other characteristics of people are important. VARO therefore places high emphasis on the development of diversity in the senior management roles within the Group. Partially omitted - information unavailable/incomplete (part b.iii)	n.a.
	2-11 Chair of the highest governance body	The company has a two-tier board structure consisting of the Management Board and the Supervisory Board. The Chairman of the Supervisory Board is different from the senior executive officer - the CEO.	n.a.
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate governance Internal governance structure The company has a two-tier board structure consisting of the Management Board and the Supervisory Board. The Management Board is the executive body (bestuur) and is responsible for the day-to day management of the company. For the day-to-day operational management, the Management Board has installed an Executive Board. The Supervisory Board (raad van commissarissen) supervises and advises the Management Board. The Management Board is entrusted with the management of the company's Group and is responsible for the continuity of the company's Group under the supervision of the Supervisory Board. The Management Board's responsibilities include, among other things: - Setting the company's management agenda, - Developing a vision on how to create long-term value, - Developing a strategy, - Enhancing the performance of the company, - Identifying, analysing and managing the risks associated with the company's strategy and activities and - Establishing and implementing internal procedures, that ensure that all relevant information is known to the Management Board and the Supervisory Board in a timely manner.	ESRS 2
	2-13 Delegation of responsibility for managing impacts	Internal governance structure VARO's dedicated ESG Committee oversees the implementation and effectiveness of the Company's ESG programmes and manages risk, including its climate-related targets.	ESRS 2
	2-14 Role of the highest governance body in sustainability reporting	Executive Board reviews and approves the ESG Report.	ESRS 2

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
	2-15 Conflicts of interest	Business conduct	
	2-16 Communication of critical concerns	Internal governance structure Human rights Business conduct Partially omitted - information unavailable/incomplete (part b)	ESRS 2
	2-17 Collective knowledge of the highest governance body	Corporate governance The EB's operational management of the Group's activities includes developing VARO's strategy as well as the ESG strategy and targets. The EB is at the core of the ONE VARO Transformation strategy and its members are specifically appointed to oversee the strategy.	ESRS 2
	2-18 Evaluation of the performance of the highest governance body	General meeting of shareholders is the highest governing body, evaluating the performance of the EB. Partially omitted - information unavailable/incomplete (part c).	n.a.
	2-19 Remuneration policies	Omitted - confidentiality constraints	ESRS 2
	2-20 Process to determine remuneration	Omitted - confidentiality constraints	ESRS 2
	2-21 Annual total compensation ratio	Omitted - confidentiality constraints	ESRS 2
	2-22 Statement on sustainable development strategy	The ONE VARO Transformation strategy	ESRS 2
	2-23 Policy commitments	Policies and standards Group companies perform well-defined services for the Group and follow OECD guidance for the correct transfer pricing of intra-group services. FX Global Code UN Global Compact, signatory.	ESRS 2
	2-24 Embedding policy commitments	Business behaviour and ethics Human rights	ESRS 2
	2-25 Processes to remediate negative impacts	Stakeholder views guide our DMA Human rights Transparent local stakeholder communication Noise disturbance Data privacy Partially omitted - information unavailable/incomplete (part d. and e.)	ESRS 2
	2-26 Mechanisms for seeking advice and raising concerns	Business conduct Our Whistleblower channel	ESRS 2
	2-27 Compliance with laws and regulations	No significant fines were incurred	ESRS 2
	2-28 Membership associations	Appendix V. Associations	ESRS 2
	2-29 Approach to stakeholder engagement	Stakeholder views guide our DMA	ESRS 2
	2-30 Collective bargaining agreements	 VARO operates in the countries with the freedom of joining collective bargaining agreements. It is free choice of employees to join such agreements. In the Netherlands, an external confidential advisor has been engaged for VARO Energy Netherlands BV—approved by the Works Council and management—to whom employees can turn in case of deviations from the Code of Conduct. Additionally, the Works Council provides Country Managers with requested advice and approvals, as well as unsolicited advice when necessary.	ESRS 2

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Assessment	ESRS 2
	3-2 List of material topics	Our material sustainability topics	ESRS 2
Anti-corruption			
	3-3 Management of material topics	Business conduct. Anti-corruption	G1 - Business conduct
	205-1 Operations assessed for risks related to corruption	Business conduct. Anti-corruption	G1 - Business conduct
	205-2 Communication and training about anti-corruption policies and procedures	Business conduct. Anti-corruption	G1 - Business conduct
	205-3 Confirmed incidents of corruption and actions taken	No confirmed incidents during the reporting period.	G1 - Business conduct
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate change	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Omission - information unavailable/incomplete (part f. and g.)	
	302-2 Energy consumption outside of the organisation	Partially omitted - information unavailable/incomplete (part f. and g.)	
	302-3 Energy intensity	Appendix II. ESG Data Partially omitted - information unavailable/incomplete (part c. and d.)	E1 - Climate change
	302-4 Reduction of energy consumption	GHG emissions at the Cressier manufacturing hub GHG emissions at Bayernoil	
	302-5 Reductions in energy requirements of products and services	Omission - Information unavailable/incomplete	
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity	E4 - Biodiversity
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	E4 - Biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity	E4 - Biodiversity
	304-3 Habitats protected or restored	Biodiversity Partially omitted - information unavailable/incomplete (part c. and d.)	E4 - Biodiversity
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity The relevant species present in the area where the two Bayernoil manufacturing hubs operate in the 'Danube area between Ingolstadt and Weltenburg' are beaver, yellow-bellied toad (mountain toad), lady's redfin (Lady's fish), abdominal slug, grayling, barbel, white-finned gudgeon and Danube cod. Near the site of Cressier manufacturing hub, beaver belongs to the IUCN Red List. Omission - Information unavailable/incomplete	E4 - Biodiversity

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
Emissions (GHG)			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability highlights in 2024 Our Commitments Product stewardship and innovation Emissions	E1 - Climate change
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Appendix II. ESG Data (GHG emissions) Partially omitted - information unavailable/incomplete (part c., e. and g.)	E1 - Climate change
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix II. ESG Data (GHG emissions) Partially omitted - information unavailable/incomplete (part e., f. and g.)	E1 - Climate change
	305-3 Other indirect (Scope 3) GHG emissions	Appendix II. ESG Data (GHG emissions) Partially omitted - information unavailable/incomplete (part c., f. and g.)	E1 - Climate change
	305-4 GHG emissions intensity	Appendix II. ESG Data (GHG emissions)	E1 - Climate change
	305-5 Reduction of GHG emissions	Enabling the energy transition Sustainability highlights 2024 Climate change Partially omitted - information unavailable/incomplete (part e.)	E1 - Climate change
	305-6 Emissions of ozone-depleting substances (ODS)	Omission - Not applicable	E2 - Pollution
Emissions (non-GHG)			
	3-3 Management of material topics	Pollution - Other air emissions	E2 - Pollution
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Pollution - Other air emissions Partially omitted - information unavailable/incomplete (part b. and c.)	E2 - Pollution
	416-1 Assessment of the health and safety impacts of product and service categories	Environmental impacts from the use of our products (fuels for motor vehicles, aircraft, oil-fired heating systems and large commercial and industrial consumers) include the emission of CO, CO ₂ , NOx, SO ₂ , dust and soot. These emissions, if accumulated in the air in significant quantities, may have a negative impact on human health. To decrease these negative impacts, we reduce the sulphur content of our products and optimise combustion properties through the use of additives, such as Elixir for Celsius Premium for Heating Oil, and Elixir for Endura for Diesel performance. The main quality regulation for VARO products, as required for companies producing and supplying products in European Economic Area (EEA) countries, is REACH: Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals. VARO's internal process for compiling, handling and communicating product information through Material Safety Data Sheets (MSDS) is directed at ensuring compliance with REACH and CLP regulations. VARO has around 80 MSDS available for 16 different countries, in 14 different languages.	E2 - Pollution
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Omitted - information unavailable/incomplete (part c.)	E5 - Resource use and circular economy

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
Oil spills and spill prevention			
SASB: EM-MD-160a.1.		Pollution - Spills and spill prevention Crisis management	E2 - Pollution
GRI 3: Material Topics 2021	3-3 Management of material topics	Pollution - Spills and spill prevention	E2 - Pollution
GRI 306: Effluents and waste 2016	306-3 Significant spills	Appendix II. ESG Data. Spills of oil and refined products	E2 - Pollution
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee satisfaction and development	S1 - Own workforce
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix IV. ESG Data. (New hires, by region, gender and age) Appendix IV. ESG Data. (Employee turnover)	S1 - Own workforce
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	There is no difference in benefits between employees with full-time, part-time or temporary contract. Non-full-time employees are not entitled to a bonus.	S1 - Own workforce
	401-3 Parental leave	Omitted - information unavailable/incomplete	S1 - Own workforce
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and safety	S1 - Own workforce
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and safety. Our approach	S1 - Own workforce
	403-2 Hazard identification, risk assessment, and incident investigation	Incident investigation and follow up Crisis management	S1 - Own workforce
	403-3 Occupational health services	Employee well-being	S1 - Own workforce
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee engagement on safety	S1 - Own workforce
	403-5 Worker training on occupational health and safety	Health and safety. Our approach Health and safety. Employee engagement on safety Health and safety. 2025 and beyond	S1 - Own workforce
	403-6 Promotion of worker health	Employee health and well-being	S1 - Own workforce
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety. Our approach Health and safety. 2025 and beyond Spills and spill prevention. Our approach	S2 - Workers in the value chain
	403-8 Workers covered by an occupational health and safety management system	All employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, are covered by an occupational health and safety management system. Certified management systems	S1 - Own workforce

GRI Index continued

GRI standard/ other source	GRI Disclosure	Location Omission	2024 DMA
Occupational health and safety (continued)			
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Appendix II. ESG Data. (Work related injuries, employees and contractors)	S1 - Own workforce / S2 - workers in the value chain
	403-10 Work-related ill health	Omission - Information unavailable/incomplete	S1 - Own workforce
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Inclusion and diversity	S1 - Own workforce
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Appendix II. ESG Data. (Diversity of governance bodies, by age and gender) Appendix II. ESG Data. (Diversity of employee categories, by age and gender)	S1 - Own workforce
	405-2 Ratio of basic salary and remuneration of women to men	Inclusion and diversity	S1 - Own workforce
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Inclusion and diversity Business conduct	S1 - Own workforce
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination reported in 2024	S1 - Own workforce
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Affected communities Crisis management	S3 - Affected communities
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Affected communities	S3 - Affected communities
	413-2 Operations with significant actual and potential negative impacts on local communities	Noise disturbance Crisis management	S3 - Affected communities

Omissions in reporting compared to the GRI Oil & Gas Sector Standard

GRI 11: Oil and Gas Sector 2021	
Topic	Explanation
11.14 Economic impacts	Management of the topic is part of the Annual Report. The ESG Report discloses non-financial impacts.
11.18 Conflict and security	Topic is not relevant for the VARO value chain.
11.21 Payments to governments	Payments to governments are related to taxation and other payment obligation. Management of the topic is incorporated into the topics of business behaviour, ethics and anti-corruption.
11.22 Public policy	Management of the topic is incorporated into the topic business behaviour and ethics.

Appendix IV:
TCFD Index

TCFD Recommendation	TCFD Disclosure	VARO Report Page reference
Governance Organization's governance around climate-related risk and opportunities.	a) The board's oversight of climate-related risks and opportunities.	p. 85 (Governance - Corporate Governance) p. 88 (Governance - Internal Governance Structure)
	b) The management's role in assessing and managing climate-related risks and opportunities.	p. 87 (Governance - Executive Board) p. 88 (Governance - Internal Governance Structure)
Strategy Actual and potential impacts of climate-related risks and opportunities on the operations, strategy and financial planning.	a) The climate-related risks and opportunities the organisation has identified over the short, medium and long term.	p. 56 (Climate change - Our approach) p. 18 (Double Materiality Assessment) p. 90 (Governance - Examples of risks areas) p. 85 (Governance - Corporate governance) p. 56 (Climate change - Our approach)
	b) The impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	
	c) The resilience of the organisation's strategy, taking into consideration different climate-related scenarios.	
Risk management How the organization identifies, assesses, and manages climate-related risks.	a) The organisation's processes for identifying and assessing climate-related risks.	p. 89 (Governance - Enterprise risk management system)
	b) The organisation's processes for managing climate-related risks.	p. 91 (ESG Risk management) p. 90 (Governance - Example of risk areas) p. 88 (Governance - Internal governance structure)
	c) How the process for identifying, assessing and managing climate-related risks is integrated into the organisation's overall risk management.	
Metrics and targets Results from metrics and targes to assess and manage significant climate-related risks and opportunities.	a) The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	p. 88 (Governance - Internal governance structure) p. 102 (Appendix II: ESG Data - Environment)
	b) Disclosure of scope 1, scope 2 and scope 3 GHG emissions, and the related risks.	p. 58 (GHG performance in 2024) p. 102 (Appendix II: ESG Data - Environment) p. 56 (Climate change - Our approach)
	c) The targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	

Appendix V: Associations

Association	Country	Status of VARO	Purpose of association
Avenergy Suisse	Switzerland	Board Member	Avenergy Switzerland represents the interests of importers of liquid fuels. The members of Avenergy Switzerland guarantee the security of supply of the country's most important energy carriers: liquid fuel for mobility and heating process.
CARBURA	Switzerland	Board Member	Private association for importers of liquid fuels and combustibles that fulfil compulsory stockpiling of fuels. The association is supervised by the Federal Office for National Economic Supply (FONES).
CONCAWE	Switzerland	Member	Concawe was established in 1963, by a small group of leading oil companies to carry out research on environmental issues relevant to the oil industry. The scope of Concawe's activities has gradually expanded in line with the development of societal concerns over environmental, health and safety issues. These now cover areas such as fuel quality and emissions, air quality, water quality, soil contamination, waste, occupational health and safety, petroleum product stewardship and cross-country pipeline performance.
ANCL (Association des Negociants en combustibles de Lausanne et environnement)	Switzerland	Member	Association of Fuel Dealers of Lausanne with the objective to promote the use of liquid fuels.
ZCA (Zug Commodity Association)	Switzerland	Member	The purpose of the Association is to represent and protect the interests and rights of the Zug (and its surrounding area) community of companies active in the commodities supply chain. This includes but is not limited to exploration, production, processing, trading and marketing. Furthermore, ZCA organises events and trainings related to commodity trading.
Swiss shippers council (SSC)	Switzerland	Member	Represents the interests of industry, trade and major distributors to state and private transport institutions, logistics companies and freight carriers in Switzerland and abroad.
Fuels Europe Association	Switzerland; EU	Member	Fuels Europe is a division of the European Petroleum Refiners Association, an AISBL operating in Belgium. It was formed in 1989 to represent the interests of companies conducting refinery operations in the EU. Fuels Europe aims to promote economically and environmentally sustainable refining, supply and use of petroleum products in the EU, by providing input and expert advice to EU Institutions, member state governments and the wider community. This contributes to a constructive and proactive way to the development and implement EU policies and regulations.
Biofuels Schweiz	Switzerland	Advisory Board Member	Represents the interests of the biofuel industry and its members in dealings with authorities, politicians and market participants. It takes part in consultation process on behalf of its members and the industry and provides services for the members in the areas of public relations, politics, communication, information exchange and advice.
Klik	Switzerland	Member	Klik stands for the Foundation for Climate Protection and Carbon Offsetting. The organisation helps companies fulfil their obligation to offset CO ₂ emissions from fuels-based motor fuels consumed in Switzerland, according to the Swiss CO ₂ Law. Klik also funds projects that aim to reduce greenhouse gas emissions in Switzerland and abroad.
European Fuel Manufacturers Association	EU	Member	FuelsEurope represents the EU fuels and industrial value chain products manufacturing industry in the policy debate with EU Institutions and other stakeholders. The association provides expert opinion on the production process, distribution and use of products in order to contribute to a regulatory framework that promotes EU excellence in technologies. This contributes to the energy transition towards society's climate objectives, boosts sustainable development through supporting a competitive EU industry, establishes effective, and technically feasible and sustainable requirements to protect human health and the environment.

Associations continued

Association	Country	Status of VARO	Purpose of association
Hydrogen Europe	Belgium	Member	Promotes national, European and international policies and initiatives that strengthen market penetration of European hydrogen technologies domestically and globally.
ISCC (International Sustainability & Carbon Certification)	Germany	Member	The certification scheme operates under strict criteria and methodologies to verify that the entire supply chain, from raw materials to final products, meets its sustainability standards.
World Biogas	UK	Member	The World Biogas Association is the global trade association for the biogas, landfill gas and anaerobic digestion (AD) sectors, dedicated to facilitating the adoption of biogas globally. It seeks to represent all organisations working in the biogas industry at the international level around the world.
en2X	Germany	Seat in the Board	The result of a merger between the former MWV and IWO associations, en2X promotes low-carbon energy sources that support the targets of the Paris Agreement, and defines the role of fossil fuel producers in the transition towards climate neutrality.
AFM+E	Germany	Seat in the Board	The Foreign Trade Association for Mineral Oil and Energy e. V. (AFM+E) represents the interests of independent, medium-sized energy trading companies and importers in politics. It seeks to promote the political framework to enable the ramp up of low-carbon liquid fuels.
eFuels Today	Germany	Sponsor	Alliance of companies and partners that advocate for a more open technology policy, where e-fuels can also play a role.
MEW/UPEI (working group "Energy for the Future")	Germany/ Belgium	Joint position with UPEI	Umbrella organisation for associations in the import and wholesale, retail, bunkering and tank storage of fuels. Joint position with UPEI, MEW, FETSA (where possible) to set up proposals for amendments on FITdocuments (by WSW).
UTV, Unabhängiger Tanklagerverband	Germany	Member of the Board, President	German independent tank storage association, representing 80% of German tank capacity. UTV is active in aligning the overall regulatory framework and the essential adaptation to all member terminals. Furthermore, the association aligns the German activities in the European framework.
BFT, German Federal Association of Independent Petrol Stations	Germany	Regular Member	Association that represents the interests of white label petrol stations and SME wholesalers in Germany. Its mission is to promote a free-market economy in the mineral oil trade and to advise and represent the members in general economic and legal subjects.
UNITI Bundesverband mittelständischer Mineralölunternehmen e. V.	Germany	Regular Member	The UNITI federal association of medium-sized mineral oil companies e. V. represents around 90% of medium-sized mineral oil companies in Germany and pools expertise in fuels, the heating market and lubricants.
EBV	Germany	Seat in the Advisory Board	Government agency for stockpiling strategic reserves.
SBMV (Sachsischer Brennstoff- und Mineralelhandelsverband e.V)	Germany	Supporting Member	Independent Saxon fuel and mineral trade association, representing mineral oil traders' interests.
H ₂ ercules	Germany	Member	H ₂ ercules aims to contribute to the establishment of a European hydrogen market and, consequently, promotes the decarbonisation and diversification of Germany's energy supply. This will be achieved by developing a hydrogen transport pipeline network, commonly referred to as the 'Hydrogen Backbone', which will connect the northern and southern regions of the country.
NOVE	Netherlands	Member of the Board	Industry association of small to mid-sized traders and distributors of road and shipping fuels.
VEMOBIN	Netherlands	Member, and Chair of the new pillar Energy in Transportation.	Association of the Dutch Petroleum Industry, active in the representation of Dutch refining and distribution companies, promoting collaboration, safety and sustainable practices within the petroleum industry.
PHB	Netherlands	Participant	Platform to accelerate and scale the utilisation of bio-based fuels for road, water and air transportation.

Associations continued

Association	Country	Status of VARO	Purpose of association
CPDP (Comite Professionnel Du Petrole)	France	Member	An association declared under the law of 1 July 1901, brings together Approved Warehouse keepers whose main activity is the distribution of petroleum products on the French market.
Groupement Petrolier Luxembourgois	Luxembourg	Member	Represents the interests of companies mostly in the downstream sector, which includes activities such as the refining, storage, distribution and marketing of petroleum products. Activities include information exchange, support in compliance with the legislation, market monitoring, etc.
BRAFCO	Belgium	Board Member, as well as Member of several working groups / commissions	Federation of fuel distributors in Belgium, including independent excise warehouses.
Energia	Belgium	Member, as well as Member of several working groups / commissions	ENERGIA is the sector organisation in the Belgium commission that manages the standardisation of petroleum products. The commission develops the national annexes to the national standards for liquid products, as well as for bitumen, LPG and bunker fuels.
Operateur de Normalisation Petroliere (ONP)	Belgium	Member	The ONP is the overarching Belgium commission managing the standardisation of petroleum products. The commission develops the national annexes to the national standards for liquid products, as well as for bitumen, LPG and bunker fuels.
EBA (European Biogas Association)	Belgium	Member	EBA advocates for the recognition of biomethane and other renewable gases as sustainable, on demand and flexible energy sources that provide multiple knock on socio-economic and environmental benefits. It represents almost 8,000 stakeholders from the entire biogas and biomethane value chain. EBA is committed to work with European institutions, industry, agricultural partners, NGOs and academia to develop policies that can enable the large-scale deployment of renewable gases and organic fertilisers throughout Europe.
Informazout	Belgium	Member	The association aims to educate consumers, installers and professionals about oil heating technologies, energy efficiency and environmental considerations.
ATEE	France	Member	An organisation dedicated to representing issues related to Energy Savings Certificates (C2E).
USI	France	Member	Federation of all tank storage operators in France for regional, national and international organisations.
FF3C	France	Member	Federation of nearly 2,000 independent companies that distribute off-grid energy in the form of domestic fuel, bulk fuel, LPG, wood-energy, etc.
FFPI	France	Member	Federation of independent oil companies.
UPEI	EU	Board Member/ President	UPEI represents nearly 2,000 European independent importers and wholesale / retail distributors of energy for the transport and heating sectors.
World Economic Forum	International	Partner	WEF leads global companies developing solutions to the world’s greatest challenges.
UN Global compact	International	Member	Voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support the UN goals.

Appendix VI:
Policies

Policy	Scope / content
HSSE commitment and Policy	Encourages business conduct that avoids harm to people, protects the environment and respects neighbours. The policy outlines specific requirements for employees, joint ventures and contractors.
Code of Conduct	Guides employees and all individuals acting on behalf of VARO on how to act in an ethical and responsible manner and uphold VARO's values.
Whistleblower Policy	Defines and supports the process for submitting complaints or grievances, receiving feedback and establishes a policy of non-retaliation against individuals submitting grievances.
Equity, Inclusion & Diversity Policy	Defines and promotes equal opportunities and a work environment free from harassment.
VARO Flexible Working Policy	Establishes the scope, conditions and requirements for employees to combine remote working.
HR Policy on Terminating Contracts	Establishes the procedure for terminating employee contracts in a way that treats employees with respect and fairness.
Performance Evaluation Process Policy	Establishes the principles and process for conducting regular performance appraisals, setting personal performance objectives, and establishing a path for professional development.
HR Privacy Notice and Data Retention Policy	Establishes rules for the collection, sharing and retention of private data of prospective, current or former employees or other individuals working for or on behalf of VARO.
Data Privacy, Vendor Selection Section	Guidance on conducting the due diligence of vendors in relation to data handling processes and ensures compliance with GDPR (General Data Protection Regulation).
Information Security Policy	Provides the foundation for an effective and secure information security management system, in alignment with legal requirements and best practices.
KYC (Know Your Customer) Policy	Includes the risk assessment and verification of risk-related information regarding counterparties and business relationships. The policy ensures compliance with sanctions and mitigates the risk of exposure to corruption, bribery or any other criminal activities.
Just Culture Policy	Aims to foster a healthy and supportive environment that encourages a culture of reporting and learning. It provides an atmosphere of trust, which is essential for building a strong safety culture.
Life-Saving Rules Policy	Draws attention to the activities most likely to lead to a fatality, based on historical statistics, and the life-saving actions over which an individual has control.
Stop Work Authority Policy	Gives employees the right and responsibility to stop tasks or activities that they perceive to pose an undue risk to themselves, co-workers or the environment.
Human Rights Policy	Introduced in 2024, this policy outlines VARO's commitment to upholding and promoting human rights throughout its operations. The policy details VARO's responsibilities and actions in embedding respect for human rights across its activities, value chain and business relationships. This includes ensuring fair labour practices, preventing discrimination, and fostering safe and healthy working conditions. The policy aligns with international human rights standards and principles, reinforcing VARO's dedication to social responsibility in all aspects of its business.

Policies continued

Policy	Scope / content
Hiring Policy	Introduced in 2025, the VARO Hiring Policy outlines a fair, transparent and merit-based recruitment process to attract diverse, qualified talent aligned with VARO's values. It details procedures for hiring, referrals, internships and offers, ensuring equity, compliance and consistency across all roles and locations.
Bonus Policy	Introduced in 2024, the VARO Bonus Program Policy outlines a discretionary, performance-based bonus plan linked to company and individual results. Bonus eligibility, calculation methods and special conditions (e.g. onboarding, leave, termination) are detailed. Payouts depend on a scorecard system and personal evaluations, with final approval by senior leadership.
OEMS (Operational Excellence Management System)	Structured and documented set of interdependent practices with the objective to identify, assess and manage operational risks related to employees, contractors, stakeholders, the business and the environment. The routine application of the OEMS will provide ongoing identification, prioritisation and control of these operational risks in a consistent manner across VARO. VARO began implementing the OEMS in 2024.
Supplier Code of Conduct	Introduced in March 2025, the Supplier Code of Conduct will enable VARO to better monitor and promote supplier compliance with its requirements. Initially new suppliers will be requested to abide by the Supplier Code of Conduct. Existing suppliers will be informed of the code.
Crisis Management Policy	Structured document embedding principles of VARO's crisis management policy are: - Safety: Ensuring the well-being of all people. - Stabilisation: Controlling the incident to prevent further harm. - Environmental protection: Preserving our environmental commitments. - Property and reputation: Safeguarding our assets and reputation to swiftly resume normal activities.
Significant Incident Failure Potential (SIFP) policy	Drives a focus on the underlying causes of potential SIFs to avoid the occurrence of a SIF.
Driving Policy	Provides general requirements for professional drivers transporting goods, and drivers using a car (privately, lease or company) for business reasons.
Operational Risk Assessment Policy	Updated in 2024 to align with the OEMS, the policy is a guidance tool to facilitate a consistent approach to qualitative risk assessment throughout VARO by using the VARO risk matrix.
REACH & MSDS Process	Describes the processes to comply with the obligations under the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the Classification, Labelling and Packaging (CLP) Regulation.
Renewable Compliance Control Framework	Outlines mandatory compliance procedures and critical control points for VARO's sustainable products business, ensuring adherence to ISCC EU certification and RED II regulations. It also defines roles, responsibilities, and a three-lines of defence model to mitigate risks, safeguard certifications, and maintain regulatory compliance in trading biofuels and biomethane.

Glossary

1G	First generation biofuels made from crop-based feedstocks	HVO	Hydrotreated Vegetable Oil
2G	Second generation biofuels made from waste and advanced biofuels	ICC	International Certificate of Competency
AC	Audit Committee	IEA	International Energy Agency
API	American Petroleum Institute	ILO	International Labour Organization
B20, B30 and B100	Biodiesel blends (e.g. B20 consists of 20% biodiesel and 80% diesel).	IOE	International Organisation of Employers
CAGR	Compound annual growth rate	IOGP	International Association of Oil & Gas Producers
CBAM	Carbon Border Adjustment Mechanism	IPCEI	Important Project of Common European Interest
CCTV	Closed-circuit television	ISCC	International Sustainability and Carbon Certification
CDRs	Carbon Dioxide Removals	KPI	Key performance indicator
CEEAG	Klima-, Energie- und Umweltbeihilfen programme in Germany	KYC	Know Your Customer
CHF	Swiss francs	LNG	Liquefied Natural Gas
CO₂	Carbon dioxide	LOPC	Loss of Primary Containment
CO₂e	Carbon dioxide equivalent (including emissions from other greenhouse gases)	LPG	Liquid Petroleum Gas
CSEM	Swiss Research and Development Centre	LULUCF	Land Use, Land Use Change and Forestry
CSRD	Corporate Sustainability Reporting Directive	MPCI	Manufacturing Process Carbon Intensity
EB	Executive Board	M&A	Mergers and Acquisitions
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation	NGO	Non-Governmental Organisation
EHB	European Hydrogen Backbone	NOx	Nitrogen oxides
EI&D	Equity, Inclusion and Diversity	OECD	Organisation for Economic Co-operation and Development
EIAs	Environmental Impact Assessments	OEMS	Operational Excellence Management System
EMAS	Eco-Management and Audit Scheme	ORC	Operational Risk Committee
ERM	Enterprise Risk Management	PFAS	Per- and polyfluoroalkyl substances
ESG	Environmental, Social and Governance	PSE	Process Safety Events
ETBE	Ethyl Tertiary Butyl Ether	RED	Renewable Energy Directive
ETH	Federal Institute of Technology Zurich	RES	Renewable Energy Services (biogas company)
EU	European Union	ROC	Risk Oversight Committee
EU ETS	EU emissions trading system	RSB	Roundtable on Sustainable Biomaterials
EUR	Euro	SAF	Sustainable Aviation Fuel
FAME	Fatty Acid Methyl Ester	SB	Supervisory Board
FCC	Fluid Catalytic Cracker	SDGs	United Nations Sustainable Development Goals
FFH	Flora Fauna Habitat	SIC	System of Internal Control
GDPR	EU General Data Protection Regulation	SIL	Safety Integrity Level
GHG	Greenhouse gas	SMR	Steam Methane Reformer
GoO	Guarantee of Origin (following the yearly matching principle)	SOx	Sulphur oxides
H&S	Health and Safety	TCFD	Task Force on Climate-Related Financial Disclosures
H₂	Hydrogen gas	TRIR	Total Recordable Incident Rate
HAZOP	Hazard and Operability Study	UPEI	The voice of Europe's independent fuel suppliers
HSSE	Health, Safety, Security and Environment	USD	US dollar
		VOCs	Volatile Organic Compounds



Limited assurance report of the independent auditor on VARO Energy B.V.’s selected indicators

To: the supervisory board and management board of VARO Energy B.V.

Our conclusion

We have performed a limited assurance engagement on selected indicators in the accompanying ESG Report for the year 2024 of VARO Energy B.V. at Rotterdam.

Based on our procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the selected indicators are not prepared, in all material respects, in accordance with the applicable criteria as included in the section “Criteria”.

The selected indicators consist of:

- Percentage of electricity generated from renewable sources at the Bayernoil and Cressier manufacturing hub and the terminals in Switzerland and Germany for 2024 on page 100 of the ESG report
- Scope 1 CO2 emissions for 2024 on page 58 and 102 of the ESG report
- Scope 2 CO2 emissions (both market based and location based) for 2024 on page 58 and 102 of the ESG report
- Scope 3.11 CO2 emissions (Use of sold products) for 2024 on page 58 and 102 of the ESG report
- Total recordable injury rate (TRIR) for 2024 on page 71, 76 and 103 of the ESG report
- Total number of recorded Significant Spills for 2024 on page 62 and 103 of the ESG report
- Tier 1 Process Safety Events for 2024 on page 76 and 103 of the ESG report
- Percentage of female senior managers for 2024 on page 71 of the ESG report
- Voluntary employee retention rate for 2024 on page 71 of the ESG report

Basis for our conclusion

We have performed our limited assurance engagement on the selected indicators in accordance with Dutch law, including Dutch Standard 3000A “Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)” (Assurance engagements other than audits or reviews of historical financial information [attestation engagements]). Our responsibilities in this regard are further described in the section “Our responsibilities for the assurance engagement on the selected indicators” of our report.

We are independent of VARO Energy B.V. in accordance with the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement. Furthermore, we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

EY Accountants B.V. is a private limited liability company with registered office and principal place of business at Boompjes 258, 3011 XZ Rotterdam, the Netherlands and registered with the Chamber of Commerce number 92704093. Our services are subject to general terms and conditions, which inter alia contain a limitation of liability clause and a choice of forum.



Criteria

The criteria applied for the preparation of the selected indicators are the criteria developed by VARO Energy B.V. and are disclosed in Appendix I “Our ESG Report” on page 102 up to and including page 105 of the ESG Report 2024.

The comparability of selected indicators between entities and over time may be affected by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques. Consequently, the selected indicators need to be read and understood together with the criteria applied.

Corresponding information not assured

The calculation for the selected indicators “Scope 1 CO₂ emissions”, “Scope 2 CO₂ emissions (both market based and location based)” and “Scope 3.11 CO₂ emissions (Use of sold products)” has been amended compared to the year 2022, due to the inclusion of VARO Biogas Coevorden emissions, change of scope 2 CO₂ emission factors and change of criteria of Scope 3.11 CO₂ emissions regarding the values of sales volume. The calculation for the selected indicator “Scope 3.11 CO₂ emissions (Use of sold products)” has been amended compared to the year 2023. The corresponding selected indicators and thereto related disclosures for the year 2022 and for the year 2023 were updated as a result of these changes and consequently, they are not assured.

The selected indicators “Total number of recorded Significant Spills” and “Tier 1 Process Safety Events” for the periods prior to 2023 have not been part of an assurance engagement. Consequently, the corresponding selected indicators “Total number of recorded significant spills” and “Tier 1 Process safety events” and the thereto related disclosures for the period prior to 2023 are not assured.

Our conclusion is not modified in respect of this matter.

Limitations to the scope of our assurance engagement

Our assurance engagement is restricted to the selected indicators. We have not performed assurance procedures on any other information as included in the ESG Report 2024 in light of this engagement.

The selected indicators include prospective information such as estimates. Prospective information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the assumptions and achievability of this prospective information.

The references to external sources or websites are not part of our assurance engagement on the selected indicators. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect of these matters.

Responsibilities of the management board and the supervisory board for the selected indicators

The management board is responsible for the preparation of the selected indicators in accordance with the criteria as included in the section “Criteria”. The management board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of the intended users, considering applicable law and regulations related to reporting. The choices made by the management board regarding the scope of the selected indicators and the reporting policy are summarized in Appendix I “Our ESG Report” on page 102 up to and including page 105 of the ESG Report 2024.



Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the selected indicators that are free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the reporting process of the selected indicators of VARO Energy B.V.

Our responsibilities for the assurance engagement on the selected indicators

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of the selected indicators. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our assurance engagement included amongst others:

- Performing an analysis of the external environment and obtaining an understanding of the sector, insight into relevant sustainability themes and issues and the characteristics of the company as far as relevant to the selected indicators
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures on the selected indicators. This includes the evaluation of the reasonableness of estimates made by the management board
- Obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the entity's risk assessment process relevant to the preparation of the selected indicators, without testing the operating effectiveness of controls
- Identifying areas of the selected indicators where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the selected indicators responsive to this risk analysis. These procedures consisted amongst others of:
 - Making inquiries of management and relevant staff at corporate level responsible for the sustainability strategy, policy and results relating to the selected indicators
 - Interviewing relevant staff responsible for providing the information for, carrying out controls on, and consolidating the data in the selected indicators
 - Obtaining assurance evidence that the selected indicators reconcile with underlying records of VARO Energy B.V.
 - Reviewing, on a limited sample basis, relevant internal and external documentation
 - Considering the data and trends in the information submitted for consolidation at corporate level



- Reading the information in the ESG Report 2024 that is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the selected indicators
- Considering whether the selected indicators are presented and disclosed free from material misstatement in accordance with the criteria applied

Amsterdam, 22 May 2025

EY Accountants B.V.

signed by J.J. Vernooij



Colofon

Photography
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