

Accelerating the energy transition

February 2025



Backed by world-leading shareholders

One of the world's largest energy investors, and one of the world's leading traders

THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

66.67%

shareholding

Global investment firm,
with \$369bn assets under
management

VARO 

 Vitol

33.33%

shareholding

Leading energy trader with
8 million barrels per day of
crude oil and products



Our purpose

We exist to accelerate the transition to a world of reliable, accessible, sustainable energy.

Our vision

We will be the energy transition partner of choice.

Our mission

We build, we partner, we empower to deliver energy solutions for our customers and the world.

Our values

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

Embrace challenge

We are open to new ideas to challenge our thinking

We turn challenges into opportunities

We are eager to learn and grow

Aim high

We are entrepreneurial with a shared purpose

We push ourselves, our business, and our industry into uncharted territories

We strive for success and overcome adversity

Drive pace

We have an agile, can-do mindset and deliver on our promises

We are restless with the status quo

We make rapid progress because of the foundations we have built

Solve together

We take collective responsibility for the safety of all

We build diverse teams to unlock our full potential

We invest in strong partnerships & know-how

We share a sense
of responsibility and
respect for people &
our planet



Our strategy



Changing environment creates new opportunities



Our customers need support to transform

Energy security

“Europe’s energy crisis sends shockwaves through Germany’s industrial heart”



“Europe at risk of winter energy rationing, energy watchdog warns”

FINANCIAL TIMES

“European gas prices rise as fluctuating flows stoke supply fears”

Bloomberg

Energy transition

EU **Fit for 55** mandates a **55%** drop in GHG emissions (2030 versus 1990)

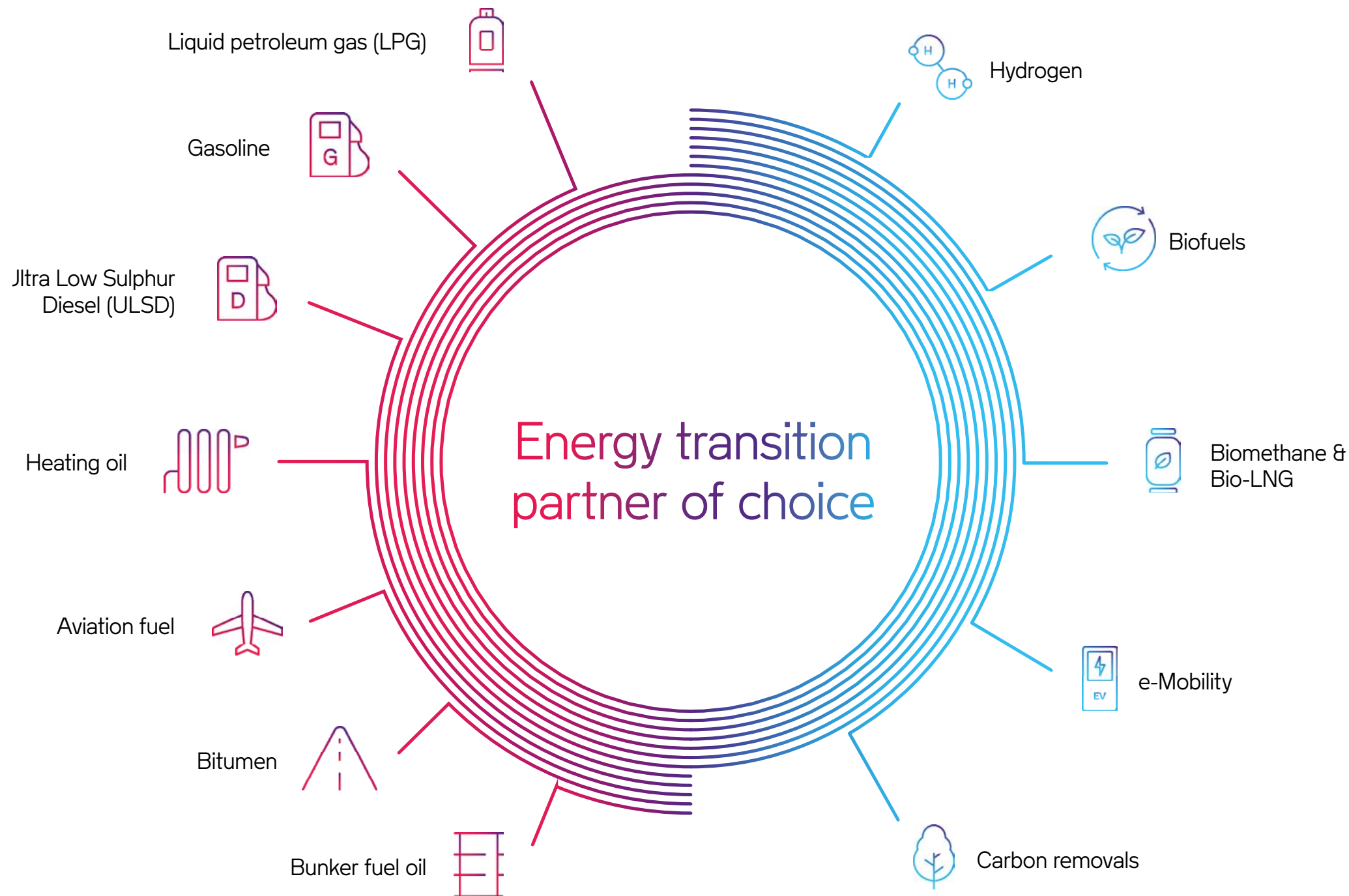
NET ZERO
by 2050 across the EU

Sale of new **ICE** banned from 2035 in EU

ONE VARO twin engine strategy

Conventional Energies

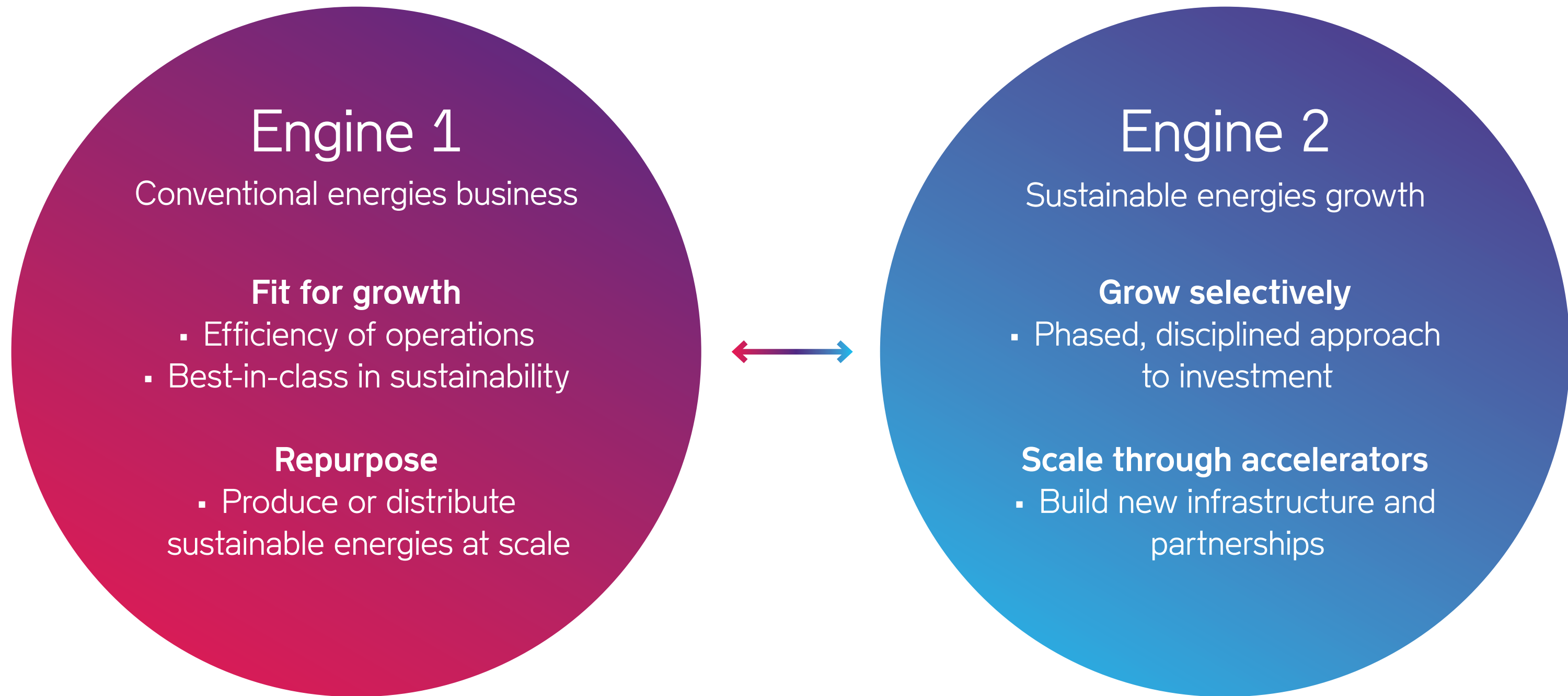
Ensuring the
energy security
for today



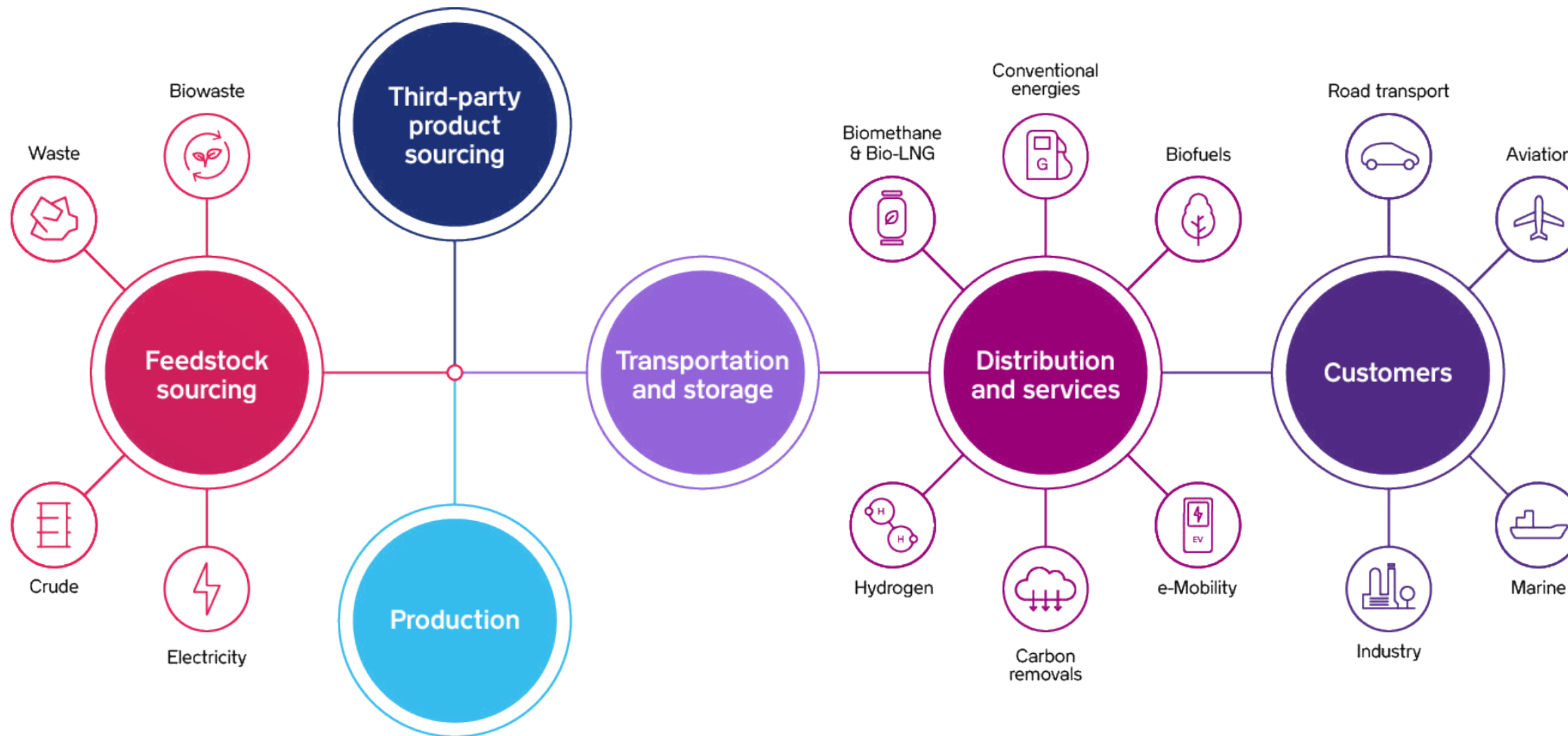
Sustainable Energies

Accelerating the
energy transition
for tomorrow

Engine 1 accelerates Engine 2 growth



Our integrated business enables value creation, providing energy and decarbonisation as a service



How does VARO generate value?

Transformation premium between feedstock and products produced

Trading optimisation via physical and paper markets access

Margin on marketing of our solutions

An aerial photograph of a city, likely Amsterdam, showing a dense urban area with many buildings. In the foreground, there's a river with a large cargo ship moving across it, leaving a white wake. The trees along the riverbank are in autumn, with yellow and orange foliage. The sky is blue with some light clouds.

VARO's unique approach

Tailored customer approach

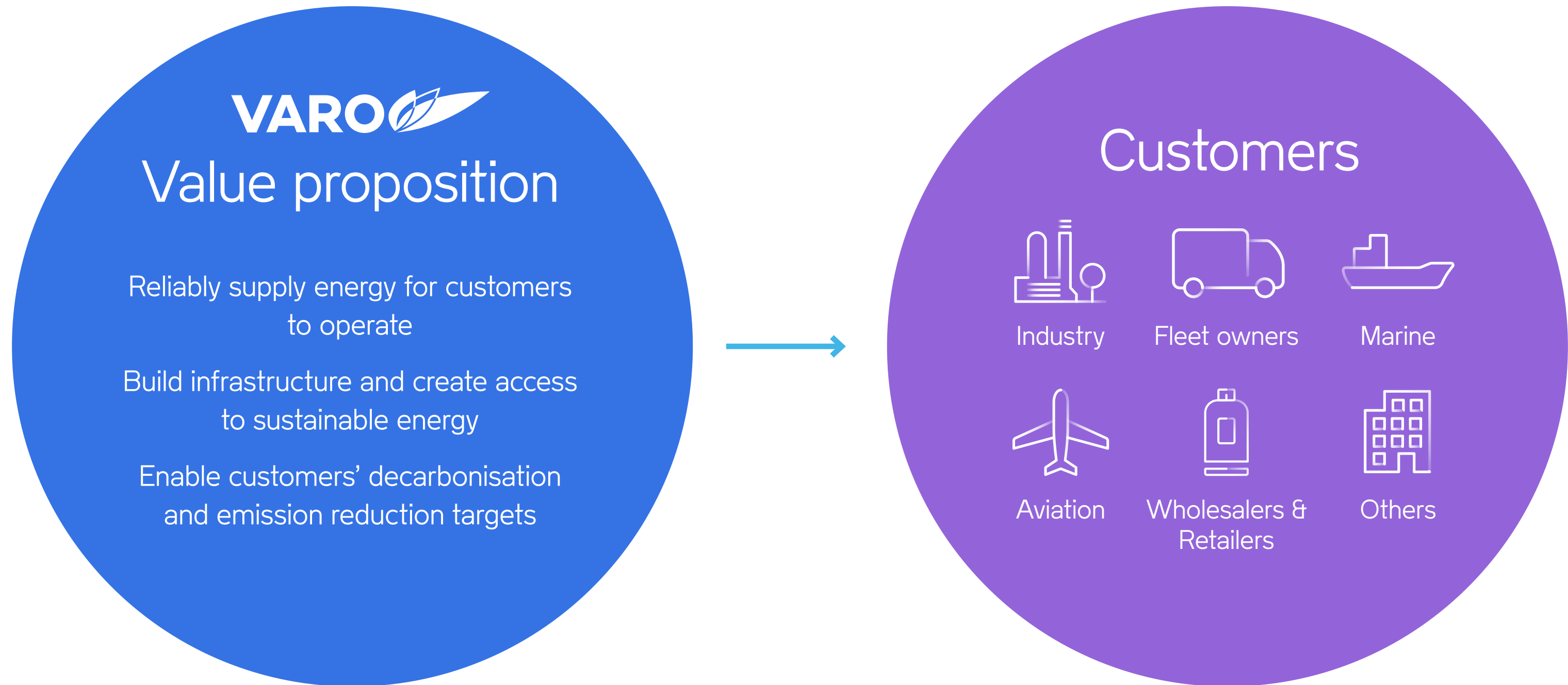
Optimisation & exposure management

Business innovation

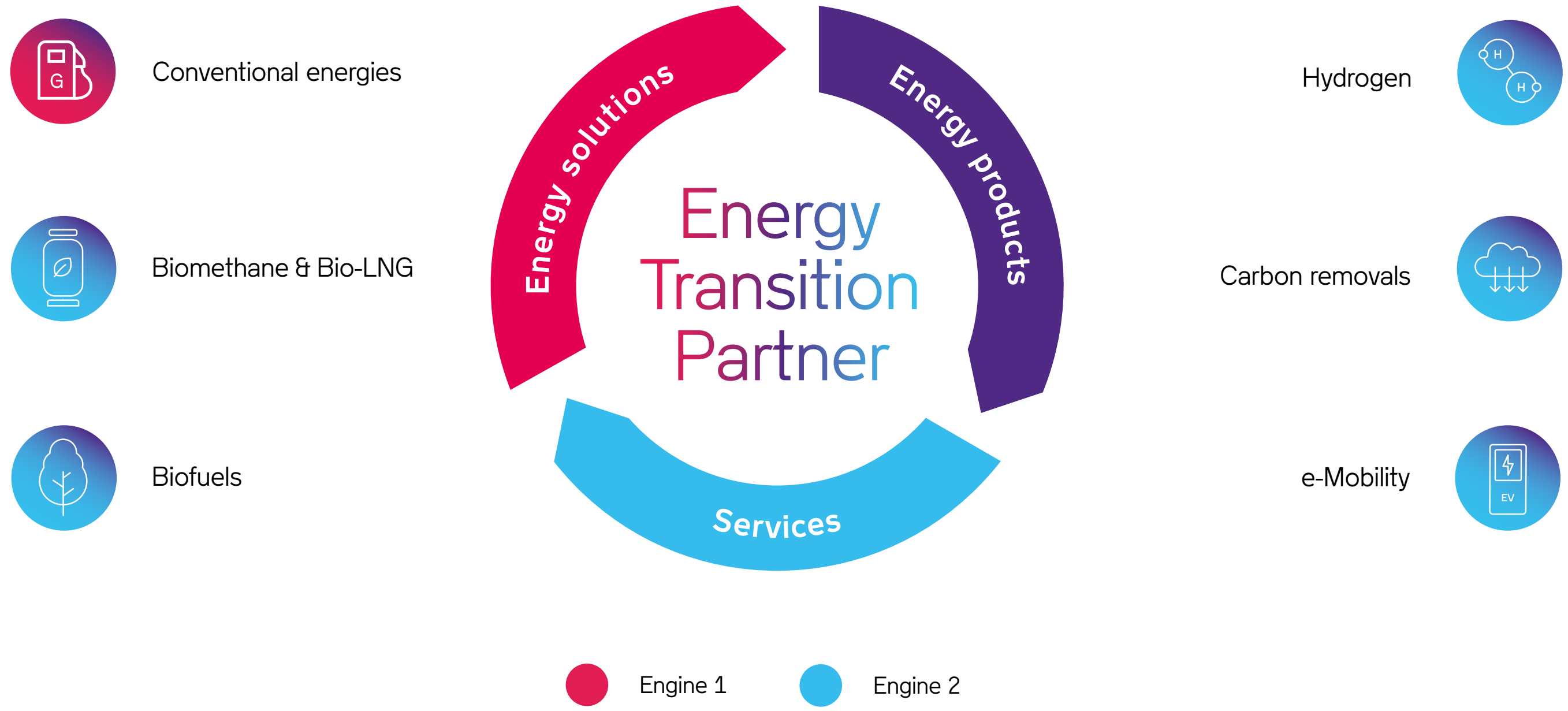
Operational excellence

Strategic infrastructure

What does this mean for our customers?



An integrated portfolio of energy solutions to meet customers' needs



Providing solutions to our customers through our Customer Lighthouses

Decarbonising
Food Retailers

Decarbonising
Wholesalers/
Retailers

Working with
customers to find
solutions for
their needs

Decarbonising
Process Heat

Decarbonising
Business Travel

A carbon neutral company by 2040



2022

Launch of new ESG strategy including industry leading targets



2030

40% absolute reduction of Scope 1 & Scope 2 emissions

15% Scope 3 carbon intensity reduction



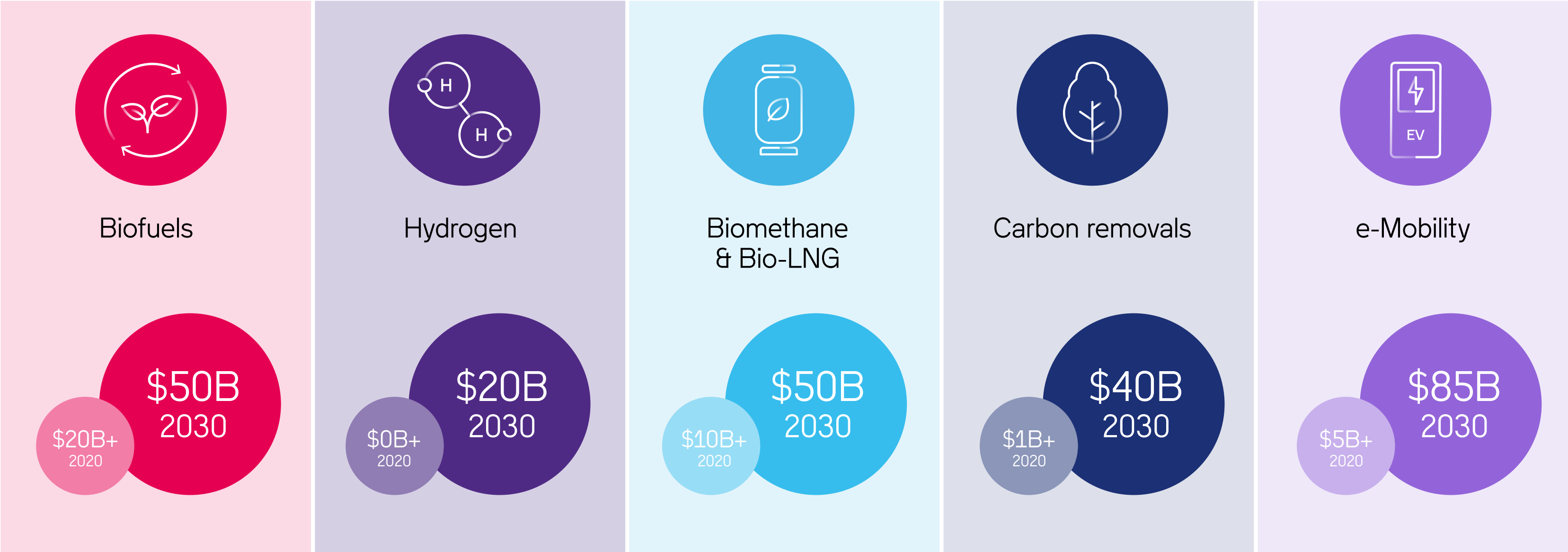
2040

Net Zero

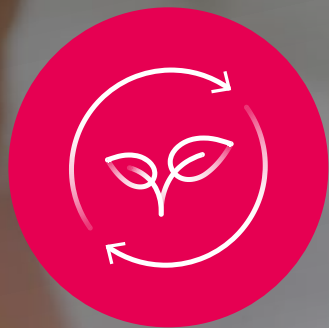
Our sustainable energies future



New energies business focused on growth sectors



Change in EU market size 2020 to 2030 (revenues)



Biofuels

An integrated producer of 2G advanced biofuels, including SAF

The Market

- Demand expected to be extremely underserved based on coming mandates
- Rapidly growing sustainable aviation fuel (SAF) market

Why VARO

- Deep expertise with biofuels & biofeedstock sourcing, blending and marketing
- Internal demand due to natural short position
- Integrated value chain optimisation

Our scale up plan

- Phased approach with initial focus on building manufacturing assets to produce renewable diesel, bioethanol and SAF
- Long term partnerships to secure 2G feedstock

Our 2026 goals

250kt

Operational target

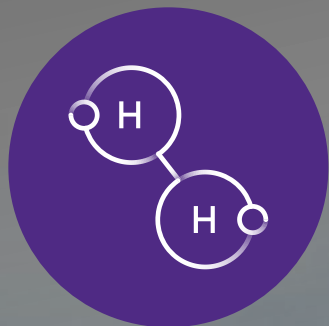
The value chain

Feedstock sourcing

Production

Transportation & storage

Distribution



Hydrogen

Leveraging position as significant H₂ consumer to develop H₂ production hubs

The Market

- Regulatory Support
- Long-term solution to decarbonise hard to abate sectors
- Existing hydrogen demand to be decarbonised

Why VARO

- Expertise in H₂ handling: significant H₂ consumer / producer in own asset
- Advantaged site locations near industrial hubs
- Leverage regulatory support to build initial capacity in Bayernoil

Our scale up plan

- Phased approach with initial investment in 125MW electrolyser in Bayernoil
- Future opportunities to expand capacity in green & biogenic H₂
- Serve industry, heavy transport customers and explore synthetic fuels path

Our 2026 goals

125MW

Operational target

The value chain

Electricity sourcing

Production

Transportation & storage

Distribution



Biomethane & Bio-LNG

Become a leading producer via selected acquisitions and industrial scale greenfield projects

The Market

- Biomethane offers flexible end uses, high availability of a wide range of cheap bio-feedstock
- Bio-LNG highly incentivised in Germany via RED2 bio-tickets
- “Waste treatment push” and “decarbonisation pull” drive tripling of European market by 2030

Why VARO

- Advantaged customer relationships through fuels business
- Biotickets expertise and compliance short
- Expertise in bio-feedstock sourcing

Our scale up plan

- Selective acquisitions while building industrial scale greenfield projects
- Monetisation focused on injection into the gas grid and bio-LNG

Our 2026 goals

~1TWh

Operational target

The value chain

Feedstock sourcing

Production

Transportation & storage

Distribution



Carbon removals

A fully integrated player in voluntary carbon removals through investment in forestry projects

The Market

- Demand for voluntary credits is expected to rise to >1 GtCO₂e per year in 2030 (CAGR of 25-30%)

Why VARO

- SilviCarbon investment provides expert origination team to develop proprietary pipeline
- Strong synergies with trading and marketing
- Customer relationships for integrated energy offering

Our scale up plan

- Invest in forestry projects to produce high-quality nature-based removals
- Expand sourcing and trading activities
- Create integrated customer value proposition

Our 2026 goals

15MtCO₂

Operational target

The value chain

Nature-based project sourcing

CO₂ ticket production

Services



e-Mobility

Provide a turnkey charging solution for customers transitioning to e-Mobility

The Market

- Market for private & commercial EVs accelerating with ~30% annual growth rate in Europe
- >60M Battery EVs expected by 2030

Why VARO

- E-Flux investment provides expertise in the field and presence in ecosystem
- Biotickets compliance position creates synergies with existing business
- Strong financing capabilities to scale most attractive models

Our scale up plan

- Portfolio approach with investment into four models: backend software, smart charging, project developer for commercial fleets and hospitality clients
- Partnerships and acquisitions throughout the value chain

Our 2026 goals

700k sockets

Operational target

The value chain

Electricity sourcing

Turnkey charger provider

Services

Leverage our country-strategic assets portfolio

Bayernoil

108,000
barrels per day
51.4% shareholding

Ongoing sole risk project
on 125MW electrolyser to
produce green hydrogen

Cressier

68,000
barrels per day
100% shareholding

150,000 tonnes of CO₂
saving per year, additional
initiatives to come within
the next few years

Bunkering / Terminal network

Largest inland
bunkering network
in Europe
40 storage facilities

100% biofuel
bunkered to Unifeeder



Financial framework

Ambitious strategy to drive tangible transformation

Invest
~\$3.5B
over the 2022-26 period
with more than 2/3 for
sustainable energies

Grow EBITDA
>3x
by 2026

Sustainable energies
to account for
+50%
of EBITDA by 2026

Strategy underpinned by robust financial framework

A unique platform for growth in the energy transition

Optimise strong balance sheet

- Significant capacity in balance sheet today given low leverage and strong cash generation
- Targeting long-term debt/EBITDA ratio of 2.0x
- Maximum long-term debt/EBITDA ratio at peak investment of 2.5-3.0x

Disciplined capital allocation

- Capex of \$3.5 billion 2022-26
- 60-70% of new investments directed to Sustainable Energies business
- All projects to be NPV positive
- Maintain healthy liquidity to ensure working capital availability

Deliver attractive financial performance

- Grow EBITDA x3 by 2026
- Over 50% of EBITDA consistently from Sustainable Energies by 2026
- Targeting ROACE of >15% for overall business by 2026
- Treble Enterprise Value by 2026

An aerial photograph of a long, modern bridge spanning a large body of water. The bridge has a single lane in each direction and is supported by several tall, white concrete pillars. The water is a deep blue, and the sky is a lighter blue with scattered white clouds. In the background, there are rolling green hills and mountains. The sun is reflecting off the water, creating a shimmering effect. The text "The energy transition partner of choice" is overlaid in the center of the image in a white, sans-serif font.

The energy transition
partner of choice



Accelerating the energy transition