

2024

Group Annual Report

Vier Gas Transport GmbH



(Translation – the German text is authoritative)

Combined Management Report

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Combined Management Report

Basic information on the Group

The Vier Gas Transport Group is made up of Vier Gas Transport GmbH (VGT), Essen, as the parent company, and its major subsidiary Open Grid Europe GmbH (OGE), Essen, with its equity investments.

VGT largely performs a holding company function for OGE. This combined management report therefore mainly refers to the business activities of OGE, which is active in the field of gas transport logistics.

OGE, headquartered in Essen, is the leading natural gas transmission system operator in Germany and operates Germany's largest transmission network with a length of approximately 12,000 km. As a network operator, OGE is subject to supervision by the Federal Network Agency (BNetzA), the German regulatory authority, and is bound by both European Union (EU) and German statutory regulations.

OGE's core activities include marketing gas transport capacities (including determining quantities and billing), operating, maintaining and repairing the pipeline system as well as controlling and monitoring the network. The gas transport capacities are marketed in the market area of Trading Hub Europe GmbH (THE). Furthermore, the core activities include the efficient development of the gas transmission pipeline networks in line with demand on the basis of network development plans.

OGE will, in future, operate as a hydrogen network operator. Consequently, the company's business model has been expanded to include the operation of a hydrogen network.

Furthermore, OGE is developing an infrastructure for the transportation of CO₂ for industrial companies in Germany.

Vier Gas Services GmbH & Co. KG (VGS), Essen, is the sole shareholder of VGT.

Report on economic position

Overall economic and industry-related conditions

Overall performance of the economy

According to the Federal Statistical Office (Destatis), Germany's gross domestic product (GDP) fell on a price-adjusted basis by 0.2 % in 2024 compared with the previous year. The reasons given for this renewed economic downturn are cyclical and structural pressures. Challenges, such as growing competition for the German export industry, high energy costs, persistently high interest rates and uncertain economic prospects, also play a role.

Trends in the development of gross value added (GVA) varied in the different sectors of the economy in 2024: economic output in the manufacturing sector declined significantly overall by 3.0 %. After production in energy-intensive industries, such as the chemicals and metals industries, collapsed in the wake of the sharp rise in energy prices in recent years, output in these sectors remained at a low level in 2024. Mechanical engineering and the automotive industries also experienced a decline in production. The construction industry also saw a decrease in gross value added, while the services sectors recorded a positive development in 2024.

Primary energy consumption in Germany

Energy consumption in Germany hit a new record low in 2024. As reported in the annual estimate of the Working Group on Energy Balances (AGEB), it fell compared with the previous year by 1.3 % to 10,478 petajoules (PJ) or 357.5 million tonnes of coal equivalent (mtce). Primary energy consumption in Germany is now almost 30 % below the 1990 peak level.

In terms of energy sources, oil consumption fell by 0.8 % to 3,830 PJ (130.7 mtce). Gas consumption increased by some 3 % to 2,712 PJ (92.5 mtce), which is due to an increase in demand as a result of lower prices, particularly in energy-intensive industries, but also in households and in the trade, commerce and services sectors. Hard coal consumption dropped by 12.5 % to 753 PJ (25.7 mtce), while the consumption of lignite as a primary

energy decreased by 10.6 % to 800 PJ (27.3 mtce). Nuclear energy generated in Germany has not contributed to Germany's energy supply since April 2023.

The share of renewable energies rose by 1.6 % to 2,096 PJ (71.5 mtce), with power generation from wind turbines stagnating compared with the previous year due to the weather conditions. By contrast, electricity generation from hydropower and photovoltaics increased.

The energy mix continued to change, with oil and gas dominating at 36.6 % and 25.9 % respectively. Renewable energies followed with a share of 20 %. Coal accounted for only 7 % of energy consumption. CO₂ emissions fell by more than 3 %. This corresponds to a reduction of around 17 million tonnes.

Energy policy developments in Europe

At the beginning of June 2024, elections were held in all EU member states to elect the European Parliament for the new legislative period. The European People's Party (EPP) again emerged from the elections as the strongest force in the European Parliament, ahead of the Progressive Alliance of Socialists and Democrats (S&D). In the new legislative period, Vice-President Teresa Ribera from Spain is responsible for the energy sector. She is in charge of a clean, fair and competitive transition of the EU's energy sector.

Some of the remaining legislative procedures for the 'Fit for 55' package of laws presented by the EU Commission in 2021, which provides for measures to achieve the EU climate target for 2030, were completed in 2024. After political agreement was reached in trilogue, the 'Hydrogen and Gas Market Decarbonisation Package' was formally adopted by the Council and Parliament in May 2024 and subsequently published in the Official Journal of the EU. Regulation 2024/1789 on the internal markets for renewable gas, natural gas, and hydrogen included in the package subsequently entered into force on 4 August 2024. The directive on common rules for the internal markets for renewable gas, natural gas and hydrogen (2024/1788), which is also included in the package, is to be transposed into national legislation by the member states within two years, by 4 August 2026. On the basis of the new regulation, the European Commission already submitted a draft of a delegated act for criteria for the production of low-carbon gases and hydrogen for consultation in September 2024. This act includes a calculation methodology to determine the remaining carbon emissions in the life cycle of corresponding gases

and is used to verify compliance with the legally defined thresholds. The draft was criticised by many market participants for being excessive due to its strict criteria and for hindering the ramp-up of hydrogen in the EU. The legislative process for this delegated act is expected to be completed in 2025.

As a non-legislative initiative, the European Commission presented a strategy for industrial carbon dioxide (CO₂) management in February 2024, which focuses on technologies for capturing, storing, transporting and using CO₂ emissions from industrial and energy production plants, as well as for removing CO₂ from the atmosphere. As part of the strategy, the EU Commission has announced that a proposal for a possible future regulatory package for CO₂ is being prepared. This package could include conditions for the development of and access to CO₂ transport infrastructures in the EU, including tariff and ownership models. Further details of a possible CO₂ regulatory package are expected in 2025 and 2026.

Energy policy developments in Germany

In 2024, Germany continued its energy policy efforts to further strengthen the sustainability and future viability of the energy system. After the significant changes and challenges of previous years, the focus was now increasingly on the long-term shaping of the energy transition. In 2024, numerous developments were initiated with regard to hydrogen ramp-up and carbon management in order to achieve climate targets. However, following the collapse of the coalition government in November 2024, some energy policy legislation such as the Carbon Dioxide Storage Act (KSpG), the Hydrogen Acceleration Act (WassBG) or the Power Plant Safety Act (KWStG), which are intended to create the basis for CO₂ transport, hydrogen ramp-up and the coal phase-out, could no longer be implemented in the 20th legislative period.

Security of gas supply was again guaranteed in 2024. The focus here was on further diversifying sources of supply and developing an LNG import infrastructure to reduce dependence on individual countries. Gas storage facilities were filled over the summer so that, at more than 95 %, the legally required storage level in Germany was exceeded on 1 November 2024.

As regards hydrogen ramp-up, the approval of the hydrogen core network marked a significant milestone. After the network operators developed a comprehensive model of a

hydrogen core network, it was approved by the BNetzA on 22 October 2024. The network is to have a total length of 9,040 km, making it the largest of its kind in Europe. The entry capacity is to be 101 GW and the exit capacity 87 GW. 60 % of the planned network is to be achieved by repurposing existing natural gas pipelines, which will save costs and resources. The remaining 40 % will be achieved through new construction projects. The investment costs of the project are expected to amount to approximately € 18.9 billion. The hydrogen core network is to form the basis for the transport and distribution of hydrogen throughout Germany and is a key component for decarbonising German industry.

On 15 October 2024, the Federal Ministry for Economic Affairs and Climate Action (BMWK) presented the first climate protection contracts. The aim is to offer the companies receiving state funding a secure framework and planning security for the transformation. A total of 17 companies took part in the bidding process; 15 bids were accepted. The funds available of around € 2.8 billion are intended for companies in energy-intensive industries. Five of these companies plan to decarbonise their production with the help of hydrogen in the future. The BMWK plans to achieve savings of 17 million tonnes of CO₂ equivalents over the next 15 years through these contracts. The second bidding process was originally scheduled to begin at the end of 2024. However, climate protection contracts are financed by the Climate and Transformation Fund (KTF). Due to the close link to the federal budget, which had not yet been passed at the end of December 2024, and the collapse of the traffic-light coalition government, the future of climate protection contracts is still unclear. The BMWK is currently examining the feasibility of climate protection contracts. On 15 February 2024, the European Commission approved, under state aid rules, the third 'Hy2Infra' wave of the IPCEI Hydrogen programme as part of the funding opportunities provided by the 'Important Projects of Common European Interest' (IPCEI). This enabled the BMWK to issue funding approval notices to 22 projects on 15 July 2024 and to certify that one company could start work early. With 30 % co-financing from the participating federal states, the projects will receive € 4.6 billion in funding from the federal and state governments. A further € 3.3 billion will be provided by companies, bringing the total investment volume to € 7.9 billion by 2030. The funding covers, among other things, the installation of large-scale electrolyzers, the construction of hydrogen pipelines and the development of large-scale hydrogen storage facilities. The funded projects cover all areas of the hydrogen value chain and are closely interlinked.

The 'IPCEI Hy2Infra' project is supported by seven EU member states and its aim is to expand the hydrogen value chain. It involves investments of up to € 6.9 billion in public funding and € 5.4 billion in private investment. A total of 32 companies are participating in 33 projects, with Germany involved in 24 projects. Funding covers the installation of large-scale electrolyzers, the construction of hydrogen pipelines, the development of large-scale hydrogen storage facilities and the construction of transshipment terminals. The projects are expected to be completed between 2026 and 2029.

An early general election was held on 23 February 2025. A new government is to be formed as quickly as possible. The implications for energy policy developments in Germany are still unclear.

Business performance of the Group

National regulations

In 2022, OGE carried out the Federal Network Agency's cost examination procedure in accordance with section 6, para. 1 of the Incentive Regulation Ordinance (ARegV) to determine the base level as the basis for setting the revenue cap for the 4th regulatory period. In a letter dated 27 July 2022, the Federal Network Agency informed OGE of the cost level for the 4th regulatory period. This cost level and the respective benchmark calculation for determining standardised capital costs were the basis for the Federal Network Agency's efficiency benchmarking pursuant to section 12 ARegV. In a letter dated 8 February 2023, the Federal Network Agency informed OGE that its individual efficiency score for the 4th regulatory period (2023-2027) is 100 %. The hearing for the OGE revenue cap for the years 2023-2027 took place by letter dated 5 July 2024. A final notice on determining the revenue cap for the 4th regulatory period has not yet been issued, mainly due to the fact that the sectoral productivity factor for the 4th regulatory period has not yet been determined.

The annual balance of the regulatory account is not part of the decision on the revenue cap and is decided in a separate administrative procedure. By decision of 11 December 2023, the Federal Network Agency approved the regulatory account balance for the year 2018. The procedure for the 2019 to 2023 balances has yet to be completed.

Under section 9, para. 3 ARegV, the Federal Network Agency is required to determine the general sectoral productivity factor ("Xgen") before the beginning of each regulatory period using state-of-the-art methods. On 14 April 2022, OGE submitted the data required for calculating Xgen for the 4th regulatory period in accordance with the data collection requirements of Ruling Chamber 4 (decision of 7 July 2021). In its draft decision of 6 September 2023, the Federal Network Agency initiated the procedure for determining the gas Xgen. The draft proposes an annual Xgen of 0.75 % for the duration of the 4th regulatory period. At this point in time, the procedure has yet to be completed. The method applied in the procedure is, among other things, based on the efficiency benchmarking of the distribution and transmission network operators. The Federal Network Agency had already set the rates of return on equity for the 4th regulatory period on 12 October 2021. From 2023 onwards, the rate of return on equity (before corporation tax, after trade tax) is thus 5.07 % for new assets and 3.51 % for old assets (capitalised before January 2006). OGE lodged an appeal against this decision with the Düsseldorf Higher Regional Court. In its ruling of 30 August 2023, the Düsseldorf Higher Regional Court set aside the determination on the rates of return on equity and ordered the Federal Network Agency to make a new decision taking into account the court's legal opinion. The BNetzA lodged an appeal against the ruling of the Higher Regional Court of Düsseldorf with the Federal Court of Justice (BGH). On 18 December 2024, the Federal Court of Justice (BGH) ruled to set aside the decision of the 3rd Cartel Senate of the Düsseldorf Higher Regional Court of 30 August 2023. This confirmed the Federal Network Agency's determination of 12 October 2021 on the rate of return on equity (EK I) for gas and electricity network operators in the 4th regulatory period.

On 7 June 2023, the Federal Network Agency published a first key elements paper on the setting of the rates of return on equity for new assets in the capital costs premium. The planned determination was further detailed in a draft resolution on 22 November 2023 and finally adopted on 17 January 2024. The determination provides for a change to the calculation of the base rate for investments from 1 January 2024 in the capital costs premium (switch to annual adjustment instead of 10-year average). This results in a higher rate of return on equity in the capital costs premium. There are no plans to adjust the remuneration for existing investments or for investment measures (IMA) and biogas feed-in plants. OGE has lodged an appeal against this determination with the Düsseldorf Higher Regional Court. The hearing is scheduled for mid-2025.

On 29 December 2023, the "Act to Adapt Energy Industry Law to Union Legal Requirements and to Amend Further Energy Regulations" came into force, bringing with it further extensive amendments to the Energy Industry Act (EnWG) alongside regulations for the planning and construction of an initial nationwide hydrogen core network. In this context, the BNetzA will be given more extensive decision-making authority and greater independence in shaping the national regulatory framework in future. The provisions regulating grid access and fees, which were previously largely set by the German legislator, will, in future, be replaced by the BNetzA's own determinations.

The BNetzA has set up a 'Grand Ruling Chamber for Energy' (GBK) for this purpose in accordance with section 59, para. 3 EnWG. The Gas and Electricity Grid Access Ordinances will both cease to have an effect on 31 December 2025, the Gas and Electricity Grid Fee Ordinances at the end of the 4th regulatory period on 31 December 2027 (gas) and 31 December 2028 (electricity) respectively and the Incentive Regulation Ordinance (ARegV) on 31 December 2028. Against this background, the Federal Network Agency published a key elements paper with amendment proposals on 18 January 2024 and launched a comprehensive discussion process. Possible amendments to the incentive regulation for electricity and gas network operators relate, for example, to the length of the regulatory periods, the methodology for efficiency benchmarking, provisions regarding permanently non-controllable cost components, the adjustment of imputed useful lives in the gas sector and the system for calculating capital costs.

The BNetzA envisages a three-level system of determinations for this purpose, consisting of framework, methodology and individual determinations. The framework determinations (level 1) define the key characteristics of the regulatory systems, i.e. which regulatory principles and objectives regulations should pursue, for example that there should be a system of incentive regulation and which parameters would need to be determined for this. On this basis, the methodology determinations (level 2) specify the methods for determining these parameters, for example for calculating efficiency scores or rates of return on equity. Finally, the individual determinations (level 3) contain decisions relating to individual companies or periods, such as individual revenue caps or productivity factors, which are derived from the preceding levels.

In the course of 2024, several expert hearings were held with the industry and other stakeholders on individual methods and parameters of the regulatory system in order to prepare the determinations to be made. On 16 January 2025, the GBK published extensive consultation documents on the most materially significant procedures, along with an initial interim and opinion status for each. The draft determinations are expected to be available in mid-2025, with the final determinations not expected until the end of 2025 at the earliest. Further discussion meetings with the industry are scheduled to take place in 2025.

In the proceedings for the determination of a regulatory framework and methods for incentive regulation for electricity and gas distribution system operators and gas transmission system operators (RAMEN), key rules are to be set for future incentive regulation. These include determining the duration of the regulatory period, the design of important regulatory tools, such as efficiency benchmarking, the productivity factor and a mechanism for taking into account changes in operating costs in the 5th regulatory period, as well as the flat-rate determination of the capital costs and the definition of special cost categories.

The BNetzA is considering shortening the regulatory period to three years in future, with a transitional period of five years still to apply to the upcoming 5th regulatory period. In addition, it is planned that, in future, when adjusting the revenue caps, the escalation term 'inflation less Xgen' will only be applied to operating expenditure (OPEX). The previous efficiency parameters Xgen and Xind (individual efficiency value) are to be retained, while application of efficiency benchmarking at the level of gas transmission system operators (TSOs) is to be examined separately.

As part of the proceedings to determine fees under the Electricity and Gas Network Tariff Ordinances (StromNEF and GasNEF), the BNetzA published the key contents of the planned regulations. They relate to the determination of the starting level as the basis for the revenue cap. Among other things, it is planned to change the regulatory interest base in future to a pure real capital maintenance approach when using the capital maintenance method.

From the 5th regulatory period onwards, the capital costs are to be determined on a flat-rate basis using a WACC (Weighted Average Cost of Capital) system. To this end, the

BNetzA has commissioned an expert opinion from Frontier Economics and Professors Randl and Zechner on various methodology issues and published an initial preliminary interpretation of the results. The expert opinion forms the scientific basis for the methodology to determine the WACC interest rates, including the rate of return on equity and the interest rates on debt capital, as well as the capital structure to be taken into account. In the next step, the methodology is to be set by the end of 2025, while the specific valuation will result from the subsequent individual determinations.

On 17 October 2024, the Grand Ruling Chamber for Energy (GBK) initiated a procedure to determine the methodology for efficiency benchmarking of electricity, gas distribution and transmission system operators. The central question in determining this methodology is how the specifics and future requirements in the gas sector can be adequately taken into account in the future design of efficiency benchmarking. To this end, the BNetzA has commissioned an expert opinion, which is expected to be published in Q1 2025. The background to this is that, due to developments and transformation processes that vary greatly in terms of region and time, the demands on and uses of gas networks will also vary considerably. The BNetzA currently considers a continuation of the efficiency benchmarking for the natural gas sector to be appropriate, taking into account necessary modifications. As far as the electricity sector is concerned, the aim is to continue using the previous models (DEA (data envelopment analysis) and SFA (stochastic frontier analysis)). Even if the BNetzA considers it possible that there may be justified methodology differences between the gas and electricity efficiency benchmarkings if the gas efficiency benchmarking is continued, it is likely that the existing models will be continued, also for the natural gas sector. In addition, the amended European Gas Single Market Regulation (Regulation (EU) 2024/1789) provides for the application of European efficiency benchmarking (taking into account national circumstances) for gas transmission system operators.

On 6 March 2024, the BNetzA consulted on a key elements paper on adjusting the depreciation methods for gas networks. On 25 September 2024, the final determination ('KANU 2.0') was issued to adjust the calculated useful lives of gas networks, providing for a more flexible regulatory useful life and depreciation methodology that also allows for the full amortisation of investments made in existing assets up to 2045.

The joint core network application submitted in accordance with the EnWG amendment of 12 April 2024 was approved by the BNetzA on 22 October 2024. With this approval, OGE, as the operator, is subject to the regulatory requirements of sections 28k to 28o EnWG, while the EnWG amendment also established the legal basis for the funding of the hydrogen core network. The funding plan essentially comprises full funding through uniform network tariffs throughout Germany, which are, however, capped at the beginning of the market ramp-up of hydrogen. In the early phase of market ramp-up, the capping of the ramp-up fee will lead to a difference between the hydrogen core network operators' costs that can be recognised by the regulator as a result of new investments and conversions and the lower turnovers from network fees due to the initially lower number of shippers. These annual differences are to be posted to an amortisation account and temporarily financed by the account-holding agency, H₂ Amortisationskonto GmbH (AMKG), jointly commissioned by the hydrogen core network operators. The interim financing of the amortisation account is based on a loan agreement concluded between AMKG and KfW on 26 November 2024. AMKG will pay out the annual differences to the hydrogen core network operators at the end of the first quarter of each year in the form of non-repayable grants under private law. The relevant agreements were concluded on 24 February 2025. If more network users are connected at a later date and the revenues from network fees exceed the costs for network development and operation that can be recognised by the regulator, the previously incurred shortfall in the amortisation account is to be gradually made up with these additional revenues.

If hydrogen ramp-up is much slower than forecast or even fails for reasons that cannot be foreseen today, the state is to provide subsidiary cover, with the operators of the hydrogen core network contributing a certain percentage of the shortfall amount. In this regard, the European Commission examined the funding plan under state aid rules on 21 June 2024 and approved it for the funding of the hydrogen core network.

In connection with the funding framework standardised in the EnWG, the GBK issued a determination on 6 June 2024 regarding the provisions for the creation of the network fees to be levied for access to the hydrogen core network and for the establishment of an amortisation mechanism ('WANDA') that is effective for a certain period of time. On 30 June 2024, OGE submitted an application for approval of the costs of hydrogen network operation for the 2025 planning year and the start-up costs for the years 2020-2024 in accordance with section 29, para. 1 and section 28o, para. 1, sentence 4 EnWG in

conjunction with section 14 of the Hydrogen Network Tariffs Ordinance (WasserstoffNEV). This application was ruled on by Ruling Chamber 9 in its decision of 24 November 2024. OGE filed an appeal against this decision with the Düsseldorf Higher Regional Court on 20 December 2024.

On 23 August 2024, the Grand Ruling Chamber of the Federal Network Agency opened proceedings to determine the ramp-up fee for the hydrogen core network. The determination will set a uniform nationwide fee that will apply at all entry and exit points of the hydrogen core network from 2025. The aim of this network fee is to incentivise market ramp-up while also ensuring monetary balancing of the amortisation account by 2055 at the latest. Regular review of the ramp-up fee and adjustment for inflation will be incorporated in the system and within the BNetzA's authority to determine.

Network development plan and market area conversion

Both European and national regulations require the network operators to draw up plans which determine future network expansion requirements and set out the plans for network expansion. In line with the provisions of the Energy Industry Act (EnWG) amended in 2024, transmission system operators (TSOs) and operators of regulated hydrogen transport networks have to jointly prepare a network development plan (NDP) for gas and hydrogen in each uneven calendar year. In every even year, starting in 2024, the TSOs and the regulated operators of hydrogen transport networks have to prepare a scenario framework for the network development plan for gas and hydrogen and submit it to the coordination body (KO.NEP) defined in section 15a, para. 2 of the German Energy Industry Act (EnWG).

On 22 December 2023, the TSOs were sent the BNetzA's request for changes to the Gas NDP 2022-2032. The TSOs incorporated the amendment requests in the final gas network development plan (NDP) 2022-2032 published on 20 March 2024. This marked the end of the Gas NDP 2022-2032 process. The final Gas NDP 2022-2032 provides for network expansion for the LNGplus C supply security variant requiring an investment volume of some € 4.1 billion. This would involve the expansion of the gas transmission network by approx. 925 km and the installation of an additional 149 MW of compressor capacity by 2032. OGE's share of the investment volume is some € 0.75 billion.

On 1 July 2024 and therefore by the deadline set, KO.NEP submitted the draft scenario framework for gas/hydrogen for the Gas and Hydrogen Network Development Plan 2025 to the Federal Network Agency for approval. The Federal Network Agency began consultation on the draft scenario frameworks for gas/hydrogen and electricity on 2 September 2024. The consultation ended on 30 September 2024. This was the first time that consultations on the two scenario frameworks were held at the same time to enable simultaneous consideration of the developments towards a climate-neutral energy system in Germany. The TSOs are considering a total of four scenarios in the gas/hydrogen scenario framework. Three scenario-based approaches, which are based on the BMWK long-term scenarios, consider the target years 2037 and 2045. A demand-oriented scenario considers the target years 2030 and 2037.

One of the key input variables for the scenario framework was the first joint survey by the electricity transmission and gas transmission system operators on infrastructure requirements for electricity and hydrogen. As part of this survey, information on future hydrogen production, storage and use, as well as information on the electricity consumption of large-scale consumers, was collected from individual market participants and distribution network operators (DNOs) between 7 February and 22 March 2024.

Furthermore, the German TSOs published the interim report on L-gas to H-gas conversion on 23 April 2024. The interim report 2024 goes into detail on the challenges of the L-gas to H-gas conversion plans (market area conversion). For example, part of the German gas market is supplied with L-gas that comes solely from German and Dutch deposits. The other deposits available in Germany supply H-gas. For technical and calibration reasons, H-gas and L-gas are transported in separate systems. Due to the steady decline in German and Dutch L-gas production, the conversion of the relevant areas to H-gas is an important element in maintaining gas supply security. The changeover to H-gas means that all gas appliances in the relevant area have to be adjusted to the higher calorific value of H-gas. In accordance with section 19a EnWG, the TSOs spread the cost of this work over the whole of Germany by means of a separate charge.

As part of the plans to switch over from L-gas to H-gas, L-gas volume and capacity balances are set in the interim report 2024. In these volume and capacity balances, forecasts for the development of demand and supply are compared, taking into consideration the changeover from L-gas to H-gas and declining L-gas production. Consultation with Task

Force Monitoring L-Gas Market Conversion set up by the Dutch Ministry of Economic Affairs ensured that the decrease in annual L-gas production in the Netherlands is in line with the planning assumptions on L-gas demand in Germany made in the interim report 2024.

A major element in the switch-over from L-gas to H-gas is the expansion of the existing gas transmission network in order to permit both the connection of the areas currently supplied with L-gas to H-gas sources and a step-by-step changeover. In 2024, the conversion process at OGE affected 13 distribution network operators and 22 directly connected industrial customers in North Rhine-Westphalia and Lower Saxony. All network expansion measures necessary for the changeover from L-gas to H-gas in 2024 were commissioned on time so all switches were carried out as planned in 2024. According to current plans, OGE will have completed conversion to H-gas by 2029.

Technology

In 2024, OGE performed various measures to upgrade and expand its technical infrastructure. They included work carried out by Mittel-Europäische-Gasleitungsgesellschaft mbH & Co. KG (MEGAL), Essen, Trans Europa Naturgas Pipeline GmbH & Co. KG (TENP), Essen, Mittelrheinische Erdgastransportleitungsgesellschaft mbH (METG), Essen, Nordrheinische Erdgastransportleitungsgesellschaft mbH & Co. KG (NETG), Dortmund, and ZEELINK GmbH & Co. KG (ZEELINK), Essen, which are integrated in the OGE network.

In 2022, OGE was awarded the contract for the planning, construction and operation of the Wilhelmshaven connecting pipeline (WAL). The 26-km pipeline runs partly through farmland, which was returned to the owners in a restored condition after the recultivation work was completed at the end of November 2024.

In October 2024, the early start of construction was approved for the Etzel-Wardenburg pipeline project (approx. 60 km, internal diameter (DN) 1200), made possible by the LNG Acceleration Act. The pipeline will be used in particular for the onward transport of the LNG delivered in Wilhelmshaven and will be connected to the already completed Wilhelmshaven connecting pipeline. Planning approval and the start of construction for the associated Wardenburg-Drohne pipeline (approx. 90 km, DN 1000) are expected in mid-2025.

The planning approval documents for the NDP Heiden–Dorsten pipeline project (HeiDo) (approx. 17 km, DN 500) have been submitted to the district government of Münster. The pipeline is also suitable for transporting hydrogen in future. The planning approval procedure for the NDP Marbeck–Heiden pipeline project (MaHei) (approx. 1.5 km, DN 600) is already underway. The planning approval decisions for MaHei are expected at the end of September 2025 and for HeiDo in October 2025. Commissioning is planned for 2026.

On the basis of the results of extensive investigations, in November 2019, TENP, a pipeline company of OGE and Fluxys TENP GmbH, Düsseldorf, decided that the parts of the TENP I Boxberg-Wallbach pipeline section sheathed in Polyken would not be put back into service again. The Mittelbrunn–Klingenmünster section (approx. 51 km, DN 1000) and Schwarzach–Eckartsweier (28 km, DN 1000) section were commissioned as planned in 2024. Work in preparation for the pressure test in the southern section Hügelheim–Hüsingener (31 km, DN 1000) progressed in the fourth quarter of 2024. Commissioning is planned for the second quarter of 2025.

As part of condition-based maintenance, old pipelines in the OGE network were rehabilitated in 2024, particularly in North Rhine-Westphalia. In addition, numerous existing pipelines in Germany were re-routed.

To complete the transport system of ZEELINK, a pipeline company of OGE and Thyssen-gas GmbH, Dortmund, a compressor station in Legden was put into operation as planned in August 2024. The ZEELINK transport system thus includes compressor stations in Würselen (3 x 13 MW) and Legden (2 x 13 MW), a natural gas pipeline from Lichtenbusch to Legden (approx. 215 km, DN 1000) as well as four gas pressure regulating and metering stations (GPRM stations) and a gas pressure regulating station (GPR station).

At the end of 2024, the first conversion of an OGE gas pressure regulating and metering station (GPRM) to hydrogen operation in Legden passed technical inspection. The inspection confirmed that the station now meets all the necessary safety and quality standards for hydrogen transport. The GPRM system in Legden forms the connection to the Evonik pipeline FG 7 in the H2 Nucleus network and thus enables the transport of hydrogen in the direction of Gelsenkirchen.

As part of the L/H-gas conversion project, which is scheduled to run until 2029, OGE is planning and constructing gas pressure regulating and metering stations and associated natural gas pipelines that will serve to connect the L-gas areas to H-gas transport systems. Numerous GPRM stations and pipeline sections are being converted or built. All network expansion measures required in 2024 for conversion from L-gas to H-gas were put into operation on schedule.

A hydrogen training track was designed to train employees in the operational handling of hydrogen plants. The construction work at the Werne site was completed in 2024 and cold commissioning was successfully carried out, i.e. various tests without the final process medium hydrogen were successfully completed and confirmed that the plant is working properly. This will be followed by the hot commissioning with hydrogen as the process medium. Completion of commissioning and start of the first training courses is planned for 2025.

The KRUH2 project at the Krummhörn site demonstrates the possibilities of sector coupling. The 1 MW electrolyser installed there generates around 18 kg of hydrogen per hour from excess capacities of renewable electricity. This hydrogen is stored temporarily at the site and used here for the heat supply and refuelling of hydrogen vehicles. Both the technical project and the associated digital twin, which collects and analyses data relevant to the production of hydrogen and provides an estimate of the economic viability of hydrogen production, were completed in the summer of 2024.

The hydrogen feed-in plant in Haren was completed and commissioned in mid-2024. The project includes the production of hydrogen from wind energy (67 MW, 16 wind turbines) and the storage of excess energy in batteries (4 MWh). A hydrogen refuelling station for cars and agricultural vehicles with an e-charging station is also part of the project. The hydrogen produced is fed into the OGE natural gas network.

At the beginning of 2024, OGE commissioned the TransHyDE H2 laboratory in Essen, which is the only one of its kind in Germany. In this laboratory, process gas chromatographs from different manufacturers are tested with test gases to determine their H₂ suitability. The TransHyDE project is one of three hydrogen lighthouse projects funded by the Federal Ministry of Education and Research.

The planning approval applications for the first new construction projects for the hydrogen core network – the Wilhelmshaven-Küsten pipeline (WKL, 10 km, DN 1000), the Nordsee-Ruhr Link I (21 km, DN 1400) and III (60 km, DN 1200) and the Eynatten-Weisweiler pipeline are to be submitted in 2025. Construction is scheduled to begin in 2025 (WKL), 2026 (North Sea-Ruhr Link I and III) and 2027 (Eynatten-Weisweiler).

As part of the development of a central hydrogen core network in Europe by the GET H2 Initiative, work continued on converting the Emsbüren-Bad Bentheim pipeline (pipeline 13/5) and Bad Bentheim-Legden pipeline (pipeline 13) from gas to hydrogen operation. The pipeline section between Emsbüren and Legden is to be put into operation for the transport of hydrogen from the spring of 2025. Follow-up work on the Legden-Dorsten pipeline section is planned for 2026. As part of the GET H2 initiative, preparatory measures for the first OGE newly built H₂ pipeline, Heek-Epe (HEp), have begun and a double tap to pipeline 13 has been connected. The planning approval documents for the new hydrogen pipelines Dorsten-Marl (DoMa) (approx. 9 km, DN 300) and Dorsten-Hamborn (DoHa) (approx. 42 km, DN 600) were submitted in mid-2024. Construction of both projects is scheduled to begin at the end of 2025.

A liquefaction plant for the withdrawal of bio-methane from the OGE network and the subsequent liquefaction of bio-liquified natural gas (bio-LNG) is being built for the OGE affiliate bioplus LNG GmbH, Röthenbach an der Pegnitz. Bio-methane will be fed into the transmission pipeline network at various points in the gas network and, after withdrawal and liquefaction in Renzenhof, marketed as bio-LNG. The bio-LNG is to be used as a renewable fuel in heavy goods transport and will contribute to the minimisation of greenhouse gas emissions. OGE will not only provide the planning services but will also operate the plant in future on behalf of the company. Commissioning is scheduled for 2025.

In line with national and international climate protection targets, such as the Paris Agreement (COP21) and the goal of achieving net zero in Germany by 2045, OGE is already contributing to this target by using renewable electricity and by implementing projects for the future transport of hydrogen and CO₂. A demand-oriented OGE CO₂ network is necessary to decarbonise industrial sectors with unavoidable or difficult-to-avoid CO₂

emissions by means of CCU/CCS (Carbon Capture and Utilisation/Carbon Capture and Storage). Examples of such sectors are cement, lime production and thermal waste treatment. OGE continued to develop its planned CO₂ network significantly in 2024. Among other things, a project with the cement manufacturer Holcim in Lägerdorf was started this year. The aim of the 'Carbon2Business' project is to capture and transport approx. 1.2 million tonnes of CO₂ for the purpose of CCU.

Occupational health and safety have top priority in the VGT Group. The Group aims to continually reduce the number of accidents and other harmful effects on the health of its own employees and those of partner companies and to further improve work ergonomics and occupational health. The 2024 financial year marked a further successful step on this path. As forecast, the targets set for the 2024 financial year were met. The number of work-related accidents, measured by the TRIFcomb¹, is in line with the long-term average and, taking into account the proportion of activities with increased risk (construction activities), continues to decrease. As in the previous year, this indicator remained at a low level of 3.6 (previous year: 3.2). In the previous year, the TRIFcomb was forecast to be below 4.0. Furthermore, the target of 550 site inspections by management was exceeded in 2024 (739 inspections completed, previous year: 738). The external auditors of the occupational health and safety management system again noted a further improvement in the safety culture. Activities in the field of HSE sub-contractor management were stepped up, particularly in the major new build projects.

¹ Total number of work-related accidents (accidents at work and on the way to and from work) of own employees and sub-contractors' employees requiring medical treatment and/or involving lost time per one million hours worked.

Net assets, financial position and results of operations of the Group

Net assets, financial position and results of operations of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC), the interpretations of the International Accounting Standards Board (IASB) as well as the commercial provisions to be applied in accordance with Section 315e (1) HGB.

Financial and non-financial performance indicators

The most important financial performance indicators in the Group are:

- EBITDA (earnings before financial result, tax, depreciation and amortisation – including income from equity investments and income from companies accounted for using the equity method) and
- Investments (CAPEX) – defined as additions to intangible assets, additions to property, plant & equipment and additions to financial assets less additions for CO₂ emission rights and additions to leases.

The most important non-financial performance indicators in the Group are:

- the number of work-related accidents, measured in terms of TRIFcomb and
- the number of site inspections completed by management².

Net assets

As of 31 December 2024, the Group's total assets amounted to € 7,174.7 million (previous year € 6,678.6 million). Of this figure, non-current assets accounted for € 5,832.3 million as at the reporting date (previous year: € 5,645.6 million).

This results in a net debt-asset ratio of 69.9 % (previous year: 65.3 %; detailed breakdown in the notes to the consolidated financial statements). Of the external funds, 3.2 % relate to provisions, 84.2 % to liabilities and 12.6 % to deferred tax liabilities. Financial liabilities contained within liabilities amount to € 4,234.3 million (previous year: € 3,650.8 million). The majority of these liabilities (€ 3,731.1 million; previous year: € 3,232.7 million) relate to bonds issued by VGT. Furthermore, miscellaneous financial liabilities resulted primarily from liabilities of the pipeline companies MEGAL and TENP to banks.

Financial position

Capital structure

Since 1 January 2013, there has been a profit-and-loss transfer agreement with VGS, under which VGT undertakes to transfer its entire profit to VGS and VGS undertakes to offset any losses sustained by VGT. The agreement was concluded for a period of five years and is then extended by periods of one year if it is not terminated. Furthermore, since 1 January 2013, VGT and VGS have formed a tax unit for corporate and trade tax purposes, according to which VGS is the controlling company and VGT the controlled company. VGT and VGS also concluded an income tax allocation agreement to allocate to VGT the taxes on income incurred by VGT in its commercial operations. VGT recognises an income tax charge that VGT would have incurred if it had not formed a single tax unit with VGS.

In the 2013 financial year, VGT placed three bond tranches with a total volume of € 2,250.0 million on the capital market for the first time. Bonds with a total volume of €3,000.0 million have been placed in the financial years 2018, 2019, 2022 and 2024, while bonds with a total volume of € 1,500.0 million were repaid on maturity in the financial years 2020 and 2023. At the end of the 2024 financial year, the total outstanding nominal value of VGT bonds was thus € 3,750.0 million. The bond issued in November 2024 with a volume of € 500.0 million served to provide early refinancing for a bond maturing in June 2025 with a volume of € 750.0 million.

² Instrument used by managers to fulfil their duty to monitor occupational health and safety.

A credit line of € 600.0 million taken out by VGT in September 2023 with an initial tenor until 2028 was extended by one year in the 2024 financial year to mature in 2029. OGE is also a borrower under the loan and therefore entitled to use the credit line. As at the reporting date, the credit facility had not been drawn.

This credit line includes three ancillary facilities in the amount of € 20.0 million, € 10.0 million and € 1.5 million. The first serves as an overdraft facility for the OGE cash pool and the second as an overdraft facility for VGT. The remaining third ancillary facility is reserved for sureties (e.g. guarantees) provided by OGE. As at 31 December 2024, only the ancillary credit line in the amount of € 1.5 million had been utilised for the issuing of bank guarantees in the amount of € 0.4 million (previous year: € 0.4 million). OGE has had a further surety credit line in the amount of € 10.0 million since August 2020. As at 31 December 2024, € 2.1 million of this facility had been utilised for the issuing of guarantees.

In the 2018 financial year, a Euro Commercial Paper Programme with a total volume of € 500.0 million was set up to provide additional cover for short-term liquidity requirements. This Euro Commercial Paper Programme was replaced in the 2021 financial year by a Short-Term European Paper Programme (STEP) in the amount of € 500.0 million, which was updated in the 2024 financial year. There were no commercial papers outstanding as at the balance-sheet date.

Given the tenors of the bonds maturing in 2025, 2027, 2028, 2029, 2031, 2032 and 2034 as well as the RCF maturing in 2029 and the Euro Commercial Paper Programme as a further source of short-term financing, VGT has overall a balanced liquidity profile with broadly diversified maturities.

In order to cover its obligations arising from pension entitlements, OGE uses a Contractual Trust Agreement (CTA). The trust fund set up in this connection is managed on a fiduciary basis by Helaba Pension Trust e. V. (Helaba), Frankfurt am Main. Plan assets at Helaba have been netted with the corresponding pension obligations in the consolidated balance sheet. In the 2024 financial year, no sums were added to the plan assets for pension obligations; an amount of € 17.0 million was added to the long-term working-time accounts at the end of the year.

Investments

Overall, additions to non-current assets totalled € 436.8 million in the 2024 financial year (previous year: € 418.0 million).

Of this figure, CAPEX accounted for € 427.9 million (previous year: € 380.6 million), which was, as forecast in the previous year, significantly above the forecast of the previous year. CAPEX can be reconciled as follows:

€ million	31 Dec. 2024	31 Dec. 2023
Intangible assets	18.1	46.4
Property, plant and equipment	386.1	347.0
Financial assets	32.6	24.6
Total additions	436.8	418.0
Less additions CO ₂ emission rights	-3.0	-32.8
Less additions leases	-5.9	-4.6
CAPEX	427.9	380.6

OGE accounted for € 250.4 million of the Group's total investments in property, plant and equipment. OGE invested € 149.9 million (previous year: € 126.1 million) in expanding and upgrading pipelines. This figure includes € 67.5 million for the construction of the first section of a gas supply pipeline between Etzel and Wardenburg and € 28.7 million for the construction of the second section between Wardenburg and Drohne to create additional transport capacities for the onward transport of LNG volumes from Wilhelmshaven. € 5.7 million was invested in the start of the construction of the new section from Bunde to Wetringen, the Nordsee-Ruhr-Link III pipeline.

€ 12.0 million was invested in the construction of the new GPRM station in Drohne and € 7.7 million in conversion of the Werne station to adapt the L-gas transport system for the step-by-step switch-over to H-gas. These modifications to the L-gas transport system include adjustments to the pipeline route as well as changes to and the addition of piping, valves and GPRM technology.

MEGAL accounted proportionately for investments of € 14.6 million in property, plant and equipment. These investments mainly related to the renewal of the control and energy systems at the compressor station in Gernsheim and automation of route reversing at the

Medelsheim station. The pro-rata TENP investments amount to € 88.7 million, the majority going into the expansion of the TENP III network. Projects at ZEELINK accounted for a further € 22.1 million of Group investments and were mainly for construction of the new compressor station in Legden.

Liquidity

Cash and cash equivalents totalled € 650.1 million as at 31 December 2024. Compared with the previous year, cash and cash equivalents increased by € 31.6 million.

In the 2024 financial year, the Group generated cash flow from operating activities in the amount of € 366.2 million (previous year: € 927.8 million). Cash flow from investing activities totalled € -647.0 million (previous year: € 136.2 million). Cash flow from financing activities totalled to € 312.4 million (previous year: € -908.7 million). Further details are given in the notes to the consolidated financial statements.

Results of operations

In order to provide a better analysis of the Group's situation, the Group's main earnings drivers and key figures of the consolidated income statement are compared with the prior year's figures and forecast.

With effect from 1 January 2024, OGE adjusted the uniform transport tariffs for entry and exit. Compared with the previous year, the fee for the booking of firm, freely allocable entry and exit capacities in the THE market area was some 15.4 % lower. The uniform network fee applicable from 1 January 2024 for firm, freely allocable transport capacity is based in particular on a lower forecast for the cost of fuel gas and electricity, on the changes in forecast capacity booking behaviour and on the TSOs' allowed revenues approved by the Federal Network Agency for 2024.

As forecast in the previous year, total output (calculated as the total of the following line items in the income statement: "Revenues", "Change in finished good and work in progress", "Other own work capitalised" and "Other operating income") is significantly below the previous year's level. The main item of total output is total revenues. Overall, the Group's total revenues in the 2024 financial year decreased by -31.3 % to € 1,133.1 million (previous year: € 1,648.3 million), which is mainly due to significantly lower revenues from the gas transport business. Total revenues consist solely of revenues from the gas transport business and from the other services business. Revenues from the gas transport business and transport-related services amounted to € 985.3 million in the 2024 financial year (previous year: € 1,511.4 million).

Revenues from the gas transport business were € 155.0 million below the expected revenue cap allowed under section 4 of the Incentive Regulation Ordinance (ARegV). The shortfall in revenues is mainly due to the fact that the marketing of transport capacities remained below expectations due to a change in market behaviour. On the other hand, the volatile costs under section 11, para. 5, sentence 1, no. 1 ARegV are significantly lower than anticipated at the time the fees were determined (May 2023). The decrease is due to significantly lower volumes and lower energy purchase prices for fuel gas and electricity. The allowed revenue cap is, therefore, lower than the planned revenue cap. The resulting overall shortfall in revenue will be appropriately taken into account in the years 2027 to 2029 in accordance with the ARegV mechanism when the respective fees are determined. Revenues from the other services business amounted to € 147.8 million (previous year: € 136.9 million) and were above the forecast. In the previous year, revenues for the financial year were expected to be slightly below the level of 2023.

Cost of materials fell compared with the previous year by a total of € 26.6 million to € 465.6 million. The decrease is due in particular to lower expenses for emission rights and for fuel gas and electricity.

Personnel costs totalled € 222.6 million in the financial year (previous year: € 200.7 million).

Profit before tax fell compared with the previous year by € 517.3 million to € 148.9 million, largely as a result of the above-mentioned effects. The Group's net income amounted to € 106.2 million in the 2024 financial year and, as expected, was well below the figure for the previous year (€ 471.8 million). Compared with the previous year, the profit margin³ decreased by 19.2 percentage points to 9.4 %.

As a key internal control metric, EBITDA is defined as follows:

€ million	2024	2023
Income before financial result and taxes	188.9	697.1
Income from equity investments	5.5	13.0
Income from companies accounted for using the equity method	12.7	12.2
Depreciation and amortisation	226.7	224.2
EBITDA	433.8	946.5

EBITDA fell by € 512.7 million and was thus significantly below the previous year's level, in particular due to the sharp decline in transport revenue. This significant decline below the previous year's level is in line with the previous year's forecast.

The Group's financial result contained interest expense of € 80.0 million (previous year: € 89.9 million), which mainly reflects interest expenses under the VGT bonds and the pro-rata interest expense of the companies MEGAL and TENP (adjusted for capitalised borrowing costs).

Income taxes for the Group totalled € 42.7 million (previous year: € 194.4 million). This figure contains deferred tax income in the amount of € 40.7 million (previous year: expense € 141.8 million).

³ Definition: Consolidated net income for the year divided by revenues.

In summary, the Board of Managers believes that the Group's net assets, financial position and results of operations for the 2024 financial year are stable and secure, as forecast in the previous year.

Vier Gas Transport GmbH in accordance with HGB

Basic information on the company

VGT is a 100 % subsidiary of VGS.

The object of the company is the acquisition, holding, management and sale of equity investments in companies or their assets and any related action or measure as well as the provision of services of any nature to its subsidiaries, in particular, but not limited to, the provision of financial services.

VGT's principal equity investment is OGE.

The annual financial statements of VGT are prepared in accordance with the principles of the German Commercial Code (HGB).

VGT's results of operations and thus its annual profit or loss are primarily determined by the business performance of OGE due to the profit and loss transfer agreement concluded with the subsidiary as well as the single tax unit for income tax purposes and the resulting income from income tax allocations.

Net assets, financial position and results of operations of Vier Gas Transport GmbH

Financial performance indicators

VGT's most important financial performance indicators are:

- net income before profit transfer,
- income from equity investments,
- the financial result and
- free cash flow (calculated using the indirect method).

Results of operations

Net income before profit transfer amounted to € 444.7 million in the reporting year (previous year: € 193.9 million) and therefore increased significantly more than forecast. In the financial year, OGE transferred a total of € 495.4 million (previous year: € 250.8 million) to VGT, meaning that the income from equity investments is significantly higher than the previous year's forecast. As forecast, the financial result of € -67.9 million (previous year: € -76.8 million) is significantly higher than the previous year's figure. The net income for the year is also determined by expenses for Group tax allocations (€ 80.7 million; previous year: € 50.3 million).

Financial position

Since 1 January 2013, there has been a profit-and-loss transfer agreement with OGE, under which OGE undertakes to transfer its entire profit to VGT and VGT undertakes to offset any losses sustained by OGE. The agreement was concluded for a period of five years and is extended by periods of one year if it is not terminated. Consequently, the agreement was last extended as at 31 December 2024 by a further year. Since 1 January 2013, VGT and OGE have formed a tax unit for corporate and trade tax purposes, according to which VGT is the controlling company and OGE the controlled company. OGE and VGT have concluded an income tax allocation agreement to allocate to OGE the taxes on income incurred by OGE in its commercial operations. As a result of the

income tax allocations, OGE recognises an income tax charge that it would have incurred if it had not formed a single tax unit with VGT.

Cash flow is calculated using the indirect method. VGT generated operating cash flow of € 48.2 million from operating activities in the 2024 financial year (previous year: € 47.2 million). Cash flow from investing activities amounted to € 203.8 million (previous year: € 773.3 million). This mainly includes dividends received in the amount of € 543.8 million (previous year: € 228.8 million), cash outflows for time deposits of € -250.0 million (previous year: cash inflows of € 1.0 million) and additions to OGE's capital reserves in the amount of € -90.0 million (previous year: € 0.0 million). Free cash flow is the sum of cash flow from operating activities and cash flow from investing activities. This amounted to € 252.0 million (previous year: € 820.5 million) and was therefore significantly below the previous year's level, as forecast. Cash flow from financing activities amounted to € 271.1 million (previous year: € -972.6 million) and resulted from proceeds from the issue of a bond tranche in the amount of € 495.3 million (previous year: € 0.0 million), from dividends paid to VGS in the amount of € -348.9 million (previous year: € -123.0 million), from the contribution to the capital reserve by VGS in the amount of € 200.0 million (previous year: € 0.0 million) and from bond interest paid in the amount of € -75.3 million (previous year: € -98.8 million). Overall, cash flow amounted to € 523.1 million (previous year: € -152.1 million).

Net assets

VGT's total assets amounted to € 5,180.2 million as at the reporting date of 31 December 2024 (previous year: € 4,395.1 million), with the assets side consisting primarily of the book value of the equity investment in OGE (€ 4,301.8 million; previous year: € 4,211.8 million) and cash and liquid funds (€ 740.1 million; previous year: € 49.2 million). The change in total assets is primarily the result of time and overnight deposits amounting to € 691.0 million (previous year: € -717.1 million), deposits in money market funds amounting to € 80.0 million (previous year: € 0.0 million) and the contribution to OGE's capital reserve amounting to € 90.0 million (previous year: € 0.0 million).

In addition, invoices in the amount of € 22.0 million were accrued (previous year: € 20.2 million), which mainly relate to the discount on the bonds.

Liabilities mainly consist of long-term financial liabilities from bonds issued in the amount of € 3,750.0 million (previous year: € 3,250.0 million). In addition, shareholders' equity and liabilities include equity of € 1,125.6 million (previous year: € 925.6 million), resulting in an equity ratio of 21.7 % (previous year: 21.1 %).

In summary, the Management Board believes that the VGT's net assets, financial position and results of operations for the 2024 financial year are stable and secure.

Report on opportunities and risks of Vier Gas Transport GmbH

The expected business performance of VGT essentially depends on the performance of OGE and its equity investments. VGT's opportunity and risk position is therefore essentially governed by the same opportunities and risks as the Group.

The Group's opportunities and risks are presented in the section "Report on opportunities and risks".

Report on expected developments of Vier Gas Transport GmbH

VGT's net assets, financial position and results of operations are influenced, among other things, by the profit and loss transfer agreement concluded with its subsidiary OGE. As a result, the expected development of VGT therefore depends on income from equity investments and the OGE tax allocations. The expected development is also determined by VGT's financing activities.

For the 2025 financial year, net income before profit transfer and the income from equity investments are forecast to be significantly below the previous year's level.

The financial result is expected to be significantly below the previous year's level due to a planned increase in net debt.

In addition, negative free cash flow is expected, which is significantly below the level of the reporting year.

In summary, the Board of Managers still expects the company's liquidity position to remain stable and secure in 2025.

Features of the internal control system

The Group has a uniform accounting and reporting policy for the consolidated financial statements. This includes a description of the accounting and measurement methods to be applied in accordance with accounting regulations. Furthermore, there is a binding balance-sheet closing calendar.

In conjunction with the closing processes, additional qualitative and quantitative information relevant to accounting and the preparation of financial statements is compiled. Furthermore, dedicated quality assurance processes are in place for all relevant departments to discuss and ensure the completeness of relevant information on a regular basis.

The consolidated financial statements of the Group are prepared using SAP consolidation software in a multi-stage process. The ongoing accounting and annual financial statement preparation processes are divided into discrete functional steps. Automated or manual controls are integrated into each step. Defined organisational procedures ensure that all transactions and the preparation of the consolidated financial statements and annual financial statements are recorded on an accrual basis, processed and documented in a complete, timely and accurate manner. In addition, quality is assured using the four-eye principle.

The results of this quality-assured process, which is used for the preparation of quarterly and annual financial statements as well as for planning at regular intervals, are the basis of internal management reports, which are used for (Group) management purposes.

Report on opportunities, risks and expected developments of the Group

Report on opportunities and risks

The Group's opportunities and risks are determined by its main companies.

In its business operations, the Group is exposed to a large number of risks connected with its activities. In line with the requirements of the Corporate Sector Control and Transparency Act (KonTraG), the aim of the Group's internal risk management system is to use a management and control system to identify and record risks which might threaten the continued existence of the company and, if necessary, to take appropriate counteraction.

The basis for risk management is the opportunity and risk policy which is binding throughout the Group. Risk reporting is an integral part of the internal control system, thus ensuring the continual identification and evaluation of significant opportunities and risks.

As part of its corporate strategy, the Group examines long-term opportunities and risks, especially with a view to the transformation of the energy sector towards climate-neutral energy sources. In principle, OGE's risk exposure as a transmission system operator is limited by the current regulatory framework, in particular the regulation of revenues with the regulatory account mechanism. Potential long-term threats to the traditional natural gas transport business are offset by significant opportunities offered by the development of a transport infrastructure for hydrogen, synthetic gases and CO₂. The Group has actively initiated a number of projects and supports the development of the necessary framework to open up future business activities in these areas. In the past years, the German TSOs have worked intensively on the development of a hydrogen infrastructure. After legislators and the BNetzA had established a regulatory framework for the development and operation of a hydrogen core network, OGE, together with other network operators, submitted an application to participate in a hydrogen core network in July 2024.

The construction of this network was approved by the BNetzA in October 2024 so the development of the hydrogen core network now begins.

Description of the opportunity and risk management process

The opportunity and risk situation of the Group is assessed and documented every six months in a standardised process. The Management Board and the Supervisory Board of the most important subsidiary, OGE, are regularly informed as part of this process. The aim of the process is to recognise significant opportunities and risks at an early stage and – wherever possible and necessary – take action to mitigate risks.

A risk or opportunity is defined as an event which leads to a deviation from the mid-term planning, which covers a period of 5 years.

Risks are evaluated with regard to the probability of occurrence and possible net impact (i.e. maximum impact of the event on profit before tax and/or liquidity) and their cumulative impact over the 5-year period is reported to the Management Board. The reporting threshold per individual case is a cumulative net impact of € 10.0 million over the 5-year period. The net impact is defined as the monetary impact of the risk after allowance for any mitigation measures taken in the worst-case scenario (occurrence of risk). Risks with a probability of occurrence of more than 50 % are always included in the mid-term planning. In addition, potential opportunities are also recorded.

Risks in the order of magnitude of € 100.0 million and more in the above-mentioned period are considered to be significant. Risks of this order of magnitude are reported to the Management Board and the Supervisory Board of the most important subsidiary, OGE.

Significant risks

Significant risks are classified according to probability of occurrence and net impact as shown in the following table:

Probability of occurrence in %	low	≤ 5
	moderate	> 5 ≤ 20
	high	> 20
Cumulative net impact in € million over 5 years	low	≥ 100 ≤ 200
	medium	> 200 ≤ 300
	high	> 300

Regulatory framework: The risk position of the Group, in particular of OGE, is largely governed by the regulatory environment. As a regulated company, OGE's earnings position and earnings prospects are directly dependent upon decisions made by the regulatory authorities. Important parameters affecting regulated revenues are the approval of the cost base, return on equity, the general sectoral productivity factor and the company-specific efficiency factor. The decisions of the authorities affect the company's revenues, earnings and liquidity position. The net impact of this risk on the medium-term planning has increased to "medium" compared with the previous year, as the medium-term planning now includes a further year (2029) of the fifth regulatory period, for which there is still considerable uncertainty with regard to the regulatory parameters.

In addition to the regulated transport business, OGE has, since 2024, also been involved in the construction and future operation of the hydrogen core network in accordance with section 28j et seq. EnWG. In this new business field, OGE will also be directly dependent on the decisions of politicians and the regulatory authorities.

Probability of occurrence: moderate; net impact: medium

Technical plant and on-site conditions: Local site conditions change over the course of time (e. g. changed soil conditions due to erosion). As a result, measures to restore the original conditions may be necessary.

Probability of occurrence: low; net impact: low

Investment requirements: Due to the high volume of plant and machinery that the OGE business involves, additional investment requirements may lead to considerable additional funding requirements in the medium term. However, given that OGE operates in a regulated environment, these additional investments have to be weighed against opportunities that frequently arise from increases in transport revenues.

Market-driven price developments and additional measures that become necessary during the performance of a project and changes to the Network Development Plan or legal requirements (e.g. emission legislation) may lead to increases in the volume of investments. This is particularly true given the expected high level of investment in the hydrogen infrastructure. The probability of occurrence remains high due to the tense market situation. In view of global price volatility, there is a higher probability of occurrence with regard to additional investment requirements.

Probability of occurrence: high; net impact: high

Environmental events: External influences such as natural disasters may partly or completely destroy important plant (e.g. compressor stations), which may lead to temporary interruptions or a local outage preventing gas transportation. In addition to temporary losses of earnings, any necessary reconstruction work may require additional financing.

Probability of occurrence: low; net impact: low

Transport business operation: To ensure fault-free operation of the transport business, OGE applies high quality standards and sophisticated quality assurance concepts. Nevertheless, errors and resultant claims for compensation by customers cannot be entirely excluded.

Probability of occurrence: low; net impact: low

General interest rate risk: In principle, there is a risk of an increase in interest rates which would have a negative impact on the current interest expense of VGT. VGT mainly finances through the issuing of bonds with maturities between 10 and 15 years. As a result, VGT's interest expenses are largely stable. Additional financing requirements may arise, e. g. if bonds need to be refinanced at higher interest rates.

Probability of occurrence: moderate; net impact: low

Further risks

Information technology:

As part of the Group, OGE uses complex information technology (IT) to operate and control the pipeline network. There are increasing risks of cyberattacks, which could, in principle, lead to a failure of parts of the IT systems with a consequent temporary adverse effect on business activities. In addition to failure through deliberate, unauthorised modification (external access), there is also, in principle, the possibility of an impairment of functionality due to operating errors or faults in hardware and software components. This could affect both marketing systems and network control systems. In the worst case, a failure of the network control systems could lead to a total regional gas supply outage lasting several days.

Integrity breaches may also affect both the marketing and the network control systems. System errors or system failure may mean that proper handling of dispatching or transport capacity marketing can no longer be guaranteed. This may lead to claims for compensation by shippers.

OGE safeguards against these risks with redundant systems as well as comprehensive quality assurance and access protection systems. OGE is certified according to the BNetzA's IT security catalogue which is binding on all network operators. The legal requirements are met. Impacts that give rise to possible third-party claims are adequately covered by insurance. Above and beyond the requirements of certification, OGE uses external consultants to annually review the threat posed by risks in the IT environment.

Transport marketing:

Due to the regulatory account system, terminations of long-term capacity bookings only lead to temporary declines in revenues. Resulting revenue shortfalls in comparison to the approved revenue cap are recognised in the so-called regulatory account, bear interest and are balanced out through an adjustment of the calendar-year revenue cap in future financial years. There is therefore no sustained risk from fluctuations in demand. The syndicated credit line also minimises the liquidity risk.

Financial risks:

In the normal course of business, the Group is exposed to various financial risks: market risks (covering foreign exchange risks, interest-related risks due to changes in the fair value, interest-related cash flow risks and market price risks), credit risks and liquidity risks. The overarching Group risk management focuses on unforeseeable developments in the financial markets and its aim is to minimise the potentially negative effects on the Group's financial position. The Group uses derivative financial instruments to hedge certain risks.

Risk management is performed decentrally both by the Finance department of the service provider OGE and by the Investment Controlling department of the shareholders. Financial risks are identified, assessed and hedged in close cooperation with the Group's operational units. Owing to the very limited volume of transactions in foreign currency as well as the only occasional raising and securing of loans, the currency risks, interest rate risks and credit risks are handled and the use of derivative and non-derivative financial instruments is agreed on a case-by-case basis with the relevant bodies of the company affected.

Foreign currency risks may largely arise from procurement transactions with business partners outside the eurozone. When such non-euro-based procurement transactions are conducted, foreign currency forwards are used to hedge the foreign currency risk. Due to the very limited volume of transactions in foreign currency, the Group is currently only exposed to an insignificant foreign currency risk.

The Group's interest rate risks arise from long-term interest-bearing liabilities. The liabilities with floating interest rates expose the Group to interest-related cash flow risks which

are partly offset by bank balances with floating interest rates. The liabilities with fixed interest rates result in an interest-related risk arising from changes in the fair value.

The long-term focus of the business model basically means meeting a high proportion of financing requirements at fixed interest rates. In the Management's opinion, the Group therefore has an interest risk from long-term interest-bearing liabilities in addition to the refinancing risk fundamentally existing on expiry of loans. The liabilities with fixed interest rates basically give rise to a risk of higher financing costs when refinancing has to be performed in future.

In the Management Board's opinion, credit risks in the Group result from cash and cash equivalents, derivative financial instruments and deposits at banks and financial institutions as well as from the utilisation of credit facilities by customers involving outstanding receivables and transactions performed. In the financing area, the Group only works with banks with an independent rating given by the three big rating agencies. For cash investments, the rating must be at least "BBB+" to "A-" (Standard & Poor's, Fitch) or "Baa1" to "A3" (Moody's), while for borrowings, on average the rating must be at least "BBB" (Standard & Poor's, Fitch) or "Baa2" (Moody's) (the focus being on the "unsecured long-term rating" if available). The ratings of all banks as well as other indicators of credit standing (such as current prices of credit default swaps) are continuously monitored.

The Group generates the majority of its revenues from the marketing of transport capacities with a small number of key accounts. Key accounts are reviewed in regular credit assessments, using credit ratings from recognised credit agencies.

As long as the Group meets its duty of diligence in the general credit assessment of its customers, payment defaults of individual customers are balanced out as part of the regulated tariffication. Therefore, the credit risk from key accounts is only a temporary phenomenon.

In the past, there have been no significant payment defaults. The Management is also not expecting any defaults in future as a result of non-performance by these business partners.

The cash flow forecasts are prepared centrally for every major operating company and combined into a Group forecast. The Management monitors the rolling advance planning of the Group's liquidity reserve to ensure that sufficient liquidity is available to cover operational requirements and that unutilised credit facilities provide enough flexibility at all times. Such forecasts take into account the Group financing plans, compliance with loan agreements, the meeting of internal target balance sheet figures as well as, where applicable, external statutory or official requirements

Disclosures in accordance with section 315, para. 2, no. 1 HGB

There are foreign exchange risks for the VGT Group from procurement transactions with business partners outside the eurozone. If required, derivative financial instruments are concluded exclusively for hedging purposes. Owing to the very limited volume of transactions in foreign currency, the Group is currently only exposed to an insignificant foreign currency risk.

As at 31 December 2024, there were interest rate risks due to market interest rate fluctuations of the Euribor from floating-rate loans at the proportionately consolidated Group company, TENP, in the amount of € 146,0 million (nominal amount). These interest rate risks stem from credit line financing for capital expenditure (nominal volume € 125,0 million) and short-term working capital financing (nominal volume € 21,0 million). The variable financing for capital expenditure was hedged on 6 January 2025 using swap agreements as part of hedging relationships. The interest rate swaps are micro-hedges whose prospective effectiveness is ensured by matching maturities and volumes.

Opportunities

The main opportunities are from additional increases in efficiency compared with the approved revenue cap. However, due to the regulatory framework these are only of a temporary nature.

Moreover, possible changes in the regulatory framework and the new fields of business, H₂ and CO₂ transportation, may provide further opportunities for OGE.

The risk of higher network expansion obligations as a result of changes in the network development plan also presents, on the other hand, an opportunity for higher returns from additional investments.

Overall assessment of the opportunity and risk situation

In summary and as in the previous year, the Board of Managers sees no risks threatening the continued existence of the company as at the reporting date and for the forecast period and considers the Group's risk-bearing capability to be fully ensured.

Report on expected developments

When Russia's war of aggression against Ukraine began in 2022, the gas market in Germany was initially marked by great uncertainty – among other things due to an uncertain supply situation and changed transport routes – but the situation has eased noticeably over the last year. Despite initial uncertainties, the gas supply was kept stable through a combination of diversified sources of supply and targeted measures. The continuous expansion of the infrastructure for LNG imports contributed significantly to reducing dependence on individual supplier countries and strengthening energy security for the long term. OGE made an important contribution to this with the construction of the connecting pipelines WAL 1 and 2 at the LNG terminal in Wilhelmshaven. In 2024, the focus increasingly shifted towards achieving national climate targets and consistently implementing the energy transition. The year 2024 was largely characterised by intensive political and economic efforts to advance the transformation of the energy sector.

On 22 October 2024, the BNetzA approved the draft for the hydrogen core network submitted by the transmission system operators. This decision marks a crucial step in promoting the hydrogen market in Germany. The approval creates an important foundation for a nationwide hydrogen infrastructure that connects production, import and consumption centres. Conversion of the first pipelines is planned as early as next year.

Overall, the Board of Managers expects EBITDA to be above the level of the previous year. This is mainly due to a significantly higher total output than in the previous year, mainly due to revenues from the transport business forecast significantly above the level of the previous year, as well as revenues from other services slightly above the level of the previous year. In addition to a significant increase in revenues, only a slight increase in material and personnel expenses is expected compared to the previous year, but it remains difficult to reliably forecast expenses for the procurement of fuel, in particular the forecast of market prices for gas. Furthermore, a certain volatility in terms of consumption

quantities cannot be ruled out. Expenditure on fuel is recognised by regulation as so-called “volatile costs” and is compensated for via the regulatory account system.

CAPEX continues to be based on measures under the network development plan and extensive replacement investments. In addition, further extensive investments in the enlargement of the gas network to tie in LNG volumes are planned in 2025, in particular continued construction of a new gas supply pipeline between Etzel and Wardenburg as well as another section between Wardenburg and Drohne. Furthermore, extensive investments in the hydrogen core network are planned. The forecast for investments is therefore again high and well above the level in the reporting year.

Given the business model of OGE of a regulated transmission system operator, the Board of Managers expects the Group's assets, financial position and results of operations to remain stable in 2025.

In the field of occupational safety, the Board of Managers' aim is to continue the trend towards low numbers of work-related accidents and to further develop the safety culture. In addition, the Board of Managers aims to achieve a TRIFcomb below 3.9 and to carry out 550 site visits by the management. Appropriate measures to achieve this goal have been either put in place or continued.

Group Sustainability Report

1 General disclosures

Open Grid Europe GmbH (OGE) creates the infrastructure for a future worth living by planning, constructing and operating efficient infrastructure for natural gas, hydrogen (H₂) and carbon dioxide (CO₂). It offers innovative and affordable solutions for a successful energy transition and is a cornerstone of the future energy system in the heart of Europe. OGE is committed to the goals of the Paris Agreement on climate change and to the German climate change mitigation targets. It thinks long-term, demonstrating economic, ecological and social responsibility and seeks to contribute to a future worth living for the generations to come.

As a transmission system operator in accordance with the German Energy Industry Act (EnWG), OGE has been classified as an operator of critical infrastructures in Germany within the framework of the Ordinance on the Determination of Critical Infrastructures Pursuant to the Act on the Federal Office for Information Security (BSI-Kritis Ordinance). This gives OGE special responsibility to provide its services in line with requirements and without interruption. Therefore, the business success of OGE and its affiliated companies hinges largely on ensuring secure network operation.

OGE has an integrated management system. This system is based on the specifications and requirements of the relevant standards and laws and is designed to continuously guarantee and improve the quality, safety, environmental compatibility and information security of its business.

- The quality management system is based on DIN EN ISO 9001.
- The occupational safety management system conforms to DIN EN ISO 45001.
- The environmental management system is based on the requirements of DIN EN ISO 14001.

- The energy management system complies with the requirements of DIN EN ISO 50001.
- The technical safety management system is based on Code of Practice G 1000 of the German Gas and Water Industry Association (DVGW).
- The information security management system is based on DIN EN ISO 27001 in conjunction with the catalogue of IT security requirements under section 11, para. 1a of the German Energy Industry Act (EnWG).

OGE basically only operates in Germany in its own sector of activity. Most of the upstream and downstream value chain and other stakeholders are also subject to German law. All decisions and actions taken at OGE are therefore governed by German laws and standards.

1.1 Basis for preparation of the sustainability report

The Group sustainability report (hereinafter referred to as sustainability report) includes all material information necessary to understand the impacts of the Vier Gas Transport (VGT) Group's activities on sustainability matters as well as the information necessary to understand how sustainability matters affect the Group's development, performance and position. Sustainability matters in the context of this report include environmental and employee-related matters, social and human rights factors as well as governance factors.

The parent company VGT is essentially a holding company that holds the shareholding in OGE. The Group's business operations are conducted by OGE and its equity investments. Therefore, OGE has control of the Group's business operations.

The sustainability report therefore largely relates to the business activities of OGE, including the equity investments that are under the operational control of OGE. If subsidiaries are included in the analysis, the term used is the OGE Group; substantial deviations are expressly disclosed.

The sustainability report has been prepared to meet the non-financial statement requirements set out in Directive (EU) 2022/2464 of the European Parliament and of the Council dated 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and

Article 8 of Regulation (EU) 2020/852 as well as sections 315b and 315c in conjunction with sections 289b to 289e of the German Commercial Code (HGB). It has been prepared in full compliance with the European Sustainability Reporting Standards (ESRS) as a recognised European framework within the meaning of section 289d HGB. The first-time application of the ESRS as a framework is a departure from consistency. This is to reflect the importance of the ESRS as reporting standards adopted by the European Commission. The Group sustainability report includes the Group sustainability statement as required by ESRS.

The report examines in detail the sustainability matters relevant to the VGT Group in line with the ESRS. All aspects of section 315c, para. 1 HGB in conjunction with section 289c, para. 2 HGB are taken into account in this sustainability report. The specifications of DRS 20 under the CSRD Implementation Act also apply.

The report has been prepared on a consolidated basis. The scope of consolidation of the sustainability report is generally consistent with the scope of consolidation for the consolidated financial statements. However, the scope of consolidation is not completely identical. In the sustainability report, the scope of consolidation includes the business interests that are under operational control or are considered material for certain sustainability matters due to the size of their workforce.

OGE has operational control of sites of some of the equity investments and is therefore able to manage the operating activities of the business at these sites. The parts of the equity investments that are under the operational control of OGE are included in the sustainability report. By contrast, these equity investments are included in the scope of consolidation for the consolidated financial statements on a pro rata basis according to the ownership structure. Due to the different consolidation methods for the equity investments, the scope of consolidation for the sustainability report is significantly larger than for the consolidated financial statements.

In contrast to the scope of consolidation in the consolidated financial statements, the scope of consolidation also includes the sites of the equity investments Nordrheinische Erdgastransportleitungsgesellschaft mbH & Co.KG (NETG), and PLEdoc GmbH (PLEdoc). From the financial point of view, NETG and PLEdoc are of minor significance for the consolidated financial statements.

This scope of consolidation is referred to when the OGE Group is mentioned below.

The sustainability report takes into account the Group's own sector of activity as well as the upstream and downstream value chain. The OGE Group's value chain covers the activities, resources and relationships involved in providing gas transportation and other services. When assessing the impacts, risks and opportunities, the Group analysed both upstream actors that provide products or services (e.g. suppliers) and downstream actors (e.g. shippers) that use the services as well as its own business activities. The policies, actions, targets and metrics derived from this assessment also relate to the entire scope of this value chain.

The company does not make use of the option to omit in this report certain information relating to intellectual property, know-how or the results of innovations.

When preparing the sustainability report, it is necessary to make estimates and assumptions. The estimates are based on past experience and further insights into the relevant content. Estimates are particularly necessary when establishing the carbon footprint and reporting air pollutant loads as, in some cases, it is not technically possible to take measurements (e.g. when recording Scope 3 emissions) or values measured have to be converted. Estimates are also sometimes used to determine the occupational safety metrics and quantities of waste if precise recording is not possible.

VGT discloses estimates and uncertainties at relevant points in the report. OGE provides this information together with the corresponding approximations and judgements it has made so as to transparently present the sources of measurement uncertainty and the underlying assumptions and judgements.

The basic disclosures in this sustainability report are supplemented by references to the general section of the management report combined with the management report of the parent company VGT (hereafter: Group management report). The Group report on opportunities and risks is the referenced source in the combined management report.

Disclosure requirements	Sections in the sustainability report	Reference to (in parts)
ESRS 2 General disclosures		
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.3.4.4	“Report on opportunities and risks” in the general section of the Group management report
	1.3.4.5	
IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	1.4.1	“Report on opportunities and risks” in the general section of the Group management report
ESRS E1 Climate change		
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	2.2.3.1	“Report on opportunities and risks” in the general section of the Group management report
ESRS S4 Consumers and end-users		
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model.	3.3.1.2	“Report on opportunities and risks” in the general section of the Group management report

1.2 Governance

This section explains the disclosure requirements relating to the management of sustainability matters. The aim is to provide a comprehensive understanding of the processes, controls and mechanisms implemented to monitor, manage and oversee sustainability matters. In particular, it examines the role of the company's management and supervisory bodies, including their composition and diversity.

1.2.1. Role of the management and supervisory bodies

Due to the structure of the Group, management and supervisory bodies that have different areas of accountability and responsibility have been set up at various levels. The management boards listed below are the management bodies and the supervisory board of OGE is considered the responsible supervisory body.

The aim of the equal treatment programme, which is enshrined in the Third European Internal Market Package (3rd IMP), is to ensure the independence of transmission system operators (TSOs) from vertically integrated utilities (VIUs) and to avoid distortions of competition. This is achieved by unbundling the organisation, decision-making powers and performance of the transmission business. An independent TSO must have the necessary resources as an independent company and must not be exposed to any influence by a VIU. OGE's certification as an independent TSO by the Federal Network Agency on 2 December 2013 means that it is obliged to ensure this independence from the Vier Gas Group as the VIU in all relevant areas.

As an independent TSO in accordance with sections 10 et seq. EnWG, OGE has operational control and oversight of the business activities. In its capacity as the shareholder of OGE, VGT appoints the shareholder representatives on OGE's Supervisory Board. The Supervisory Board appoints OGE's Management Board. As the management body, the OGE Management Board, which is independent of the Vier Gas Group, manages and oversees the financial, technical, material and human resources necessary to perform its transmission system operation obligations. In this role, it is monitored by OGE's Supervisory Board as the responsible supervisory body. Pursuant to section 10d, para. 2 EnWG, the Supervisory Board has no decision-making authority with regard to the independent TSO's ongoing business operations and network management as well as the work necessary to prepare the ten-year network development plan. However, the Supervisory Board approves the annual (financial) medium-term planning. The members of the OGE Supervisory Board have the expertise required to make this decision. In this context, this expertise also relates to the material impacts, risks and opportunities of sustainability matters.

The VGT Management Board is regularly informed about sustainability-related developments in the OGE Group.

1.2.1.1 Composition of the management and supervisory bodies

	31 Dec. 2024	
	Number	Percentage
VGT: Members of the Management Board	6	
of which men	4	67 %
of which women	2	33 %
OGE: Members of the Management Board	2	
of which men	2	100 %
of which women	0	0 %
OGE: Members of the Supervisory Board	6	
of which men	6	100 %
of which women	0	0 %
of which male workers representatives	2	
of which female workers representatives	0	
Independent members of the Supervisory Board		100 %

Dr Thomas Hübener is the Chairman of OGE's Management Board and Head of Customer Solutions, Corporate Development, IT Management and Network Planning and Control. Thomas Hübener has been working for the company since 2001 in various positions, including the past eleven years as a member of the Management Board. Previously he held various pipeline technology roles, since the establishment of OGE as a head of division and as a member of various gas industry bodies. He was appointed Chairman of the Management Board as of 1 July 2024. His predecessor, Dr Jörg Bergmann, had held this office since 1 July 2017 and worked for the company for over 30 years in various functions, including as a member of the Management Board responsible for the commercial departments.

Detlef Brüggemeyer took over as the member of the Management Board responsible for the technology departments at OGE as of 1 July 2024. In this role, he is responsible for Planning, Construction, and Operations as well as the Technology Centre where developments are spearheaded and central services provided. His predecessor in this role was Dr Thomas Hübener, who held this position from 2013 to 2024. Detlef Brüggemeyer has

been working for the company for more than 20 years in various positions, last as Head of Network Planning and Control.

Dr Frank Reiners was the third member of the Management Board until 30 September 2024 and in that capacity responsible for Finance, Procurement, IT Management, Controlling, Legal and Regulatory Affairs. He joined the company in February 2018 as the Management Board member responsible for the commercial departments and previously worked for Uniper SE as the Head of the Business Controlling division.

Nathalie Leroy has been responsible for the commercial departments since 1 January 2025. Prior to this, she worked for Flughafen München GmbH where she was the managing director responsible for Finance and Infrastructure. In earlier positions, she also gained experience as a managing director in the critical infrastructure field, including at Hamburg Wasser and Veolia Deutschland.

OGE's Management Board is monitored by the Supervisory Board, which is made up of two-thirds shareholder representatives and one-third of employee representatives (members of the works council). Due to the owners' significant interest in the company's well-being, the Supervisory Board includes individuals with experience relevant to OGE's business model and geographical location in Germany. The members of OGE's Supervisory Board have extensive experience in the infrastructure field. They are experienced in strategic planning and market analysis, particularly in the energy sector, and have knowledge of the German market and the work of the Supervisory Board.

VGT's Management Board has experience in investment and financial management, particularly in the infrastructure and energy fields. They have international experience and hold leading positions in major investment and financial institutions.

1.2.1.2 Roles and responsibilities of the Management Board members

The OGE Management Board is responsible for implementing all actions to achieve the defined corporate objectives. Its role includes drawing up the network development plan together with the other transmission system operators and preparing the financial plan for OGE and its fully consolidated shareholdings. It makes decisions pertaining to the assets required for the operation, maintenance and expansion of the network. Furthermore, the Management Board safeguards the interests of the company and represents it

with due care. Compliance with laws and internal rules is a self-evident part of the mindset and actions of all the OGE bodies. The Management Board is responsible for the main parameters for lawful and responsible conduct.

Its other responsibilities include managing the company's assets and steering day-to-day business operations. The Management Board is monitored in its activities by OGE's Supervisory Board.

OGE's management structure ensures that the topic of sustainability is embedded at every level of the hierarchy. This is ensured by a Sustainability Manager as the central point of contact, an interdisciplinary Sustainability Core Team with employees from various departments of the company, a sustainability steering group (hereinafter: the Steering Group), which consists of representatives from the Steering Committee, the top management level, as well as the Management Board and the Supervisory Board of OGE.

When managing the company, the Management Board takes into account environmental, social and governance matters that could be relevant to the OGE Group. This also includes assessing and adapting the corporate strategy and the business model.

1.2.1.2.1 Monitoring, management and oversight

The members of the Management Board are informed as required about the material impacts, risks and opportunities, e.g. in the fields of occupational safety, climate change mitigation or human rights. This information is provided, among other things, through reports prepared and presented by the responsible functions and bodies. The Chairman of the Management Board is responsible for and monitors, in the final instance, the company's sustainability-related impacts as well as the opportunities and risks that may affect the company. Each member of the Management Board is responsible in their respective areas for defining and monitoring policies and actions that result from the impacts, risks and opportunities.

Controls and processes are formalised and integrated in the internal functions. Examples of this are the regular internal audits in the fields of occupational safety, environmental protection and information security as well as the appointment of officers and specialists who are responsible for compliance with legal requirements. Management of the company with regard to monitoring, managing and overseeing the impacts, risks and

opportunities in the field of governance remains with the Management Board and is not transferred to a specific position or committee at management level.

1.2.1.2.2 Targets

The Management Board and the heads of the organisational units are responsible in their area of responsibility for ensuring that targets regarding material sustainability-related impacts, risks and opportunities are agreed and achieved. The targets are set and regularly monitored in an annual target agreement process, and their achievement assessed at the end of the target horizon. The targets are agreed using both the top-down and the bottom-up approaches, thus ensuring a consistent target focus across all levels of the organisation. Target achievement can be monitored bottom-up in milestone meetings over the course of the year. The one-year cycle allows current developments to be continually addressed. Particularly important corporate objectives are taken into account in the remuneration-linked incentive schemes, in which the performance of the Management Board members is appraised. The terms of the incentive schemes are approved by OGE's Supervisory Board.

1.2.1.3 Skills and expertise

The OGE Supervisory Board is informed about certain sustainability matters by the Management Board and thus has access to relevant sustainability-related knowledge. Thanks to their many years of experience in the company, the industry or in management positions, OGE's Management Board has sound sustainability-related expertise.

1.2.1.3.1 Identifying skills and expertise requirements

In order to fulfil its fundamental responsibility, the Management Board ensures that the necessary skills and expertise are available at all levels within the organisation. This includes, in particular, the skills that are essential and relevant for overseeing sustainability matters. Employees and managers are selected to take on roles that their training, skills and experience enable them to perform responsibly and to a high standard.

The company's specialist staff requirements are identified in the course of regular manpower capacity planning. Suitable vocational training and further training are provided to ensure employees and managers have the necessary professional qualifications and can develop them further. Further training needs are regularly identified and factored in. The manager of the respective organisational unit is responsible for providing the necessary

resources in the individual departments and for making sure that the employees have the necessary professional qualifications in line with the requirements set by the Management Board. They are also responsible for keeping and maintaining the necessary records of training and career advancement measures.

The Management Board has established a structure within the company in which sustainability-related expertise is pooled and drawn on. This expertise is firmly anchored in the relevant departments throughout the company and can be accessed by the Management Board and Supervisory Board through the organisational units, the Sustainability Manager, the members of the Sustainability Core Team and the Steering Group.

The Sustainability Manager is the first point of contact and coordinator of all sustainability activities of the VGT Group. She is responsible for developing and implementing the sustainability strategy and for managing and shaping the transition to sustainability within the company. The members of the Sustainability Core Team as a whole should have an understanding of existing and planned sustainability-relevant technologies, actions, processes and systems. Sustainability activities are managed and monitored by the Steering Group.

Certain functions in the areas of occupational safety, environmental protection and governance are provided for by appointing various officers and specialists. In compliance with legal requirements, the company guarantees the partial organisational independence of these officers and specialists in the performance of their work.

1.2.1.3.2 Relationship between skills and material impacts, risks and opportunities

Changes in regulations are closely followed by the Sustainability Core Team and the Sustainability Manager, who then interpret them for the company; options for their implementation are then developed. The proposals developed are approved by the Steering Group and submitted to the Management Board for a decision. Stakeholder requirements can also lead to a (new) assessment of a particular matter by the Core Team. The Core Team and the Steering Group are therefore responsible for ensuring that the management and supervisory bodies have the necessary knowledge to assess and implement sustainability-related information, requirements or changes that the company faces as a result of new regulatory developments or stakeholder requirements. Collaboration among

the Core Team members from various specialist departments ensures that the management boards and the Supervisory Board have the relevant information on the material impacts, risks and opportunities, e.g. in the field of climate change mitigation.

1.2.2. Information provided to and sustainability matters addressed by the company's bodies

OGE's Management Board is informed about material sustainability-relevant impacts, risks and opportunities as and when required. This information is provided directly, for example by the specialist departments or the Sustainability Manager. The information includes the way in which due diligence is implemented in the area of sustainability as well as the results and effectiveness of the agreed targets, policies, actions and metrics.

Information is made available to OGE's entire Management Board in annual management reviews so they can assess the suitability, appropriateness and effectiveness of existing management systems. These review reports include explanations of changes, possible corrections, metrics, targets and actions for the further development of the management systems for the reporting period. They also include content on the management systems for quality, occupational safety, environment, energy, information security and technical safety management in accordance with DVGW Code of Practice G 1000.

Furthermore, the company officer for waste, hazardous goods and water protection prepares an annual report, which includes changes in laws, results of inspections and special incidents. The HR department also informs OGE's Management Board once a quarter about changes in key HR metrics.

If the regular reports and other information provided to the Management Board reveal changes in the impacts the company is making, the Management Board examines whether the strategy needs to be adjusted and whether any transactions that have already been agreed need to be modified. It may also be necessary to consider compromises in the light of these impacts.

The sustainability-related assessment of opportunities and risks is integrated in the VGT Group's risk management process. The Group's opportunity and risk situation is analysed and documented every six months in a standardised process. The OGE Management Board and Supervisory Board are regularly informed. The aim is to identify material

opportunities and risks and – where possible and necessary – initiate safeguarding action. The standardised risk management process ensures that opportunities and risks are monitored and, where necessary, are incorporated in the strategy and key decisions.

In 2024, OGE's Management Board addressed the following strategic sustainability matters and notified the Supervisory Board accordingly:

- Greenhouse gas (GHG) emissions: presentation of a long-term reduction strategy
- Impacts of climate change and climate targets on the business model: transformation of the core business and strategic realignment

In this way, the OGE Management Board and Supervisory Board take into account material sustainability-related impacts, risks and opportunities when monitoring the corporate strategy and making decisions on important transactions and the company's risk management system.

1.2.3. Integration of sustainability-related performance in remuneration-linked incentive schemes

OGE's incentive schemes are designed to promote and reward sustainability-related performance. This includes both short-term and long-term targets aimed at improving ecological, social and governance matters. The short-term timeframe refers to one planning year, and the long-term timeframe refers to the planning year plus the subsequent two years.

The performance of each Management Board member is assessed, among other things, on the basis of sustainability-related targets. The exact personal targets and their impacts are set and reviewed annually. These measurable, time-bound and outcome-focused short-term targets include

- reducing greenhouse gas emissions,
- promoting operational safety,
- avoiding incidents with negative impacts on the environment and
- increasing diversity at OGE.

Part of the variable remuneration of the Management Board members depends on the achievement of sustainability-related targets. 15% of the short-term variable incentive scheme (Short-Term Incentives STIs) relates to the achievement of occupational safety, environmental protection and diversity targets. The long-term incentive scheme (Long-Term Incentives, LTIs) is always based on a three-year period and is rolled out annually in parallel. The reduction of GHG emissions accounts for 10% of the current, measurable, time-bound and out-come-focused LTI target for the period from 2024 to 2026.

The terms of the incentive schemes are approved by OGE's Supervisory Board and regularly updated. The Supervisory Board ensures that the incentive schemes meet the company's current requirements and targets and that they are continually developed further.

1.2.4. Statement on due diligence

The main aspects and steps of the due diligence processes relate to a number of cross-cutting and topical disclosure requirements. The mapping in Appendix 1 explains where application of the main aspects and steps of the due diligence process are reflected in this sustainability report to depict OGE's actual practices with regard to due diligence.

1.2.5. Features of sustainability report controls

OGE's internal control and risk management processes and systems in relation to sustainability reporting are designed to ensure the completeness and integrity of the data and information. The accuracy of the figures, the availability of data and the timing of the availability of information pose risks to complete and honest reporting. Actions and internal controls have been implemented to mitigate these risks although no need for an assessment or prioritisation of the risks was identified.

A binding schedule for the preparation of the sustainability report has been approved and implemented by the Sustainability Manager, the Sustainability Core Team and the Steering Group.

Information relevant to the sustainability report is provided by the respective specialist departments and the Sustainability Core Team. The information and data are regularly discussed in the Sustainability Core Team, interpreted in the necessary context, agreed with the specialist departments and approved by them. In a further quality assurance step, the Steering Group checks the information provided.

The data are captured and verified on the basis of the processes defined in the specialist departments. These processes are subject to the requirements of laws or standards. Data capture and processing systems are also used to ensure standardised and reproducible recording and assessment.

The OGE Management Board is involved in the outcomes of this sustainability reporting process and the VGT Management Board is informed.

1.3 Strategy

This section explains the key aspects of OGE's strategy in order to provide an understanding of how sustainability matters affect the business model and the value chain, how stakeholders' interests are taken into account and which material impacts, risks and opportunities influence OGE's strategy and business model.

1.3.1. Corporate and sustainability strategies

As a transmission system operator with a long-term focus and with a network designed for decades of use, OGE aims to provide a sustainable energy infrastructure. In the fields of ecology, economy and social, OGE is committed to providing an energy supply with green gases and is improving sustainability in its current activities. OGE's core expertise is the design, construction and operation of natural gas pipelines and this expertise will also be harnessed in new fields of business.

The workforce is basically employed in Germany.

Total workforce (number of employees including the Management Board and apprentices) on 31 December 2024:

	31 Dec. 2024
Total workforce VGT Group	2,016
Total workforce OGE	1,765

Revenue of the VGT Group on 31 December 2024:

	31 Dec. 2024
Total revenue [in € million]	1,133.1
Revenue from the natural gas sector [in € million]	1,133.1
Revenue from Taxonomy-aligned economic activities related to fossil gas [in € million]	0.0

1.3.1.1 Corporate strategy

OGE is committed to climate change mitigation and therefore to the goals of the Paris Agreement on climate change (COP21) signed at the end of 2015 and to the German climate change mitigation targets. In 2024, OGE's corporate strategy was extensively revised in order to meet the challenges. The amount of natural gas that will be transported in future will decrease. In order to ensure the long-term viability of OGE's business model and allow it to continue to grow, it is necessary to think ahead and extend the business fields. The most efficient way to achieve climate change mitigation targets is with renewable electricity and green gases (such as hydrogen) while still using the existing gas infrastructure.

Therefore, in the new corporate strategy, the company declares that it has a clear mission to provide an affordable energy system guaranteeing security of supply and to ensure good living conditions are maintained for future generations. This is to be achieved through a state-of-the-art, needs-based, diverse and efficient infrastructure, not only for natural gas but also, in the future, for hydrogen and CO₂.

Natural gas is currently OGE's core business and the basis for its success. This field of business is an important part of the current energy system and will remain so during the

transition to climate-neutral systems. Therefore, as it continues to develop this field of business, OGE is committed to needs-based investment in the natural gas grid, in actions to mitigate greenhouse gas emissions and in synthetic gas (SNG) and biomethane as energy sources.

1.3.1.2 Sustainability strategy

OGE's sustainability strategy is an integral part of the corporate strategy and is divided into four topics, which are based on the material impacts, risks and opportunities for the company.

Transformation of the core business

OGE's aim is to make energy supply sustainable and secure for the long term. The biggest opportunities for a positive social impact lie in the company's contribution to achieving climate targets and in supporting the energy transition through green gases. This helps to safeguard the competitiveness of Germany as an industrial location. This is something shareholders, the Management Board, employees and other stakeholders all agree on. Therefore, OGE is committed to reducing its greenhouse gas emissions, but also to making better use of green gases, particularly hydrogen. Together with various business partners, OGE is initiating projects along the entire value chain to develop the hydrogen economy and is consistently driving these forward in its role as an infrastructure operator so that hydrogen is available to customers in Germany and Europe. Furthermore, in order to achieve the climate goals, OGE is developing CO₂ transportation solutions for industrial companies in Germany, both for those whose processes cause and will cause unavoidable CO₂ emissions over the long term as well as for those that use carbon, such as those in the chemical industry.

Emissions and environmental impacts

OGE currently transports natural gas in large parts of Germany and facilitates the transit of gas to neighbouring countries. A large proportion of greenhouse gas emissions are caused by the operation of compressor units to ensure the flow of gas. OGE operates an extensive pipeline network and implements major infrastructure projects, so it is essential that OGE minimises the impacts on the environment and avoids environmental incidents. OGE does this by reducing emissions and minimising adverse environmental impacts as far as possible.

Health and safety

OGE places great emphasis on an environment that enables safe working and protects the health of its own workforce as well as that of its colleagues and contractors working for OGE. Continual improvement of occupational health and safety is a cornerstone of the company’s success. This is underlined by the fact that health and safety is a special field of action within the sustainability strategy.

Employees centre stage

OGE places its employees at the centre of its business activities and offers them an excellent environment in which to work and develop. Its corporate culture also fosters diversity within its teams. OGE continues to develop and evolve with its employees so it can successfully shape the transformation of the company over the coming years and decades. That is why it is important to OGE that work at OGE is safe, fulfilling and future-proof - for all current and future employees.

1.3.1.3 Targets

OGE sets targets for material sustainability matters so progress can be assessed. To achieve these targets, OGE systematically identifies actions and implements them in the short, medium and long term. The OGE Group has also set specific strategic targets for the topics “emissions” and “occupational safety” that were prioritised in the materiality assessment, which involved the stakeholders and examined the entire value chain. The OGE Group measures itself against these targets. They were defined on the basis of the impact of gas transportation on climate change and the particular need to protect OGE’s own workforce and that of its suppliers.

	Time horizon	Target	Target achievement 2024
Accident rate (Total Recordable Injury Frequency, TRIF _{comb} ¹)	2024	< 4,0	3,6
Management inspections	2024	550	739
GHG emissions (Scope 1 and 2)	2009-2025	-45 % ²	-
Methane emissions	2009-2025	-50 % ²	-

1.3.2. Business model and value chain

OGE is one of the leading natural gas transmission system operators in Germany. It also offers its technical and operational expertise in the transportation of gaseous energies as a service. Therefore, when considering the business model, a distinction is made between gas transportation and network operation and the services business.

Gas transportation and network operation

In addition to capacity planning as well as energy determination and billing, OGE’s own business activities also include the design, construction and operation of the technical plant and infrastructure necessary for the transport of gas. Each year OGE transports just under 700 TWh of energy through an infrastructure which is tailored to the customers’ requirements, is being continually further developed and guarantees its customers optimum transportation security.

¹ Total of all work-related accidents (occupational and business travel accidents) of own employees and external company employees involving medical treatment and/or lost work time, based on one million hours worked.

² Reduction target compared with base year 2009.

OGE's customers are supra-regional gas transmission companies as well as local gas suppliers and network operators, national and international gas traders as well as industrial customers and power plants. To gain access to the network in the joint market area of Trading Hub Europe GmbH (THE), they have to sign capacity contracts. The possible sales channels for capacities are clearly regulated in Germany by legal and regulatory requirements, in particular the Ordinance on Access to Gas Supply Networks (Gas Network Access Ordinance – GasNZV) and the Gas Cooperation Agreement in their currently valid versions.

Energy in the form of electricity and natural gas is required for a successful transportation business - primarily as drive energy, e.g. fuel gas, for compressing the natural gas. The recording and measurement of these quantities are integral parts of the established energy management system (EMS) in accordance with DIN EN ISO 50001.

Various suppliers of technical equipment, construction and engineering service providers as well as component suppliers are involved in the construction of new plants and pipelines. Procurement processes have been subject to the requirements of the Supply Chain Sustainability Act (LkSG) since 2024. Here, particular attention is paid to the workers in the value chain.

Services

OGE offers its experience and expertise through a very broad spectrum of gas business and technical services. These services include, for example, the design, construction and operation of pipelines, gas pressure regulating and metering (GPRM) stations as well as compressor stations. Under service agreements, OGE plans and operates plants and pipelines, both for its equity investments and for other third parties. These services are offered exclusively through direct B2B sales channels and/or through the equity investment management. OGE's customer portfolio has many overlaps between the Other Services and Transport businesses.

OGE's other gas services include network control, data management and laboratory services. In addition, it offers bespoke solutions in areas such as natural gas, hydrogen and carbon dioxide which it develops for and implements together with its customers. Customers for these services can be other transmission system operators or partners in research projects, for example.

In addition to OGE, its 100 % subsidiary, PLEdoc, offers services in the fields of geodata management, technical documentation and network information systems. PLEdoc's portfolio of services includes the creation and maintenance of documentation across all stages of the lifecycle of a plant and the supply of relevant network information. PLEdoc also has great expertise in the development of software solutions and digitalisation. One of PLEdoc's main customers for planning and documentation projects is OGE.

The services described here are marketed and offered in B2B sales channels separately from the transportation business. Partners and customers are contacted directly and personally; contractual agreements and conditions, including staffing requirements, are regularly coordinated between the persons responsible. The cultivation and expansion of partnerships ensures effective collaboration.

1.3.3. Involvement and views of stakeholders

Responsible business conduct means understanding the expectations and needs of the relevant stakeholder groups and incorporating them into the company's actions. The key stakeholders of the VGT Group include shareholders, management, employees and workers' representatives, customers both for gas transportation and other services, suppliers, politicians, banks and investors as well as other network operators.

The requirements and expectations of the stakeholders are systematically determined and evaluated, and important aspects are addressed and appropriately implemented in the creation and further development of the processes. The methodologies for the various stakeholder analyses are defined in management system documents.

Expert interviews and stakeholder surveys are conducted, for example as part of the stakeholder analysis for the information security management system (ISMS). Further information on this can be found in "3.3.2.4 Actions and resources related to the secure operation of the gas transmission system".

A separate stakeholder analysis and survey including all the above-mentioned stakeholders was also conducted to identify the material impacts, risks and opportunities relating to this sustainability report. The results of this survey were incorporated into the materiality assessment for sustainability matters.

Due to their operational responsibility and control, OGE's Management Board and the Supervisory Board are the key stakeholders, who have a significant influence on the corporate strategy and business model of the entire VGT Group with their views and decisions. The key external factors influencing the Management Board and the Supervisory Board are the decisions of the politicians regarding the efforts to achieve climate neutrality in Germany. On this basis, OGE's corporate strategy and business model were re-aligned in 2024 to reflect the changes resulting from climate change, among other things.

OGE's Management Board attaches particular importance to a sustainable and forward-looking corporate strategy that encompasses both economic and ecological objectives. The Supervisory Board supports this focus on long-term value creation and is aware of its responsibility to the shareholders. Both bodies agree that a balance between

ecological requirements and economic success is essential for the future viability of the company.

On this basis, in 2024 the OGE Management Board adapted OGE's corporate strategy and business model to the changes resulting, among other things, from climate change and presented them to the Supervisory Board at the beginning of 2025. The first actions to implement the adapted strategy will be defined and implemented in subsequent years. OGE's business model will become more diversified and the strategic focus will now not only be on natural gas but also on hydrogen and carbon dioxide. The employees of the OGE Group and their employee representatives regard this strategic realignment as positioning the company for a future with secure jobs and it also meets the expectations of long-term investors.

The OGE Supervisory Board was involved, among other things, with regard to the company's impacts in the area of greenhouse gas emissions. The Supervisory Board took due note of the plan developed by OGE to continuously reduce its own greenhouse gas emissions. The fundamental approaches were integrated into the corporate strategy on this basis and actions with a budgetary impact were taken into account in the medium-term planning.

1.3.4. Outcomes of the materiality assessment

A materiality assessment must be carried out so that the company can pinpoint the material impacts, risks and opportunities to be reported. The materiality assessment is therefore the starting point for sustainability reporting. The sustainability-related impacts, risks and opportunities are determined on the basis of a transparent and reproducible process and used to analyse the materiality of sustainability matters. A sustainability matter is material when it meets the criteria defined for impact materiality or financial materiality or both.

The VGT Group's materiality assessment has identified several impacts, risks and opportunities that relate to the business model, with a distinction made between the Group's own activities and the upstream and downstream value chain. In OGE's business model, these material factors focus in particular on the field of gas transportation and network operation. The challenges and opportunities in this field result from the need to provide a reliable and efficient infrastructure for gas transportation while, at the same time, meeting the requirements of the energy transition.

1.3.4.1 Environment

Topic: climate change

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Transition to a low-carbon economy	Transport of green gases and CO ₂	Positive impact	Downstream value chain	medium/long-term	Transformation of the core business towards green gases and CO ₂ enables market participants to adapt to climate change.
Transition to a low-carbon economy	Transport of green gases and CO ₂	Opportunity	Own operations	medium/long-term	Significant opportunities will arise from the development of a new transport infrastructure for hydrogen, synthetic gases and CO ₂ . The corporate strategy and business model have been adapted to leverage these opportunities.
Transition to a low-carbon economy	Decline in demand for natural gas	Risk	Own operations	long-term	As the transition to a low-carbon economy progresses, the decline in the demand for natural gas can pose a potentially long-term threat to the traditional gas transmission business. However, there are significant opportunities in the development of a new transport infrastructure.
Transition to a low-carbon economy	Increased pressure to implement technical measures to reduce GHG emissions (including changes to the legal framework)	Risk	Own operations	long-term	Changes in legislation and stricter official requirements may lead to additional costs. If such investments are considered efficient, an entitlement to regulated revenues applies in each case; therefore, there is no direct economic risk.
Climate-related physical risks	Environmental incidents	Risk	Own operations	medium/long-term	External influences such as natural disasters can result in the partial or total destruction of important facilities (e.g. compressor stations), which can lead to a temporary interruption or even a local gas transportation outage. Due to its relevance for the company, this risk is regularly reviewed and reported as part of corporate risk management.
GHG emissions	Greenhouse effect/stratospheric ozone depletion due to direct CO ₂ and methane emissions	Negative impact	Own operations	medium/long-term	The impact of climate change is already noticeable, even if it is not possible to determine the share caused by natural gas transport. Emissions during normal operations and as a result of unforeseen events are minimised and continuously reduced as part of OGE's decarbonisation strategy.
GHG emissions	Greenhouse effect/stratospheric ozone depletion due to direct methane emissions during unforeseen incidents	Negative impact	Own operations	medium/long-term	The materiality of the impacts is determined by the degree of severity and not by the likelihood of occurrence. To protect against methane being released in the event of unforeseen incidents, OGE has established a structured approach to minimise the likelihood of occurrence and the extent of any release.
Energy consumption, energy efficiency	Greenhouse effect due to indirect CO ₂ emissions from energy production	Negative impact	Own operations	medium/long-term	In addition to compressors that run on natural gas, electric compressors are also used. When electric compressors are used, no direct CO ₂ emissions are produced. However, they do require energy in the form of electricity. These emissions will also be reduced over the long term as part of OGE's decarbonisation strategy.

Topic: Pollution

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Air pollution	Emitting air pollutants	Negative impact	Own operations	medium/long-term	Nitrogen oxides (NO _x), along with other nitrogen compounds, contribute to the eutrophication and acidification of natural terrestrial ecosystems. Carbon monoxide (CO) affects the human body by preventing the transport of oxygen by the blood. Due to the general relevance of these air pollutants, plant operators like OGE are obliged to carry out regular measurements and prepare reports.
Air pollution	Change in the legal thresholds for air pollutants	Risk	Own operations	medium-term	Changes in legislation (e.g. emissions legislation) and stricter official requirements may lead to additional costs.
Water and soil pollution	Soil or water contamination must be removed quickly	Risk	Own operations	medium-term	Additional action required during project execution (e.g. removal of environmental pollution) may result in higher costs.

Topic: Water and marine resources

This topic was not considered material in the materiality assessment. OGE uses water exclusively in accordance with the legal requirements of the Federal Water Act (WHG). This also means that the volume and harmfulness of wastewater must be kept as low as possible. Discharges are compliant with the requirements placed on the properties of watercourses and other legal requirements. The impact on the water resources used by the OGE Group is therefore also considered to be very low.

Topic: Biodiversity and ecosystems

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Land use change	Direct loss of biodiversity through (temporary) changes to and sealing of areas	Negative impact	Own operations	short-term	(Temporary) changes in land use and soil sealing impact the natural water balance and lead to habitat loss for plant and animal species. Some areas are permanently sealed for the construction of compressor stations, while only temporary soil sealing and changes are made during pipeline construction projects. The actions implemented are kept to a minimum and in accordance with (official) requirements.
Impacts on the scope and condition of ecosystems	(Temporary) soil sealing				
Land use change	More stringent requirements set in approval procedures	Risk	Own operations	short-term	Zusätzlich erforderliche Maßnahmen während der Projektentwicklung (z. B. Bauverzögerung / Mehraufwand aufgrund höherer genehmigungsrechtlicher Anforderungen) können höhere Kosten zur Folge haben. Dieses Risiko wird im Rahmen der projektbezogenen Risikoanalyse überwacht.
Impacts on the scope and condition of ecosystems					

Topic: Circular economy

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Waste	Effect on the environment, handling of hazardous waste in some cases	Negative impact	Own operations	short-term	The handling of hazardous waste requires particular care and strict compliance with legal regulations in order to avoid serious impacts. Incorrect disposal can lead to the contamination of soil and water, which can result in long-term damage to ecosystems. OGE relies on transparent tracking of the processes for the disposal of hazardous and non-hazardous waste, also with regard to projects with service providers.

1.3.4.2 Social

Topic: Own workforce

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Secure employment - job security	Job security: uncertainties regarding the future viability of jobs	Negative impact	Own operations	medium/long-term	The materiality of the impact is determined by the severity and not by the likelihood of occurrence. To safeguard jobs, OGE has established a structured approach to minimise the likelihood of occurrence. Employees are important success factors, especially in times of transformation. The future viability of jobs is secured by applying strategic approaches when transforming the business model and by making it an integral part of the corporate strategy.
Health and safety (occupational safety)	Work-related ill health, personal injury or accidents	Negative impact	Own operations	short-term	A poor level of occupational safety can have significant negative impacts on the health and well-being of employees. This is where the certified occupational safety management system in accordance with DIN EN ISO 45001 comes into play. Actions to improve occupational health and safety are continuously implemented so as to ensure the safety of employees and their ability to work over the long term.
Diversity	Employer attractiveness	Negative impact	Own operations	medium/long-term	Diversity plays a crucial role in retaining employees and overcoming the shortage of skilled labour. Especially in times of transformation, it is important to retain existing employees and attract new talents. The HR strategy aims to meet requirements for personnel with the necessary skills through targeted recruiting, retention, training and development and to adapt to new requirements. A value-based corporate culture that creates clarity and guidance through shared principles both encourages and requires participation, respect and appreciation. Living diversity strengthens innovation, efficiency and attractiveness as an employer.
Data protection, privacy	Personal data, sensitive data become public	Negative impact	Own operations	short-term	Data protection incidents can affect staff trust and morale, especially where sensitive data such as remuneration or health data are involved. They can also cause significant damage to OGE's reputation. The materiality of the impact is determined by the severity. The General Data Protection Regulation (DSGVO) is in place to protect this data and OGE has a suitable structure with a data protection officer to minimise the likelihood of such incidents occurring.
Data protection, privacy	Damage to reputation, workforce, data protection incidents	Risk	Own operations	medium/long-term	Thanks to the data protection structure in place at OGE, including a data protection officer, the likelihood of the occurrence of data protection incidents is very low. However, failure to meet the requirements can lead to significant penalties for the company without any serious incident having occurred.

Topic: Workers in the value chain

The OGE Group relies almost exclusively on German suppliers and, to a small extent, on European suppliers from EU member states. Suppliers outside the EU are only used to a minor extent. The material impacts presented are to be understood as general and not specific to OGE, as OGE is aware of its responsibility to meet the requirements of the Supply Chain Due Diligence Act (LkSG). The matters and impacts defined in the LkSG are consequently also to be considered material for OGE.

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Health and safety (occupational safety)	Work-related ill health, personal injury or accidents	Negative impact	Upstream value chain	short-term	A poor level of occupational safety can have significant negative impacts on the health and well-being of employees. This is where the certified occupational safety management system in accordance with DIN EN ISO 45001 comes into play. Actions to improve occupational health and safety are continuously implemented so as to ensure the safety of employees and their ability to work over the long term.
Adequate wages	Labour exploitation	Negative impact	Upstream value chain	medium-term	The exploitation of workers significantly worsens working conditions. This leads to unsafe working relationships, a lack of co-determination and increased risk of dissatisfaction and health problems. In principle, these matters are not to be classified as material for OGE based on the severity and likelihood of occurrence, since the suppliers are largely subject to German law. Materiality is determined by the extent to which the LkSG affects suppliers. As a result, appropriate mechanisms and structures have been set up as part of the implementation of the LkSG to continue to minimise the impacts.
Freedom of association, the existence of works councils and the information, consultation and participation rights of workers					
Collective bargaining					
Gender equality and equal pay for work of equal value					
Employment and inclusion of persons with disabilities	Discrimination	Negative impact	Upstream value chain	medium-term	Discrimination leads to a feeling of injustice and exclusion, which can severely impact the work ethic and well-being of employees. Discrimination can also lead to increased stress levels, health problems and lower productivity. In principle, these matters are not considered material for OGE based on severity and likelihood of occurrence, since the suppliers are largely subject to German law. Materiality is determined by the extent to which the LkSG affects them.
Measures against violence and harassment in the workplace					
Diversity					
Human rights	Influencing respect of human rights	Negative impact	Upstream value chain	medium-term	The failure to uphold human rights in the supply chain leads to unsafe working conditions, exploitation and a lack of protection against discrimination and violence. This impacts the well-being and health of the employees and undermines trust in the company. In principle, this matter is not considered material for OGE based on severity and likelihood of occurrence, since the suppliers are largely subject to German law. Materiality is determined by the extent to which the LkSG affects them.

Topic: Customers of the Transport and Other Services businesses

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Data protection / Information security	Sensitive data become accessible	Negative impact	Own operations	medium/long-term	The interception of sensitive data can also lead to information on customers and their usage behaviour being made accessible. Due to the high relevance of data protection and information security, OGE is obliged to operate a certified information security management system (ISMS) in accordance with the catalogue of IT security requirements. The materiality of the impacts is determined by their severity. The likelihood of their occurrence is minimised by existing systems.
Supply security / Transport execution	Disruption of the marketing process / Transport execution (IT systems)	Negative impact	Own operations	short-term	An IT system malfunction can lead to restricted transportation; booked capacities are then not made available. The ISMS comes into play here, too.
Data protection / Information security	Procurement of replacements for marketed capacities that could not be delivered due to an IT malfunction.	Risk	Own operations	medium-term	The failure of parts of the IT systems may lead to temporary disruptions to business activities. In addition to failure due to intentional, unauthorised modification (external access), there is also the possibility of impairment of functionality due to operating errors or failure of hardware and/or software components. This could affect both marketing systems and the network control systems.
Supply security / Transport execution					

1.3.4.3 Governance

Topic: Business conduct

Sustainability matter	Description of materiality	Classification into impact or risk	Location in the value chain	Period of occurrence	Explanation
Protection of whistleblowers	Persecution of people	Negative impact	Own operations	short-term	Retaliating against whistleblowers creates a climate of fear and insecurity that reduces employees' willingness to report irregularities. This can lead to problems and misconduct going undetected, which in the long term damages the integrity and reputation of the company. For these reasons, Germany has introduced the Whistleblower Protection Act, which protects whistleblowers from disadvantages. OGE has firmly established the procedure for dealing with whistleblowers in its compliance organisation and, among other things, in its Code of Conduct.
Political engagement	Delays in approvals / decisions	Negative impact	Own operations	medium/long-term	OGE is politically engaged in Germany and Europe in order to ensure that the targets set by the legislator for 2045, e.g. for the success of the hydrogen market ramp-up, are achieved. At regional and municipal levels, political and social participation in construction projects is paramount. Affected target groups participate through early and transparent involvement in approval and stakeholder management.
Corruption and bribery	Financial loss	Risk	Own operations	medium-term	Direct financial losses resulting from unethical behaviour within the company that can lead to financial losses. To minimise this risk, the fight against corruption and bribery is firmly anchored in the compliance organisation and, among other things, in the Code of Conduct at OGE.
Corruption and bribery	Damage to reputation	Negative Impact	Own operations	medium-term	In recent years, compliance with relevant laws and regulations and the need for corporate activities to be in line with society's values have become ever more important. This is due, on the one hand, to the ever-increasing complexity of the legal and regulatory framework and, on the other, to growing public interest. A company's reputation and economic success can be severely damaged by compliance violations. OGE has countered this by establishing a risk-oriented and preventive compliance organisation and, for example, regularly conducting training sessions.
Corporate culture					
Corporate culture	Borrowing on less favourable conditions	Risk	Own operations	medium-term	Among other things, damage to the company's reputation could pose the potential risk that debt capital would have to be raised on less favourable conditions. It is therefore important in this context for OGE to implement the established compliance structures.

1.3.4.4 Current financial effects of the material risks and opportunities

The risks and opportunities identified in the materiality assessment do not currently lead to any new financial effects. The risks and opportunities identified have already been taken into account in the “Report on opportunities and risks” in the general section of the Group management report. Additional financial effects are not expected.

1.3.4.5 Resilience of the strategy and business model

The Group's risk position, in particular that of OGE, is largely determined by the regulatory environment.

As part of the regular risk identification and assessment process in the VGT Group, the strategy and business model, among other things, are analysed in terms of their compatibility with the material impacts, risks and opportunities. The Group's risk management system ensures that the resilience of the strategy and the business model is guaranteed over the long term and that the company is able to respond to changes.

Detailed information on the risks and opportunities of the company and their financial effects is presented in detail in the “Report on opportunities and risks” in the general section of VGT's Group management report. The general section of VGT's Group management report provides a comprehensive overview of the relevant financial effects and strategies for overcoming these challenges as well as the relevant sources of funds.

1.4 Impact, risk and opportunity management

This section explains the process for determining the material impacts, risks and opportunities for the company. It also presents the information that was included in the sustainability report on the basis of the materiality assessment.

1.4.1. Materiality assessment process

OGE has introduced a detailed process involving various stakeholders so as to obtain as comprehensive an insight as possible for the materiality assessment. These stakeholders were involved in several iterative steps to identify the relevant sustainability matters and assess them in terms of their impacts, risks and opportunities. The assessments are based on both past experience and current insights. Experts in the company were consulted to incorporate their views into the identification and assessment of the material impacts, risks and opportunities. The methodology and the materiality thresholds were

defined together with these experts. The assessment was supplemented by conducting a survey of other internal and external stakeholders.

The company's own sector of activity and direct business relationships were included in the identification and assessment of potential and actual impacts on people and the environment. This covers an analysis of the entire value chain. The impacts that were considered relevant for the materiality assessment were, in particular, those with the highest or most likely impacts. The impacts are monitored in the specialist departments responsible.

Negative impacts were assessed on the basis of their relative severity, scale, scope, irreversibility and likelihood of occurrence, and positive impacts were assessed according to their relative scale, scope and likelihood of occurrence. The impacts were prioritised on the basis of thresholds, cf. criteria of ESRS 1 section 3.4. This is the basis for determining the material sustainability matters to be reported. In addition, impacts were also prioritised as material if the severity was assessed as material regardless of the likelihood of occurrence.

When identifying and assessing potential and actual opportunities and risks that have or could have financial effects for the VGT Group, the fundamental approach applied was in line with the system used for the “Report on risks and opportunities” in the general section of the Group management report. In terms of content, there was also a strong correlation of the opportunities and risks identified there so as to ensure efficient integration of the materiality assessment outcomes into the Group management report. An explanation of the definition and handling of opportunities and risks in the context of corporate reporting can be found in “Report on risks and opportunities” in the general section of the Group management report.

In line with this fundamental approach, the monetary scale, likelihood of occurrence and time of occurrence were considered when evaluating and prioritising key sustainability aspects. Opportunities and risks for the company were included both from the company's own sector of activity and from the upstream and downstream value chain. The monetary scale was evaluated either qualitatively or quantitatively. In addition to the likelihood of occurrence, the time horizon for the occurrence of a potential opportunity or a potential risk was also included in the assessment, enabling a differentiated evaluation of the

severity. The analysis focused on the opportunities and risks with the highest or most likely impact. These opportunities and risks are monitored by the specialist departments responsible.

In identifying and assessing opportunities and risks, particular attention was paid to the anticipated sustainability-related impacts, which served as a basis for possible risk scenarios.

Opportunities and risks were assessed based on their relative severity in terms of scale, timeframe and likelihoods and prioritised based on thresholds in accordance with the criteria of ESRS 1 section 3.5. The material opportunities and risks to be reported are determined on this basis. Sustainability risks are fully integrated into the Group risk management system and are prioritised in the same way.

The materiality assessment was carried out in a four-step process on this basis. In the first step, the context of the company, including the value chain and the relevant stakeholders, was analysed. This analysis is performed by the Sustainability Core Team. In the second step, the sustainability matters were identified with the support of the specialist departments and an initial assessment was made in terms of their impacts, risks and opportunities. In the third step, a stakeholder survey was conducted to identify internal and external stakeholders' views with regard to the sustainability topics. The results of the stakeholder survey and those of the initial materiality assessment were consolidated in the fourth step. The results were reviewed and approved by the Steering Group.

In some cases, specific data from the company's own systems and assumptions gained by involving internal experts were used as input parameters. The assessment of sustainability matters was reviewed as of the reporting date with reference to the financial year as a whole. The process of identifying, assessing and managing impacts and risks is integrated into VGT's general risk management process. This enables a holistic assessment of the company's general risk profile and risk management procedures.

The materiality assessment is reviewed annually after the end of the relevant reporting year.

1.4.2. Disclosure requirements covered

The material matters and their assessment are explained to ensure transparent presentation of the disclosure requirements contained in OGE's sustainability report. This section provides an overview of the outcomes of the materiality assessment with regard to the disclosure requirements.

Several impacts, risks or opportunities may relate to one sustainability matter. The greatest impact in terms of severity, the combination of severity and likelihood of occurrence or materiality arising from overarching regulations, such as the LkSG, was used to assess the materiality of a sustainability matter. The greatest impact of the risk or opportunity in terms of severity in combination with likelihood of occurrence was also used to assess financial materiality.

OGE assessed the materiality of disclosure requirements on the basis of the materiality assessment of sustainability matters. The disclosure requirements for topic-related content were not reported if the topic or sustainability matter in question was not considered material.

In order to provide an understanding of the disclosure requirements contained in the sustainability report, a list is provided in Appendix 2, including references to the sections containing the relevant information in the sustainability report.

A list of datapoints in general and topical standards resulting from other EU legislation is presented in Appendix 3.

2 Environmental disclosures

2.1 EU Taxonomy Regulation

Regulation (EU) 2020/852 of the European Parliament and of the Council (“Taxonomy Regulation”) was proposed under the Commission's preceding Action Plan on Financing Sustainable Growth of March 2018. The Taxonomy Regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020. This regulation was followed by numerous amendments.

A key objective of the Taxonomy Regulation is to enable and expand sustainable investments and thus implement the European Green Deal. To achieve this goal, the Commission called for the creation of an EU classification system for sustainable economic activities, an EU Taxonomy. Its purpose is to define which economic activities are environmentally sustainable.

Six environmental objectives were defined in accordance with Article 9 of the Taxonomy Regulation:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

To be Taxonomy-eligible, an activity must meet the description set out in the Taxonomy Regulation.

According to Articles 16-19 of the Taxonomy Regulation, an economic activity qualifies as environmentally sustainable (Taxonomy-aligned) where that activity:

- makes a significant contribution to achieving one or more environmental objectives;
- complies with the specified technical screening criteria;
- does not significantly harm any of the environmental objectives;
- is carried out in compliance with the minimum social safeguards.

For the 2024 financial year, companies are required to report the Taxonomy-eligible portions and the Taxonomy-aligned portions for all six environmental objectives.

On the basis of the parent company's classification as a non-financial parent company, the Group presents the Taxonomy-eligible and the Taxonomy-aligned portions of the Group's revenues, capital expenditure (Taxonomy CAPEX) and operating expenditure (Taxonomy OPEX) in the following:

Group activities

On the basis of the business model, all economic activities within the Group have been examined in terms of their Taxonomy eligibility and Taxonomy alignment.

The Group's core business, the operation of a natural gas transmission network, is not covered by the scope of the Delegated Act on Environmental Objectives. As a transmission system operator, the Group's task is to ensure a secure, sustainable and cost-effective energy supply.

In the Group, it is essentially the economic activities relating to transmission networks for renewable and low-CO₂ gases that are considered to be Taxonomy-eligible and Taxonomy-aligned.

Together with partners, the Group has initiated projects along the entire value chain to build up the hydrogen economy and, in its role as an infrastructure operator, is

systematically driving these projects forward so that hydrogen becomes available to customers in Germany and Europe. On 22 July 2024, OGE and the other German transmission system operators submitted a joint application to the Federal Network Agency, the German regulatory authority, for the development of a Germany-wide hydrogen core network. On 22 October 2024, the Federal Network agency approved the construction of the hydrogen core network with a length of 9,040 km. The core network is to make a significant contribution to the development of a hydrogen market in Germany and the EU. Europe's largest hydrogen network will be in place by 2032.

The activity 'Transmission and distribution networks for renewable and low-carbon gases' generally supports the environmental objective of climate change mitigation and falls under the activity described in section 4.14 of the EU Regulation 2021/2139 of 4 June 2021. This activity can be described as follows:

- Construction and operation of new transmission pipeline networks for hydrogen or other low-CO₂ gases
- Conversion or change of use of existing natural gas networks to 100 % hydrogen

Therefore, the economic activity qualified as Taxonomy-eligible.

As regards the technical screening criteria, the above-mentioned activity meets the technical screening criterion 'retrofit of gas transmission networks that enables the integration of hydrogen and other low-carbon gases in the network, including any gas transmission network activity that enables the increase of the blend of hydrogen or other low carbon gases in the gas system'. The activity also includes leak detection and repair of existing gas pipelines and other network elements to reduce methane leakage.

The economic activity mentioned does not adversely affect any of the other environmental objectives. Furthermore, human rights are respected and fundamental social principles are followed in the VGT Group, which takes the criterion of minimum social safeguards in the EU Taxonomy into account.

The Taxonomy-eligible economic activity also qualifies as Taxonomy-aligned.

In the 2024 financial year, the Group invested € 174.6 million in natural gas pipeline networks that are already H₂-ready and which, in future, can also be used to transport hydrogen. However, these investments cannot be labelled as Taxonomy-eligible and Taxonomy-aligned for the financial year 2024.

Furthermore, to achieve the climate objectives, the Group is developing solutions for industrial companies in Germany that need to capture and recycle their unavoidable process-related CO₂ emissions for the long term as well as for companies that use carbon, for example those in the chemical industry. The development of these solutions is neither Taxonomy-eligible nor Taxonomy-aligned in the financial year 2024.

Assessment methodology

Since the introduction of the Taxonomy Regulation in 2021, the Group has continuously monitored its economic activities with regard to their Taxonomy eligibility and has categorised its activities according to the relevant Taxonomy criteria. The assignment of the economic activity according to the Taxonomy criteria refers both to the description of the activity and to its assignment to an environmental objective under which the activity is described in the Taxonomy Regulation. This assignment is carried out in collaboration with the specialist departments and the accounting department. Taxonomy alignment is monitored by checking the technical screening criteria in the Regulation, also with the involvement of the relevant contact persons. Newly identified activities within the Group are subject to the same procedure. Updates to the Taxonomy Regulation, such as the requirement that Taxonomy-aligned percentages for all environmental objectives be reported from the 2024 financial year onwards, are taken into account.

The assessment of whether the economic activities avoid any significant adverse impacts, the so-called 'Do no significant harm' criteria, refers to compliance with legal requirements, regulations and guidelines from the EU. These regulations particularly address the prevention and reduction of environmental pollution and the protection and restoration of biodiversity and ecosystems. The departments responsible ensure and monitor compliance with the current requirements. This is evidenced by a large number of recognised certifications in the area of environmental protection.

In the performance of its business activities, the VGT Group is committed to respecting human rights and following fundamental social principles in its Code of Conduct, which

meets the criterion of minimum social safeguards in the EU Taxonomy. External standards, such as the Universal Declaration of Human Rights, the core labour standards of the International Labour Organization, the OECD Guidelines and the UN Guiding Principles, are taken into account. This is underlined by a Group-wide policy that includes, among other things, internal guidelines and training. Employee and human rights, compliance with antitrust and regulatory requirements under the EnWG, and the fight against corruption and bribery are the subject of the Code of Conduct for the company's own workforce and suppliers, the observance of which is reviewed by various processes and systems.

It takes into account economic activities that reach the threshold of 1.0 % of the respective total value for either sales, CAPEX or OPEX. In the 2024 financial year, this was only the case for economic activity 4.14. In addition, further activities are carried out in the VGT Group that represent individual measures with regard to the environmental objectives in the EU taxonomy, but which were below the threshold in 2024.

Key performance indicators (KPI) of the Group

The three KPIs are specified for the Taxonomy-eligible and Taxonomy-aligned activity 4.14 of the Taxonomy Regulation.

Since, as a gas transmission system operator, the Group's main economic activities are not covered by the Climate Delegated Act and the Group did not yet generate any revenue with its Taxonomy-aligned economic activities in the 2024 financial year, the share of Taxonomy-aligned economic activities in total turnover generated is 0.0 %.

In the 2024 financial year, the Group's Taxonomy-aligned CAPEX totalled € 31.1 million and its Taxonomy-aligned OPEX amounted to € 1.2 million. Therefore, Taxonomy-aligned CAPEX accounts for 7.3 % of total CAPEX in the amount of € 427.9 million and Taxonomy-aligned OPEX accounts for 0.9 % of total OPEX in the amount of € 136.8 million.

The ramp-up of the hydrogen transport business is expected to lead to an increase in the Taxonomy-aligned revenues, capital expenditure and operating expenditure in the coming years.

Accounting policies

The KPIs are specified in accordance with Annex I to Article 8 of the Delegated Act 2021/2178.

Turnover KPI

The share of total revenue associated with Taxonomy-aligned economic activity 4.14 (according to the consolidated financial statements € 1,133.1 million) was calculated as the portion of revenues generated by products and services related to Taxonomy-aligned economic activities (numerator), divided by total revenue (denominator).

The denominator of the turnover KPI is based on the company's consolidated revenue. Further details on the accounting policies relating to revenue are presented in the notes to the consolidated financial statements. With regard to the numerator, as explained above, no Taxonomy-eligible activities have been identified.

The share of turnover of Taxonomy-aligned economic activities is as follows:

Economic activities	Code	Turnover	Proportion of Turnover 2024	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Transmission and distribution systems of renewable and low-carbon gases	4.14.	0.0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0	0.0	-	-	-	-	-
Of which enabling		-	-	-	-	-	-	-	-
Of which transitional		-	-	-	-	-	-	-	-
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transmission and distribution systems of renewable and low-carbon gases	4.14.	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0	0.0	-	-	-	-	-
Turnover of Taxonomy-eligible activities (A.1+A.2)		0.0	0.0	0.0	-	-	-	-	-
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities (B)		1,133.1	100.0						
Total (A + B)		1,133.1	100.0						

DNSH criteria ("Does not significantly harm")

	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover 2023	Category "enabling activity"	Category "transitional activity"
Economic activities	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	in %	E	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Transmission and distribution systems of renewable and low-carbon gases	n/a	Y	Y	Y	n/a	Y	Y	0.0	-	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)										
Of which enabling										
Of which transitional										
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								0.0		
Turnover of Taxonomy-eligible activities (A.1+A.2)								0.0		

CAPEX-KPI

CAPEX KPI is defined as Taxonomy-aligned CAPEX (numerator) divided by total CAPEX (denominator). The denominator covers additions to property, plant and equipment and intangible assets during the financial year, considered before depreciation, amortisation and any remeasurements, including those resulting from remeasurements and impairments for the relevant financial year and excluding changes in fair value. These include

additions to property, plant and equipment (IAS 16), to intangible assets (IAS 38) and to rights-of-use assets (IFRS 16). Further details on the accounting policies for the Group's CAPEX are explained in the notes to the consolidated financial statements. The numerator represents the share of capital expenditure included in the denominator that relates to assets or processes associated with the Taxonomy-aligned economic activity 4.14. This expenditure can be clearly classified via the capital expenditure projects.

The CAPEX share of Taxonomy-aligned economic activities is as follows:

Economic activities	Code	CAPEX	Substantial contribution criteria						
			Proportion of CAPEX 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Transmission and distribution systems of renewable and low-carbon gases	CCM 4.14	31.1	7.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		31.1	7.3	7.3	-	-	-	-	-
Of which enabling		-	-	-	-	-	-	-	-
Of which transitional		-	-	-	-	-	-	-	-
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transmission and distribution systems of renewable and low-carbon gases	CCM 4.14	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0	0.0	-	-	-	-	-
A. CAPEX of Taxonomy-eligible activities (A.1+A.2)		31.1	7.3	7.3	-	-	-	-	-
B. Taxonomy-non-eligible activities									
CAPEX of Taxonomy-non-eligible activities (B)		396.8	92.7						
Total (A + B)		427.9	100.0						

DNSH criteria ("Does not significantly harm")

	Cli- mate change mitiga- tion	Cli- mate change adapta- tion	Water	Pollu- tion	Cir- cular Eco- nomy	Bio- diver- sity	Mini- mum safe- guards	Pro- portion of Taxon- omyali- gned (A.1.) or eligible (A.2.) CAPEX 2023	Cate- gory "enab- ling ac- tivity"	Cate- gory "transi- tional acti- vity"
Economic activities	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	in %	E	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Transmission and distribution systems of renewable and low-carbon gases	n/a	Y	Y	Y	n/a	Y	Y	4.4	E	
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)										
Of which enabling										
Of which transitional										
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								0.0		
CAPEX of Taxonomy-eligible activities (A.1+A.2)								4.4		

OPEX-KPI

OPEX KPI is defined as Taxonomy-aligned OPEX (numerator) divided by total operating expenditure (denominator). The denominator covers direct, non-capitalised costs that relate to research and development, short-term leases, maintenance and repairs, and any other direct expenditures relating to the day-to-day servicing of items of property, plant and equipment by the company or third parties to whom activities are outsourced

that are necessary to ensure the continued and effective functioning of such assets. The numerator represents the share of operating expenditure included in the denominator that relates to assets or processes that are associated with the Taxonomy-aligned economic activity 4.14, including training and other human resources adaptation needs as well as direct non-capitalised costs that represent research and development. These expenditures can be clearly classified via the projects.

The OPEX share of Taxonomy-aligned economic activities is as follows:

Economic activities	Code	OPEX	Substantial contribution criteria						
			Proportion of OPEX 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Transmission and distribution systems of renewable and low-carbon gases	CCM 4.14	1.2	0.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.2	0.9	0.9	-	-	-	-	-
Of which enabling		-	-	-	-	-	-	-	-
Of which transitional		-	-	-	-	-	-	-	-
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transmission and distribution systems of renewable and low-carbon gases	CCM 4.14	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0	0.0	-	-	-	-	-
A. OPEX of Taxonomy-eligible activities (A.1+A.2)		1.2	0.9	0.9	-	-	-	-	-
B. Taxonomy-non-eligible activities									
OPEX of Taxonomy-non-eligible activities (B)		135.6	99.1						
Total (A + B)		136.8	100.0						

DNSH criteria ("Does not significantly harm")

	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OPEX 2023	Category "enabling activity"	Category "transitional activity"
Economic activities	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	in %	E	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Transmission and distribution systems of renewable and low-carbon gases	n/a	Y	Y	Y	n/a	Y	Y	2.9	E	
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)										
Of which enabling										
Of which transitional										
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								0.0		
OPEX of Taxonomy-eligible activities (A.1+A.2)								2.9		

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

2.2 Climate change

This section discloses the impacts of the OGE Group on climate change and its past, current and future efforts to reduce these impacts. It also explains how the strategy and business model are being adapted to help limit global warming to 1.5°C and how the resulting risks and opportunities are being managed.

The following terms are used in the explanations:

Carbon dioxide equivalent (CO₂ equivalent, CO_{2e}): CO_{2e} is used as a standard unit of measurement to compare the effects of different greenhouse gases. This universal unit of measurement indicates the global warming potential (GWP) of each greenhouse gas, expressed as the GWP of one unit of carbon dioxide. CO_{2e} is calculated in mass, such as kilograms or tonnes.

Scope 1 (greenhouse gas) emissions: direct greenhouse gas emissions from sources owned or under operational control.

Scope 2 (greenhouse gas) emissions: indirect emissions from the generation of purchased or received electricity that is consumed.

Scope 3 (greenhouse gas) emissions: all indirect greenhouse gas emissions that occur in the value chain, both upstream and downstream emissions. They are broken down into categories.

2.2.1. Governance

OGE's Management Board is committed to the goals of the Paris Agreement on climate change and to Germany's national climate change mitigation targets. This commitment forms the basis for its sustainability activities. The OGE Group's targets for reducing greenhouse gas emissions (GHG emissions) are an incentivised component of the targets for OGE's Management Board. The reduction of GHG emissions accounts for 10% of the current, measurable, time-bound and outcome-focused LTI target for the period from 2024 to 2026.

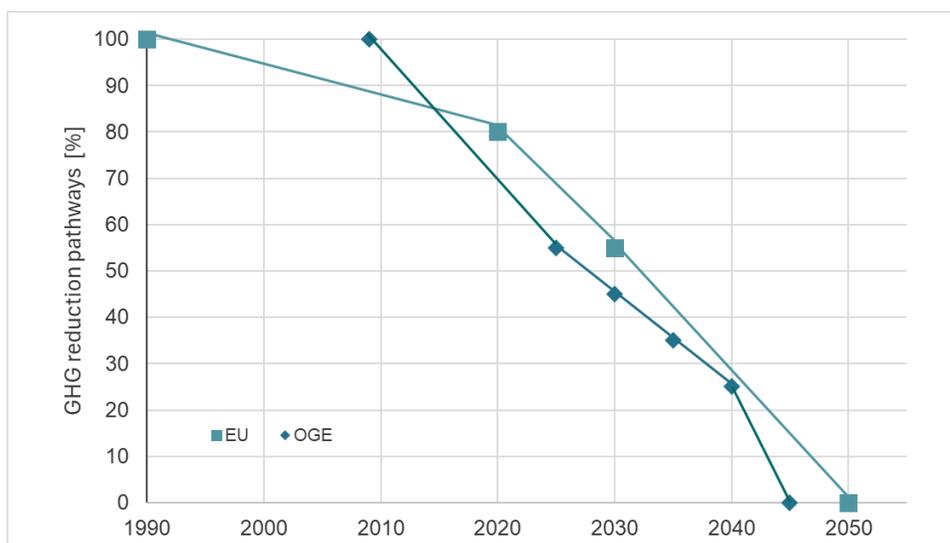
2.2.2. Strategy

2.2.2.1 Transition plan for climate change mitigation and climate change mitigation actions

To help achieve the climate objectives in Germany and Europe, the OGE Group is striving to reduce GHG emissions in all areas. The development of the hydrogen core network and its subsequent use will make the OGE Group a key pillar in Europe's green energy system.

2.2.2.1.1 Transition plan for climate change mitigation

GHG reduction pathways of the EU and OGE Group in relation to the relevant base year:



The OGE Group's GHG reduction targets have been agreed with the shareholders and are in line with the Paris Agreement's objective of limiting global warming to 1.5°C. How other stakeholders are involved in setting objectives is described in "1.3.3 Involvement and views of stakeholders". The OGE Group has set Scope 1 and 2 emissions from 2009 as the benchmark, i.e. the year before OGE was established. This means that all operational business activities can be measured relative to this starting level. Compared with the sector-specific target according to the "Pathways to Net-zero - SBTi Technical Summary" (Version 1.0, October 2021), the OGE Group is aiming for a higher reduction by 2045. In this comparative analysis, it can therefore be assumed that the OGE Group will make a contribution to achieving the 1.5°C target. The decarbonisation levers of the OGE Group are electrification, avoidance of methane emissions and the use of renewable energy sources. The associated actions are presented in the following subsection 'Avoid – reduce – offset'.

The OGE Group is exempt from the EU Paris-aligned benchmarks in accordance with the criteria set out in Article 12, para. 2 of Commission Delegated Regulation (EU) 2020/1818 (Regulation on Minimum Standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks).

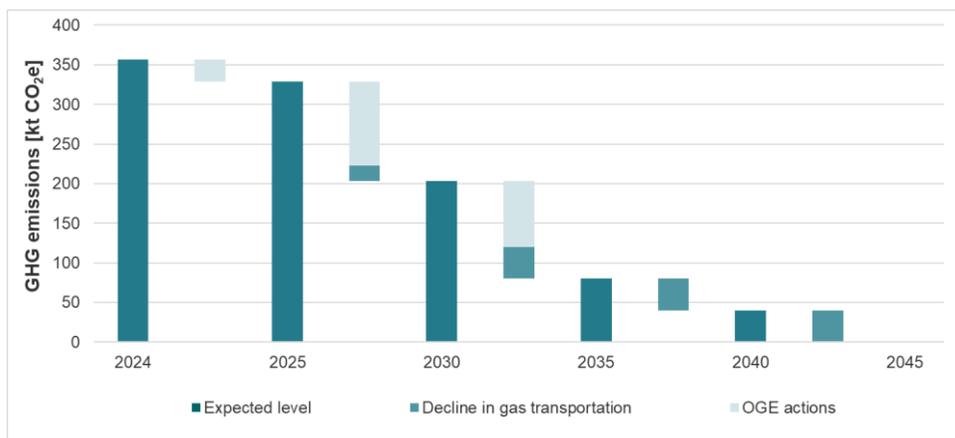
Information on the development of the key performance indicators of the EU Taxonomy Regulation over the next few years is provided in "2.1 EU Taxonomy Regulation".

Avoid – reduce – offset

The basic rule for achieving climate change mitigation objectives is: first avoid and reduce, then offset. That is why, in 2024, the OGE Group resolved to take specific actions to avoid and reduce emissions as part of a transition plan and is implementing these actions step by step.

Following declining natural gas transportation and the actions taken by OGE to reduce emissions, the expected levels for the OGE Group (measured in kt CO₂e of the assets operated by the OGE Group) for the years 2025 to 2045 are as follows:

	Expected level Scope 1+2 [kt CO ₂ e]	Total 1: Decline in natural gas trans- portation [kt CO ₂ e]	Total 2: OGE emission reduc- tion actions [kt CO ₂ e]
2023	357.0		
Δ2023-25			-28.5
2025	328.5		
Δ2026-30		-20.0	-105.5
2030	203.0		
Δ2031-35		-40.0	-83.0
2035	80.0		
Δ2036-40		-40.0	
2040	40.0		
Δ2041-45		-40.0	
2045	0.0		



The VGT Group's locked-in emissions from the reporting year to 2030 and 2050 respectively are the sum total of the Scope 1 and 2 emission targets for the assets operated by the OGE Group. The data presented on locked-in emissions were not validated by any external body.

	Period from the reporting year to 2030	Period from the reporting year to 2050
Locked-in GHG emissions [kt CO ₂ e]	3,033	6,511

Based on current knowledge, the locked-in greenhouse gas emissions do not jeopardise the company's ability to achieve its emissions reduction targets and do not increase the transition risks.

Decline in gas transportation

The OGE Group's GHG emissions depend to a large extent on machinery utilisation, which in turn is determined by market demand. Demand for natural gas in Germany will decline in the future, which will have an impact on natural gas transportation.

The OGE Group's transition plan is based on the German government's T45 scenario 2022 and its continuation in the O45 scenario 2045. These scenarios were developed to show the long-term transformation of the energy system in Germany and that of the distribution networks.

By developing the hydrogen network, the OGE Group will make a significant contribution to achieving climate neutrality in Germany by 2045. According to current plans, the compressors operated by the OGE Group to transport hydrogen in future will be powered by electricity from renewable sources with a guarantee of origin so market-based Scope 2 emissions will be zero.

2.2.2.1.2 Climate change mitigation actions

The OGE Group has planned specific actions for reducing its Scope 1 and 2 emissions for the years 2025 to 2045. They include:

Optimising network control

An AI-based software selects the option with the lowest greenhouse gas emissions from several network operating modes. This facilitates dispatching for the ecological operation of compressor stations.

Reducing methane emissions

The OGE Group is implementing various actions for reducing the Scope 1 emissions in the natural gas transmission sector, including reducing methane emissions. These include the use of mobile compressors and mobile flaring systems. OGE is continuously improving these technologies. In addition, modifications are regularly made to existing natural gas plants to prevent additional methane releases.

Electricity from renewable energy with a guarantee of origin and biomethane

Since 2022, 100 % of the electricity requirements for compressors, plants and sites operated by the OGE Group have been met by electricity from renewable sources, which has enabled Scope 2 market-based GHG emissions to be reduced to zero. OGE plans to continue to purchase only electricity from sustainable sources. Consequently, the GHG reduction targets apply to Scope 1 emissions from 2022 onwards.

Biomethane has also been used to operate the compressor stations since 2022. In 2022 and 2023, the OGE Group purchased over 75 million kWh of biogenic gas – an amount equivalent to the annual heating energy requirements of some 10,000 homes. In 2024, the share of biomethane was 73.1 million kWh, accounting for 4.6 % of OGE's total gas consumption. Even though the market only offers limited quantities of biomethane, the OGE Group is pursuing its goal of increasing the share of ecofriendly gases so it can make a contribution to achieving climate neutrality and, at the same time, further develop the potential of the German biomethane market.

Optimising compressor units

In the medium term, the OGE Group plans to replace some of the gas-fuelled compressors with compressors driven by electricity generated from renewable energies with a guarantee of origin.

It plans to implement the most important actions, such as optimising the compressor units and reducing methane emissions, by 2035. The OGE Group intends to invest in its network in the coming years in order to implement these actions. The CAPEX amounts do not correspond to those of the EU Taxonomy, as the Group's main economic activity, the natural gas transportation, is not Taxonomy-eligible. At this point, reference is made to the investments in tangible fixed assets in the financial statements.

Capital expenditure in reduction actions [€ m]	2024+25	2026-30	2031-35
Reducing methane emissions	14.5	20	20
Optimising compressor units	7.5	65	110
Total	22	85	130

VGT and the OGE Group can rely on a large number of established financial sources for funding planned measures. In addition to the OGE Group's strong internal financing capability, VGT regularly uses its access to the capital markets to issue bonds and can rely on long-term, sound relationships with a wide range of banks. VGT's stable rating (BBB+) demonstrates its excellent creditworthiness. A € 600 million backup revolving credit facility and a € 500 million commercial paper programme ensure short-term financial flexibility.

The transition plan is integrated into the overarching strategic approach to reducing emissions and is embedded in the regular financial planning. "2.1 EU Taxonomy Regulation" provides further information on the topic of key performance indicators and "1.3.2 Business model and value chain" on strategic direction.

Offset

The OGE Group is well aware that offsetting GHG emissions to achieve targets, e.g. by acquiring carbon credits, should always be the last option. Supplying German households and industry takes precedence over meeting the GHG reduction targets we have set ourselves. Therefore, the OGE Group may well purchase carbon credits in the coming years to offset emissions in order to achieve a global balance. In 2024, no carbon credits were used to achieve climate change mitigation targets.

By implementing the transformation plan presented here, the OGE Group would achieve the target of climate neutrality for Scope 1 and 2 emissions in 2045. The transformation plan with the OGE Group target of being climate-neutral in 2045 is part of the strategy and medium-term planning. Both the Management Board and the Supervisory Board support this strategy.

Results to date

The success of the emission reduction measures in the years 2009 to 2024 is measurable. In 2023 and 2024, CO₂e emissions were more than 45 % lower than in the base year 2009. This means that the target for 2025 has already been exceeded. The table shows Scope 1 and 2 emission levels (measured in kt CO₂e) of the assets operated by the OGE Group for the years 2020 to 2024. The emissions were calculated in accordance with DIN ISO 14064.

	Scope 1	Scope 2	Scope 1+2	Change compared with 2009
2020	515	26	541	-39 %
2021	417	31	448	-50 %
2022	702	0	702	-21 %
2023	468	0	468	-48 %
2024	357	0	357	-60 %
Target 2025	/	/	491	-45 %

Actions implemented in 2024

Actions [kt CO ₂ e]	Potential 2024
Purchase of electricity from renewable sources with guarantee of origin	66
Purchase of biomethane	15
Reduction of methane emissions	9

2.2.2.2 Outcomes of the materiality assessment

Climate-related risks and opportunities pose challenges for companies in terms of their own operations and within the upstream and downstream value chain, affecting assets and business activities. Climate-related transition risks and opportunities arising from the transition to a low-carbon, climate-resilient economy can also pose short, medium and long-term challenges for companies.

As a company that is covered by the scope of the EnWG and is classified as critical infrastructure, OGE is exposed to specific financial risks. Due to the strict regulatory

requirements and the need to continuously invest in the safety and reliability of the infrastructure, certain risks, which may also arise from climate change, are minimised or do not have an immediate financial effect on the resilience of the company. Critical infrastructure companies like OGE are obliged to implement extensive risk minimisation and crisis management actions. These requirements also include physical risks to the systems, regardless of their cause.

The OGE Group has carried out structured reviews to assess and ensure the resilience of its own corporate strategy and business model in relation to the challenges of climate change.

The fundamental outcomes of the assessment of impacts, risks and opportunities in terms of their materiality for the VGT Group are described in the general disclosures and in “1.3.4 Outcomes of the materiality assessment”.

2.2.2.1 Assumptions used in the assessment

Climate-related physical risks

In the 2024 reporting year, an analysis was carried out of the impacts of climate change on key locations in terms of acute as well as chronic risks. The analysis was based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD was established by the Financial Stability Board (FSB) to develop voluntary, consistent climate-related financial disclosures to help ensure that climate-related risks and opportunities are adequately assessed.

Risks from transition to a low-carbon economy

The German government's T45 2022 scenario and its continuation in the O45 scenario 2045 were used to assess the transition risks. The O45 scenario is based on the assumption that Germany will achieve climate neutrality in 2045.

Policy and legal

Under the current regulations, higher prices for carbon credits (greenhouse gas emission certificates) in accordance with the Greenhouse Gas Emissions Trading Act (TEHG) can be passed on to customers in full as recognised volatile costs. Therefore, no direct financial risks arise from this. To a lesser extent, negative effects could result from the

individual efficiency benchmarking if the regulator were to classify the use of the compressor fleet as inefficient. This is not the case at present.

Germany's efforts to become climate-neutral by 2045 will not only lead to a decline in demand but also to increased pressure to implement technical solutions to reduce GHG emissions. Both the regulator and other stakeholders could impose stricter requirements that lead to the need for investments in the particular asset. Provided that such investments are deemed efficient, this will lead to eligibility for regulated revenues in each case. This is therefore no direct economic risk.

The market ramp-up of hydrogen could lead to changes in policy and regulations that could have a massive impact on this ramp-up. Should the market ramp-up of hydrogen be much slower than forecast or even fail for reasons that cannot be foreseen at present, the Energy Industry Act already provides for a subsidiary state guarantee, taking into account a deductible for the hydrogen core network operators.

The emission of CO₂ is unavoidable in various industrial production processes, as CO₂ is emitted despite a switch to renewable energies. New infrastructure is to be planned and built for the transportation of these unavoidable CO₂ emissions. The development of this infrastructure is currently being discussed outside a regulatory environment. Depending on the outcome of these discussions, potential investments could be exposed to corresponding risks. However, from OGE's perspective, there are mainly opportunities here, as there is not expected to be an obligation to invest. Therefore, such investments can be decided at the company's own discretion, taking into account the return on investment, opportunities and risks.

Technology

Natural gas and hydrogen will play a central role in the energy supply of the future – also in the transition to a CO₂-neutral economy – because alternative technologies, such as electricity generated from renewable sources, will not be available in sufficient quantities to meet energy needs. If carbon-capture technology continues to advance, this will open up technological opportunities for OGE in the field of pipeline-based CO₂ transport.

Market

The decline in demand for natural gas projected in the O45 scenario poses a potential market risk. This risk comes from the gradual reduction in natural gas consumption, which could lead to a decline in demand for natural gas transportation and infrastructure. At the same time, the ramp-up of the market for hydrogen offers significant opportunities. However, due to the regulated environment for both natural gas and hydrogen transportation, these classic market risks do not pose any financial risks to OGE that could threaten its existence. The investments made on the basis of public obligations are offset by corresponding entitlements to regulated fees.

Energy consumption and energy mix

Under the regulatory framework, changes in energy prices for electricity, natural gas and biomethane used as fuel for the execution of transport orders can be passed on as recognised volatile costs. So there is no risk for OGE from price increases.

The time horizons for the transition risks considered span the period of the medium-term planning and up to 2045, the year in which Germany aims to achieve climate neutrality. The period up to 2045 is an important period for reducing our own greenhouse gases, which is why OGE's interim targets have been set up to 2045.

The material financial risks from physical risks and transition risks as well as climate change mitigation actions are also included in the corporate risk reporting. Actions implemented in the medium term to mitigate risk are taken into account in the regular medium-term planning.

2.2.2.2 Outcomes of the assessment

Physical climate-related risks

The analysis of acute physical risks revealed that there may be a medium overall risk to sites as a result of the medium risk from storms. However, given the structure of the plants, it is not to be expected that this risk will lead to substantial financial risks for the company.

From a plant perspective, the risks from flooding or heavy rainfall events and soil changes (e.g. earthquakes) are considered relevant because natural gas transport could be restricted as a result of the damage. However, since many of these risks are already

covered by structural engineering systems or the requirements of gas engineering regulations, there are hardly any net risks. Heavy rainfall events could pose local risks to facilities and availability, although this is also to be classified as low risk in terms of frequency and intensity. The extent of the risks will increase slightly by 2030 and 2050. Owing to the location of the sites, it is not to be assumed that several sites will be exposed to the same hazard at the same time.

Risks from the transition to a low-carbon economy

The transformation initiated in 2024 with the approval to build a hydrogen core network and the associated capital expenditure from 2025 shows that the climate-related transition risks are being addressed by the adapted business model. More investment decisions will be necessary to further reduce these transition risks. VGT and the OGE Group can draw on a large number of established sources of finance to fund the measures planned. Further information on funding can be found in “2.2.2.1.2 Climate change mitigation actions”.

The strategic approach to the development of a hydrogen network

The first core network will be used to create the basis for hydrogen transportation in Germany. It is being developed by the gas network operators in collaboration with the German government.

Financial framework

The hydrogen core network will basically be developed by the private sector, supplemented by subsidies from the state in the form of a payback account until max. 2055. During the ramp-up phase, network fees will be capped in the form of a uniform ramp-up fee set by the Federal Network Agency. This leads to a high difference between an initially capped network fee for shippers and, at the same time, high capital expenditure costs for network operators. To balance out this difference during the ramp-up phase, annual compensation payments are made through a subsidiary of Trading Hub Europe GmbH (THE), which are posted to an amortisation account. In a later phase of market ramp-up, with a higher number of connected network customers, the shortfall in the amortisation account is to be offset by additional revenues

Regulatory framework

The hydrogen core network operators are regulated by the Federal Network Agency. Network cost and fee calculations for hydrogen networks are thus regulated by law.

Legal framework

Hydrogen infrastructure projects are of paramount public interest – and therefore carry particular weight in the considerations of the approval authorities when making decisions. The statutory regulation of hydrogen transport was introduced for the first time with the amendment to the Energy Industry Act in June 2021. May 2024 then saw the passing of the Hydrogen Acceleration Act, which is designed to ensure the rapid development and expansion of production and supply capacities. The law simplifies planning, approval and contract-awarding procedures for the production, storage and import of hydrogen.

2.2.3. Impact, risk and opportunity management

2.2.3.1 Process for performing the materiality assessment in relation to climate change

The basic process for determining and assessing the material impacts, risks and opportunities for this sustainability report is described under the General disclosures and in “1.4.1 Materiality assessment process”.

Climate impacts

OGE's actual climate-related impacts are determined and assessed on the basis of the recording of total greenhouse gas emissions for both the company's own sector of business and the upstream value chain. Greenhouse gas emissions are accounted for annually in accordance with the GHG Protocol for direct emissions (Scope 1) and taking indirect emissions (Scope 2) into consideration. This balance covers all the plants and facilities of OGE and the equity investments under its operational control.

A large proportion of the direct greenhouse gas emissions are produced by the natural gas compressor units. The amount of greenhouse gases produced by natural gas compressors depends to a large extent on the capacity at which they are operated to ensure the natural gas keeps flowing through the pipelines. More than 75 % of the indirect emissions that are to be taken into account for electricity consumption are attributable to the operation of the electric compressor units. The actual GHG emissions are determined and assessed as part of the certified EMS in accordance with DIN EN ISO 50001, which

must meet the requirements of the Energy Services Act (EDL-G) and, in the future, the Energy Efficiency Act (EnEfG). The EMS is supplemented by the requirements of OGMP 2.0, the United Nations Environment Programme for the Investigation and Assessment of Methane Emissions, which OGE has been implementing for years with the recognised 'Gold Standard'. This ensures that actual and also future GHG emissions are recorded and assessed in a structured way as part of the company's own activities.

The expected GHG emissions for the coming years were also assessed as part of the transition plan and presentation of locked-in emissions. Further information is provided under "2.2.2.1 Transition plan for climate change mitigation and climate change mitigation actions", "2.2.4.1 Targets" and "2.2.4.3 Gross GHG emission and total emission metrics".

Given Germany's climate neutrality targets and the consequent future decline in demand for natural gas, the potential impacts on climate change will also be reduced as a result of the decrease in direct and indirect greenhouse gas emissions. This has been deduced on the basis of the O45 scenario.

Physical risks

In 2023, the Intergovernmental Panel on Climate Change (IPCC) redefined the modelling of climate change in its 6th Assessment Report. In addition to the previous representative concentration pathways (RCPs), 'Shared Socioeconomic Pathways' (SSP) scenarios are now also included in the modelling. These holistic scenarios consider how humankind might respond to the challenges of climate change, thus supporting the integration of physical risks in risk-informed decisions. The projection years are today, 2030, 2040, 2050 and 2100, with some scenarios or assessments only partially available.

The physical risks to the plants were considered without regard to appropriate safeguards and possible compensation, e.g. through insurance cover (gross risks).

Assessed scenarios:

SSP1-2.6 (RCP 2.6) – Sustainability: This moderate scenario leads to average global warming of about 1.0 to 2.4°C by the end of the 21st century compared with pre-industrial times (1850–1900).

SSP2-4.5 (RCP 4.5) – Middle of the road: This scenario would lead to average global warming of 2.1 to 3.5°C by the end of the 21st century compared with pre-industrial times (1850–1900).

SSP3-7.0 (RCP 7.0) – Regional rivalry: According to this scenario, average global warming by the end of the 21st century is expected to be between 2.8 and 4.6°C.

SSP5-8.5 (RCP 8.5) – Fossil-fuelled development: In this scenario, average global warming of 3.3 to 5.7°C is expected by the end of the 21st century.

This proven approach to scenario analysis was used to assess the physical risks posed by natural disasters and climate change. The assessment permits a detailed analysis of the risk situation of individual sites, both in the present and in the future for the years 2030-2100 taking various climate scenarios into consideration.

The two scenarios SSP2-4.5 (RCP4.5) 'middle of the road' and SSP5-8.5 (RCP8.5) 'fossil-fuelled development' for the years 2030 and 2050 were selected as the focus in order to cover the range of risks and uncertainties that could arise from various developments. These scenarios are considered to be fundamentally plausible and suitable because they have been approved by the IPCC. Analysis on a location-specific basis also makes it possible to check the plausibility of the results against OGE's current experience.

In the middle-of-the-road scenario (SSP2-4.5 (RCP4.5)), global and national institutions work towards sustainable development but make only slow progress. The environmental situation worsens, but the overall intensity of resource and energy use decreases. The 'fossil-fuelled development' scenario (SSP5-8.5 (RCP8.5)) relies on competitive markets and innovation. Fossil fuels are increasingly used and social and economic development drives the adaptation of resource- and energy-intensive lifestyles worldwide. Local environmental problems, such as air pollution, are brought under control, but high levels of

GHG emissions lead to severe global warming and increased vulnerability to natural disasters.

The time horizons used in the climate scenarios correspond to the expected lives of the plant technology and OGE's strategic planning horizons. The basis for long-term planning is the network development plan (NDP) for natural gas, which will be integrated around hydrogen in the future. It is agreed every two years for ten years. As part of the scenario analysis for the NDP, the transmission system operators make assumptions about the development of production, supply and consumption of natural gas and, in future, hydrogen as well as flows to and from other countries up to the target year 2045. On this basis, OGE also makes decisions regarding investments in new plant technology and possible reinvestments in existing plants.

The SSP scenarios described were modelled and assessed on the basis of the corresponding geographical coordinates for the locations specified. When selecting the locations, the fundamental relevance of the location for transport availability was taken into account, and thus the impacts on customers of the Transport business. Stakeholders in the upstream value chain were not assessed using this risk approach because no sites were considered to be particularly relevant for OGE's business activities.

Risks from the transition to a low-carbon economy

The German government's climate neutrality target is key when assessing the transition risks for the OGE Group. The focus of the risk assessment is on the company's own business activities in the period up to 2045 as these can be significantly influenced by political decisions. In view of the expected decline in demand for natural gas from customers of the Transport business, the climate neutrality target has direct impacts on OGE. OGE sees no material transition risks for the reporting year from the upstream value chain since these risks can only be reflected in the availability of suppliers and service providers.

The main drivers for the VGT Group that arise from this scenario therefore include, in particular, changes in the regulatory framework and market demand. Technological developments towards climate-neutral energy sources and energy consumption or the energy mix in the politically influenced scenario can also affect the VGT Group to varying degrees. However, as regards their scale, these risks are not considered to be as serious

as the risk that leads to a transformation of OGE's core business. OGE's assets, such as plant technology, and its business activities are 100 % exposed to the German government's goal of climate neutrality. However, due to the regulated environment, there are no assets or business activities that would not be compatible with the transition to a climate-neutral economy. The fundamental business model of natural gas transportation, for example, will continue to exist as a transitional and bridging technology until the time of climate neutrality.

The climate scenarios listed here and the risks derived from them are the same as the assumptions used to determine the fundamental opportunities and risks in the "Report on opportunities and risks" in the general section of the Group management report and are therefore compatible with them. The analysis of the climate scenarios provides the basis for identifying and assessing the short, medium and long-term physical and transition risks as well as the opportunities on which the materiality assessment was based.

2.2.3.2 Policies to address the management of physical climate risks and transition risks related to climate change adaptation

Business Continuity Management (BCM) refers to the development and implementation of strategies, processes, plans and actions to protect activities or processes whose interruption would cause significant damage to OGE or losses that would threaten its existence, or to enable alternative processes. The aim of BCM is to ensure the continued existence of OGE by maintaining business processes that are critical in terms of the scale of damage. BCM is therefore part of OGE's operational risk management.

All risks that may pose a physical or other risk to the plant technology and natural gas transportation are recorded and evaluated in BCM. Should additional risks be identified in future climate change analyses, these would be integrated into BCM. This mainly relates to risks from external influences, such as natural disasters, before a temporary interruption or a local gas transportation outage occurs.

Responsibility for BCM always lies with the Management Board, as it must safeguard the company's strategic direction and secure the necessary resources.

2.2.3.3 Policies related to energy efficiency

The objective of the Group-wide energy management system (EMS) to DIN EN ISO 50001 is to continuously improve energy-related performance, including energy efficiency, energy use and energy consumption, in order to mitigate the greenhouse gas effect caused by energy generation and the resulting impacts over the long term. The EMS covers all office locations, compressor stations and operating sites permanently manned by OGE staff as well as metering and regulating stations within the transmission system.

The OGE Management Board is responsible for applying, monitoring, evaluating, maintaining and continuously improving the entire management system. It determines the approach and enforces the management system manual within this framework.

2.2.4. Metrics and targets

2.2.4.1 Targets

As a company involved in the energy transition, the OGE Group supports the climate targets of the European Union and the German government. The OGE Group aims to reduce its Scope 1 and 2 GHG emissions by 45% by 2025 and 55% by 2030 compared with the base year 2009.

The aim of OGE's EMS is to steadily increase efficiency and save energy, thus contributing to the reduction of GHG emissions. It identifies and exploits short- and long-term savings potential, thereby helping to achieve the targets set. The following table shows the targets Scope 1 and 2 emissions (measured in kt CO₂e) of the assets operated by the OGE Group for the years 2025 to 2045.

	Base value [kt CO ₂ e]	Target value [kt CO ₂ e]	Reduction [%]
2009	892		
2025		491	45 %
2030		401	55 %
2035		312	65 %
2040		223	75 %
2045		0	100 %

The OGE Group has set itself an ambitious pathway for reducing Scope 1 and 2 emissions. Starting from the base year 2009, the OGE Group has outperformed the EU's reduction pathway from the year the target was set in 2021, and also aims to be climate-neutral as early as 2045. According to current plans, the OGE Group will obtain electricity from renewable energy sources with guarantees of origin for all applications, so that market-based Scope 2 emissions will be zero. The target values for the years 2025 onwards therefore relate to Scope 1 emissions.

The majority of OGE's Scope 3 emissions are attributable to goods and services purchased in the upstream supply chain and capital goods. In implementation of the National Hydrogen Strategy of the Federal Republic of Germany, OGE will build part of the hydrogen core network. This will mean considerable construction activities in the next few years as new hydrogen pipelines are built and existing natural gas pipelines repurposed for hydrogen. These construction activities are part of the network development plan. Since the majority of OGE's emissions are caused by goods and services purchased in the upstream supply chain and capital goods, it can be assumed that these future construction activities will initially lead to an increase in OGE's Scope 3 emissions in absolute terms. However, these emissions help to reduce national emissions by using climate-friendly energy sources and avoid the release of CO₂ emissions. Consequently, the construction activities and the short-term increase in OGE's emissions will contribute to a long-term national reduction in emissions. The scope and duration of these construction activities cannot yet be accurately estimated as they depend on state and market influences. It is therefore not yet possible to forecast Scope 3 emission data in the supply chain and, based on this, to set realistic reduction targets. OGE intends to determine the Scope 3 values step by step with primary data from its suppliers. The international tables currently used for the calculation allow a rough estimate of the scale of Scope 3 emissions, but do not yet allow a target to be set. Despite these difficulties, OGE aims to be able to determine a target range for reducing CO₂ emissions in the supply chain within the next two years, provided changes in the framework conditions do not prevent this.

2.2.4.2 Energy consumption and energy mix metrics

The following table shows the total energy consumption in MWh of the assets operated by the OGE Group for the years 2009, 2023 to 2024. The data presented on the energy metrics have not been validated by an external body.³

	2009	2023	2024
(1) Fuel consumption from coal and coal products [MWh]	0	0	0
(2) Fuel consumption from crude oil and petroleum products [MWh]	8,273	11,561	9,968
(3) Fuel consumption from natural gas [MWh]	2,950,229	2,024,568	1,525,490
(4) Fuel consumption from other fossil sources [MWh]	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources [MWh]	103,332	0	0
(6) Total energy consumption from fossil sources [MWh] (calculated as the sum of lines 1 to 5)	3,061,834	2,036,129	1,535,458
Share of fossil energies in total energy consumption [%]	100 %	89 %	86 %
(7) Consumption from nuclear sources [MWh]	0	0	0
Share of consumption from nuclear sources in total energy consumption [%]	0 %	0 %	0 %
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, bio-gas, renewable hydrogen, etc.) [MWh]	0	54,636	73,118
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources [MWh]	0	204,169	174,121
(10) The consumption of self-generated non-fuel renewable energy [MWh]	0	8	8
(11) Total renewable energy consumption [MWh] (calculated as the sum of lines 8 to 10)	0	258,813	247,247
Share of renewable sources in total energy consumption [%]	0 %	11 %	14 %
Total energy consumption [MWh] (calculated as the sum of lines 6, 7 and 11)	3,061,834	2,294,942	1,782,705

³ For mathematical reasons the tables may include rounding differences of +/- one unit (€, % etc.).

The total energy consumption and net revenue of the OGE Group are attributable to the energy sector. The following table shows the energy intensity based on net revenue (MWh/ € m) for the years 2023 and 2024⁴. The revenues in VGT's consolidated financial statements represent net receipts.

	2023	2024	Change compared with previous year (%)
Total energy consumption from activities in high climate-impact sectors [MWh]	2,294,942	1,782,705	-22 %
Net revenue from activities in high climate-impact sectors [€ million]	1,648	1,133	-31 %
Energy intensity based on net revenue [MWh / € million]	1,393	1,573	13 %

⁴ Due to the different scopes of consolidation (see "1.1 Basis for preparation of the sustainability report") for this sustainability report and the consolidated financial statements, the figures can only be interpreted to a limited extent.

2.2.4.3 Gross and total GHG emission metrics

The following table shows the Scope 1, 2 and 3 emissions in kt CO₂e of the assets operated by the OGE Group for the years 2009, 2023 and 2024 as well as the target values. The emissions were calculated in accordance with DIN ISO 14064 but not validated by any external body.

	2009	2023	2024	Change from previous year [%]	2025	2030	2045	Annual % of target / base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions [kt CO ₂ e]	834	468	357	-24 %	491	401	0	-57 %
Percentage of Scope 1 GHG from regulated emission trading schemes [%]	68 %	88 %	87 %	-1 %-points	0	0	0	+18 %-points
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions [kt CO ₂ e]	58	78	66	-15 %	0	0	0	+13 %
Gross market-based Scope 2 GHG emissions [kt CO ₂ e]	58	0	0	0	n/a	n/a	n/a	-100 %
Significant GHG emissions according to Scope 3								
Total gross indirect (Scope 3) GHG emissions [kt CO ₂ e]	n/a	n/a	456	n/a		not yet defined	not yet defined	n/a
1. Purchased goods and services [kt CO ₂ e]	n/a	n/a	85,42	n/a				
2. Capital goods [kt CO ₂ e]	n/a	n/a	337,86	n/a				
3. Fuel and energy-related activities [kt CO ₂ e]	n/a	n/a	27,70	n/a				
4. Upstream transportation and distribution [kt CO ₂ e]	n/a	n/a	1,22	n/a				
5. Waste generated in operations [kt CO ₂ e]	n/a	n/a	0,18	n/a				
6. Business travel [kt CO ₂ e]	n/a	n/a	1,97	n/a				
7. Employee commuting [kt CO ₂ e]	n/a	n/a	1,61	n/a				
Total GHG emissions								
Total GHG emissions (location-based) ⁵ [kt CO ₂ e]	892	546	879					n/a
Total GHG emissions (market-based) ⁵ [kt CO ₂ e]	892	468	813					n/a

⁵ For the years 2009 and 2023, only the data for Scope 1 and 2 emissions are available.

Greenhouse gas intensity based on net revenue (revenues according to the consolidated financial statements):

	31 Dec. 2024
Total GHG emissions (location-based) per net revenue ⁶ [kt CO ₂ e/€ m]	0.78
Total GHG emissions (market-based) per net revenue ⁶ [kt CO ₂ e/€ m]	0.72

Scope 1: Direct GHG emissions

These contain CO₂ emissions resulting from the combustion of natural gas and bio-methane, natural gas emissions and the emissions from the vehicles and emergency power generators used by the OGE Group.

Combustion of natural gas:

At around 86%, the combustion of natural gas accounts for the majority of Scope 1 emissions. The vast majority of the natural gas burned is recorded using OGE’s own calibrated measuring devices with transducers and, among other things, stored by the system as a gross calorific value-related amount of energy. To a lesser extent, some operating sites are supplied by third parties. In these cases, the amount of gas consumed can be seen from the corresponding invoices. The greenhouse gas emissions are calculated using the conversion factor (gross calorific value/net calorific value) and the emission factor (net calorific value-related) from Part 4 of Appendix 2 to the Ordinance on Emission Reporting Pursuant to the Fuel Emissions Trading Act for the years 2023 to 2030 (Emissionsberichterstattungsverordnung 2030 – EBeV 2030). Biogas quantities (eligible for credits under the EU ETS (Emissions Trading System)) are taken into account as appropriate.

⁶ Due to the different scopes of consolidation (see “1.1 Basis for preparation of the sustainability report”) for this sustainability report and the consolidated financial statements, the figures can only be interpreted to a limited extent.

Natural gas emissions:

Natural gas emissions (main component: methane) currently account for 13% of the greenhouse gas balance (Scope 1) of the OGE Group. (Operational) blowouts, leaks and incomplete combustion are taken into account. As a member of “The Oil & Gas Methane Partnership 2.0 (OGMP 2.0)” of the United Nations Environment Programme, OGE has been observing the relevant framework for reporting methane emissions since 2021. Every year since 2021, OGE has been recognised as meeting the “Gold Standard”, which signifies the highest possible reporting quality. Methane emissions are determined, among other things, on the basis of engineering calculations (e.g. based on the geometric volume and pressure when a pipeline section is depressurised), on measurement campaigns at selected parts of the asset, the measurement results being extrapolated to the entire asset (e.g. measurements of leaks at selected gas pressure regulating and metering stations) and on literature values or estimates for smaller quantities (e.g. when calculating the proportion of methane slip from boilers).

The average composition of natural gas is estimated on the basis of various assumptions (origin of the transported natural gas) and in-house laboratory tests. With regard to the global warming potential for the time horizon of 100 years (GWP 100), the current Intergovernmental Panel on Climate Change (IPCC) data is used, in particular for methane. Together with the other components of natural gas considered to be material (e.g. ethane, propane), the estimated mass percentages are used to determine a resulting GWP 100, which is used to calculate the emissions – expressed in CO₂e.

Emergency power generators and vehicles:

Emissions from the combustion of fuels for driving vehicles and emergency power generators currently account for a small proportion (1%) of the total greenhouse gas balance. A difference is made between diesel, heating oil (L), petrol and natural gas.

Consumption for stationary combustion in emergency power generators is estimated on the basis of the operating hours and plant design data. This is calculated annually by a service provider. The greenhouse gas emissions are calculated on the basis of the conversion factor (t/1000l), the net calorific value and the emission factor (based on the net

calorific value) from Part 4 of Appendix 2 of the Ordinance on Emission Reporting Pursuant to the Fuel Emissions Trading Act for the years 2023 to 2030 (Emissionsberichterstattungsverordnung 2030 - EBeV 2030).

Very small quantities of natural gas are also used as fuel for company vehicles. These quantities and the petrol consumption figures are determined annually by a service provider. Greenhouse gas emissions are calculated using essentially the same methodology as for stationary combustion (see above).

Scope 2: Indirect GHG emissions from the use of electricity

Stationary electricity consumption is currently measured company-wide by a metering point operator. The consumption data are integrated in Gas-X, an application for determining, allocating and billing quantities of energy. A consumption report is provided by the Energy Determination department. The current emission factor for the German electricity mix in Germany (published by the Federal Environment Agency) is used as the basis for the location-based calculation of Scope 2 emissions. The market-based calculation of Scope 2 emissions is based on the applicable contracts for the supply of electricity. Here, the basis is guarantees of origin for electricity from renewable energy sources.

To a lesser extent, electricity is also used for company vehicles. When the vehicles are recharged at the company's own charging stations, the consumption is measured by recording the stationary electricity consumption (included in the above-mentioned consumption report from Gas-X). If the vehicles are charged at external charging stations, the consumption figures are obtained from the annual consumption statement of the service provider.

The market-based Scope 2 emissions were determined on the basis of specific supply contracts pursuant to DIN ISO 14064 for the asset operated by the OGE Group. These market-based indirect emissions resulting from the electricity consumed are to be regarded as zero, since OGE only purchased carbon-neutral electricity in the reporting period.

As regards Scope 1 and 2 emissions, all parts that are under operational control are included in the scope of consolidation for reporting purposes. There are no other joint

ventures etc. The scope of consolidation is explained in "1.1 Basis for preparation of the sustainability report".

Scope 3: Indirect GHG emissions from the value chain

OGE attaches great importance to reducing its own greenhouse gas emissions by taking targeted action in the Scope 1 and Scope 2 categories. The scope for influencing Scope 3 emissions is so far considered to be limited.

The majority of OGE's Scope 3 emissions are attributable to goods and services purchased in the upstream supply chain and capital goods. When calculating Scope 3 emissions, OGE currently uses mainly product group-based calculation factors taken from the DEFRA table (Department for Environment, Food and Rural Affairs). The DEFRA emission factors are industry-specific averages that reflect the emissions per euro of expenditure on various goods and services.

As only a few suppliers are currently able to provide precise calculations of their Scope 3 emissions, it is virtually impossible to use primary data and therefore this makes no sense. Consequently, no primary data were used. However, OGE is planning to include primary data from its suppliers in the future as part of a hybrid calculation model and aims to successively increase the proportion of primary data.

In order to calculate the Scope 3 emissions, OGE carried out a materiality assessment to determine which Scope 3 categories under the GHG Protocol are relevant for OGE.

The following categories are currently evaluated when calculating Scope 3 emissions:

1. Purchased goods and services
2. Capital goods
3. Fuel and energy-related activities
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting

The following table explains the reasons why certain categories are disregarded.

Scope 3	Reason
8. Upstream leased assets	OGE owns and operates a gas network and has no leased assets that could lead to Scope 3 emissions.
9. Downstream transportation and distribution	OGE does not produce any products that are distributed by downstream transport. The gas transported by OGE is not owned by OGE. The emissions for gas transport to direct end customers of OGE (e.g. industry and power plants) are included in the Scope 1 and 2 categories. There are no emissions for downstream transport in the sense of Scope 3.
10. Processing of sold products	OGE does not sell gas but only provides the infrastructure for gas transportation. It is the end customers who process the gas, using it for various purposes, e.g. for heating, cooking or industrial processes. The end customers record and report the emissions from the processing of gas.
11. Use of sold products	The same applies as with category 10 - OGE does not sell gas but only transports it. It is the end customers who use the gas for various purposes, e.g. for heating, cooking or industrial processes. The end customers record and report the emissions from the use of gas.
12. End-of-life treatment of sold products	The same applies as with categories 10 and 11 - OGE does not sell gas but only provides the infrastructure for the transportation of gas. The gas has no end-of-life as it is used completely. There are no emissions from the disposal of gas.
13. Downstream leased assets	OGE does not lease any assets to third parties which could result in Scope 3 emissions.
14. Franchises	OGE has no franchise partners who could lead to Scope 3 emissions.
15. Investments	OGE has no investments in other companies that could lead to material Scope 3 emissions attributable to OGE. The scope of consolidation is explained in "1.1 Basis for preparation of the sustainability report".

Method for calculating Scope 3 emissions

Scope 3 emissions are calculated on the basis of the GHG Protocol Corporate Accounting and Reporting Standards. This standard defines 15 categories of Scope 3 emissions that cover the indirect emissions in the value chain, both upstream and downstream.

The first step was to assess the relevance of each Scope 3 category based on qualitative and quantitative criteria. The categories considered relevant are, as mentioned above: (1) purchased goods and services, (2) capital goods, (3) fuel and energy-related activities, (4) upstream transportation, (5) waste generated in operations, (6) business travel, and 7) employee commuting.

The expenditure data, which represent the monetary value of the goods or services purchased or provided, were collected for categories 1, 2, 4, 5 and 6. The expenditure data were extracted from the financial reports and other internal sources and expressed in euros for the year 2024.

The DEFRA emission factors were then used to estimate the Scope 3 emissions for these categories. The DEFRA emission factors are industry-specific averages that reflect the emissions per euro of expenditure on various goods and services. The Scope 3 emissions were calculated by multiplying the expenditure data by the corresponding emission factors. The results were expressed in t CO_{2e} and summed to obtain the total emissions. The relative contributions of each category to total emissions were also analysed to identify the most important areas for reduction.

For category 3, the quantities of fuel gas consumed by OGE were determined from internal surveys and stated in GWh. The Scope 3 emissions were then calculated using the emission factors for the production, treatment and transport of fuel gas consumed from the source to the German border. The emission factors are based on the impact assessment by DBI Gas- und Umwelttechnik GmbH, an independent group of companies of the DVGW. The DBI impact assessment is an industry-specific average that reflects the emissions per GWh of fuel gas consumed. The results were expressed in t CO_{2e}.

For category 7, the average distance travelled by employees from their home location to their regular place of work and the average number of days on which employees commuted to their regular place of work were determined from internal sources and stated in

km or days. The emission factor for an average car (the latest Volkswagen Golf Variant) was then multiplied by the data to estimate the Scope 3 emissions for this category. The emission factors were expressed in kg CO_{2e} per kilometre. The results were expressed in t CO_{2e} and summed to obtain the total emissions.

2.2.4.4 Internal carbon pricing

The fundamental objectives of maintenance and repair work in the transmission network are the safeguarding of people, the environment and facilities, network availability to ensure security of supply, and operational efficiency of maintenance and network expansion in compliance with regulatory requirements.

A standardised method for assessing the risk from non-implementation of a planned action is used to prioritise technical projects. This method is applied uniformly to all asset classes and project types. The methodology of this technical project programme (TPP) of OGE and the assets operated by OGE is in line with generally recognised engineering practice for the risk management of gas infrastructures. For prioritisation purposes, the risk of non-implementation in the categories of safety, transport (availability) and efficiency (monetary impact) is determined and assessed for all actions on the basis of the impact of the damage and the likelihood of occurrence. The monetary risk of not implementing a planned action includes all damage and incident costs that are to be expected in the hypothetical event of damage.

The Scope 1 emissions incurred by not implementing an action are taken into account with an internal CO_{2e} price of €125 per tonne of CO_{2e}. This price exceeds the price for EU ETS certificates in the last 10 years and is more than twice as high as the price in the national emissions trading system during the reporting period. This increases the incentive to allocate resources to CO₂-reducing measures.

2.3 Pollution

This section of the report explains the company's main positive and negative impacts with regard to air, water and soil pollution. It describes actions to prevent, minimise and manage these impacts.

2.3.1. Impact, risk and opportunity management

2.3.1.1 Materiality assessment process related to pollution

The fundamental process for identifying and assessing the material impacts, risks and opportunities for this sustainability report is described in "1.4.1 Materiality assessment process".

A systematic assessment of environmental impacts has been carried out for many years as part of the certified environmental management system in accordance with DIN EN ISO 14001 by identifying and assessing environmental matters.

Air pollution caused by the operation of gas turbine plants is to be regarded as material; this is where, in particular, the air pollutants such as nitrogen oxides (NO_x), carbon monoxide (CO) and sulphur oxides (SO_x) are produced. In addition, handling of substances hazardous to water could, in principle, result in water and soil pollution. By implementing the requirements of the Federal Water Act (WHG) and the duty of care principle enshrined in it, OGE operates leak-proof stationary systems - in some cases with additional regular monitoring - and uses approved mobile machines in a technically monitored condition, for example in construction work. As impacts caused by the company, the potential water and soil contamination is therefore to be classified as non-material. However, due to the financial risks associated with their removal in the unlikely event of damage, this matter is classified as material overall.

2.3.1.2 Policies related to pollution

OGE has implemented a Group-wide environmental management system in accordance with the DIN EN ISO 14001 standard. This system represents OGE's fundamental policy for avoiding and reducing environmental pollution, both in normal operation and, in particular, in connection with potential incidents and operational situations outside normal operation. This ensures that potential financial risks from environmental pollution are minimised, for example from water and soil contamination that could lead to environmental damage. The environmental management system defines OGE's responsibility to

minimise the environmental impacts of its activities, to exploit opportunities and minimise risks, to comply with legal requirements and to work towards continuous improvement in environmental performance. The environmental management system also includes special plans for alert and emergency situations.

The environmental impacts of air pollutant emissions are assessed and monitored as part of the environmental management system. In addition, the legal situation is continuously monitored so that changes in the legal framework or thresholds, for example for air pollutants and soil protection, can be identified at an early stage. This allows technical or organisational actions to be identified and implemented at an early stage as required.

In line with the underlying international standards, the most important stakeholders were and are systematically taken into account in the roll-out and further development of the management system and the associated measures in stakeholder analyses. In addition, the management system officer gives regular reports, usually annually, on the status and development of the management system to OGE's Management Board, as the highest responsible body.

The environmental management system covers various pollutants emitted by OGE, such as air pollutants NO_x, CO, SO_x and CH₂O, and takes into account the compressor stations, all operational sites and the environment of OGE's pipeline network as well as all services provided.

In addition, OGE's environmental management system also includes information on the methods and instruments used by OGE to monitor, measure, assess and report environmental matters, such as environmental matter analyses and risk analyses, environmental audits, as well as environmental reports.

2.3.1.3 Actions related to pollution

The Management Board is responsible for applying, monitoring, assessing, maintaining and continuously improving the entire management system. Special functions in the fields of occupational safety and environmental protection are performed by various officers and specialists appointed for the specific purpose. The organisational independence of these officers and experts in the performance of their work is guaranteed in compliance with legal requirements.

OGE is aware of potential environmental impacts and has implemented company-wide pollution prevention measures to fulfil its ecological responsibilities. These continuous measures and resources include

- maintaining and further developing the environmental management system that enables the identification, monitoring and reduction of environmental matters and impacts.
- setting indicators for the reduction of air pollutant emissions, which are regularly reviewed and reported.
- reviewing compliance with applicable legal requirements, such as air pollutant concentration thresholds, as well as voluntary commitments regarding environmental damage.
- conducting internal and external environmental audits as part of the certified management system to assess the effectiveness of environmental actions and promote continuous improvement.
- a water protection officer regularly monitors all company sites and provides advice and support for those responsible on site
- training our employees and raising suppliers' awareness of environmental issues and practices.

2.3.2. Metrics and targets

2.3.2.1 Targets related to pollution

The certified environmental management system prescribes continuous environmental management. The standard requires the regular review of environmental performance, its assessment and improvement as well as compliance with legal regulations.

It goes without saying that OGE complies with the legal requirements and regulations that apply to the construction and operation of compressor stations, gas pressure regulating and metering stations and pipeline construction projects. In doing so, OGE is guided by European and national standards on the strict minimisation of air pollution. These

standards include, among others, the Federal Immission Control Act (BImSchG), which regulates the emission thresholds and the approval procedures for plants that may cause air pollution, noise or other harmful environmental impacts, as well as the associated ordinances and guidelines. OGE also takes into account the EU Directive on Integrated Pollution Prevention and Control (IPPC Directive), which requires an integrated approach to the prevention and reduction of emissions into the air, water and soil. Beyond consistently complying with the legal requirements and regulations regarding air pollutants, OGE has not set itself any specific quantitative targets in this area, as the air pollutant loads depend in particular on the transport services requested by the shippers and thus OGE cannot influence them directly.

With regard to water and soil contamination, OGE has set itself the voluntary, annually recurring target that there must be no environmental damage resulting in lasting harm during the construction and operation of the assets. The approach is always to handle water and soil contamination properly, as OGE's goal is to avoid long-term impacts on the environment. The above-mentioned management system enables the company to achieve this goal. All environmental incidents are also reported in the company waste and water protection officers' annual report, which is evaluated by the Management Board with regard to achievement of the target. In the reporting year, as in previous years, there was no water or soil contamination that resulted in lasting environmental damage.

2.3.2.2 Air pollution metrics

As an operator of critical infrastructure, OGE is under an obligation to provide in particular transportation services in line with requirements and without interruption and to ensure secure network operation. Air pollutant emissions largely depend on capacity utilisation of the machinery, which in turn is determined by market demand. Overall, emissions have decreased in recent years, in part due to technical retrofits to machinery.

The air pollutant emission loads are estimated by calculating a monthly average. The Ordinances for the Implementation of the Immission Control Act (13th/44th BImSchV) do not prescribe direct measurement.

Estimates are based on calibrated combustible gas measurements (German Measurement and Verification Act (MessEG)), regularly measured pollutant concentrations from accredited measuring institutes (according to DIN EN ISO/IEC 17025) and the operating

times of the emission sources. The uncertainty of the estimates results from a combination of the uncertainties of the calibrated combustible gas measurements and the measurement uncertainties of the emission measurements, as well as the monthly averaging.

OGE does not have to report consolidated quantities of pollutants released into the air in the reporting year as the consolidation only includes emissions from facilities that exceed the threshold value specified in Annex II to Regulation (EC) No. 166/2006. In addition, greenhouse gas emissions are reported separately in “2.2.4.3 Gross and total GHG emission metrics”.

2.4 Biodiversity and ecosystems

This section describes the effect that the OGE Group has on biodiversity and ecosystems and the actions taken to reduce the impacts. In protecting the integrity of the biosphere and biodiversity, the company is guided by international directives and legal requirements.

2.4.1. Strategy

2.4.1.1 Consideration of biodiversity and ecosystems in strategy and business model

The aim of OGE's strategy is to act in accordance with the relevant local, national and global policy objectives and targets relating to biodiversity and ecosystems.

OGE is guided by the vision of the Global Kunming-Montreal Biodiversity Framework in the form of the implementation of Directives 2009/147/EC and 92/43/EEC (EU Birds and Habitats Directives), in particular in the planning and construction of pipelines. Both directives are key elements in the approval process and are implemented in Germany mainly through the Federal Nature Conservation Act (Bundesnaturschutzgesetz - BNatSchG). In addition, there are administrative regulations for the application of the national provisions on species protection during planning or approval procedures, which govern the implementation of these directives 92/43/EEC and 2009/147/EC.

OGE's strategic direction and business model impact biodiversity and ecosystems in Germany because interventions in nature, even if only temporary, are unavoidable in the context of pipeline construction projects and plant operation. Temporary or permanent sealing and changes to surfaces affect both biodiversity and the state of ecosystems.

Short, medium or long-term changes in requirements in connection with biodiversity may lead to additional expenses as a result of increased approval requirements and thus also to financial risks for projects.

The regulatory environment has a significant influence on the risk position of the Group, in particular of OGE. Under the existing regulatory framework, all investments required by law, which also relate, for example, to network expansion and the associated projects and requirements, lead to an entitlement to regulated revenues. A specific financial risk therefore exists only with regard to possible efficiency requirements imposed by the regulator, but not with regard to the general right to remuneration for investment in the regulated natural gas or hydrogen infrastructure. In principle, owing to the regulated environment, the OGE Group is not exposed to any risks that could jeopardise its continued existence as a result of its handling of biodiversity.

2.4.1.2 Outcomes of the materiality assessment

The fundamental outcomes of the assessment of impacts, risks and opportunities in terms of their materiality for the VGT Group are described in the general disclosures and in “1.3.4 Outcomes of the materiality assessment”.

OGE has operational control over various facilities, including valve stations, metering and regulating stations, and compressor stations. The main impacts in terms of biodiversity arise during the execution of projects.

For example, the construction of new pipelines has a temporary negative impact on the affected areas. These include, for example, environmental impacts caused by the construction site, lowering of the groundwater level and earthworks. If these impacts are permanent, appropriate offset action is taken. All sites are in a good ecological condition because they are restored after construction. Depending on the scope of the project, a record is made by an environmental construction supervisor after completion of the construction activities and this documentation is usually made available to the authorities. OGE's projects are spread all over Germany, which means that a large number of authorities are involved. Depending on the approval procedure for the respective project, different authorities at different levels are responsible.

All OGE sites have soil sealing, the scale of which depends on the size of the respective plant. OGE has no activities that affect endangered species because OGE is bound by the Federal Nature Conservation Act and such activities are therefore not permitted. OGE takes appropriate avoidance and minimisation action to exclude any endangerment.

The following table lists the compressor stations as material sites. Compressor stations are material when it comes to biodiversity due to their space requirements, their mostly rural location and surface sealing. The location of such sites means that most of them border on protected areas.

Compressor station location	Protected areas	Competent nature conservation authority
Bunde	-	District of Leer
Emsbüren	-	District of Emsland
Gernsheim	WPA	Town of Gernsheim
Velen	-	District Borken
Herbstein	-	District authority of Vogelsbergkreis
Müllheim / Baden	WPA	District of Breisgau-Hochschwarzwald
Krummhörn	-	District of Aurich
Legden	LCA	District of Borken
Mittelbrunn	-	District of Kaiserslautern
Cologne-Porz	LCA	City of Cologne
Renzenhof	-	District of Nürnberger Land
Rimpar	-	District of Würzburg
Rothenstadt	-	Town of Weiden
Kempen / St. Hubert	LCA and WPA	Town of Kempen
Stolberg	LCA	Town of Stolberg
Rheinmünster	-	District of Rastatt
Wardenburg	-	District of Oldenburg
Waidhaus	LCA and WPA	District of Neustadt an der Waldnaab
Werne	LCA	District of Unna
Wegscheid / Wildenranna	-	District of Passau
Würselen	LCA and WPA	Urban region of Aachen

LCA: Landscape conservation area
WPA: Water protection area

OGE avoids any activities connected with these sites that may have negative impacts on these protected areas. Through careful planning, environmental impact assessments and the use of modern construction methods, OGE minimises interference with natural habitats and protects biodiversity. Temporary adverse effects are offset by targeted action such as renaturation and resettlement of protected species, so that no long-term risks arise. Therefore, no physical risks arise from the construction projects. Thanks to procedures in line with the legal requirements and targeted protective measures by OGE, as regards OGE projects, there is no lasting damage to ecosystems or biodiversity due to systemic risks. The land use changes brought about by OGE do not result in any transition risks.

OGE's policies include actions to minimise negative impacts on natural habitats and the habitats of species and to avoid disturbing the species for which the protected area was designated. If OGE concludes in the course of the landscape conservation support plan and the included impact assessment that biodiversity offsets are required, these are also implemented. A standard procedure is to green stations with local plants to increase biodiversity.

2.4.2. Impact, risk and opportunity management

2.4.2.1 Materiality assessment process related to biodiversity and ecosystems

The fundamental process for identifying and assessing the material impacts, risks and opportunities for this sustainability report is described in "1.4.1 Materiality assessment process".

The aspect of land-use change is material because it has direct and indirect impacts on the environment and people's quality of life. Sustainable use of land during the construction projects is crucial to maintaining the ecological functions of the soils and minimising the negative consequences of land degradation. OGE uses various procedures to determine the material impacts, risks, dependencies and opportunities associated with biodiversity, land-use change and ecosystems. These procedures may vary depending on the location and scope of the construction project. The legal basis for this is the Federal Nature Conservation Act (BNatSchG) and the Environmental Impact Assessment Act (UVPG). Biodiversity and ecosystems are assessed in order to determine the material impacts of a construction project on them. This assessment takes into account ecosystem

services that are or are likely to be affected by disturbances. The following documents in particular are prepared for this purpose:

1. Landscape conservation support plan:

A landscape conservation support plan focuses on aesthetic and visual impacts of a project on the landscape. It assesses how a project affects the appearance of the landscape and what actions can be taken to minimise negative impacts. This may include the design of building structures, the planting of trees or the creation of green spaces. Systemic risks are also included by taking the individual protected resources into consideration in the landscape conservation support plan.

Consultations with affected communities regarding sustainability assessments of jointly used biological resources and ecosystems are taken into account as part of the process. These are recorded in the landscape conservation support plan.

2. Environmental Impact Assessment (EIA):

An EIA is a more comprehensive process that assesses the potential environmental impacts of a project. It takes into account various environmental factors, such as air, water, soil, flora and fauna. The EIA includes a detailed analysis of the potential negative impacts. It considers potential alternatives and proposes actions to avoid, mitigate or offset these impacts. It is a legally required process for many large projects and allows the public to voice their concerns and suggestions.

3. Natura 2000 assessments:

Natura 2000 assessments are specific assessments that focus on the protection of areas that are part of the Natura 2000 network. These areas are of particular importance for the preservation of biodiversity in Europe. The assessments evaluate whether a project could affect the conservation objectives of these areas and propose actions to avoid or minimise negative impacts. This may include special protective measures or adjustments to the project. The Natura 2000 assessment is based on the requirements of Article 6, para. 3 of the Habitats Directive, officially known as Directive 92/43/EEC, and on section 34 of

the Federal Nature Conservation Act (BNatSchG). It ensures that projects are only approved if they do not jeopardise the conservation objectives of the Natura 2000 areas.

4. Technical contribution in accordance with the EU Water Framework Directive

The purpose of a technical contribution to the Water Framework Directive (WFD) is to check whether a project is compatible with the legal requirements of the WFD and the Federal Water Act (WHG).

A contribution of this kind ensures that the water management objectives under water law are met. According to a ruling by the European Court of Justice (ECJ) on 1 July 2015, permits for projects must be refused if they could cause a deterioration in the condition of a body of surface water or jeopardise the achievement of a good condition of a body of surface water.

The technical contribution includes an examination of whether a deterioration in the quality of the ecological and chemical condition of the surface water affected and of the quantitative and chemical condition of the groundwater bodies affected can be ruled out. In addition, it examines whether the project is incompatible with the management objectives for the water bodies affected.

These procedures help OGE to determine the actual and potential impacts of its projects on biological diversity, land-use changes and ecosystems and to take appropriate actions to minimise these impacts. All nature conservation documents are reviewed by the authorities and then approved. This ensures that the interests of the local population are taken into consideration.

2.4.2.2 Policies related to biodiversity and ecosystems

OGE has no overarching policies in the sense of the ESRS definition. The comprehensive “ecological” policies described below, which the company has developed itself, serve to ensure compliance with applicable legal requirements and are drawn up for each project.

A comprehensive ‘ecological’ policy is drawn up for each project. The aim of these policies accompanying the construction work is to protect, develop and restore the environment in line with the Federal Nature Conservation Act and to safeguard biodiversity and

the functioning of the ecosystem as well as the diversity, uniqueness and recreational value of nature and the landscape.

To prevent the loss of biodiversity due to land-use changes, procedures are defined to minimise and offset interventions in biodiversity. Monitoring programmes document and assess potential endangerments in order to avoid or offset them with conservation actions. The goal is to limit interventions, such as soil sealing and habitat encroachment, to the bare minimum. If they are, nevertheless, unavoidable, offset areas are created or land is recultivated.

The negative impacts on ecosystems are to be minimised by compensation, offset and restoration measures. Sealed surfaces are limited to what is necessary for the construction work.

Responsibility for implementing the policies lies with the project management or the head of the Technical Planning department. Specialist planners and construction supervisors provide support in operational implementation of the project, while overall oversight is the responsibility of project management. Responsibilities and structures are clearly defined so that deviations from the requirements can be identified and rectified at an early stage.

The objectives, which apply to all pipeline projects, are used as a benchmark for management decisions:

1. Preserving biodiversity: A key objective is to promote and preserve biodiversity. This can be achieved by creating habitats for endangered species or the renaturation of areas.
2. Improving soil quality: Actions such as deep loosening of the subsoil or liming of the soil aim to improve the soil structure and ensure soil productivity.
3. Preventing soil erosion: Greening measures, such as sowing phacelia, minimise soil erosion and maintain soil quality.
4. Restoring water balances: Actions to renaturalise water bodies or improve water storage in the soil help to restore natural water balances.
5. Promoting soil life: The introduction of organic material, such as Champost (spent mushroom compost), can stimulate soil life and increase soil fertility.

2.4.2.3 Actions and resources related to biodiversity and ecosystems

In its action plans, OGE incorporates biodiversity offsets for every project if these are required by law. OGE regularly implements the following actions to minimise negative impacts on biodiversity and ecosystems:

1. Ecological construction supervision (ÖBB): This action involves monitoring and consultation during the construction phase to ensure the environment and natural habitats are protected. It takes into account ecological matters such as biodiversity, protected areas, water and soil protection.
2. Environmental construction supervision (UBB): This action involves checking compliance with environmental requirements, identifying potential impacts on the environment and, if necessary, recommending action to minimise negative effects. The aim is to avoid environmental damage and promote sustainable construction methods.

3. Pedological construction supervision (BBB): Pedological construction supervisors ensure soil protection requirements are met during the construction work. They monitor contract execution with regard to the fulfilment of soil protection requirements and are authorised, in consultation with the project and construction manager and the senior site managers to organise and implement all actions required for the successful completion of the construction work.

4. Hydrological construction supervision (HBB): This action ensures that hydrological conditions are monitored and protected during the construction phase. Hydrological construction supervision includes checking water quality, ensuring compliance with water law requirements and recommending action to minimise negative impacts on water resources.

5. Use of offset areas: The purpose of offset actions at OGE is to compensate for interference in nature and the landscape and to maintain or restore ecological functions. OGE works successfully with land and action pool providers as well as eco-account providers to fulfil its offsetting obligations in accordance with section 15 of the Federal Nature Conservation Act (BNatSchG). Eco-accounts are an instrument in nature conservation that are used to compensate for interference in nature and the landscape. They make it possible to use previously implemented offsets for future interventions. This means that actions to improve or restore nature and the landscape, such as afforestation or renaturation, can be credited to an eco-account. These actions can be used later to compensate for interference in nature, such as construction projects. OGE draws on offset areas from districts, municipalities, land agencies, foundations or private owners. Land is acquired (acquisition of rights) and contact established with pool operators and eco-account holders as well as with the responsible authorities (local nature conservation authority, forestry) and the affected owners as early as possible, as soon as the decision on the pipeline route has been made and well before the planning approval procedure is initiated.

6. Adjustment of construction and operational plans: By modifying construction and operational plans, OGE can ensure that it minimises environmental impacts. This can include avoiding construction work during sensitive periods, creating buffer zones or using environmentally friendly technologies.

7. Regular environmental monitoring: Continuous monitoring of environmental conditions helps OGE to identify potential problems at an early stage and take appropriate action. This may include monitoring water quality, air quality and soil conditions.

During the planning phase of space-intensive installations, such as gas pressure regulating and metering stations, there are different policies to make the most efficient use of space. Once construction work has been completed, areas that are not required are returned to their original state and, where possible, certain areas on the plant premises are landscaped and the station is greened. With smaller stations, attempts are made to minimise surface sealing.

OGE also adopts the following sustainable practices or strategies in the areas of land use and agriculture:

1. Intercropping for soil improvement: During construction work, OGE offers support to farmers to perform perennial intercropping for soil improvement. This helps to maintain and improve soil fertility and promotes sustainable agricultural practices.

2. Subsoiling: Subsoiling is a measure to reduce soil compaction and improve the pore system. This promotes aeration and water supply to the plant roots, which in turn ensures soil productivity.

3. Greening of topsoil pits: Covering topsoil pits with plants such as phacelia helps to prevent the propagation of weeds and minimise soil erosion. Phacelia is particularly suitable because it grows quickly and covers the ground, reducing erosion by wind and water.

4. Liming of the topsoil/subsoil, depending on the soil's needs: Liming the soil, both the topsoil and the subsoil, helps to regulate the soil's pH and improve the soil structure. The introduction of Champost can also stimulate soil life and increase soil fertility.

5. Separate storage of the individual soil layers: During construction or agricultural measures, it is important to store the different soil layers separately. This prevents the mixing of fertile topsoil with less fertile subsoil and enables targeted reuse of the soil layers after the work has been completed.

6. Reforestation and soil recultivation: Once the construction work has been completed and the soil recultivated, forest areas are reforested in order to maintain the percentage of forest cover over the long term. Tree species suitable for the location are used to create long-lived, stable and productive forests. The use of native tree species also helps to achieve ecological enhancement. OGE develops restocking plans in cooperation with the forest owners and the local forest rangers.

7. Guide for forest owners: OGE provides a guide for forest owners on the interactions and influences of pipeline construction on forestry land. This guide also contains information on the rights and obligations of landowners and on actions to minimise negative impacts on agricultural land.

All actions are implemented on a project-specific basis for OGE's (Germany-wide) pipeline projects. Some of these projects last for several years. The actions are therefore implemented over this time horizon, which depends on the duration of the project. Time horizons for a particular action cannot therefore be specified as they depend on how long the project takes.

On a project-specific basis, OGE describes the offsets in each landscape conservation support plan. The actions are described in detail, including the area affected, the type of action, the quality criteria applied and the standards that the actions must satisfy. This description helps readers to understand the effectiveness and scope of the actions and to ensure that they meet the specified standards. The costs of the offset measures at OGE amount to approx. € 5.0 million.

All actions are implemented in consultation with local authorities and associations. When implementing the measures, OGE relies on proven specialist companies, some of which are local, and their experts for the proper handling of soils, climate, plants, etc.

2.4.3. Metrics and targets

2.4.3.1 Instruments related to biodiversity and ecosystems

OGE does not have any set targets relating to biodiversity. However, OGE has implemented a comprehensive process to ensure that the relevant requirements of the authorities are met and that opportunities and risks are identified in day-to-day project work. This process comprises several steps and is supported by various departments and systems.

One important instrument is the environmental requirements register. This tool is used to transparently identify approval and environmental requirements. The requirements register helps to ensure that all relevant information and documents are complete and up-to-date. The requirements register is available to all companies involved in construction and compliance is monitored by the environmental construction supervisor, who reports to OGE and the responsible approval authority in the form of weekly reports. These project-specific processes and controls eliminate the need for overarching objectives.

2.4.3.2 Metrics for impacts related to biodiversity and ecosystem change

Of the 4,846 OGE sites (valve stations, metering and regulating stations, compressor stations), 0.46 ha are located in nature reserves, 1.7 ha in FFH-protected areas (flora, fauna, habitat) and 1.94 ha in special protection areas. The areas overlap in some cases.

OGE contributes to land-use change through surface sealing and deforestation. In particular, the construction of large gas pressure regulating and metering stations removes land from agricultural use and seals it for construction. In some cases, OGE crosses forest areas during pipeline construction. For safety reasons, no trees may be planted 2.5 m to the left and right of the centreline of pipelines. These areas are no longer used for forestry purposes.

2.5 Circular economy

This section explains how the OGE Group assesses and manages the material impacts on the circular economy. It describes the actions taken to prevent or mitigate adverse impacts and risks.

2.5.1. Impact, risk and opportunity management

2.5.1.1 Materiality assessment process related to the circular economy

The fundamental process for identifying and assessing the material impacts, risks and opportunities for this sustainability report is described in “1.4.1 Materiality assessment process”.

The OGE Group only has major inflows of resources in the context of construction projects with very long-term commitment of assets. At the same time, it is not involved in any production activities that would require the use of relevant resources. Furthermore, the company does not produce any products or materials that leave the company as such. In this context, no consultations with parties outside the company are necessary.

Because some of the waste generated and properly disposed of is hazardous waste as defined in section 3 of the European Waste Catalogue Ordinance (AVV) and there is a risk that pollutants could be released into the environment if not handled properly, this matter is considered material.

2.5.1.2 Policies related to the circular economy

The OGE Group's actions are in line with the objectives of the EU strategy for a circular economy. The German Circular Economy Act (KrWG) implements the EU Waste Framework Directive and regulates the principles and requirements for sustainable waste management. The objectives of the Circular Economy Act include the conservation of natural resources and the prevention of environmental pollution.

The OGE Group applies the principles of the circular economy in all areas of its business. There are no specific policies in accordance with ESRS, as OGE has no direct influence on the main types of waste as regards timing and quantity and, to some extent, as regards composition and pollutant content. These matters depend in particular on the demand for the transport of gas through the network. The quantities and types of waste as well as their ecological and economic impacts are recorded and assessed as part of the certified

environmental management system. Compliance with legal requirements is a matter of course for the OGE Group.

2.5.1.3 Actions related to the circular economy

The waste management officer, who is appointed voluntarily in line with Article 60 of the German Waste Management Act (KrWG), regularly inspects the operating sites and advises local management on environmental matters and, in particular, waste law issues. On request, the waste management officer supports the local people responsible in carrying out their training and awareness-raising work. In total, OGE has around 75 waste management officers. They last had in-house training in 2023. The next training session is planned for the period from March to June 2025.

Furthermore, the waste management officer reports regularly, usually annually, to the OGE Management Board, as the highest responsible body, on waste as well as the status and progress made with the circular economy.

OGE recognises its responsibility and has continuously implemented circular economy actions to fulfil its environmental responsibility. These actions include:

- maintaining and developing the environmental management system, which includes identifying, monitoring and reducing waste.
- using best-practice procedures and technologies to prevent and reduce waste during the design, construction, operation and maintenance of gas plants.
- systematically collecting and separating waste by type and fractions as well as proper disposal by qualified waste disposal companies.
- raising awareness and training employees on the importance of the circular economy and complying with applicable regulations and internal guidelines.
- raising suppliers' awareness of circular economy matters.
- continuously identifying optimisation potential and taking suitable actions.

Changes in waste laws and regulations are continuously monitored and evaluated. Where necessary, changes are implemented or prepared for implementation within the specified transition periods.

2.5.2. Metrics and targets

2.5.2.1 Targets

The OGE Group has not set any targets for waste management beyond compliance with the applicable legal and regulatory requirements as the quantities of waste are low overall and cannot be directly influenced. The main quantities arise due to maintenance or servicing requirements, which depend on the transport services requested, or are attributable to projects specified by the network development plan (NDP) for natural gas. As part of his advisory role, the waste management officer is authorised and obliged to review the implementation and effectiveness of actions. In addition, the actions to reduce the impact are also tracked as part of the certified environmental management system.

2.5.2.2 Amounts of waste

The individual disposal processes are documented either electronically (individual verification procedure) or in paper form (collective verification procedure), depending on the type of verification used during disposal. Paper receipts are always used for the disposal of non-hazardous waste. The quantities of waste vary greatly as some of the waste is caused by project and rehabilitation work, which, depending on the type and scope of the work, can have a significant influence on the total amount of waste.

All amounts in tonnes (t)	2023	2024
Total amount of waste generated ⁷	2,204	2,361
Total amount of hazardous waste	921	553
Total amount of hazardous waste: Type of waste treatment: Recovery - R process	272	292
Hazardous waste: Preparation for recycling (R2, R6, R7, R8, R9)	89	19
Hazardous waste: Recycling (R3, R4, R5)	6	21
Hazardous waste: Other recovery processes (R1, R10, R11, R12, R13)	177	252
Total amount of hazardous waste: Type of waste treatment: Disposal - D process⁸	649	261
Hazardous waste: Incineration (D10, D11)	0	62
Hazardous waste: Landfill (D1, D5)	2	0
Hazardous waste: Other types of disposal (D2, D3, D4, D6, D7, D8, D9, D12, D13, D14, D15)	647	199
Total amount of non-hazardous waste	1,283	1,808
Total amount of non-hazardous waste: Type of waste treatment: Recovery ⁹	1,075	1,474
Total amount of non-hazardous waste: Type of waste treatment: Disposal ⁹	208	334
Total amount of unrecovered waste	857	595
Percentage of unrecovered waste	39 %	25 %
Waste with significant components/materials	455	964
Metals (in particular iron and steel)	367	405
Soil	44	513
Mineral waste	44	46
Total amount of radioactive waste	0	0

⁷ The amounts of waste are the total volumes handed over by OGE as the waste producer for proper disposal. The quantities were taken from the waste management records (weights determined by the disposal facilities, e.g. from shipping documents and weighing receipts) and estimated for small quantities and for individual waste fractions such as mixed municipal waste, as no weighing is carried out on handover and this is not provided for under German law.

⁸ This part of the hazardous waste is disposed of because of the pollutants it contains or the lack of recovery options (e.g. in the case of aqueous hazardous waste).

⁹ No data are available for non-hazardous waste to distinguish between the individual recovery and disposal processes, as German law does not provide for this.

3 Social disclosures

3.1 Own workforce

This section presents material information on the workforce of OGE and PLEdoc. It addresses the impacts of the company on its workforce and risks, as well as the actions taken. It also describes the company's general approach to managing these matters.

3.1.1. Strategy

3.1.1.1 Involvement and views of stakeholders

The company's own workforce is an important group of stakeholders affected by sustainability matters. Therefore, employees and works council members are included in the materiality assessment as important stakeholders. At the same time, regular employee surveys are used to find out about the interests and views of employees and their representatives on a range of topics.

It is very important to retain existing employees and to recruit new ones, particularly in view of the challenges ahead in transforming the company. If a company is an attractive employer, this leads to low staff turnover and higher numbers of skilled workers. Uncertainties about the future viability of jobs can also have a direct negative impact on employer attractiveness. Data protection also plays an important role in this context as personal data form a basis for strategic and operational decisions and the actions to be derived from them.

As of 31 December 2024, the VGT Group's own workforce in Germany, including the members of the Management Board and apprentices, totalled 2,016 employees. With a workforce of 1,765, OGE is an important subsidiary of VGT. PLEdoc GmbH is also included as a subsidiary of OGE with 247 employees. All other companies in the VGT Group and VGT GmbH are largely companies without staff or not included due to the insignificant number of employees.

Information on external employees at OGE and PLEdoc not included in the above figures can be found in "3.1.3.3 Characteristics of non-employee workers in the company's own workforce".

At the end of the year, OGE and PLEdoc were training a total of 74 young people in eight different technical and commercial occupations. Apprenticeships are offered at 13 sites throughout Germany, that is to say in North Rhine-Westphalia (Essen, Schwerte, Ummeln and Werne), Lower Saxony (Krummhörn), Bavaria (Rimpar, Rothenstadt, Waidhaus and Wildenranna), Hesse (Gernsheim, Nieder-Eschbach and Reiskirchen) and the Rhineland-Palatinate (Mittelbrunn).

3.1.1.2 Outcomes of the materiality assessment

The fundamental outcomes of the assessment of impacts, risks and opportunities in terms of their materiality for the VGT Group are described in the general disclosures and in “1.3.4 Outcomes of the materiality assessment”.

The negative impacts with regard to job security and employer attractiveness mainly affect the company's own employees rather than non-employee workers.

Generalists and experts from different specialist departments work together as teams with a shared goal: to ensure a long-term, sustainable and secure energy supply. The biggest opportunities for positive social impact lie in OGE's and PLEdoc's contribution to achieving the climate objectives and supporting the energy transition through green gases. This helps to safeguard Germany's competitiveness as an industrial location. OGE is developing further so that it can successfully shape its transformation over the next few years and decades. Since all employees – regardless of age, gender etc. – are the basis for current and future success, changes in strategy and business model always also affect employees, without specific groups being particularly affected from the outset. This is where the HR strategy comes in. In times of transformation coupled with demographic change and a shortage of skilled workers, this means ensuring that the personnel requirements arising from the strategy are met with the necessary skills through recruiting and retention, as well as training and development. It also means adapting these requirements to new situations, if necessary. The aim is to be and remain an attractive employer, offer employees good prospects and provide support during changes - and to do so as soon as possible. Work at OGE should be safe, fulfilling and future-proof - for all current and future employees. This is closely linked to the diversity strategy “Inspire – Connect – Develop”. In times of a shortage of skilled workers and constant changes in the work environment, it is important for employers to take a clear stand on topics that matter to current and potential employees. That is why a top priority is to ensure that everyone

feels welcome, respected and valued. Everyone should have the opportunity to get involved, be successful and develop. This drives transformation, promotes innovation and creativity and strengthens the corporate culture. Diversity is valuable – not only among current employees, but also in/among future ones.

The resulting strategic and operational decisions and the actions are based on personal data, which require special protection in this context.

In principle, the company's business activities involve occupational health and safety risks, stemming in particular from construction and maintenance work on system-critical network infrastructure, primarily in high-risk areas, such as high gas pressure and hazardous substance handling. OGE has various effective measures in place to minimise the relevant risks. Further information can be found in “3.1.2.4 Actions related to the company's own workforce”.

3.1.2. Impact, risk and opportunity management

3.1.2.1 Policies related to the company's own workforce

OGE is aware of its responsibility to respect human rights, promote social justice and protect the environment and is expressly committed to the goals of the United Nations Global Compact (UNGC) and to complying with the UN Guiding Principles on Business and Human Rights in relation to preventing and combating human rights violations. The labour and social standards of the International Labour Organization (ILO) are also implemented at OGE through the extensive ratifications by Germany, which is a member of the ILO Governing Body.

OGE and PLEdoc are committed to equal opportunities and equal treatment as enshrined, among other things, in the Code of Conduct. Nobody must be discriminated against because of their gender, age, disability, nationality, skin colour, religion, ideology or sexual orientation. Discrimination, harassment and insults are not tolerated. All employees are called upon to inform their superiors or the Compliance Office in the event of a violation or any indication of a violation. The Compliance Office has operational responsibility for investigating, assessing and putting a stop to any infringements. Further information can be found in “4.3.2 Business conduct policies and corporate culture”.

Furthermore, OGE and PLEdoc operate mainly in Germany and neighbouring European countries, so there are no material risks relating to forced or child labour and human trafficking. Moreover, OGE has appointed a human rights officer whose remit includes monitoring risk management in the company's own sector of business as well as regular, published reports to the Federal Office for Economic Affairs and Export Control (BAFA). The human rights strategy is based on international standards and guidelines. It includes clear rules and processes for avoiding violations of human rights.

The above commitment to equal opportunities and equal treatment also forms the basis for OGE's diversity strategy. In order to increasingly anchor diversity at OGE, the strategy focuses on the three areas: "inspire", "connect" and "develop". Different measures are developed and implemented for all three key areas. The Diversity Sounding Board monitors the implementation of the diversity strategy. It is made up of employees from different departments of OGE who represent different aspects of diversity.

The processing of personal data and the conditions under which data may be deleted are governed by a separate guideline entitled "Principles of Data Protection". It takes into account the appropriate level of data protection required by the European General Data Protection Regulation (EU-GDPR) and national laws, including those for cross-border data traffic, above all to those countries in which there is no appropriate level of data protection by law. The guideline forms the basis for the actions taken to protect personal data.

Occupational health and safety has top priority at OGE. The company aims to steadily reduce the number of accidents and other health problems among its own workers over the long term and continuously improve occupational ergonomics and occupational health. OGE's occupational health and safety management system is certified to DIN EN ISO 45001. The management system covers 87.7% of the workforce of the OGE Group. This figure is calculated based on the ratio of OGE employees (1,765) to the total number of OGE (1,765) and PLEdoc employees (247) as at 31 December 2024.

As an employer, OGE is legally obliged to carry out a risk assessment for all fields of activity. Depending on the risks identified, occupational health check-ups and further measures may be necessary. In the actions taken to protect employees, the resulting in-house safety instructions often go beyond what is legally required so as to set an even

better level of safety as an in-house standard. OGE has internal rules for many industry-specific topics, which are updated and continuously improved on the basis of experience. These are developed according to the "STOP principle" (substitution, technical measures before organisational measures and before personal protective measures).

One of the most important tasks is to prevent accidents. Unfortunately, this does not always work. If an occupational accident does occur, the victims are covered by a comprehensive care and compensation system provided by the accident insurance company, in the case of OGE, BG ETEM.

3.1.2.2 Processes for engaging with the company's own workers

It goes without saying that OGE and PLEdoc have a long tradition of working closely with the co-determination bodies. The works councils are made up of full-time and part-time members. At OGE, there are 17 works council members, five of whom are full-time. At PLEdoc, one of the nine works council members is full-time. In regular meetings, sometimes weekly, to address various topics and issues, company representatives and the works council discuss, debate and negotiate on current developments, actions planned and actions already implemented. The co-determination rights under the Works Constitution Act are, at the very least, respected.

In various regular and ad hoc communication formats, the Management Board and managers exchange views with employees, including those on strategy and the business model and their impacts on their own areas. In addition, employees have the opportunity to learn about and comment on company-related topics in virtual events and on digital platforms. The number of participants in each case is an indicator of the success of the particular format.

In addition, the head of the HR Business Partner & Strategy department is responsible for incorporating the views of employees into the strategy. To do this, she uses the company's communication formats and the regular exchanges of views between HR business partners, managers and employees.

OGE and PLEdoc are well aware that occupational safety is a team effort. For a good safety culture, there must be a constant exchange of views on the topic across all levels and teams, and joint and interdisciplinary work must be carried out to optimise workflows

and working environments to make them even safer. The employees have the necessary experience and knowledge for this. More than 60 employees from various departments are involved in the organisation as safety officers. They act as multipliers in the regions, support employees on site with their questions and provide feedback as well as suggestions for training and safety campaigns.

3.1.2.3 Processes to remediate negative impacts and improve complaint management

In regular anonymous employee surveys, employees are asked to give their opinion on various topics that are important to the company. The results are then evaluated, discussed with employees at local level and specific centralised and decentralised actions are derived from them. Employee satisfaction is also measured as a standard part of each survey. In the last survey, it was 62 out of a possible range of -100 to +100. This high level of satisfaction is also reflected in the low employee turnover rate – see also “3.1.3.3 Characteristics of the company's employees”.

In addition, OGE has an established complaints management system and a whistleblower tool to meet these requirements. The current complaints management system at OGE is designed to identify potential compliance violations and negative impacts and to make improvements. It includes various procedures and channels through which employees can express their concerns, also anonymously. These channels are designed to enable simple and transparent communication and to ensure that all complaints and reports received are properly processed. Further information on this can be found in “4.3.2 Business conduct policies and corporate culture”.

3.1.2.4 Actions related to the company's own workforce

The commitment to equal opportunities and equal treatment also forms the basis for OGE's diversity strategy. New measures, for which the appropriate human and financial resources are available, address these key issues. In 2024, for example, employees were able to become aware of their own attitudes, learn interesting facts about diversity and experiment with the different composition of heterogeneous teams in the Diversity Course. In the first step of the strategy, the focus is on diversity criteria that are measurable: gender, origin, age and (physical and mental) disabilities. Corresponding measures are also planned for the following years. The goal of increasing the proportion of women at higher management levels at OGE should also be seen in the context of diversity –

see “3.1.3 Metrics and targets”. To achieve its goals, OGE relies not only on external recruitment but also on suitable support and advancement measures to increase the number of female managers. These measures are regularly reviewed in terms of their suitability and effect.

Many aspects contribute to an employer's attractiveness. Employee surveys on employee satisfaction and external awards such as TOP Company from kununu are used as a guide to the general attractiveness of the company. Here, OGE has been among the 5°% most popular employers in Germany for the last four years. In 2024, the focus was on the extensive range of benefits. In addition to communicating existing benefits, OGE updated some benefits and added new ones. The offers are regularly evaluated on the basis of take-up.

An organisation's ability to protect its employees depends on how it designs, implements and continuously improves safety management processes and programmes. By tracking all types of incidents and taking appropriate protective action, the organisation can reduce the risk of occupational accidents, injuries and near misses. To ensure long-term implementation, the actions defined are incorporated into existing processes, risk assessments and work instructions. Employees from different parts of the organisation are also involved to ensure that different perspectives and approaches are taken into account. The occupational safety measures are proactive, preventive and integrated into the culture of the entire organisation; they apply continuously. They are based on a binding set of rules for employees and suppliers.

It is important that the rules do not just exist on paper but are actively practised every day. This includes systematic, proactive management inspections involving interaction between managers and employees, in which potential hazards are identified and ways of avoiding them are discussed. This ensures that everyone who works for the OGE Group is familiar with the guidelines and puts them into practice. Any risks that arise are discussed and remedied at the earliest opportunity.

OGE employees already receive instruction before they start work at the company and then at least once a year. The content of this instruction is tailored to the employees' respective field of activity and incorporates practical findings from incidents, such as accidents or entries in the first-aid book, as well as information on changes and new

developments in regulations. This ensures that knowledge is always kept up to date and further improved.

To ensure that the personal data of employees and third parties are protected, OGE and PLEdoc have implemented extensive continuous measures based on the Federal Data Protection Act (BDSG) and the directly applicable Regulation (EU) 2016/679 (General Data Protection Regulation, GDPR). These include technical and organisational measures to ensure a level of protection appropriate to the risk when processing personal data, clear guidelines for handling personal data and a record of processing activities. Further information on information security matters is given in “3.3.2.4 Actions and resources related to the secure operation of the gas transmission system”. OGE's data protection officer works to ensure compliance with data protection regulations in the company. He advises the Management Board, managers and employees on all questions of company data protection, investigates complaints and carries out checks. In addition, all employees receive regular training on data protection.

In 2024, no compliance violations, such as discrimination or data protection incidents, were reported to OGE through the compliance whistleblowing channels.

3.1.3. Metrics and targets

3.1.3.1 Targets related to the company’s own workforce

OGE has set itself targets as regards the proportion of women at management levels, occupational safety (Total Recordable Injuries Frequency – TRIF) and management inspections. These were discussed with the Supervisory Board and therefore also with the employee representatives on the Supervisory Board. The explanations given in “1.2.1.2.2 Targets” also apply in principle.

There are no explicit targets for the topics of employer attractiveness and data protection. Further information can be found in “3.1.2.4 Actions related to the company’s own workforce”.

In light of the Act on the Equal Participation of Women and Men in Executive Positions in the Private and Public Sectors, OGE is striving for greater gender diversity at management levels. The current target since 1 January 2022 is to achieve the following proportion

of women on the Supervisory Board, on the Management Board and at the top two management levels by 31 December 2026:

Targets	proportion of women
Supervisory Board	17 %
Management Board	33 %
Heads of Division	17 %
Heads of Department	16 %

The corresponding figures as at 31 December 2024 are given below in “3.1.3.4 Diversity metrics”.

In the OGE Group, every accident is taken equally seriously whether it involves the company’s own employees or those of suppliers. That is why the OGE Group has deliberately decided against a target only for its own workforce, but has set the same Total Recordable Injuries Frequency (TRIF) target rate for OGE and its suppliers. In doing so, the OGE Group deliberately chose the TRIF as the metric. In contrast to Lost Time Injury Frequency (LTIF), which only takes into account accidents with lost time and fatalities, TRIF also takes into account medical treatment and accidents that limit the capacity to work. The above-mentioned target is not in line with the ESRS definition, but the OGE Group has nevertheless chosen this holistic target to reflect the OGE Group’s high standards of occupational safety.

All work-related accidents are investigated (if necessary together with the suppliers) and actions to prevent future occupational accidents are defined so as to make working at and for OGE even safer. This is expressed by the accident rate TRIF_{comb}, which is calculated from the combination of TRIF-relevant accidents per million working hours of OGE and supplier employees. The number of working hours of supplier employees is estimated based on the volume of the order, the proportion of the work performed by individuals and an average hourly wage.

2024	Target	Achievement
Management inspections	550	739
TRIF _{comb}	4.0	3.6

In 2024, a total of 24 accidents resulting in an absence of at least one day or medical treatment (6 at the OGE Group, 18 at suppliers') occurred at the sites and construction sites. The combined TRIF rate remained at a low level of 3.6, well within the target of 4.0 for 2024. Both the TRIF and LTIF rates for OGE employees were below the average for the last five years at a low level of 2.1. The number of work-related accidents, as measured by TRIF_{comb}, has been decreasing on a long-term average and has thus been at a low level for years.

The target of 550 management inspections in 2024 was exceeded, with 739 inspections carried out. Management inspections are an annual target.

3.1.3.2 Characteristics of the company's employees

The following tables provide an overview of the structure of the company's own workforce, excluding non-employee workers, as at 31 December 2024. The figures are actual data and not estimates. The most representative figures in the financial statements are the number of employees and personnel expenses.

Head/FTE	Female	Male	Diverse	N/A	Total
Employees	431/ 382.76	1,581/ 1,559.97	0/0	0/0	2,012/ 1,942.73
Permanent employees	404/ 361.84	1,472/ 1,461.91	0/0	0/0	1,876/ 1,823.75
Temporary employees	27/ 20.92	109/ 98.05	0/0	0/0	136/118.97
Full-time employees	283/283	1,513/1,513	0/0	0/0	1,796/1,796
Part-time employees	148/99.76	68/46.97	0/0	0/0	216/146.73

When calculating the "full-time equivalent" (FTE) figures, the employees are considered on the basis of their actual level of employment, which is not taken into account in the "headcount" figures.

As a rule, employees have permanent employment contracts. Fixed-term employment contracts are only concluded in cases where HR capacity planning anticipates a temporary need for additional staff, for example due to projects.

The employee turnover rate for the Group as a whole is 5.2% for 2024. This rate includes 101 departures, of which 48 are due to termination agreements, employee and employer terminations.

3.1.3.3 Characteristics of non-employee workers in the company's own workforce

As of the reporting date of 31 December 2024, 43 employees worked for OGE and PLEdoc under staff leasing contracts. The reason for such employment is to level out temporary workload peaks.

In 2024, 25 people were employed as self-employed persons by OGE for up to 12 months, in particular as health and safety coordinators and as construction site personnel.

3.1.3.4 Diversity metrics

The following table shows the distribution of employees by age group as at 31 December 2024:

Age group	Number of employees
	31 Dec. 2024
Under 30	307
30 - 50	1,018
Over 50	687

The following tables shows the proportion of women on the Supervisory Board of OGE, on the Management Board and at the top two management levels as at 31 December 2024.

At OGE:

	Number of women	Percentage of women
Supervisory Board	0	0 %
Management Board	0	0 %
Heads of Division	2	15 %
Heads of Department	8	13 %

At PLEdoc:

	Number of women	Percentage of women
Management Board	0	0 %
Heads of Division	2	40 %
Heads of Department	4	27 %

3.1.3.5 Metrics related to employee health and safety

The following tables show the changes in the target values for the occupational safety metric and the targeted improvement in recent years.

Targets	2019	2020	2021	2022	2023	2024
TRIF _{comb}	4.9	4.8	4.6	4.4	4.2	4.0

Accidents	2019	2020	2021	2022	2023	2024
TRI _{comb}	32	33	23	25	21	24
TRI _{OGE}	11	14	8	9	5	6
TRI _{TEMP}	0	1	0	0	0	0
LTI _{comb}	31	29	22	20	20	24
LTI _{OGE}	11	11	8	8	5	6
LTI _{TEMP}	0	1	0	0	0	0
FAT _{comb}	0	0	0	0	0	0
FAT _{OGE}	0	0	0	0	0	0
FAT _{TEMP}	0	0	0	0	0	0

TRI: Total Recordable Injuries

LTI: Lost Time Injury

FAT: Fatality

TEMP: Temporary workers deployed by temporary employment agencies

KPI	2019	2020	2021	2022	2023	2024
TRIF _{comb}	4.9	4.7	3.7	3.8	3.2	3.6
TRIF _{OGE}	4.2	5.1	2.9	3.2	1.8	2.1
LTIF _{comb}	4.8	4.2	3.5	3.0	3.0	3.6
LTIF _{OGE}	4.2	4.3	2.9	2.9	1.8	2.1

Work-related illnesses(WI) and lost days (LD)

	2019	2020	2021	2022	2023	2024
W _{OGE}	n/a	n/a	n/a	n/a	n/a	n/a
W _{TEMP}	n/a	n/a	n/a	n/a	n/a	n/a
LD _{OGE}	121	321	192	148	17	96
LD _{ANÜ}	0	11	0	0	0	0

3.1.4. Voluntary disclosures on metrics¹⁰

3.1.4.1 Collective bargaining coverage and social dialogue

At OGE, the collective agreement with the trade union ver.di (United Services Union) and industrial union IG BCE (Mining, Chemical and Energy Industrial Union) as well as various company agreements and guidelines provide the framework for our employees' employment contracts, regardless of characteristics such as gender, age, disability, religion or nationality. The regulations cover, among other things, working hours, time bonuses, overtime, on-call duty, vacation, special leave and sick pay. As of 31 December 2024, a total of 1,123 employees were employed by OGE under the collective agreement (pay-scale employees). The working conditions of employees not covered by the collective agreement (non-pay-scale employees) - 498 persons – are essentially in line with the provisions of the collective agreement, to which reference is made in the employment contract. Company regulations, such as company agreements and guidelines, ensure that employees covered by the collective agreement and those not covered by the collective agreement are basically treated equally. In addition to pay-scale and non-pay-

scale employees, OGE employs 75 senior executives, whose contract terms and conditions are governed by their employment contracts and the executive staff committee agreements.

	Number of employees
	31 Dec. 2024
Apprentices	66
Pay-scale employees	1,123
Non-pay-scale employees	498
Senior executives	75

The employees of PLEdoc are all non-pay-scale employees. Working conditions, such as working hours, vacation, special leave and sick pay, are regulated by employment contracts, company agreements, guidelines and instructions, and here too, they are all independent of religion, gender, age, disability or nationality.

3.1.4.2 Adequate wages

The collective wage agreement and the non-pay-scale salaries at OGE and PLEdoc are above the minimum wage applicable in Germany. The collective wage agreement governs the remuneration of apprentices for the respective year of training. The remuneration of apprentices at PLEdoc is also based on this.

3.1.4.3 Social protection

In addition to the legal requirements, OGE and PLEdoc have internal regulations, in particular regarding social protection in cases such as maternity leave, parental leave, care leave and family care leave. When it comes to care – including childcare – employees of OGE and PLEdoc can also take advantage of the advisory services of an external service provider.

3.1.4.4 People with disabilities

Current and future employees with a severe disability, disability or equal status receive special support from the elected representatives of the severely disabled and the inclusion officer aimed at integrating or including them in working life. This applies equally to

¹⁰ The content of the following sections is not part of the sustainability reporting audit.

OGE and PLEdoc. The percentage of severely disabled employees - calculated in accordance with legal requirements - as at 31 December 2024 was:

	percentage of severely disabled employees 31 Dec. 2024
OGE	3.6 %
PLEdoc	4.2 %

3.1.4.5 Training and skills development

OGE and PLEdoc support lifelong learning through a comprehensive training programme – covering both professional and social skills. In 2024, 96°% of employees participated in further training programmes and received an average of 34 hours of training – with women receiving an average of 38 hours and men an average of 33 hours. In the context of the transformation, employees are also given support in tackling new challenges and in developing or widening their personal, technical, interdisciplinary, language or IT skills. In-house coaches and instructors help to ensure that company-specific expertise is also passed on. These programmes are supplemented by various HR development modules that target different groups in the company and support different career paths.

100°% of OGE and PLEdoc employees, of whom 20°% are women, take part in regular performance and career assessments.

3.1.4.6 Work-life balance

To help our employees balance the demands of their professional and personal lives, we offer a range of different working time models with varying degrees of flexibility and employment. This combination of flexibility and reliable planning allows our employees to meet the needs of both parts of their lives. In addition, our employees can work remotely where business operations allow.

3.1.4.7 Remuneration metrics (pay gap and total remuneration)

Remuneration is based on the respective position and its grading. Job grading involves systematically determining the “value” of all the tasks and responsibilities associated with

a role on the basis of qualitative requirements and assigning the role to the remuneration groups of the applicable collective wage agreement or to the non-pay-scale grading structure for roles not covered by a collective agreement.

3.1.4.8 Incidents, complaints and serious impacts related to human rights

There were no incidents or complaints at OGE and PLEdoc in the 2024 financial year.

3.2 Workers in the value chain

This section describes the key information on the workers in the value chain. It explains the OGE Group's impacts on these workers, the defined policies and the actions taken, also in accordance with the LkSG.

3.2.1. Strategy

3.2.1.1 Involvement and views of stakeholders

Interests, views and rights of the suppliers' employees and the protection of human rights in the supply chain are of great importance to the OGE Group. This point is taken into account by implementing the human rights and environment-related due diligence requirements of the German Supply Chain Due Diligence Act (LkSG). A core element of the LkSG is the risk analysis, both in the company's own sector of business and in the supply chain. If prioritised risks or violations of obligations by our suppliers arise, appropriate actions are agreed with the supplier to minimise or put an end to the violations, taking into account the interests of the supplier's employees.

As a company with more than 1,000 employees, OGE has been subject to the German Supply Chain Due Diligence Act (LkSG) since 1 January 2024, which requires OGE, among other things, to conduct risk analyses and to implement preventive and remedial measures at its direct and indirect suppliers'. OGE already conducted a pilot analysis of this kind before the mandatory period of 2024 and did not identify any material risks or violations in its own sector of business or in the supply chain in accordance with the obligations under the LkSG. The system used for this was found to be fundamentally suitable and appropriate in an internal audit. The risk analyses under the LkSG are also backed up by use of the IT platform IntegrityNext. Compliance of this IT platform with the requirements of the LkSG has been confirmed in a legal opinion by the law firm SKUSA Partners.

In its procurement activities, the OGE Group relies almost exclusively on German suppliers and, to a small extent, on European suppliers from EU member states. Only a very small proportion of suppliers outside the EU are awarded contracts.

The figures are as follows:

Percentage of suppliers from Germany: 96 % of all suppliers

Percentage of suppliers from other EU countries: 3 % of all suppliers

Percentage of suppliers from other countries: 1 % of all suppliers

In addition, OGE mainly deals with suppliers from sectors of the economy where material human rights violations are typically not expected.

Due to its special role as a company which constructs and operates energy industry infrastructure, OGE plans its activities from a long-term perspective, as is typical of this business. This means that the focus of the procurement policy is also long-term. This enables the company to support and develop suppliers over the long term so that information relating to sustainability can be better identified.

3.2.1.2 Outcomes of the materiality assessment

The fundamental outcomes of the assessment of impacts, risks and opportunities in terms of their materiality for the VGT Group are described in the general disclosures and in “1.3.4 Outcomes of the materiality assessment”.

As is typical for the industry, OGE is most likely to see material impacts on employees in the upstream value chain in the construction and maintenance of technical facilities and on building sites during the construction of pipelines, compressor stations as well as other technical facilities. The employees working here are mainly employees of the engineering service providers and construction companies contracted by OGE, who are considered part of the workforce working at OGE's sites, but are not OGE employees.

Due to the fact that the employees affected work in the above-mentioned industries, the topics of working conditions and occupational safety have particular risk potential and are

therefore afforded special importance in the business model and in terms of strategy, a fact that is also reflected in the incentives for the management bodies. This applies to both OGE employees and suppliers' employees in the upstream value chain.

The key topics of the materiality analysis are taken into account when fulfilling the LkSG's due diligence obligations. The following topics were classified as material due to their relevance in connection with the LkSG:

1. working conditions: adequate wages, freedom of association, the existence of works councils and the information, consultation and participation rights of workers,
2. health and safety (hereinafter also referred to as occupational safety),
3. equal treatment, in particular with regard to pay, and equal opportunities for all,
4. gender equality,
5. employment and inclusion of people with disabilities,
6. measures against violence and harassment at work
7. diversity
8. other work-related rights: human rights.

Failure to consider or address the above issues in a company's strategy and actions can have a variety of impacts on the suppliers' workers. For example, exploitation of workers could be facilitated if proper regard is not given to working conditions with their various facets (point 1), equal treatment and equal opportunities for all (point 3). A lack of policies and actions in relation to occupational safety could lead to an increase in personal injuries. A possible impact of the lack of measures in relation to points 5) to 7) could be discrimination against suppliers' employees. The inclusion of human rights in the upstream supply chain emphasises the importance of upholding (labour) rights.

The impacts mentioned here can only be influenced indirectly by OGE, but can be identified and mitigated through remedial action. The topics and their potential impacts have been assessed as material in OGE's analysis due to the potential damage to its image and reputation and their high relevance to the requirements of the LkSG.

Since the implementation of the due diligence obligations and, in particular, the risk analysis relate to all employees in the supply chain, OGE is also developing an understanding of whether and, if so, which groups of people could be affected by material impacts.

Preventive actions agreed with the supplier as a precautionary measure have a positive impact on the working conditions in the value chain. Typical preventive actions include agreeing the Code of Conduct for Suppliers, instructions and inspections on OGE construction sites and an occupational health and safety prequalification for suppliers. The actions in the field of occupational safety at the plants and construction sites lead to a significant reduction in occupational accidents. In the annual risk analysis, no regions or industries were identified in relation to direct suppliers in which there is a high risk of severe human rights violations, such as child labour or forced or compulsory labour. Likewise, no specific groups of workers could be identified for whom there is a particular risk.

In its declaration of principles, OGE states its commitment to ensuring that the company's actions are in line with internationally applicable human rights standards. All OGE employees are required to reconcile business success with ecological and social responsibility. OGE is aware of its responsibility to respect human rights, promote social justice and protect the environment throughout the entire supply chain and is expressly committed to the goals of the United Nations Global Compact (UNGC).

3.2.2. Impact, risk and opportunity management

3.2.2.1 Policies related to workers in the value chain

The OGE Management Board is responsible for implementing and complying with the policy statement in accordance with the LkSG. In order to manage the material impacts, OGE has established a risk management system in accordance with the LkSG and appointed a human rights officer whose responsibilities include monitoring risk management in the supply chain and submitting regular reports for publication to the Federal Office of Economics and Export Control (BAFA). As part of its risk management, OGE uses software which monitors the media for supplier misconduct and reputational risks and

provides comprehensive support for the analysis of human rights and environmental risks in the supply chain in accordance with the LkSG.

OGE supports the "Ten Principles of the UNGC" in the areas of human rights, working conditions, environment protection and climate change mitigation, business ethics and anti-corruption. OGE also aims to make a contribution to achieving the 17 Sustainable Development Goals (SDGs) and is driving this forward through appropriate actions. OGE also applies these standards to its suppliers and expects its suppliers to take them into account and comply with them along their supply chains. Due to the close link with many SDGs, such as Goal 8 (Decent Work and Economic Growth) and Goal 10 (Reduced Inequalities), OGE also monitors compliance with the UN Guiding Principles on Business and Human Rights with regard to preventing and combating human rights violations. By implementing the due diligence requirements of the LkSG, OGE is pursuing the objectives of the OECD guidelines for responsible business conduct, and taking into account the protected legal positions of the conventions of the International Labour Organisation (ILO).

The relevant resulting human rights obligations, which are of significance for employees in the value chain, are set out in the Code of Conduct for Suppliers. This is based on the values and objectives of the policy statement in accordance with the LkSG, which are in line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines and the conventions of the International Labour Organisation. The Code of Conduct and the policy statement were signed by the OGE Management Board.

In the policy statement, OGE undertakes to involve employees in the supply chain by setting up a complaints management system that allows complaints to be reported through various channels. Further information on OGE's complaints management can be found in "4.3.2 Business conduct policies and corporate culture".

The Code of Conduct for Suppliers is part of the General Terms and Conditions of Purchase and the annual form-based risk analyses. By entering into a contract with OGE, suppliers undertake to comply with the following fundamental human rights principles in relation to their employees, both in their own sector of business and along their supply chain and, if necessary, take effective remedial action:

- Prohibition of child labour
- Exclusion of forced labour
- Prevention of human trafficking
- Fair working hours and wages, other benefits
- Health and safety in the workplace
- Respect for freedom of association
- Prohibition of discrimination, harassment and abuse
- Preservation of the natural foundations for life
- Dealing with conflict minerals

Suppliers are required to acknowledge the above principles or demonstrate their commitment to these principles through their own code of conduct or company policy that incorporates these standards. Further information on this can be found in “3.2.2.4 Actions related to workers in the value chain”.

The eight key topics listed in “3.2.1.2 Outcomes of the materiality assessment” are addressed by the Code of Conduct for Suppliers. In addition, the policy described below also covers occupational safety.

OGE's occupational health and safety management system is certified according to DIN EN ISO 45001. DIN ISO 45001 also applies to suppliers. This means that the entire value

creation process is taken into account in terms of safety and health at work. The aim is to create a working environment that protects the safety and health of everyone associated with the business.

3.2.2.2 Processes for engaging with workers in the value chain

The OGE procurement department involves representatives of contractors in both the joint development and the implementation of preventive actions where human rights risks are identified as a result, for example, of the annual or ad hoc risk analysis in accordance with the LkSG as well as in the development of remedial action where violations of human rights-related obligations under the LkSG are identified. The direct involvement of employees or their representatives would be on a case-by-case basis. In addition, employees in the supply chain have the opportunity to communicate with OGE through the whistleblower platform as part of the complaints procedure under the LkSG.

As no specific, actual and negative effects with regard to working conditions have been identified to date in the risk analysis for direct suppliers, they have not yet been included. The effectiveness of cooperation with employees in the supply chain is reviewed by the Human Rights Officer once a year and on an ad hoc basis as part of the review of the effectiveness of preventive and remedial action.

The highest hierarchical level in terms of human rights-related matters in the supply chain is the functions of the Head of Procurement and the Human Rights Officer. Since a large part of OGE's value chain is located within Germany and is therefore subject to strict human rights and labour laws, OGE does not use global framework agreements or other agreements in connection with respect for the human rights of workers in the value chain. Under German and European legislation, employees of companies in the value chain are afforded extensive safeguards and rights to ensure respect for human rights and workers' rights.

3.2.2.3 Processes to remediate negative impacts and improve complaint management

If OGE discovers that a violation of a human rights or environmental obligation by a direct or indirect supplier has already occurred or is imminent, remedial action is immediately taken to prevent, end or minimise the scale of the violation. If the violation of a human rights obligation cannot be immediately addressed, OGE draws up a tailored policy for

ending or mitigating it. If serious violations cannot be remedied with an individual policy, no other means are available and OGE can reasonably be expected to do so in the context of maintaining business operations, the contractual relationship is terminated.

OGE has also an established complaints management system and a whistleblower tool to meet these requirements. Further information can be found in “4.3.2 Business conduct policies and corporate culture”. The Code of Conduct for Suppliers contains specific information on how the whistleblower tool is used by employees in the supply chain.

OGE and PLEdoc are well aware that occupational safety is a team effort. For a good safety culture, there must be a constant exchange of views on the topic across all levels and teams, and joint and interdisciplinary work must be carried out to optimise workflows and working environments, making them even safer. As operations, project managers, management and experts on the occupational safety team, these groups have the necessary experience and knowledge for this.

3.2.2.4 Actions relating to workers in the value chain

OGE reserves the right to conduct audits or assessments to ensure that suppliers comply with laws, rules and standards. OGE will take appropriate action with respect to the business relationship if there is reason to be concerned about non-compliance. OGE further reserves the right to terminate any contractual relationship if the principles of the Code of Conduct for Suppliers are violated and no action is taken to remedy such violations or if systematic violations are evident.

OGE expects its suppliers to identify risks related to the topics contained in the Code of Conduct for Suppliers in their own sector of business, but also along their supply chain, and to take appropriate remedial action. In the event of a suspected breach of the provisions of the Supplier Code of Conduct, suppliers must promptly inform OGE of the identified violation and the actions taken.

OGE consistently fulfils the due diligence requirements of the LkSG for direct and indirect suppliers in order to identify and prevent risks at an early stage. Comprehensive processes for risk and action management have been implemented for this purpose. Human rights risks for suppliers' employees are assessed as part of the annual risk analysis, the core element of the LkSG. Suppliers are assessed for risks using a questionnaire.

OGE carries out assessments for suppliers as part of specific risk analyses in accordance with the LkSG. In 2024, 48 questionnaire-based assessments were carried out on the IntegrityNext platform. The results gave no cause for further audits at the suppliers', let alone for the termination of contractual relationships. The rights and working conditions of employees in the value chain are a particular focus. In this context, preventive actions are initiated to minimise identified risks, including involvement of and agreement with authorised representatives of the supplier.

If the results of the assessments carried out indicate specific risks, appropriate tailored actions to prevent or minimise risks for employees in the value chain are discussed with the supplier, agreed and scheduled for implementation according to their urgency, complexity and likelihood of occurrence. The individual actions to be taken are decided together with suppliers by OGE's procurement management in consultation with the Human Rights Officer. In determining the actions to be taken, particular consideration is given to the criteria of appropriateness and effectiveness.

The employees in the relevant business areas take part in training courses on human rights risks and the due diligence obligations of the LkSG; this also helps create the conditions for preventing negative impacts. In 2024, the entire procurement department already received training.

If a material impact on employees in the value chain becomes known, the existing processes for preventing, mitigating or remedying negative impacts are reviewed and, if necessary, adapted. In 2024, there were no actual material impacts that would have required processes to be adapted.

OGE is well aware that a shortage of workers in the value chain can result in risks due to the unavailability of supplies or services. The risk of a human rights violation leading to the interruption of OGE's business activities is low. If such a violation occurs at one of OGE's suppliers, there are usually sufficient back-up or substitution solutions available. If specific risks on a significant scale are identified, they are dealt with by the in-house procurement risk management system.

No serious problems or incidents were reported in 2024 in connection with the Supplier Code of Conduct or with regard to respect for human rights in the upstream value chain.

The actions described address the key topics 1) and 3) to 8) mentioned in “3.2.1.2 Outcomes of the materiality assessment”. Actions relating to topic 2) Occupational safety are described below.

OGE's occupational health and safety management system is based on the principle of continuous improvement and is a cornerstone of the company's success. The aim is to create a working environment that protects the health and safety of everyone associated with the business. Therefore, OGE takes every accident equally seriously, regardless of whether it involves its own employees or those of suppliers. All accidents that occur during work are investigated together with the suppliers and actions are defined to prevent occupational accidents in future in order to make working at and for OGE even safer. The company aims to steadily reduce the number of accidents and other health problems at suppliers' over the long term and continuously improve occupational ergonomics and health protection. OGE also regularly exchanges views with suppliers above and beyond the scope of accidents in order to take preventive action. During the audit, the external auditors of the occupational health and safety management system once again noted a positive development in the safety culture.

OGE's employees and suppliers are obliged to work in line with the risk assessments defined, for example, by the respective company and in this way ensure the safety and health of employees. In addition, no third parties must be endangered or harmed while performing their work. Implementation of actions to prevent occupational accidents and diseases must be supported. If OGE employees identify potential for improvement, they point out any shortcomings in occupational safety of colleagues or suppliers' employees, have the situation defused or order the cessation of work until the shortcomings have been mitigated to a legally compliant level.

3.2.3. Targets

The only targets in existence that relate to actual negative impacts in the supply chain are in the area of occupational safety. In the OGE Group, every accident, whether it involves the company's own employees or those of our suppliers, is taken equally seriously. For this reason, the company has deliberately decided against a target for suppliers only, but has set the joint target rate 'Total Recordable Injuries Frequency' (TRIF) for OGE and its suppliers. In doing so, the OGE Group deliberately chose the TRIF as the metric. In contrast to 'Lost Time Injury Frequency' (LTIF), which only takes into account accidents

with lost time and fatalities, TRIF also takes into account medical treatment and accidents that limit the capacity to work. The above target is not in line with the ESRS definition but the OGE Group has nevertheless chosen this holistic target to reflect the OGE Group's high standards of occupational safety.

All work-related accidents are investigated, if necessary together with suppliers, and actions to prevent future occupational accidents are defined in order to make working at and for OGE even safer. This is expressed by the accident rate TRIF_{comb}, which is calculated from the combination of TRIF-relevant accidents per million working hours of OGE and supplier employees. The number of hours worked by supplier employees is estimated on the basis of the order volume, the proportion of work performed by individuals and an average hourly wage.

The relevant target is described in “3.1.3.1 Targets related to the company's own workforce” since the system includes both the company's own and external employees.

The number of work-related accidents of suppliers' employees, as measured by TRIF_{NEW} (NEW stands for non-employee workers), continues to fall on a five-year average. The accident rate has therefore been at a low level for years.

Accidents	2019	2020	2021	2022	2023	2024
TRIF _{NEW}	21	18	15	16	16	18
LTIF _{NEW}	20	17	14	12	15	18
FAT _{NEW}	0	0	0	0	0	0

KPI	2019	2020	2021	2022	2023	2024
TRIF _{NEW}	5.4	4.3	4.4	4.2	4.3	4.7
LTIF _{NEW}	5.1	4.0	4.1	3.1	4.0	4.7

OGE follows the LkSG's risk-based approach to mitigate human rights and environmental risks. The LkSG does not require the formulation and pursuance of goals. The effectiveness of measures to mitigate human rights and environmental impacts is reviewed as part of risk management under the LkSG. Further information is given in “3.2.2.2 Processes for engaging workers in the value chain”.

3.3 Customers of the Transport and Other Services businesses

According to section 11, para. 1, sentence 1 of the German Energy Industry Act (EnWG), operators of energy supply systems are obliged to operate and maintain a safe, reliable, and efficient energy supply system in a non-discriminatory manner and to optimise, strengthen and develop it, as needed. According to section 11, para. 1a, sentence 1 EnWG, operation of a secure energy supply system also includes, in particular, appropriate protection against threats to telecommunications and electronic data processing systems that are necessary for secure network operation. Ensuring data protection and information security within the framework of the risk management systems mentioned below is therefore a fundamental element of secure network operation.

A key aspect for OGE is therefore to guarantee security of supply in the context of providing adequate capacity. In addition to the actual Transport business, OGE offers further extensive, mainly technical services for business customers (B2B).

3.3.1. Strategy

3.3.1.1 Involvement and views of the stakeholders

Customers of the Transport business can be divided into three groups.

Classic shippers are gas traders who feed natural gas or biomethane into or withdraw it from OGE's transmission system and, for this purpose, book capacities at points in accordance with section 3, para. 1 and para. 3 of the Gas Network Access Ordinance (GasNZV).

Grid connection customers are industrial or energy-sector customers whose consumption plants are directly connected to the transmission system. They either act as the shipper themselves when purchasing natural gas or sign a supply contract with a shipper.

Downstream network operators are distribution network operators that have concluded a network interconnection agreement with OGE in accordance with applicable law and place an internal order with OGE in accordance with section 8, para. 3 GasNZV.

The main customers of the Other Services business are business partners who use the transport-related and technical services. These include, among other things, the design,

construction and operation, including maintenance and repair, of the technical plants and infrastructure required for the transport of gases.

The head of the organisational unit that provides the respective service or is in direct contact with the customer is responsible for identifying and meeting the customers' requirements and for communicating with customers.

3.3.1.2 Outcomes of the materiality assessment

The fundamental outcomes of the assessment of impacts, risks and opportunities in terms of their materiality for the VGT Group are described in the general disclosures and in "1.3.4 Outcomes of the materiality assessment".

In line with the fundamental strategic objectives of "Predict, prevent, detect and respond", various actions are taken throughout the company to avoid from the outset, minimise or, in the event of a disruption, manage negative impacts on customers of the Transport and Other Services businesses. With its risk management systems for information security, business continuity management, IT security, OT security (Operational Technology Security) and data protection, OGE has an established system for managing material impacts and opportunities related to customers. The protection goals of information security, confidentiality, integrity and availability safeguard the business processes and thus the security of supply for customers. Negative impacts of an interruption to the security of supply can be avoided or minimised in the event of a disruption thanks to comprehensive emergency processes. The consequences of possible negative impacts could, for example, be:

1. Heat supply: Many private households as well as public authorities and hospitals etc. depend on gas for space heating and hot water. An interruption of supply can lead to cold rooms and a lack of hot water, which is particularly problematic in the winter months.
2. Business interruptions: Companies that rely on gas have to halt production, which can lead to financial losses for these companies
3. Economic impacts: The need to use alternative energy sources in the short term will lead to higher costs for consumers and businesses.

The protection, maintenance and restoration of security of supply are regulated for gas transmission system operators like OGE in various laws and ordinances, e.g.:

- The EnWG forms the basis for the regulation of energy supply in Germany. It obliges energy suppliers to guarantee a secure, reliable and efficient supply of electricity and gas to the general public.
- The EnWG requires OGE to operate a certified information security management system (ISMS) in accordance with the catalogue of IT security requirements.
- Gas transmission system operators are required to develop and implement emergency plans and crisis management strategies so that they can respond quickly in the event of interruptions to supply. This also includes cooperation with government agencies and other utilities.
- Gas transmission system operators must comply with technical rules and standards set by organisations such as DVGW. These standards contribute to the security and reliability of gas supply.

When assessing the material impacts, risks and opportunities, the views of customers of the Transport and Other Services businesses were taken into account. Given the non-discriminatory network access required by the EnWG, it can be assumed that the impacts, risks and opportunities are the same for all customers.

Failure of parts of the IT systems may lead to temporary disruptions to business activities and therefore pose a financial risk for the VGT Group. In addition to failure due to intentional, unauthorised modification (external access), there is also the possibility of impairment of functionality due to errors in operation or failure of hardware and software components. This could affect both marketing systems and the network control systems. Further information on these risks can be found in the “Report on opportunities and risks” in the general section of the Group management report.

3.3.2. Impact, risk and opportunity management

3.3.2.1 Policies for the secure operation of the gas transmission system

The scope of the information security management system (ISMS) at OGE includes all central and decentralised processes, applications, systems, components and resources necessary for the secure operation of the gas transmission network. This includes gas transportation and all associated tasks, such as the operational management, control, maintenance and expansion of transmission systems. It also covers the operational management, control and maintenance of pipelines, plants and natural gas storage facilities owned by third parties.

OGE's comprehensive ISMS risk management system covers significant risks and opportunities related to information security and supply security and thus also to customers. Risks are avoided or mitigated by actions, opportunities are systematically identified and exploited to ensure the long-term success of the company. OGE's ISMS policies take into account both external standards such as ISO 27001 and the state of the art in order to meet the needs and expectations of all relevant stakeholders. In accordance with ISO standards 27001, 27002 and 27019, responsibility for information security always lies with the Management Board members, as it is their responsibility to safeguard the strategic direction and secure the necessary resources.

3.3.2.2 Process for engaging customer groups

Maintenance and expansion projects in the OGE transport network may lead to restrictions or changes in transport situations. The corresponding action plans are an integral part of the publications.

Regulation (EU) No. 1227/2011 on wholesale energy market integrity and transparency is designed to strengthen the trust of consumers and other market participants in the integrity of the electricity and gas wholesale markets. To increase transparency, REMIT (Regulation on Wholesale Energy Market Integrity and Transparency) stipulates that companies have a duty of disclosure when insider information is available. OGE publishes this information in the form of Urgent Market Messages (UMMs). All market participants are actively informed in UMMs about OGE-specific events relevant to the entire gas market. These include, for example, scheduled and unscheduled maintenance and repair measures.

This information must be provided to all market participants in a non-discriminatory, prompt and concurrent manner.

Downstream network operators and network connection owners are notified directly so they and OGE can react jointly to any transport restrictions. In accordance with the principle of equal treatment under the EnWG, shippers are not notified directly and individually, but all information is provided simultaneously to all shippers through the freely accessible and legally prescribed channels. All customer groups have the opportunity to regularly share information on current topics with the OGE customer service (key account management) using standard formats. These include regular open formats and customer events, as well as the opportunity to exchange ideas with their known contact persons.

The stakeholder analysis for the ISMS also takes into account the perspectives and requirements of different stakeholders, which also include customers of the Transport and Other Services businesses. Based on expert interviews and stakeholder surveys, in which the specific requirements and perspectives of the stakeholders were recorded, the relevant stakeholders were identified and involved. The results were consolidated in the materiality matrix and requirements prioritised. This matrix helps to permanently evaluate the effects, risks and opportunities from the stakeholders' point of view and to derive appropriate measures. This stakeholder analysis is also reviewed as part of regular ISMS monitoring.

3.3.2.3 Process to mitigate negative impacts and improve complaints management

OGE offers customers of the Transport business as well as parties interested in booking entry/exit capacities or in network connections various options for contacting OGE to report and improve negative impacts and to express concerns. As a company that only does B2B business, customers are assigned personal contacts. In addition, they have the option of raising their concerns via a customer hotline and a central mailbox. All incoming reports are promptly checked and processed by the customer advisors. The persons submitting the reports receive appropriate feedback.

In addition, OGE has an established complaints management system and a whistleblower tool to meet these requirements. OGE's existing complaints management system is designed to identify and improve potential compliance violations and negative impacts. The

publication of additional information on the reporting procedure ensures that the entire process is transparent. This helps to build trust in the way in which such information is handled. Further details can be found in "4.3.2 Business conduct policies and corporate culture".

3.3.2.4 Actions and resources related to the secure operation of the gas transmission system

As an independent transmission system operator, OGE must, in accordance with section 10a, para. 1, sentence 1 of the EnWG, have the financial, technical, material and personnel resources required to fulfil its legal obligations to ensure the secure, reliable and efficient operation of the transmission system.

Under the BSI Kritis Regulation, OGE has been classified as an operator of critical infrastructures in Germany. This gives OGE a special responsibility to provide its services in line with requirements and without interruption. Therefore, the business success of OGE and its affiliated companies is largely based on ensuring secure network operation.

This secure network operation and the administrative and billing processes depend to a large extent on the security of OGE's information. OGE is required by law to ensure that the information required to carry out business processes is available at all times and in a timely manner, is processed correctly and is only used by authorised persons and systems. There are no known cases of the requirements not being met by OGE at any time in the 2024 financial year and a report having to be made to the Federal Office for Information Security (BSI).

OGE's data information is exposed to numerous threats to its security, which must be countered by appropriate technical and organisational actions. The certified ISMS according to the current catalogue of IT security requirements under section 11, para. 1a of the EnWG guarantees information security and therefore also supply security.

OGE uses a structured process involving risk assessments to identify and assess the main impacts on information and supply security and thus also on customers. Regular reviews and adjustments in the form of a PDCA cycle (Plan, Do, Check, Act) ensure that the identified potential and impacts are up to date and relevant. For effective

management, OGE has implemented specific actions to minimise negative impacts and maximise positive effects.

Business Continuity Management (BCM) is part of the certified ISMS. OGE's BCM comprises the identification and protection of critical business processes on the basis of Business Impact Analyses (BIAs). This includes drawing up emergency plans and conducting regular drills to check the effectiveness of these plans. The aim of BCM is to ensure that business-critical processes are maintained and to minimise the impact of disruptions. BIAs are used to analyse the potential impacts of disruptions on business processes and to identify critical processes. Based on these analyses, emergency plans are drawn up that define specific actions and responsibilities to enable a quick and effective response in an emergency. In the reporting year, no actual negative impacts requiring remedial action became known.

One example of an emergency plan at OGE is the Business Continuity Plan (BCP), which includes planning and conducting emergency drills and regularly reviewing and updating the emergency plans.

These are continuous actions to minimise the likelihood of disruptions at all times. Regularly reviewing and updating the emergency plans is a key component of BCM to ensure that the emergency plans are always up to date and functional. Various scenarios are run through to check the effectiveness of the emergency plans and to identify and rectify possible vulnerabilities.

No human rights violations were reported in connection with the secure operation of the gas transmission network.

3.3.3. Targets

As part of the ISMS required by law, the company has set measurable, time-bound and outcome-focused objectives to track the effectiveness of actions related to information security, IT and OT security, BCM and data protection, which may have direct or indirect impacts on customers.

The ISMS objectives are mapped in an internal ISMS Roadmap 2024 to 2026. This roadmap presents the multi-year and overarching strategic objectives and highlights

synergies and dependencies between them. The objectives are broken down by area and year and include specific actions. This ISMS roadmap aims to continuously improve information security and ensure that all security actions meet current threats and requirements.

The objectives are defined and monitored as Objectives and Key Results (OKR). OKR is a method for goal setting and performance management. It involves defining specific objectives that are to be achieved through measurable results (key results). For example, when it comes to achieving the strategic objective of implementing regulatory changes, the first step is to determine the need for action and responsibilities within the company before specific implementation measures are defined and monitored. This objective is only considered fully achieved when all the sub-steps (key results) have been successfully completed. The effectiveness of the ISMS is monitored using a variety of metrics and reported to the management of OGE. Examples of metrics are:

- Completeness of planned internal audits
- Percentage of employees who have taken part in ISMS-relevant awareness training
- Availability of systems in the ISMS scope

In 2024, the focus of the objectives was on implementing the amended ISO 27002 and legal changes such as the NIS 2 Directive. An additional objective was to optimise risk management through the use of ISMS and BCM software and to improve the security architecture through effective vulnerability management. In addition, attack detection was further refined and the ability to act in crisis situations was strengthened.

The main aspects of the objectives were achieved. However, there were some deviations, mainly due to external factors (e.g. delayed legislative process) and necessary adjustments during the year. These deviations were carefully analysed and integrated into future planning to ensure that the long-term strategic objectives can still be achieved.

The ISMS objectives proposed for 2025 include measures to continuously improve information security. These objectives build on the knowledge gained in 2024 and aim to further strengthen the company's information security strategy.

4 Business conduct disclosures

4.1 Governance

Due to OGE's certification as an independent TSO, OGE's Management Board bears sole responsibility for the management of the OGE Group. This includes strict compliance with legislation and human rights, fair treatment of business partners, third parties and government agencies, the fight against corruption and protection of whistleblowers. The Management Board promotes equal treatment in accordance with the EnWG and ensures compliance with antitrust law. In addition, it attaches great importance to the responsible handling of information and data, including confidentiality, data protection and the handling of insider information. The focus is also on personal behaviour in the workplace, environmental protection and safety and health at work. By regularly addressing these values and principles, management ensures that the principles of the Code of Conduct are anchored and lived throughout the company.

To ensure that this responsibility is met, the members of the Management Board have many years of experience either in the company or in the industry, as well as in management roles. In addition, the Management Board attends regular training on compliance. Further information can be found in "4.3.3 Prevention and detection of corruption and bribery".

4.2 Strategy

Compliance refers to all measures to ensure the observance of all relevant laws and regulations as well as the conformity of corporate actions with social values. This topic has become considerably more important in recent years, partly due to the increasingly complex legal and regulatory framework and partly because compliance issues are now increasingly the focus of public interest. The reputation and economic success of a company can suffer considerable damage as a result of compliance infringements. A risk-oriented and preventative compliance strategy is therefore more important today than ever before. For this reason, it is OGE's declared aim to make compliance with external and internal regulations a natural part of the way all bodies, managers and employees

think and act. In this context, the fight against corruption and bribery as well as compliance with whistleblower protection are also key aspects to be considered.

OGE is politically engaged in Germany and Europe in order to achieve the statutory climate targets for 2045, e.g. for the successful ramp-up of the hydrogen market through the hydrogen core network and the implementation of the German government's carbon management strategy and ensure security of supply. In principle, the aim of this political engagement is to lobby on behalf of existing and new fields of business and therefore it also affects the future direction of the Group.

OGE is politically engaged at various political and social levels. Transparency, integrity and participation are key aspects of the company's activities. At state, national and European level, OGE brings many years of experience in gas transportation and a high level of expertise in the transformation of gas infrastructure to the political debate. OGE is politically active in key associations and political working groups.

At regional and municipal level, the focus is on involving politicians and the public in construction projects, e.g. pipeline network, compressor station and GPMR station projects, by providing early and transparent information during approval and stakeholder management procedures in the planning and implementation phases. Through dialogue with local politicians, the press, representatives of the local economy and affected property owners and residents, delays can be avoided and an appreciation of the need for the construction activities developed.

In this respect, political engagement and comprehensive dialogue-based communication are key aspects of the way OGE conducts business.

4.3 Impact, risk and opportunity management

4.3.1. Process for identifying and assessing the material impacts, risks and opportunities

The basic process to identify and assess the material impacts, risks and opportunities for this sustainability report is described in “1.4.1 Materiality assessment process.”

4.3.2. Business conduct policies and corporate culture

Compliance with laws and internal rules and regulations is a natural part of the way all employees at OGE think and act. The Code of Conduct is the foundation of OGE’s compliance organisation. It lays down the essential principles and rules for lawful and responsible conduct and creates a framework for dealing with business partners, competitors, public officials and public institutions.

The values and requirements set out in the Code of Conduct and in more detailed company guidelines are the benchmarks for all employees’ conduct and the foundation of OGE’s corporate culture. The Code of Conduct is available to all employees, regular training is provided and it addresses, in particular, the protection of human rights, the fight against corruption, the protection of whistleblowers under the whistleblower system, dealings with politicians and holders of public office, and personal conduct in the workplace. The Code of Conduct takes into account potential impacts and risks in these areas.

The Management Board explicitly demands compliance with the Code of Conduct and the more detailed guidelines and has enshrined this in the foreword to the Code of Conduct as follows: “The members of OGE’s Management Board and all managers must set an example with regard to observing the Code of Conduct. They are responsible for ensuring it is expressly adhered to within their areas of responsibility”. The Code of Conduct and the guidelines were initiated and implemented by the Management Board.

Key elements of the corporate culture are awareness and implementation of these principles in everyday working life. OGE conducts regular anonymous employee surveys in order to understand how employees perceive the corporate culture - and thus also the Code of Conduct values that are actually practised. These surveys enable the company to draw conclusions about the acceptance and effectiveness of the principles enshrined in the Code of Conduct. The results of the 2024 survey, together with the fact that no

complaints were received from OGE employees via the complaints management system, indicate a good corporate culture.

The Code of Conduct and other company guidelines aim in particular to prevent breaches of the law so that, among other things, no reputational damage is suffered. For example, there is a risk that a direct financial loss could result or debt capital might have to be raised on less favourable terms. At the same time, making the Code of Conduct openly and transparently accessible is an opportunity to convince potential investors.

It is OGE’s Compliance Office which receives internal and external reports - from employees, business partners and other third parties - raising concerns about possible criminal offences or other infringements of laws and regulations or breaches of the Code of Conduct. Such reports specifically include those from persons along the supply chain. Both the compliance officer and the human rights officer, who receive the reports and process them according to the published rules of procedure for such reports, are named on the OGE website. Both have been appointed by the OGE Management Board.

In addition to making contact through the communication channels published both on the intranet and on the company website - in person, by post, by email, by telephone - it is also possible to submit reports - anonymously if required – through a digital reporting channel. The advantage of this channel is that it is also possible to communicate with an anonymous whistleblower using a secure procedure.

The Compliance Office examines any reports received raising concerns according to clearly defined responsibilities and processes while maintaining absolute confidentiality. Even if the identity of the whistleblower is known, it is treated confidentially. If they request it, the whistleblower - regardless of whether it is an external whistleblower or an employee - will be informed about how their report has been handled. The whistleblower must not be subject to any penalties or other disadvantages as a result of raising concerns unless they themselves have acted inappropriately. This also applies if a reported concern subsequently turns out to be unfounded, provided it was made in good faith.

As guaranteed in the Code of Conduct, all reports are treated in the same way, regardless of the person accused. Violations may - to the extent permitted under law - lead to

disciplinary action, in particular to penalties under labour law up to and including termination of employment and further action under criminal and civil law.

The employees entrusted with the acceptance of reports and possible investigations receive regular training; OGE's Compliance Officer has a certificate of professional competence pursuant to section 15, para. 2 of the Whistleblower Protection Act.

The primary purpose of whistleblower protection is to shield the whistleblower from retaliation and repression. Furthermore, reports made through the above-mentioned communication channels could uncover corruption and bribery, which would result in financial disadvantages for the Group.

The contents of the Code of Conduct are part of a regular mandatory series of compliance training sessions. All OGE employees take part in these training sessions, including those in functions within the company that have been identified as being at increased risk of corruption - in particular those employees who are responsible for selecting suppliers, commissioning work, inspecting and approving work performed and services rendered. In each training session, employees are once again explicitly reminded of the various reporting channels available.

The series of compliance training sessions consists of five modules. Each training session takes between 30 and 45 minutes to complete.

- Code of Conduct (including anti-corruption and antitrust law)
- Equal treatment in accordance with the Energy Industry Act
- Data protection
- Information security
- REMIT

As a rule, one of the topics is updated every six months and rolled out to all employees as a mandatory refresher training course. New employees receive a request to complete

all five modules when they join the company. Information on individual aspects is also provided on an ad hoc basis through internal communication channels, such as the intranet or public channels such as MS Teams.

4.3.3. Prevention and detection of corruption and bribery

OGE is committed to taking consistent action against all forms of corruption. To this purpose, it has put an anti-corruption policy in place aimed at preventing cases of corruption and money laundering in good time by defining clear rules and responsibilities and systematically and persistently investigating any cases that arise. With this in mind, employees are to be made aware of the risks of corruption.

OGE also follows a 3 Lines of Defence model to identify and manage corruption risks:

First line of defence: In this line, operational management is responsible for identifying and analysing potential corruption risks as soon as possible and managing them through an effective internal control system. To this end, OGE has set up an effective internal control system for processes where corruption is a risk. This control system is also regularly reviewed as part of the audit of the annual financial statements. There have been no indications of significant control shortcomings here in recent years.

Second line of defence: As regards corruption and bribery, this line of defence involves, in particular, the Compliance Office, which supports and monitors the operational units. The requirements are set out in the form of policies, work instructions and procedural instructions, employees are trained on the behavioural measures, compliance with the rules is monitored and reports of potential incidents of corruption are received.

Third line of defence: This line consists of the Internal Audit department, which regularly checks whether the anti-corruption measures are effective and whether there is room for improvement in the context of combating corruption. Furthermore, Internal Audit takes the lead on special investigations when there is a potential case of corruption.

This 3 Lines of Defence model helps to ensure that corruption risks at various levels of the company are identified and managed, thereby reducing the likelihood of cases of corruption.

In this function, Internal Audit and the Compliance Office are independent at OGE. The independence of Internal Audit and the ban on self-auditing are documented in the Internal Audit Rules of Procedure in the version dated 16 January 2023. These rules of procedure also define different reporting chains for special cases in which Internal Audit may not be independent of the management chain involved in a suspected case.

Independence is also ensured by the fact that audits or special investigations are generally carried out by an external auditing company (PwC in the reporting year), which follows the standards applicable to its activities. The responsible division and department heads and the Management Board are informed of the results of the audit investigations and provided with the full audit reports. Internal Audit tracks implementation of the recommendations made.

The Code of Conduct and the anti-corruption policy are freely accessible to all employees on the intranet in the currently valid version. At the same time, the Compliance Office has its own page on the intranet where the policies are summarised once again. In addition, gifts and benefits that must be reported in accordance with the Anti-Corruption Policy can be reported quickly and easily to the Compliance Office. This page also gives the options for reporting potential corruption violations. These reporting options are also available to external parties in both German and English on the OGE website.

All employees are obliged to comply with the principles of the Code of Conduct and policies, including the Anti-Corruption Policy, when they are hired. In order to regularly remind employees of the requirements, the topic of anti-corruption is part of the five-module compliance training series mentioned above. These training modules use examples - based on real-life cases - to illustrate the applicable rules regarding the acceptance and granting of benefits.

These training modules are conducted as mandatory e-learning programs for all employees - including OGE's Management Board and the employee representatives on the Supervisory Board - and their implementation is monitored by the Compliance Office. The Code of Conduct and anti-corruption requirements were the main topics of the training completed in 2024. This means that 100 % of employees, including those in at-risk functions, are trained.

This training is supplemented, as required, for particularly at-risk functions, e.g. following any suspected cases, by training tailored to individual departments. However, no such tailored training was held in the 2024 financial year.

4.4 Metrics and targets

4.4.1. Targets

There are no quantitative targets for the topics described in this section. The overarching goal is a corporate culture that does not have any negative characteristics.

The above-mentioned actions (in particular the 3 Lines of Defence model and the training concept) ensure that cases of corruption are reduced or avoided. As far as the training concept is concerned, it is particularly important for the rate of participation in the annual training courses to be nearly 100 % to ensure that employees have been made aware. OGE is achieving such participation rates; the situation is monitored, as previously described, by the Compliance Office. As far as corporate culture is concerned, all OGE employees are required to observe the Code of Conduct and thus ensure that the public's perception of the company is positive. As far as political engagement is concerned, OGE follows the principle of strict transparency of its activities and is entered in the lobby registers of the EU and the German Bundestag.

4.4.2. Incidents relating to corruption or bribery

There were no confirmed cases of corruption or bribery in the reporting year. Consequently, there were no convictions or fines for violations of corruption and bribery regulations. No proceedings were initiated against OGE or its own employees for corruption or bribery.

The Code of Conduct and anti-corruption policy are also regularly included in a series of mandatory compliance training sessions rolled out to all employees. Employees are also regularly made aware of the regulations to be observed in connection with invitations and gifts through internal communication channels, in particular the Group's own intranet, thereby raising their awareness of corruption and bribery issues.

Following the publication of the Code of Conduct for Suppliers, suppliers have also been obliged to refrain from granting or offering gifts or other benefits to OGE employees.

In addition, OGE has implemented controls and measures, such as the dual-control principle and separation of functions, in at-risk processes in order to prevent corruption and bribery.

4.4.3. Political influence and lobbying activities

As part of the responsibility to society and in line with its principles of transparency and integrity, OGE discloses information on activities and commitments relating to political influence and lobbying at German and European level.

Representatives responsible: In accordance with the requirements, those responsible in the management and supervisory bodies for overseeing these activities are named: they are the OGE Management Board. This ensures compliance with legal requirements and ethical guidelines in relation to political activities.

Political contributions: OGE did not make any direct or indirect financial contributions or in-kind contributions for political purposes during the reporting period. Should such donations be made in the future, the company undertakes to provide a transparent breakdown of the total monetary value and the kind of recipient/beneficiary and to disclose the way in which contributions in kind are valued.

Lobbying activities: The main lobbying topics include promoting the energy transition, supporting the development of a hydrogen core network and participating in political discussions on CO₂ storage and use as well as transportation. OGE has clearly formulated its own positions and viewpoints on these topics and strives to make constructive contributions that are both economically and ecologically sustainable in line with the political target - to achieve net zero by 2045.

OGE is registered in the lobby register of the German Bundestag and in the transparency register of the European Union. The identification number for the German Bundestag is R000784. The identification number for the European Parliament is 626410131041-16.

Appointment of members: The VGT Management Board appoints the shareholder representatives to the OGE Supervisory Board and the latter appoints the Management Board of OGE. The members of the management and supervisory bodies did not hold a

comparable position in public administration in the two years prior to their appointment or in the current reporting period.

OGE is committed to regularly updating this information and making it available to all stakeholders and the public in order to underline its commitment to transparent and responsible corporate governance.

At regional and municipal level, OGE's political engagement involves communications on construction projects and it provides information in a transparent and dialogue-based manner. In 2024, OGE successfully held a total of 24 events covering seven projects, which were attended by around 1,200 people. The participants were made up of various stakeholder groups, including citizens, local politicians, owners, business representatives and state and federal politicians.

Project communication at OGE is an important part of the projects. It follows the principle of early, transparent, comprehensive and dialogue-based communication. OGE actively involves the affected target groups and takes their concerns seriously. To ensure this, different means of communication are used in the different project phases. The means of communication chosen are geared to the needs and availability of the affected stakeholder groups and are used in a targeted manner to achieve the broadest possible participation and open dialogue.

Examples:

- Discussion meetings are held as part of the application process to discuss objections and comments from those directly affected.
- Letters are sent out to owners in the early phase of the project to inform them about the planned measures and to address their questions and concerns at an early stage.
- Owners meetings are mainly held in the planning and implementation phases to provide detailed information and enable direct discussions with the owners.

- Dialogue markets are held before or during approval procedures in order to provide the affected population with detailed information about the projects. Experts are available to all interested parties for discussions and to answer questions during the dialogue markets.
- Construction site visits with the press, local politicians and business representatives are organised to create transparency and show progress on site. They provide a platform for direct discussions with the press, local politicians and local business representatives.
- Newsletters are sent out to inform all stakeholders about the current status of the projects and important developments.
- Neighbourhood parties are organised after commissioning and completion of the recultivation work to thank the owners and neighbours for their support and to strengthen the community.
- Commissioning ceremonies mark the successful completion of construction projects and are used to highlight the importance of the projects, thank employees and celebrate collaboration with various partner companies.

The events cover a wide range of topics, including environmental protection, project progress, the route of a pipeline and the importance of the projects for the region.

Appendix 1: Statement on due diligence

Core elements of due diligence	Disclosure requirement	Sections in the sustainability report
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	1.2.2
	ESRS 2 GOV-3	1.2.3
	E1 - ESRS 2 GOV-3	2.2.1
	ESRS 2 SBM-3	1.3.4
	E1 - ESRS 2 SBM-3	2.2.2.2
	E4 - ESRS 2 SBM-3	2.4.1.2
	S1 - ESRS 2 SBM-3	3.1.1.2
	S2 - ESRS 2 SBM-3	3.2.1.2
	S4 - ESRS 2 SBM-3	3.3.1.2
	b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2
ESRS 2 SBM-2		1.3.3
S1 - ESRS 2 SBM-2		3.1.1.1
S2 - ESRS 2 SBM-2		3.2.1.1
S4 - ESRS 2 SBM-2		3.3.1.1
ESRS 2 IRO-1		1.4.1
E1 - ESRS 2 IRO-1		2.2.3.1
E2 - ESRS 2 IRO-1		2.3.1.1
E4 - ESRS 2 IRO-1		2.4.2.1
E5 - ESRS 2 IRO-1		2.5.1.1
G1 - ESRS 2 IRO-1		4.3.1
E1-2 - ESRS 2 MDR-P		2.2.3.2
E2-1 - ESRS 2 MDR-P		2.3.1.2
S1-1 - ESRS 2 MDR-P		3.1.2.1
S2-1 - ESRS 2 MDR-P		3.2.2.1
S4-1 - ESRS 2 MDR-P		3.3.2.1
G1-1 - ESRS 2 MDR-P		4.3.2
S1-2		3.1.2.2
S2-2		3.2.2.2
S4-2		3.3.2.2

Core elements of due diligence	Disclosure requirement	Sections in the sustainability report	
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	1.4.1	
	E1 - ESRS 2 IRO-1	2.2.3.1	
	E2 - ESRS 2 IRO-1	2.3.1.1	
	E4 - ESRS 2 IRO-1	2.4.2.1	
	E5 - ESRS 2 IRO-1	2.5.1.1.	
	G1 - ESRS 2 IRO-1	4.3.1	
	ESRS 2 SBM-3	1.3.4	
	E1 - ESRS 2 SBM-3	2.2.2.2	
	E4 - ESRS 2 SBM-3	2.4.1.2	
	S1 - ESRS 2 SBM-3	3.1.1.2	
	S2 - ESRS 2 SBM-3	3.2.1.2	
	S4 - ESRS 2 SBM-3	3.3.1.2	
	d) Taking actions to address those adverse impacts	E1-1	2.2.2.1.1
		E1-3 - ESRS 2 MDR-A	2.2.2.1.2
E2-2 - ESRS 2 MDR-A		2.3.1.3	
E4-3 - ESRS 2 MDR-A		2.4.2.3	
E5-2 - ESRS 2 MDR-A		2.5.1.3	
S1-4 - ESRS 2 MDR-A		3.1.2.4	
S2-4 - ESRS 2 MDR-A		3.2.2.4	
S4-4 - ESRS 2 MDR-A		3.3.2.4	

Core elements of due diligence	Disclosure requirement	Sections in the sustainability report
e) Tracking the effectiveness of these efforts and communicating	E1-4 - ESRS 2 MDR-T	2.2.4.1
	E2-3 - ESRS 2 MDR-T	2.3.2.1
	E4-4 - ESRS 2 MDR-T	2.4.3.1
	E5-3 - ESRS 2 MDR-T	2.5.2.1
	S1-5 - ESRS 2 MDR-T	3.1.3.1
	S2-5 - ESRS 2 MDR-T	3.2.3
	S4-5 - ESRS 2 MDR-T	3.3.3
	G1 - ESRS 2 MDR-T	4.4.1
	E1-5 - ESRS 2 MDR-M	2.2.4.2
	E1-6 - ESRS 2 MDR-M	2.2.4.3
	E1-7 - ESRS 2 MDR-M	2.2.4.4
	E2-4 - ESRS 2 MDR-M	2.3.2.2
	E4-5 - ESRS 2 MDR-M	2.4.3.2
	E5-5 - ESRS 2 MDR-M	2.5.2.2
	S1-6 - ESRS 2 MDR-M	3.1.3.2
	S1-7 - ESRS 2 MDR-M	3.1.3.3
	S1-8 - ESRS 2 MDR-M	3.1.3.4
	S1-14 - ESRS 2 MDR-M	3.1.3.5
	G1-4 - ESRS 2 MDR-M	4.4.2
	G1-5 - ESRS 2 MDR-M	4.4.3

Appendix 2: Disclosure requirements covered

List of material disclosure requirements	Paragraphs in the sustainability report
ESRS 2 General disclosures	
BP-1 – General basis for preparation of the sustainability statement	1.1
BP-2 – Disclosures in relation to specific circumstances	1.1
GOV-1 – The role of the administrative, management and supervisory bodies	1.2.1
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.2.2
GOV-3 – Integration of sustainability-related performance in incentive schemes	1.2.3
GOV-4 – Statement on due diligence	1.2.4
GOV-5 – Risk management and internal controls over sustainability reporting	1.2.5
SBM-1 – Strategy, business model and value chain	1.3.1, 1.3.2
SBM-2 – Interests and views of stakeholders	1.3.3
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.3.4
IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	1.4.1
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	1.4.2
ESRS E1 Climate change	
ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	2.2.1
E1-1 – Transition plan for climate change mitigation	2.2.2.1.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	2.2.2.2
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	2.2.3.1
E1-2 – Policies related to climate change mitigation and adaptation	2.2.3.2
E1-3 – Actions and resources in relation to climate change policies	2.2.2.1.2
E1-4 – Targets related to climate change mitigation and adaptation	2.2.4.1
E1-5 – Energy consumption and mix	2.2.4.2
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	2.2.4.3
E1-8 – Internal carbon pricing	2.2.4.4

List of material disclosure requirements	Paragraphs in the sustainability report
ESRS E2 Pollution	
ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	2.3.1.1
E2-1 – Policies related to pollution	2.3.1.2
E2-2 – Actions and resources related to pollution	2.3.1.3
E2-3 – Targets related to pollution	2.3.2.1
E2-4 – Pollution of air, water and soil	2.3.2.2
ESRS E3 Water and marine resources	
ESRS 2 IRO-1 – Description of the processes to identify and assess material marine and water resource-related impacts, risks and opportunities	1.4.1
ESRS E4 Biodiversity and ecosystems	
E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	2.4.1.1
SBM 3 – Material impacts, risks and opportunities and their interaction with strategy and business model	2.4.1.2
ESRS 2 IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	2.4.2.1
E4-2 – Policies related to biodiversity and ecosystems	2.4.2.2
E4-3 – Actions and resources related to biodiversity and ecosystems	2.4.2.3
E4-4 – Targets related to biodiversity and ecosystems	2.4.3.1
E4-5 – Impact metrics related to biodiversity and ecosystems change	2.4.3.2
ESRS E5 Resource use and circular economy	
ESRS 2 IRO-1 – Description of the processes to identify and assess resource use and circular economy-related impacts, risks and opportunities	2.5.1.1
E5-1 – Policies related to resource use and circular economy	2.5.1.2
E5-2 – Actions and resources related to resource use and circular economy	2.5.1.3
E5-3 – Targets related to resource use and circular economy	2.5.2.1
E5-5 – Resource outflows	2.5.2.2

List of material disclosure requirements	Paragraphs in the sustainability report
ESRS S1 Own workforce	
ESRS 2 SBM-2 – Interests and views of stakeholders	3.1.1.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.1.1.2
S1-1 – Policies related to own workforce	3.1.2.1
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	3.1.2.2
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	3.1.2.3
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.1.2.4
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.1.3.1
S1-6 – Characteristics of the undertaking's employees	3.1.3.2
S1-7 – Characteristics of non-employee workers in the undertaking's own Workforce	3.1.3.3
S1-9 – Diversity metrics	3.1.3.4
S1-14 – Health and safety metrics	3.1.3.5
ESRS S2 Workers in the value chain	
ESRS 2 SBM-2 – Interests and views of stakeholders	3.2.1.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.2.1.2
S2-1 – Policies related to value chain workers	3.2.2.1
S2-2 – Processes for engaging with value chain workers about impacts	3.2.2.2
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.2.2.3
S2-4 – Taking action on material impacts on value chain workers, and approach-es to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	3.2.2.4
S2-5 – Targets related to managing material negative impacts, advancing positive im-pacts, and managing material risks and opportunities	3.2.3

List of material disclosure requirements	Paragraphs in the sustainability report
ESRS S4 Consumers and end-users	
ESRS 2 SBM-2 – Interests and views of stakeholders	3.3.1.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.3.1.2
S4-1 – Policies related to consumers and end-users	3.3.2.1
S4-2 – Processes for engaging with consumers and end-users about impacts	3.3.2.2
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.3.2.3
S4-4 – Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions and approaches	3.3.2.4
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.3.3
ESRS G1 Business conduct	
ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies	4.1
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	4.3.1
G1-1 – Business conduct policies and corporate culture	4.3.2
G1-3 – Prevention and detection of corruption and bribery	4.3.3
G1-4 – Incidents of corruption or bribery	4.4.2
G1-5 – Political influence and lobbying activities	4.4.3

Appendix 3: List of datapoints

Disclosure Requirement and related datapoint	SFDR reference ¹¹	Pillar 3 reference ¹²	Benchmark Regulation reference ¹³	EU Climate Law reference ¹⁴	Paragraphs in the sustainability report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator no. 13 in Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		1.2.1.1
ESRS 2 GOV-1 Percentage of board members who are independent para-graph 21(e)			Delegated Regulation (EU) 2020/1816, Annex II		1.2.1.1
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator no. 10 Table #3 of Annex 1				1.2.4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator no. 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table #1: Qualitative information on Environmental risk and Table #2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		1.3.1.1
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator no. 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS SBM-1 Involvement in activities related to controversial weapons para.40 (d) iii	Indicator no. 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ¹⁵ , Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		non-material

¹¹ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

¹² Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

¹³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

¹⁴ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p.1).

¹⁵ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2 (1)	2.2.2.1.1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g) and Article 12.2		2.2.2.1.1
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator no. 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.2.4.1
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator no. 5 Table #1 and Indicator no. 5 Table #2 of Annex 1				2.2.4.2
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator no. 5 Table #1 of Annex 1				2.2.4.2
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator no. 6 Table #1 of Annex 1				2.2.4.2
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators no. 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6		2.2.4.3

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator no. 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 (1)		2.2.4.3
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 (1)	non-material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		(Phase-in, therefore non-material in the first year)
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			(Phase-in, therefore non-material in the first year)
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 '(c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			(Phase-in, therefore non-material in the first year)
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		(Phase-in, therefore non-material in the first year)
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator no. 8 Table #1 of Annex 1 Indicator no. 2 Table #2 of Annex 1 Indicator no. 1 Table #2 of Annex 1 Indicator no. 3 Table #2 of Annex 1				2.3.2.2

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS E3-1 Water and marine resources paragraph 9	Indicator no. 7 Table #2 of Annex 1				non-material
ESRS E3-1 Dedicated policy paragraph 13	Indicator no. 8 Table #2 of Annex 1				non-material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator no. 12 Table #2 of Annex 1				non-material
ESRS E3-4 Total water recycled and re-used paragraph 28 ©	Indicator no. 6.2 Table #2 of Annex 1				non-material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator no. 6.1 Table #2 of Annex 1				non-material
ESRS 2 – SBM-3 – E4 Abs. 16 a i	Indicator no. 7 Table #1 of Annex 1				2.4.1.2
ESRS 2 – SBM-3 – E4 Abs. 16 b	Indicator no. 10 Table #2 of Annex 1				2.4.1.2
ESRS 2 – SBM-3 – E4 Abs. 16 c	Indicator no. 14 Table #2 of Annex 1				2.4.1.2
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator no. 11 Table #2 of Annex 1				2.4.2.2
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 ©	Indicator no. 12 Table #2 of Annex 1				non-material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator no. 15 Table #2 of Annex 1				non-material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator no. 13 Table #2 of Annex 1				2.5.2.2
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator no. 9 Table #1 of Annex 1				2.5.2.2
ESRS 2 SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator no. 13 Table #3 of Annex I				non-material
ESRS 2 SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator no. 12 Table #3 of Annex I				non-material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator no. 9 Table #3 of Annex I and Indicator no. 11 Table #1 of Annex I				3.1.2.1
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		3.1.2.1
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator no. 11 Table #3 of Annex I				3.1.2.1
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator no. 1 Table #3 of Annex I				3.1.2.1
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 c)	Indicator no. 5 Table #3 of Annex I				3.1.2.3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and c)	Indicator no. 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.1.3.5
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 €	Indicator no. 3 Table #3 of Annex I				3.1.3.5
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator no. 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator no. 8 Table #3 of Annex I				non-material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator no. 7 Table #3 of Annex I				non-material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator no. 10 Table #1 of Annex I and Indicator no. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Dele- gated Regulation (EU) 2020/1818 Article 12 (1)		non-material
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators no. 12 and 13 Table #3 of Annex I				3.2.1.2
ESRS S2-1 Human rights policy commit-ments paragraph 17	Indicator no. 9 Table #3 of Annex 1 and Indicator no. 11 Table #1 of Annex 1				3.2.2.1
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators no. 11 and 4 Table #3 of Annex 1				3.2.2.1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guide-lines paragraph 19	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Dele- gated Regulation (EU) 2020/1818 Article 12 (1)		3.2.2.1
ESRS S2-1 Due diligence policies on issues ad-dressed by the fundamental International Labor Or-ganisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		3.2.2.1
ESRS S2-4 Human rights issues and incidents con-nected to its up-stream and downstream value chain paragraph 36	Indicator no. 14 Table #3 of Annex 1				3.2.2.4
ESRS S3-1 Human rights policy commitments para-graph 16	Indicator no. 9 Table #3 of Annex 1 and Indicator no. 11 Table #1 of Annex 1				non-material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or/and OECD guidelines paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Dele- gated Regulation (EU) 2020/1818 Article 12 (1)		non-material
ESRS S3-4 Human rights issues and incidents par-agraph 36	Indicator no. 14 Table #3 of Annex 1				non-material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraphs in the sustainability report
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator no. 9 Table #3 of Annex 1 and Indicator no. 11 Table #1 of Annex 1				3.3.2.1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)		3.3.2.1
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator no. 14 Table #3 of Annex 1				3.3.2.1
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator no. 15 Table #3 of Annex 1				non-material
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator no. 6 Table #3 of Annex 1				4.3.2
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator no. 17 Table #3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.4.2
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator no. 16 Table #3 of Annex 1				4.4.2

> Content

> Combined Management Report

> **Consolidated Financial Statements**

Consolidated Financial Statements

Consolidated Balance Sheet

Assets	Note	31 Dec. 2024	31 Dec. 2023
€ million			
Non-current assets			
Intangible assets	4.2	73.7	85.4
Goodwill	4.2	840.3	840.3
Property, plant and equipment	4.3	4,695.8	4,526.0
Financial assets	4.4	222.5	193.9
Companies accounted for using the equity method		76.9	72.8
Other financial assets		145.6	121.1
Deferred tax assets	4.10	16.8	19.3
Non-current receivables	4.5	181.3	135.0 ¹
Total		6,030.4	5,799.9
Current assets			
Inventories	4.6	27.2	33.4
Trade receivables (including advance payments made)	4.7	79.0	51.0
Income tax receivables	4.7	6.1	9.1
Other receivables	4.7	381.9	166.7 ¹
Cash and cash equivalents	4.8	650.1	618.5
Total		1,144.3	878.7
Total assets		7,174.7	6,678.6

¹ The adjustment of € 66.8 million to the prior-year figures is the result of a change in the presentation of receivables from the third-party shareholders in proportionately consolidated pipeline companies arising on the accounting of one-sided capital contributions. This change is in line with the corresponding presentation of liabilities from the one-sided capital contributions of the third-party shareholders.

Equity and liabilities	Note	31 Dec. 2024	31 Dec. 2023
€ million			
Equity	4.9		
Subscribed capital		0.0	0.0
Additional paid-in capital		1,125.6	925.6
Retained earnings		512.2	828.0
Accumulated other comprehensive income		30.4	34.5
Total		1,668.2	1,788.1
Non-current liabilities			
Provisions for pensions and similar obligations	4.11	0.6	0.7
Other provisions	4.12	96.1	98.8
Financial liabilities	4.13	3,411.6	3,488.1
Other non-current liabilities	4.13	22.6	16.5 ²
Deferred tax liabilities	4.10	691.5	726.4
Total		4,222.4	4,330.5
Current liabilities			
Other provisions	4.12	78.0	57.6
Financial liabilities	4.13	822.7	162.7
Trade payables	4.13	49.3	89.5
Income tax liabilities	4.13	0.1	0.0
Other liabilities	4.13	334.0	250.2 ²
Total		1,284.1	560.0
Total equity and liabilities		7,174.7	6,678.6

For mathematical reasons the tables may include rounding differences of +/- one unit (€, % etc.).

The notes are an integral part of these consolidated financial statements.

² The adjustment in the amount of € 51.8 million made to the prior-year figures is in accordance with the amendment to IAS 1. In line with this amendment, liabilities relating to the one-sided capital contributions of the third-party shareholders, which were previously recognised as non-current, are now presented under current liabilities.

Consolidated Income Statement

€ million	Note	2024	2023
Revenues	5.1	1,133.1	1,648.3
Changes in inventories		0.0	0.2
Own work capitalised	5.2	40.8	33.0
Cost of materials	5.4	-465.6	-492.2
Personnel costs	5.5	-222.6	-200.7
Depreciation and amortisation	5.7	-226.7	-224.2
Other operating income	5.3	57.3	29.2
Other operating expenses	5.6	-127.4	-96.5
Income before financial result and taxes		188.9	697.1
Income from equity investments		5.5	13.0
Impairment of financial assets		-3.4	0.0
Income from companies accounted for using the equity method		12.7	12.2
Interest result		-54.8	-56.1
of which interest expense		-80.0	-89.9
Financial result	5.8	-40.0	-30.9
Earnings before taxes		148.9	666.2
Taxes		-83.4	-52.6
of which income tax allocation		-80.7	-50.3
Deferred taxes		40.7	-141.8
Income taxes	5.9	-42.7	-194.4
Net income		106.2	471.8
Share in net income attributable to the sole shareholder of the parent company		106.2	471.8

Consolidated Statement of Comprehensive Income

€ million	Note	2024	2023
Net income		106.2	471.8
Other comprehensive income		18.6	-19.8
Reclassifiable OCI		-4.1	-4.2
Cash flow hedges	4.10	-5.8	-5.9
Deferred taxes	4.10	1.7	1.7
Not reclassifiable OCI		22.7	-15.6
Remeasurement of defined benefit plans	4.9	32.9	-22.7
Deferred taxes	4.9	-10.2	7.1
Comprehensive income		124.8	452.0
Share in net income attributable to the sole shareholder of the parent company		124.8	452.0

For mathematical reasons the tables may include rounding differences of +/- one unit (€, % etc.).

The notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

€ million	Subscribed capital*	Additional paid-in capital	Retained earnings	Change in accumulated other comprehensive income	Total
				Cash flow hedges	
1 Jan. 2024	0.0	925.6	828.0	34.5	1,788.1
Comprehensive income			128.9	-4.1	124.8
Net income			106.2		106.2
Other comprehensive income			22.7	-4.1	18.6
Remeasurement of defined benefit plans			22.7		22.7
Change in accumulated other comprehensive income				-4.1	-4.1
Capital increase		200.0			200.0
Profit transferred			-444.7		-444.7
of which profit transferred in advance			-265.0		-265.0
31 Dec. 2024	0.0	1,125.6	512.2	30.4	1,668.2

€ million	Subscribed capital*	Additional paid-in capital	Retained earnings	Change in accumulated other comprehensive income	
				Cash flow hedges	Total
1 Jan. 2023	0.0	925.6	565.7	38.7	1,530.0
Comprehensive income			456.2	-4.2	452.0
Net income			471.8		471.8
Other comprehensive income			-15.6	-4.2	-19.8
Remeasurement of defined benefit plans			-15.6		-15.6
Change in accumulated other comprehensive income				-4.2	-4.2
Profit transferred			-193.9		-193.9
of which profit transferred in advance			-90.0		-90.0
31 Dec. 2023	0.0	925.6	828.0	34.5	1,788.1

*The subscribed capital of VGT is € 25k. It is fully paid in and unchanged over the previous year.

For mathematical reasons the tables may include rounding differences of +/- one unit (€, % etc.).

The notes are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

€ million	Note	2024	2023
Cash provided by operating activities		366.2	927.8
Net income		106.2	471.8
Depreciation and amortisation/impairment charges	5.7	230.1	224.2
Changes in provisions		40.4	-15.4
Changes in deferred taxes	5.9	-40.7	141.8
Dividends received ³		26.0	23.3
Changes in plan assets		-17.0	0.0
Interest received	5.8	16.1	25.0
Other adjustments ⁴		65.8	67.6
Changes in operating assets, liabilities and income tax		-60.8	-10.7
Inventories		6.2	32.5
Trade receivables		-27.6	7.5
Trade payables		-18.1	-31.8
Other operating receivables and liabilities as well as tax claims and tax obligations		-21.3	-18.9
Gain/Loss (-) from the disposal of intangible assets and property, plant and equipment		0.1	0.2
Cash used for investing activities		-647.0	136.2
Proceeds from the disposal of intangible assets and property, plant and equipment		0.8	0.7
Purchases of investments in intangible assets and property, plant and equipment		-412.5	-386.8
Purchases of other equity investments and equity-accounted investments	4.4	-31.9	-34.2
Proceeds from / purchases of other financial investments		-203.4	556.5
Proceeds from the disposal of other financial investments		102.8	566.6
Purchases of other financial investments		-306.2	-10.1

³ Including in 2024 dividends received from non-consolidated equity investments as well as the distribution from outside shareholders resulting from joint operations amounting to € 8.0 million (previous year: € 7.7 million).

⁴ This item mainly includes adjustments from the interest result and from application of the equity method.

€ million	Note	2024	2023
Cash used for financing activities		312.4	-908.7
Change in equity		200.0	0.0
Interest paid	5.8	-84.9	-104.5
Proceeds from financial liabilities	4.13	694.9	73.3
Repayments of financial liabilities		-148.7	-754.5
Dividends paid ⁵		-348.9	-123.0
Changes in cash and cash equivalents		31.6	155.3
Cash and cash equivalents at beginning of period		618.5	463.2
Cash and cash equivalents at end of period	4.8	650.1	618.5

Additional information on cash provided by operating activities

€ million	2024	2023
Income tax paid (minus refunds)	-3.2	-7.8

For mathematical reasons the tables may include rounding differences of +/- one unit (€, % etc.).

Further information on the consolidated cash flow statement is given in section 6.1 of the Notes to the consolidated financial statements.

The notes are an integral part of these consolidated financial statements.

⁵ The dividends paid consist in particular of the remaining profit in the amount of € 83.9 million for the 2023 financial year and the advance profit in the amount of € 265.0 million transferred to VGS (previous year: profit transferred for the 2022 financial year in the amount of € 33.0 million and advance profit transferred in the amount of € 90.0 million).

Notes to the Consolidated Financial Statements of Vier Gas Transport GmbH for the Financial Year from 1 January 2024 to 31 December 2024

1 Basic information

The registered head office of Vier Gas Transport GmbH (“VGT” or “the Company”) is Kallenbergstraße 5, 45141 Essen. The sole shareholder is Vier Gas Services GmbH & Co. KG (“VGS”), Essen. VGS is therefore the ultimate domestic parent company of the Group and in principle obliged to prepare consolidated financial statements. However, since Vier Gas Holdings S.à r.l. (“VGH”), Luxembourg, publishes consolidated financial statements and a Group management report as the highest European parent company in the Group, in accordance with Section 291 HGB (German Commercial Code) VGS is exempt from preparing consolidated financial statements and a Group management report. VGS is invoking this exemption. VGT is a capital market-oriented corporation within the meaning of Section 264d HGB. As capital market-oriented parent company domiciled in Germany, VGT is obliged to prepare consolidated financial statements pursuant to Section 315e HGB.

The Company is registered under HRB 24299 in the commercial register of the Essen local court.

The object of the Company is to acquire, hold and manage as well as sell equity investments in companies or their assets and every action or measure connected therewith and the provision of services of any nature for its subsidiaries, including but not limited to the provision of financial services.

The business operations of the Group are conducted by Open Grid Europe GmbH (“OGE”), Essen, including its equity investments (“OGE Group”). OGE performs the activities of a gas transmission network operator and is subject to supervision by the Federal Network Agency (BNetzA), the German regulatory authority. Furthermore, OGE provides services for the gas industry.

In future, OGE will act as a hydrogen network operator. The company’s business model was therefore extended to include hydrogen network operations.

Furthermore, OGE is developing an infrastructure for CO₂ transportation for industrial companies in Germany.

The financial year is the calendar year.

These consolidated financial statements were approved for publication by the Management on 14 March 2025.

2 Summary of Significant Accounting Policies

2.1 Basis of presentation

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC), the interpretations of the International Accounting Standards Board (IASB) as well as the commercial provisions to be applied in accordance with Section 315e (1) HGB.

The consolidated financial statements of the VGT Group are generally prepared based on historical cost, with the exception of the financial assets and liabilities (including derivative financial instruments and plan assets) recognised at fair value through other comprehensive income as well as financial assets recognised at fair value through profit or loss.

The preparation of IFRS consolidated financial statements requires management to make estimates. Furthermore, the application of Group-wide accounting policies requires management assessments to be made.

In accordance with IAS 1 “Financial Statements: Presentation”, the consolidated balance sheet has been prepared using a classified balance sheet structure. Assets and liabilities are classified as current if they are expected to be realised or are due to be settled or are to be sold within twelve months of the reporting date or within the normal business cycle of the Group.

The consolidated income statement is classified using the nature-of-expense method.

Unless otherwise stated, all figures are in million euros (€ m).

2.2 Effects of new accounting standards

Accounting standards and interpretations applied for the first time

All new, amended or revised accounting standards are generally applied from the date when the EU requires mandatory application.

In the 2024 financial year, the Group applied the following new or amended standards and interpretations for the first time:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” and “Classification of Non-current Liabilities with Covenants”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback” regarding the subsequent measurement of lease liabilities”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”

In the Group, the initial application of the amendments to IAS 1 affects the recognition of liabilities relating to the one-sided capital contributions of third-party shareholders. Since the beginning of the 2024 financial year, these liabilities have been recognised under current liabilities.

The other new regulations to be applied have no material impact on the Group.

Accounting standards and interpretations published but not yet applied

New, amended or revised standards and interpretations that have been published but whose adoption is not yet mandatory in the financial year and their impact on the consolidated financial statements are explained in the following:

IFRS 18 – Presentation and Disclosure in Financial Statements

On 9 April 2024, the IASB published a new standard IFRS 18 “Presentation and Disclosure in Financial Statements”, which will replace the previous standard IAS 1 “Presentation of Financial Statements”. Many provisions from IAS 1 will continue unchanged. The new standard introduces specified subtotals and categorisation of items of income and expense in the income statement. The new standard also contains requirements for improved aggregation and disaggregation of items, and information about management-

defined performance measures (MPMs) must be disclosed in a single note to the financial statements. The new IFRS 18 standard is intended to improve the presentation of financial statements, increase their transparency and enable better comparability.

The IASB has specified initial application for financial years beginning on or after 1 January 2027. The new IFRS 18 standard has not yet been adopted into European law. The potential impact on the Group is currently being analysed.

In addition, further standards and interpretations were published which are not expected to have a material impact on the consolidated financial statements.

2.3 Consolidation policies and scope of consolidation

In addition to VGT as parent company, the scope of consolidation includes the following companies:

	31 Dec. 2024	31 Dec. 2023
Number of fully consolidated companies (subsidiaries)	3	3
Number of joint operations	4	4
Number of companies accounted for using the equity method	1	1

See section 7 “List of shareholdings” for a detailed description of the companies included in the consolidated financial statements as well as unconsolidated companies.

(a) Subsidiaries

Subsidiaries are all entities in which the Group is exposed to variable returns from its involvement with the entity or has rights in the entity and has the ability to affect those returns through its power over the entity (control as defined in IFRS 10).

Subsidiaries are included in the consolidated financial statements of VGT (full consolidation) from the time at which control passes to VGT. They are deconsolidated at the time at which control ends.

The fully consolidated subsidiaries are controlled by virtue of the fact that VGT holds the majority of the voting rights either directly or indirectly. In principle, subsidiaries are not

consolidated as long as their net assets, financial position and results of operations are immaterial for the consolidated financial statements of VGT. These subsidiaries are accounted for at amortised cost and shown under financial assets.

(b) Joint Arrangements

Companies which, in accordance with IFRS 11, have been classified as joint operations are, for the purposes of simplification, generally proportionately consolidated in line with the share of ownership interest, with the exception of expansion investments involving only one joint operator. These are recognised in full in the consolidated financial statements of that joint operator.

All material transactions and balances between joint operations and other affiliated companies that are included in the consolidated financial statements of VGT are generally proportionately eliminated with the exception of internal revenues from the joint operations and the corresponding cost of materials of the joint operator. As the parties to the joint operation take its entire output, these items are fully eliminated where the share of ownership interest is the same as the share of the output purchased. In the event of differences between the share of ownership interest and the share of output purchased, which is the case in the VGT Group, only revenues or cost of materials measured proportionately in the amount of the difference between the two percentage shares therefore remain in the consolidated financial statements. When applying this procedure, a transaction between the joint operation parties involved is assumed. If one party to the joint operation takes less output than the percentage share it would be due in relation to its share of ownership interest, according to this approach it is assumed that a sale to the other party of the joint operation has taken place in the amount of the "shortfall quantity" – i.e. the difference between the share of output due to the party of the joint operation based on its ownership interest and the share of output it has actually taken. If a party to the joint operation takes more output than the percentage share it would be due in relation to its share of ownership interest, it is similarly assumed that a purchase from the other party to the joint operation has taken place in the amount of the "excess quantity" – i.e. the difference between the share of output actually taken and the share of output due to the party to the joint operation based on its ownership interest. In this fictive transaction it is also assumed that the purchase price is the same as the price at which the joint operation sells to the parties of the joint operation. As joint operations are included and transactions between the Group and the joint operations generally proportionately

eliminated, as described, in line with ownership interest, whilst revenues from the joint operations and the corresponding cost of materials are fully eliminated where the share of ownership interest is the same as the share of the output purchased, receivables and/or liabilities which, from the Group point of view, have not led to revenues or cost of materials may have to be reported in the consolidated financial statements. As transactions between the joint operations and the parties thereto which lead to revenues of the joint operation are generally monthly and immediately cash-effective, such receivables and/or liabilities - where existing at the reporting date - are normally not material compared with the operating receivables or liabilities as a whole reported in the consolidated financial statements.

Despite the fact that joint operations are legally separate entities, the examination of other factors and circumstances leads to the conclusion that rights to their assets and obligations for their liabilities exist as these companies provide their services exclusively for the joint operation parties. OGE is contractually bound to the other joint operators not only through the Articles of Association but also through consortium agreements. These agreements also form the basis for the classification of the joint arrangements as joint operations. Furthermore, the joint operations grant OGE and the other joint operators the use of their pipeline network under grant-of-use agreements. These pipeline networks are a vital prerequisite for the Company's business activity as a gas transmission network operator on the current scale.

The joint operations operate in a regulated business environment. As a result, there is a general business risk for these companies because of the uncertainty surrounding the development of the regulatory framework in Germany and Europe. However, as the joint operations do not apply for their own revenue caps under the incentive regulation, but lease their pipeline network under individual contracts to the joint operators, the risk is limited.

Joint arrangements that are only of immaterial significance for giving a true and fair view of the assets, liabilities, financial position and profit or loss of the VGT Group are accounted for at amortised cost in the consolidated financial statements. They are reported under financial assets.

(c) Associates

An associate is an entity over which the Group has significant influence but does not have exclusive control.

Interests in associates are accounted for using the equity method. Interests in associates accounted for using the equity method are reported on the balance sheet at cost, adjusted for changes in VGT's share of the net assets after the date of acquisition, as well as any impairment charges. Any goodwill resulting from the acquisition of an associate is included in the carrying amount of the associate.

The only associate accounted for using the equity method is GasLINE Telekommunikationsnetzgesellschaft deutscher Gasversorgungsunternehmen mbH & Co. KG ("GasLINE KG"), Straelen, whose business is the construction, acquisition, rental, maintenance and grant of use particularly of fibre-optic cables and cable ducts for telecommunications purposes. OGE and GasLINE KG provide services for each other. Associates that are only of immaterial significance for giving a true and fair view of the assets, liabilities, financial position and profit or loss of the VGT Group are accounted for at amortised cost in the consolidated financial statements. They are reported under financial assets.

(d) Significant restrictions

There are regulatory restrictions on the transfer of assets between the companies within the Group. They relate to the following assets of the affiliates OGE and Mittelrheinische Erdgastransportleitungsgesellschaft mbH ("METG"), Essen, within the consolidated balance sheet:

€ million	31 Dec. 2024	31 Dec. 2023
Assets		
Non-current assets		
Intangible assets	53.6	63.6
Property, plant and equipment	3,189.3	3,089.6
Deferred tax assets	15.8	16.4
Non-current receivables	114.8	77.7
Total	3,373.5	3,247.3
Current assets		
Inventories	13.3	16.9
Trade receivables (incl. advance payments made)	29.4	33.4
Receivables from tax creditors	4.7	2.4
Other receivables	20.2	18.2
Cash and cash equivalents	19.8	263.7
Total	87.4	334.6
Total assets	3,460.9	3,581.9

We refer to section 4.4 for the carrying amounts of the joint operations within the consolidated balance sheet.

2.4 Acquisitions and establishment of companies

In the 2024 financial year, no companies were acquired or established.

2.5 Foreign currency translation

The items contained in the financial statements of each Group company are measured in euros as this currency is the functional currency of all Group companies. The consolidated financial statements are also prepared in euros, which is the functional currency and the reporting currency of VGT.

Transactions denominated in foreign currency are translated into the functional currency at the exchange rate at the transaction date or at the measurement date in the case of remeasurement. Gains and losses resulting from the settlement of such transactions as well as from the translation of monetary assets and liabilities denominated in foreign currency at the reporting date are recognised in the income statement unless they are to be recognised within equity as qualified cash flow hedges and qualified net investment hedges.

Foreign currency gains and losses are shown in the income statement under other operating income and other operating expenses.

2.6 Goodwill

Goodwill is created when subsidiaries, associates and jointly controlled companies are acquired and is the amount by which the consideration transferred exceeds the fair value of the Group's shares in the acquired identifiable assets, the liabilities assumed and the contingent liabilities at the date of acquisition.

In accordance with IFRS 3, "Business Combinations", goodwill is not amortised but rather tested for impairment at the cash-generating unit level on at least an annual basis according to the requirements of IAS 36 "Impairment of Assets". Impairment tests must also be performed between these annual tests if events or changes in circumstances indicate that the carrying amount of the respective cash-generating unit might not be recoverable.

The VGT Group represents one single cash-generating unit. Therefore, no allocation of goodwill had to be performed.

2.7 Intangible assets

IAS 38 requires that intangible assets be amortised over their expected useful lives unless their lives are considered to be indefinite. Factors such as typical product life cycles and legal or similar limits on use are taken into account in the classification.

Intangible assets subject to amortisation are measured at cost of acquisition or production and amortised on a straight-line basis over their respective useful lives. Internally generated intangible assets subject to amortisation are mainly related to software and are amortised over a maximum of ten years. Acquired intangible assets subject to amortisation are largely software and software licences as well as contract-based intangible assets. The useful life of acquired software and software licences is generally three years. Contract-based intangible assets are amortised in accordance with the provisions specified in the contracts. Useful lives and amortisation methods are subject to annual review. Intangible assets subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that such assets may be impaired.

Under IFRS, emission rights held under national and international emission-rights systems for the settlement of obligations are reported as intangible assets. Since emission rights are not depleted as part of the production process, they are reported as intangible assets not subject to amortisation. Emission rights are capitalised at cost when issued for the respective reporting period as (partial) fulfilment of the notice of allocation from the national authorities responsible, or upon acquisition.

The provision is measured at the carrying amount of the emission rights held or, in the case of a shortfall, at the current fair value of the emission rights needed. The expenses incurred for the recognition of the provision are reported under cost of materials.

2.8 Research and development costs

In accordance with IAS 38.57 ff., research and development costs must be allocated to a research phase and a development phase. While expenditure on research is expensed as incurred, development costs must be capitalised as an intangible asset if all of the general criteria for recognition specified in IAS 38, as well as certain other specific prerequisites, have been fulfilled. In the financial year, these criteria were fulfilled for internally generated software, which were capitalised accordingly. The research costs incurred in the 2024 financial year were of an insignificant amount.

2.9 Property, plant and equipment

Property, plant and equipment are initially measured at acquisition or production cost and are generally depreciated over the expected useful lives of the components, using the straight-line method, unless a different method of depreciation is deemed more suitable in certain exceptional cases. The useful lives of the major components of property, plant and equipment are presented below:

- Buildings 25-50 years
- Pipeline network 40 years
- Technical equipment, plant and machinery 10-40 years
- Other equipment, fixtures, furniture and office equipment 5-14 years

The remaining carrying amounts and economic useful lives are reviewed at every reporting date and adjusted where necessary if the underlying assumptions and estimates, for example with regard to technical, economic or legal circumstances and possible effects of climate change, require this.

Expenses relating to scheduled maintenance work on large-scale plants are recognised like a separate asset in the amount of the cost of the work and depreciated using the straight-line method over the period until the next maintenance work. The costs for the replacement of components are recognised according to the principles of asset acquisition. The carrying amount of the replaced components is derecognised. The costs for maintenance and repair work as part of normal business operations are recognised as an expense.

Private investment grants or subsidies as well as government grants do not reduce the acquisition and production costs of the respective assets; they are instead reported in the balance sheet as deferred income and amortised to income in the same manner as expenses from the depreciation of the subsidised assets.

2.10 Impairment

The impairment test referred to in IAS 36 is carried out for intangible assets and items of property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. Goodwill and other intangible assets with an indefinite useful life are subject to an impairment review at least once a year.

In accordance with IAS 36, the carrying amount of an asset is tested for impairment by comparing the carrying amount with the asset's recoverable amount, which is the higher of its value in use and its fair value less costs of disposal. Should the carrying amount exceed the corresponding recoverable amount, an impairment loss equal to the difference between the carrying amount and the recoverable amount is recognised and reported in the income statement under "Depreciation, amortisation and impairment charges".

If the reasons for previously recognised impairment losses no longer exist, such impairment losses are reversed by affecting net income for intangible assets - except goodwill - and for items of property, plant and equipment. A reversal shall not cause the carrying amount of an asset subject to amortisation or depreciation to exceed the amount that would have been determined, net of amortisation or depreciation, had no impairment loss been recognised during the period.

If the recoverable amount for an individual intangible asset or an item of property, plant and equipment cannot be determined, the recoverable amount is determined for the smallest identifiable group of assets (cash-generating unit) to which the individual asset can be assigned.

In a goodwill impairment test, the recoverable amount of the cash-generating unit is compared with its carrying amount, including goodwill. The recoverable amount is the higher of the cash-generating unit's fair value less costs of disposal and its value in use. Measurement from the viewpoint of the fair value less costs of disposal is performed using the discounted cash flow method, and accuracy is verified through the use of appropriate multipliers, to the extent available. In addition, market transactions or valuations prepared by third parties for comparable assets are used to the extent available. If needed, a calculation of value in use is also performed. Unlike fair value, the value in use is calculated from the viewpoint of management. In accordance with IAS 36, it is further ensured that

restructuring expenses, as well as initial and subsequent capital investments (where those have not yet commenced), in particular, are not included in the valuation.

If the carrying amount exceeds the recoverable amount, the goodwill allocated to that cash-generating unit is adjusted in the amount of this difference.

If the impairment thus identified exceeds the goodwill, the remaining assets of the unit must be written down in proportion to their carrying amounts. Individual assets may be written down only if their respective carrying amounts do not fall below the highest of the following values as a result:

- fair value less costs of disposal
- value in use or
- zero.

Any additional impairment loss that would otherwise have been allocated to the asset concerned must instead be allocated pro rata to the remaining assets of the unit. Impairment charges on the goodwill reported in the income statement under "Depreciation and amortisation" may not be reversed in subsequent reporting periods.

VGT has elected to perform the annual testing of goodwill for impairment at the cash-generating unit level in the fourth quarter of each financial year. See section 4.2 for further details on the impairment test.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of the one entity and a financial liability or equity instrument of another entity. The Group only recognises financial assets and liabilities when it becomes party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets extinguish or are transferred and the Group has transferred substantially all of the risks and rewards of ownership of the asset. A financial liability is derecognised only when it is extinguished, i.e. the obligation specified in the contract is discharged or cancelled or expires.

Financial instruments

At initial recognition, financial instruments are measured at fair value plus, in the case of all financial instruments not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial instrument. In the case of financial instruments subsequently measured at fair value, the associated transaction costs are recognised in profit or loss. Financial instruments are classified according to the measurement categories of IFRS 9.

With regard to the classification of financial assets, a difference is made between equity instruments and debt instruments as well as derivatives.

The Group designates equity instruments not held for trading as measured at fair value through other comprehensive income. All changes in the fair value after deduction of deferred taxes are recognised in other comprehensive income. In the event of sale, cumulative gains or losses recognised in other comprehensive income are not reclassified to profit or loss. Dividends are presented in the income statement within the financial result. In the past financial year, the Group did not hold any equity instruments for trading.

Derivative financial instruments are measured at fair value through profit or loss. All changes in the fair value are recognised at fair value through profit or loss. Special requirements apply to derivative financial instruments that are part of hedge accounting. For further information, we refer to the section on hedge accounting.

The classification of debt instruments is based, on the one hand, on the business model for managing the financial assets (business model condition) and, on the other hand, on the contractual cash flow characteristics of the financial asset (cash flow condition).

A difference is made between the following business models:

- Held to collect contractual cash flows;
- Held to collect contractual cash flows and to sell; and
- Held for trading.

The cash flow condition requires that the cash flows arise solely from payments of principal and interest.

Debt instruments are measured at amortised cost (AmC) when the objective of the business model is to hold the assets in order to collect contractual cash flows and the cash flow condition is met.

Debt instruments are measured at fair value through other comprehensive income (FVtOCI) when they meet the cash flow condition but are held both for collecting contractual cash flows and for selling.

All other debt instruments that are not allocated to the at amortised cost or FVtOCI categories are measured at fair value through profit or loss (FVtPL).

The Management designates the category of the financial assets at initial recognition.

Non-derivative financial liabilities (including trade payables and bonds) within the scope of IFRS 9 are measured at amortised cost using the effective interest method. Initial measurement takes place at fair value, with transaction costs included in the measurement. In subsequent periods, the residual carrying amount is adjusted for accretion of any premium and amortisation of any discount remaining until maturity. The premium/discount is recognised in the financial result over the term.

Derivative financial liabilities that are not part of a hedging relationship and financial liabilities that meet the definition of held for trading are measured at fair value through profit or loss.

Loss allowances for expected credit losses

The Group recognises loss allowances for financial assets of the “at amortised cost” category and for contract assets as defined by IFRS 15 in the amount of the expected losses. The amount of loss recognised and interest revenue are determined on the basis of the classification of the instrument in 3 stages.

All assets are allocated to stage 1 at initial recognition. For these assets, the present value of the expected credit losses that result from all default events that are possible

within the next twelve months from the reporting date is recognised as an expense. Interest revenue is recognised on the basis of the gross carrying amounts, i.e. before recognition of the loss allowance.

The measurement of credit risk at initial recognition takes into account the probability of default as well as the default rate of the relevant assets. Probability of default (PD) is assessed using external credit checks. The ratings take into account macroeconomic and forward-looking input factors.

Stage 2 applies to all assets for which there is a significant increase in the risk of default as at the reporting date compared with at the initial recognition date. The loss allowance is the present value of all expected losses over the remaining life of the asset. The calculation and recognition of interest revenue is the same as for stage 1.

To assess whether the credit risk of an asset has increased significantly since initial recognition, the Group compares the risk of an expected default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition, using in particular the following information:

- an actual or probable significant change in the external credit rating of a financial instrument,
- significant increase in the risk of default of other financial instruments of the same debtor, and
- past due information.

Based on experience, the Group does not presume a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group makes use of the simplified method for measuring the loss allowance for expected credit losses on trade receivables and contract assets. According to this simplified method, all assets are allocated to stage 2 irrespective of credit quality. Allocation to stage 1 is not permitted for these assets.

Assets are allocated to stage 3 if, in addition to a significant increase in the risk of default as at the reporting date, there is also objective evidence of impairment. In this case, the loss allowance is also measured on the basis of the present value of the lifetime expected losses. However, interest revenue recognised is adjusted in the following periods in that interest revenue is calculated on the basis of the net carrying amount, i.e. after deduction of the loss allowance.

The Group writes off financial assets in their entirety or a portion thereof if one or more events (a loss event) having an adverse impact on the expected future cash flows has occurred and therefore these financial assets are credit-impaired. Objective evidence of credit impairment may include evidence of financial difficulties of a customer or a group of customers such as default or delinquency in interest or principal payments or the increased probability of insolvency.

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of expected future cash flows (excluding future credit losses that have not been incurred) – discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate specified under the contract. If, in a subsequent period, the amount of the impairment decreases and the decrease can be related objectively to an event occurring after the impairment was first recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

In the case of debt instruments of the at amortised cost category and in the case of contract assets, the loss allowance is deducted from the relevant asset.

In 2024, there was no objective evidence of impairment of financial assets in the VGT Group with the exception of trade receivables for which individual valuation adjustments had been made.

Hedging relationships

The instruments mainly used are foreign currency transactions as well as interest rate swaps. These are measured at fair value for both at initial recognition and in subsequent periods.

The hedge accounting requirements of IFRS 9 cover in particular the documentation of the hedging relationship between the hedged item and the hedging instrument, the hedging strategy as well as the regular prospective measurement of effectiveness. The critical term match method is used for prospective measurement of effectiveness. The hedge accounting is prospectively considered effective when the critical contractual terms of the hedged item and the hedging instrument match.

If a derivative financial instrument qualifies as a cash flow hedge under IFRS 9, the effective portion of the hedging instrument's change in fair value is recognised in equity as a component of other comprehensive income. A risk premium is also taken into consideration. A reclassification into income is performed in the period in which the cash flows of the transaction being hedged affect income. The hedging result is reclassified to profit or loss immediately if it becomes probable that the hedged underlying transaction will no longer occur. For hedging instruments used to establish cash flow hedges, the change in fair value of the ineffective portion is recognised immediately in profit or loss to the extent required.

In the context of cash flow hedges, changes in the fair value of derivative instruments that must be recognised in profit or loss are presented as other operating income or expenses. Gains and losses from interest-rate derivatives are netted for each contract and included in the interest result.

Additional information on financial instruments is provided in sections 3 and 4.1.

2.12 Inventories

Of the inventories, raw materials and supplies are generally measured at the lower of weighted average cost and net realisable value. The net realisable value is the estimated selling price achievable in the ordinary course of business less the necessary variable costs of disposal. Inventory risks resulting from excess and obsolescence are provided for using appropriate valuation write-downs.

Work in progress is measured at production cost. In addition to production materials and wages, production costs include pro-rata material costs and production overheads based on normal capacity. The costs of general administration are not capitalised. The acquisition and production costs do not include any borrowing costs.

The gas inventories in the pipeline network are measured at acquisition cost using the weighted average cost method.

2.13 Receivables and other assets

Receivables and other assets are initially measured at fair value, which generally approximates transaction price. They are subsequently measured at amortised cost using the effective interest method. Valuation allowances, included in the reported net carrying amount, are provided for identifiable individual risks. If the loss of a certain part of the receivables is probable, valuation allowances are provided to cover the expected loss.

2.14 Cash and cash equivalents

Cash and cash equivalents include cheques, cash on hand, bank balances and money market funds with an original maturity of less than three months, provided they are not restricted and are not subject to significant risks of fluctuation in value.

2.15 Borrowing costs

Borrowing costs that arise in connection with the acquisition, construction or production of a qualifying asset from the time of acquisition or from the beginning of construction or production until its entry into service are capitalised and subsequently amortised alongside the related asset. Qualifying assets are assets which necessarily take more than twelve months to get ready for their intended use or sale. In the case of a specific financing arrangement, the respective borrowing costs incurred for that particular arrangement during the period are used. For non-specific financing arrangements, a financing rate

uniform within the Group of 2.1 % was applied (previous year: 2.1 %). Other borrowing costs are expensed.

2.16 Income taxes

Tax expense for the period consists of current and deferred taxes. Taxes are recognised in the income statement unless they relate to items which have been directly recognised within equity or other comprehensive income. In the latter case, the taxes are also recognised within equity or other comprehensive income.

The current tax expense is calculated using the tax regulations applicable on the reporting date (or soon to apply) of the countries in which the Company and its subsidiaries operate and generate taxable income. The Management regularly reviews tax declarations, above all with regard to issues subject to interpretation, and, when appropriate, establishes provisions based on the amounts which it expects will have to be paid to the tax authorities.

Under IAS 12, "Income Taxes", deferred taxes are recognised on temporary differences arising between the carrying amounts of assets and liabilities on the balance sheet and their tax bases (balance sheet liability method). Deferred tax assets and liabilities are recognised for temporary differences that will result in taxable or deductible amounts when taxable income is calculated for future periods, unless those differences are the result of the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither pre-tax profit/loss nor taxable profit (so-called initial differences). Deferred tax liabilities are also not recognised when they result from the first-time recognition of goodwill. IAS 12 further requires that deferred tax assets be recognised for unused tax loss carryforwards and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the temporary differences, unused tax loss carryforwards and unused tax credits can be utilised. Each of the corporate entities is assessed individually with regard to the probability of a positive tax result in future years. Any existing history of losses is incorporated in this assessment. For those deferred tax assets to which these assumptions do not apply, the value of the deferred tax assets is reduced.

Deferred tax liabilities caused by temporary differences associated with investments in subsidiaries and associates are recognised unless the timing of the reversal of such

temporary differences can be controlled within the Group and it is probable that, owing to this control, the differences will in fact not be reversed in the foreseeable future.

Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to be applicable for taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of enacted or substantially enacted changes in tax rates and tax law is generally recognised in income. Equity is adjusted for deferred taxes that had previously been recognised directly in equity. The adjustment is generally made in the period in which the legislation mandating the change is substantively enacted.

Deferred taxes for domestic companies are calculated using a total tax rate of 31.0 % as was the case in the previous year. This tax rate includes, in addition to the 15.0 % corporate income tax, the solidarity surcharge of 5.5 % on the corporate tax and the average trade tax rate of 15.2 % applicable to the Group.

Deferred tax receivables and liabilities are netted against each other when a legally enforceable right to netting exists and when the deferred tax receivables and liabilities relate to income taxes levied by the same tax authority for either the same taxable entity or different taxable entities which intend to settle on a net basis.

2.17 Employee benefits

(a) Pension obligations

Various pension plans exist in the Group. The plans are generally funded by payments to insurance companies or trust funds, the amounts paid being based on regularly updated actuarial calculations.

The Group has both defined benefit plans and defined contribution plans: a defined contribution plan is a pension plan under which the Group pays fixed amounts to a company (fund) which does not belong to the Group. The Group has no legal or constructive obligation to pay additional contributions if the fund does not hold sufficient assets to settle the pension entitlements of all employees arising from the current and prior financial years. A defined benefit plan is a plan which is not a defined contribution plan.

Defined benefit plans typically fix an amount which the employees will receive on retirement and which normally depends on one or more factors (such as age, years of service and salary).

To protect against insolvency and fund the employees' entitlements under pension commitments and similar obligations, the Group as the trustor established a two-sided CTA trust relationship with Helaba Pension Trust e. V. (Helaba), Frankfurt am Main (trustee), under agreements dated 14 December/ 21 December 2011 and as trustor transferred, as a precautionary measure, assets to the trustee.

The trustee holds and administers the trust assets for the trustor in a fiduciary capacity ring-fenced and separate from the trust assets of other trustors and the trustee's own assets.

The trust assets meet the requirements for being classified as plan assets.

In accordance with IAS 19 "Employee Benefits", the provision for defined benefit plans recognised on the balance sheet corresponds to the present value of the defined benefit obligation (DBO) on the reporting date less the fair value of the plan assets. The DBO is calculated annually by an independent actuary using the projected unit credit method. This method takes into account not only the pension obligations known on the reporting date and acquired vested rights but also economic trend assumptions which are chosen according to realistic expectations. The assessment is based on the Heubeck 2018 G mortality tables, which serve as a biometric basis for calculation.

The present value of the DBO is calculated by discounting the expected future cash outflows using interest rates of corporate bonds with a very high rating. The corporate bonds are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the related pension liabilities.

The expected return on plan assets is determined on the basis of the discount rate used to measure pension obligations.

The remeasurement component, which is based on experience adjustments and changes in the actuarial assumptions, is recognised directly within equity in other comprehensive income in the period in which they occur and thereafter reported under retained earnings.

The employer service cost representing the additional benefits that employees earned under the benefit plan during the financial year is reported under personnel costs; net interest cost/income resulting from the net pension obligation is reported under the financial result.

Past service cost is recognised immediately in income.

With defined contribution plans, the Group pays contributions to public or private pension insurance plans on the basis of a statutory or contractual obligation or on a voluntary basis. The Group has no further payment obligations beyond the payment of the contributions. The payments are expensed as incurred and reported under personnel costs.

(b) Other post-employment benefits

The Group grants some of its pensioners a post-employment benefit in the form of a gas allowance. An accounting method corresponding to that used for defined benefit plans is used to measure the gas allowances.

(c) Termination benefits

Termination benefits are paid when a Group company terminates an employee's employment contract before the normal retirement date or when employees volunteer to terminate the employment contract in exchange for severance benefits. The Group recognises severance benefits when it can be proved that it is obliged to terminate the employment of current employees according to a detailed formal plan which cannot be reversed, or if it can be proven that it is obliged to make severance payments after voluntary termination of employment by employees. Benefits which are due more than twelve months after the reporting date are discounted to their present value.

(d) Other long-term benefits

The provisions for long-service anniversary benefits and part-time phased-retirement obligations were calculated in line with actuarial principles, taking into account a reasonable discount rate, reasonable salary increases and - if applicable to the relevant obligation –

reasonable pension increases and staff turnover rate. Measurement was performed on the basis of the Heubeck 2018 G mortality tables.

The provisions for long-term working-time accounts are measured using the discount rate for the pension obligations.

The plan assets resulting from the insolvency insurance to cover employee claims under part-time phased-retirement obligations and long-term working-time accounts are offset against the respective provisions.

(e) Short-term benefits

A provision based on estimates is established for performance-related and company success-related bonus payments to employees.

In addition, a provision is recognised in the consolidated financial statements in cases where a contractual obligation exists or where there is a constructive obligation resulting from past business practice. These cases mainly include vacation and short-term working time account provisions. These provisions are measured at the daily rates and/or the average hourly rate including social security contributions due.

2.18 Provisions

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognised when the Company has a legal or constructive present obligation towards third parties as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured in accordance with IAS 37 at the best estimate of expenditure required to settle the present obligation, taking the probability of occurrence and the timing of settlement into account. The provision is recognised at the expected settlement amount. Long-term obligations are reported as liabilities at the present value of their expected settlement amounts if the interest rate effect (the difference between present value and repayment amount) resulting from discounting is material; future cost increases that are foreseeable on the balance sheet date and likely to occur must also be included in the measurement. Long-term obligations are discounted at the market interest rate applicable as of the respective balance sheet date. The accretion amounts and the effects of changes in interest rates are presented as part of the financial result.

A reimbursement related to the provision that is virtually certain to be collected is capitalised as a separate asset. No offsetting within provisions is permitted. Advance payments remitted are deducted from the provisions.

Changes in estimates arise in particular from deviations from original cost estimates, from changes to the maturity or the scope of the relevant obligation, and also as a result of the regular adjustment of the discount rate to current market interest rates.

Where necessary, provisions for restructuring costs are recognised at the present value of the future outflows of resources. Provisions are recognised once a detailed restructuring plan has been decided on by management and publicly announced or communicated to the employees or their representatives. Only those expenses that are directly attributable to the restructuring measures are used in measuring the amount of the provision. Expenses associated with the future business operations are not taken into consideration.

2.19 Revenue from contracts with customers

Revenue from the Transport business

The Group's business operations consist largely of the regulated transport activities of the gas transmission system operations. Revenue from the transport contracts with customers is generally recognised at the time the performance obligation towards the customer is fulfilled. The performance obligation is considered to have been satisfied when the gas transport has been performed and the customer therefore has control over the gas. When the performance obligation has been satisfied, the transaction price allocated thereto is recognised as revenue.

Revenue from the Other Services business

In addition to the Transport business, the Group generates revenue from services in the unregulated gas industry segment. These services comprise technical and commercial activities.

The Group has long-term, time-based service contracts, under which the customer receives a benefit from the individual performance steps at the time of performance. These service contracts are largely negotiated at fixed prices. The revenue is recognised in line with performance of the contract and the services are billed according to the contractually agreed payment schedule.

In addition to providing services, the Group also performs long-term gas industry construction projects for customers. These contracts consist both of a fixed price and cost-plus-fee agreements. Due to the fact that the Group has no alternative use for the asset created and has a contractually enforceable right to payment for performance completed to date, these construction contracts are measured over time. The respective contracts do not contain any separately identifiable performance obligations which would make it possible to identify a performance obligation per contract. Therefore, allocation of the transaction price is not possible. The revenue from these gas industry projects is recognised according to progress towards satisfaction of the performance obligations. This is determined using the input-based cost-to-cost method and is the proportion of contract costs incurred for work performed up to the reporting date relative to the estimated total contract costs. Using the cost-to-cost method gives the truest picture of revenue realisation for the fulfilment of a performance obligation over time as the costs and therefore the percentage of completion can be reliably determined.

Revenue recognition / accounting

Revenue from contracts with customers is recognised net of sales taxes and less any rebates and discounts given as well as returns, and after elimination of intragroup transactions.

Contracts with customers are recognised in the balance sheet under other receivables or liabilities as contract assets or contract liabilities as well as under trade receivables. In the contract assets line item, the entitlement to a consideration from a contract with a customer for goods and services already transferred to the customer is presented net of any advance payments already received – or the unconditional entitlement thereto. If the advance payments received – or the unconditional entitlement thereto – exceed the entitlement to a consideration for goods and services already transferred to the customer, the resulting balance is recognised in the contract liabilities line item. A receivable is recognised when the entitlement to a consideration only depends on the passage of time. Impairments of contract assets and receivables are measured and recognised in accordance with IFRS 9.

As IFRS 15 contains no specific requirements, expected losses from onerous contracts are not netted against the asset recognised, but treated in accordance with IAS 37.5(g).

This results in the presentation of a provision for expected losses in the amount of the unavoidable costs.

In the case of contracts with a significant financing component, the Group adjusts the promised amounts of the compensation for the interest effect. If the time between the transfer of the good or service to the customer and payment by the customer is less than one year, no financing component in accordance with IFRS 15.63 is recognised. At present, the Group has no contracts with a significant financing component.

Generally, receivables from contracts with customers are billed in accordance with the contract terms with a payment period of up to 30 days.

Apart from the binding statutory warranty, the Group has no return, refund or guarantee obligations. According to IFRS 15.B31(a), statutory requirements do not constitute a separate performance obligation.

Capitalised costs to fulfil or obtain a contract have not been recognised. No additional costs to obtain contracts have been incurred that can be allocated directly to a performance obligation. Any costs incurred that would also have been incurred if a contract had not been concluded are recognised as expense.

2.20 Leases

Leases are accounted for when a contract exists that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lessee

In accordance with the provisions of IFRS 16, the Group accounts for leases as a lessee using the right-of-use approach. At the inception date leases are generally recognised in the balance sheet at their present value as an asset for the right-of-use and as a liability for the payment obligation entered into. The lease liability is measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate. To determine the incremental borrowing rate, reference interest rates for a period of up to 15 years were derived from indicative financing rates and market rates for VGT corporate bonds. The lease payments are separated into a principal and an interest portion using the effective interest method. The recognised right-of-use asset is measured at

amortised cost. The right-of-use assets are depreciated on a straight-line basis over the term of the lease.

The Group has not extended the scope of application of IFRS 16 to intangible assets. Likewise, short-term leases and leases of low-value assets are not accounted for on the basis of the right-of-use approach. Instead, these leases are recognised as an expense in the income statement over the term of the lease. In the Group, low-value leased items are all leased items whose value when new does not exceed € 5,000. All leases that have a remaining lease term of less than 12 months are classified in the Group as short-term leases and accounted for accordingly.

In principle, for contracts that contain a lease component and one or more additional lease or non-lease components, the consideration in the contract is allocated to each lease component on the basis of the relative stand-alone price of the lease component and the aggregated stand-alone price of the non-lease components. If a separation of non-lease and lease components is not possible, these components are accounted for as one single lease component. In the Group there are no variable lease payments that have not been included in the measurement of the lease liability.

The term of the recognised leases corresponds to the non-cancellable period of a lease together with the period covered by an option to extend the lease where that option is reasonably certain to be exercised and the period covered by an option to terminate the lease where that option is reasonably certain not to be exercised. Accordingly, the Group recognises the extension and termination options in the lease liabilities for leases with a fixed lease term. Contracts with an indefinite lease term are measured on the basis of the Group's five-year mid-term plan. Current knowledge is taken into account when determining the term of leases with extension or termination options.

Lessor

Leases in which substantially all of the risks and rewards incident to ownership of the leased property remain with the lessor are classified as operating leases. In the case of an operating lease, the Group reports the leased item as an asset at amortised cost under property, plant and equipment. The lease payments received in the financial year are recognised as income. The Group acts as lessor under operating leases to an

insignificant extent. Subleases within the framework of operating leases were only concluded with subsidiaries not included in the Group to an insignificant extent.

No Group company is a lessor under a finance lease in accordance with IFRS 16.

2.21 Cash flow statement

In accordance with IAS 7 “Cash Flow Statements”, the consolidated cash flow statement is classified by operating, investing and financing activities. Income taxes paid and refunded as well as dividends and interest received are classified as cash from operating activities. Dividends and interest paid are classified as cash from financing activities. The purchase prices paid and selling prices received in acquisitions and disposals of companies are reported, net of any cash and cash equivalents acquired (disposed of), under investing activities if the respective acquisition or disposal results in a gain or loss of control.

2.22 Estimates and assumptions as well as judgements in the application of accounting policies

The preparation of the consolidated financial statements requires management to make estimates and assumptions that may influence the application of accounting principles within the Group and affect the measurement and presentation of reported figures. Estimates are based on past experience and on additional knowledge obtained on transactions to be reported. Actual amounts may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular with regard to possible effects of climate change. Adjustments to accounting estimates are recognised in the period in which the estimate is revised if the change affects only that period, or in the period of the revision and subsequent periods if both current and future periods are affected.

Estimates are particularly necessary for the measurement of the value of property, plant and equipment and of intangible assets, especially in connection with purchase price allocations, the determination of useful lives, the recognition and measurement of deferred tax assets, the accounting treatment of provisions for pensions and other provisions, for impairment testing in accordance with IAS 36, as well as for the determination of the fair value of certain financial instruments.

The underlying principles used for estimates in each of the relevant topics are outlined in the respective sections.

2.23 Changes in accounting policy

Except for the change in presentation described in section 2.2, there were no material changes in accounting policy in the 2024 financial year.

3 Financial Risk Management

3.1 Financial risk factors

In the normal course of business, the Group is exposed to various financial risks: (a) market risks (covering foreign currency risks and interest risks), (b) credit risks and (c) liquidity risks. The overarching Group risk management focuses on unforeseeable developments in the financial markets and its aim is to minimise the potentially negative effects on the Group's financial situation. The Group uses derivative financial instruments to hedge certain risks.

Risk management is performed decentrally both by the Finance department of OGE, and by the Investment Controlling department of the shareholders. The Corporate Finance department identifies, assesses and hedges financial risks in close cooperation with the Group's operational units. Owing to the very limited volume of transactions in foreign currency as well as the only occasional raising and securing of loans, the currency risks, interest risks and credit risks are handled and the use of derivative and non-derivative financial instruments is agreed on a case-by-case basis with the relevant bodies of the company affected.

In the Group, hedge accounting in accordance with IFRS 9 is used for interest rate derivatives to hedge non-current liabilities as well as for currency derivatives.

Cash flow hedges are used to protect against the risk arising from variable cash flows which result from loans, non-current liabilities and future payment obligations in foreign currency. Interest rate swaps and foreign currency swaps in particular are used to limit the risk resulting from changes in interest rates and exchange rates.

(a) Market risk

(i) Foreign currency risk

Foreign currency risk may largely arise from procurement transactions with business partners outside the euro zone. When such non-euro-based procurement transactions of a significant volume are conducted, foreign currency forwards and currency swaps are used to hedge the foreign currency risk. No hedged purchase transactions took place in financial year 2024 and no foreign currency transactions are held.

(ii) Interest rate risk

The Group's interest risks arise from long-term interest-bearing liabilities. The liabilities with floating interest rates expose the Group to interest-related cash flow risks which are partly offset by bank balances with floating interest rates. The liabilities with fixed interest rates result in an interest-related risk arising from changes in the fair value.

No derivatives were closed out and no new derivatives were entered into in the past financial year. An interest rate derivative matured on the maturity date in December 2024.

No interest rate derivatives were held as of 31 December 2024.

The hedging of variable interest rates resulted in the following average fixed interest rates, broken down by maturity:

Maturity	31 Dec. 2024	31 Dec. 2023
Less than 1 year	+0.30 %	+0.30 %

This results in the following effects on the net assets, financial position and results of operations:

€ million	31 Dec. 2024	31 Dec. 2023
Carrying amount of hedging instruments	0.0	0.2
Nominal value of hedging instruments	0.0	6.4
Change in fair value of the hedging instruments	0.0	-0.2
Change in value of the underlying hedged items for recognition of ineffectiveness	0.0	-0.2

The accumulated other comprehensive income changed in the financial year as follows:

€ million	2024	2023
Start of the financial year	34.5	38.7
Hedging result	0.0	0.1
Recycling recognised in interest result	-5.9	-5.9
Deferred taxes	1.7	1.7
End of the financial year	30.4	34.5

There was no ineffectiveness in the financial year.

(iii) Sensitivity analysis

The sensitivity analysis for the relevant risk variables in accordance with IFRS 7 examines what effects the change in the relevant values as of the reporting date would have on the other operating income and expenses and the other comprehensive income for hedging transactions before allowance for deferred taxes.

As there are no more interest rate swaps as of 31 December 2024, no sensitivity analysis is prepared.

(b) Credit risk

Credit risk is managed at Group level. Credit risk results mainly from receivables from banks and other financial institutions from bank deposits and derivative financial instruments as well as receivables from wholesale and retail customers.

Only banks with an independent rating given by the three big rating agencies qualify to work with the Group in the financial area. For cash financial investments, a rating of at least “BBB+” to “A-” (Standard & Poor’s, Fitch) or “Baa1” to “A3” (Moody’s) is required while for borrowing an average rating of at least “BBB” (Standard & Poor’s, Fitch) or “Baa2” (Moody’s) is necessary, the focus being on the “unsecured long-term rating” if available. The ratings of all banks as well as other indicators of credit standing (such as current prices of credit default swaps) are continuously monitored.

The Group generates the vast majority of its revenues with a small number of key accounts.

Customers are reviewed in credit assessments to the extent customary in the industry. Credit risk is managed in a risk-based manner, i.e. the customers that generate the highest revenues are regularly assessed with regard to their creditworthiness. For this purpose, assessments of recognised credit bureaus or published ratings of renowned rating agencies are used.

The vast majority of revenues are generated in the regulated gas transport business. The regulated fees are largely determined on the basis of the Company’s capital and operating costs.

In the past there have been no significant payment defaults. The Management is also not expecting any defaults in future as a result of non-performance by these business partners.

Credit risks result from non-delivery or partial delivery by a counterparty of the agreed consideration for services rendered, from total or partial failure to make payments owing on existing accounts receivable, and from replacement risks in open transactions. Credit risks are monitored and controlled using uniform credit risk management procedures in

place throughout the Group which identify, measure and control the credit risks. The maximum risk of default is equal to the carrying amounts of the financial assets.

In accordance with IFRS 9, the Group establishes loss allowances for expected credit losses on material financial assets. The measurement of the credit risk takes into account the probability of default and the default rate of the financial assets to be measured. Probability of default is assessed using external credit checks.

The following table shows the connection between credit rating and the probability of default (PD) determined:

Rating class	Description	PD in %
I	Very good to good credit rating	up to 0.3
II	Good to satisfactory credit rating	0.3 – 0.7
III	Adequate credit rating	0.7 – 1.5
IV	Increased risk	1.5 – 3.0
V	High risk	3.0 – 8.0
VI	Very high risk	8.0 – 100.0
VII	No credit rating available	0.7 – 1.5

A significant change in the risk of default is assumed when the credit rating has fallen by at least 2 classes.

The ratings take into account macroeconomic and forward-looking input factors. In the financial year, there were no changes in the method or significant assumptions used for estimating expected credit losses.

Trade receivables and contract assets

The Group uses a simplified method to measure the allowance for expected credit losses on trade receivables and on contract assets. The loss allowances are always measured at an amount equal to the lifetime expected credit losses.

The gross carrying amounts (in € million) as of 31 December 2024 break down as follows:

Rating class	Trade receivables	Contract assets	Total gross carrying amount
I	35.7	6.2	41.9
II	37.8	1.9	39.7
III	1.9	0.0	1.9
IV	0.8	0.4	1.2
V	0.0	0.0	0.0
VI	0.3	0.0	0.3
VII	6.2	1.9	8.1
Total	82.7	10.4	93.1

Gross carrying amounts (in € million) as of 31 December 2023:

Rating class	Trade receivables	Contract assets	Total gross carrying amount
I	44.3	16.0	60.3
II	2.4	0.3	2.7
III	2.1	0.2	2.3
IV	0.1	0.0	0.1
V	0.1	0.0	0.1
VI	0.1	0.0	0.1
VII	5.6	3.4	9.0
Total	54.7	19.9	74.6

Loss allowances on trade receivables and contract assets changed in the financial year as follows:

€ million	2024	2023
Start of the financial year	4.4	3.1
Changes affecting profit or loss	-0.2	1.3
Utilisation	-0.4	0.0
End of the financial year	3.8	4.4

Of the decrease in loss allowances, € 0.4 million is attributable to uncollectible receivables and € 0.2 million to the reversal of loss allowances due to subsequently received payments of receivables.

Other financial assets of the AmC category

The other financial assets measured at amortised cost relate in particular to receivables from other joint operators.

All other financial assets have a low risk of default. Therefore, the loss allowance is determined on the basis of the expected defaults resulting from possible default events within the next twelve months of the reporting date. A low risk of default is assumed when there is a low probability of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

At the reporting date, loss allowances for other financial assets of the “at amortised cost” category were of an insignificant amount.

(c) Liquidity risk

The cash flow forecasts are prepared at the level of the operating companies and combined in the Group. The Management monitors the rolling advance planning of the Group's liquidity reserve to ensure that sufficient liquidity is available to cover operational requirements and that unutilised credit facilities provide enough flexibility at all times. Such forecasts take into account the Group financing plans, the observance of loan agreements as well as the meeting of internal target balance sheet figures.

The liquidity of the Group comprises cash and cash equivalents as well as cash inflows from operating activities which, owing to the profitability of OGE, guarantee adequate liquidity at all times. The Group continues to minimise the liquidity risk by regular liquidity planning on the basis of which short and medium-term financial requirements are determined.

The following table shows the contractually agreed (undiscounted) cash outflows arising from the liabilities included in the scope of IFRS 7:

€ million	31 Dec. 2024	31 Dec. 2023
Non-derivative financial instruments		
Due within 1 year	-890.2	-19.9
Due in 1 to 5 years	-2,062.1	-2,146.7
Due in more than 5 years	-1,734.0	-1,745.5
Derivative financial instruments		
Due within 1 year	0.0	0.2
Due in 1 to 5 years	0.0	0.0
Due in more than 5 years	0.0	0.0

For financial liabilities with floating interest rates, the floating-interest rates on the reporting date are used to calculate future interest payments for subsequent periods as well.

In gross-settled derivatives (usually currency derivatives), outflows are accompanied by related inflows of funds or commodities. The derivatives are therefore to be seen in conjunction with the associated underlying transactions.

In line with the approach to loans with floating interest rates, to calculate future payments for net-settled derivatives (here interest rate swaps) the floating rates as of the reporting date are also used for subsequent periods.

⁶ Before netting of deferred tax assets in the balance sheet.

3.2 Capital management

The Group's capital structure is regularly measured and monitored. The primary aim is to steer the financing conditions of the Group by securing an investment grade rating. In line with the relevant KPIs of the leading bank and rating analysts, the Group calculates the debt-asset ratio in accordance with IFRS as the ratio of net debt to assets. Net debt comprises all financial liabilities and provisions for pensions less liquid funds and interest-bearing financial receivables. Non-current assets result from the values of intangible assets and property, plant and equipment recognised as of the reporting date.

The debt-asset ratio for the Group is as follows:

€ million	31 Dec. 2024	31 Dec. 2023
Financial liabilities	-4,234.3	-3,650.8
Provisions for pensions	-0.6	-0.7
Deferred tax assets on provisions for pensions ⁶	0.1	0.1
Financial receivables	252.4	22.3
Cash and cash equivalents	650.1	618.5
Net debt Group	-3,332.3	-3,010.6
Property, plant and equipment	4,695.8	4,526.0
Intangible assets	73.7	85.4
Debt-asset ratio	69.9 %	65.3 %

4 Information on the Consolidated Balance Sheet

4.1 Additional disclosures on financial instruments

Carrying amounts, fair values and measurement categories by class

The balance-sheet value of the current financial assets and current financial liabilities (= carrying amount) is, in the Group's opinion based on the information available at the reporting date, the best-possible approximation of the respective fair values of these financial instruments.

All financial instruments recognised at fair value are divided into three categories defined in accordance with IFRS 13, as follows:

- Level 1 – quoted prices in active markets
- Level 2 – valuation techniques (inputs that are observable on the market)
- Level 3 – valuation techniques (inputs that are unobservable on the market)

In the period from 1 January 2024 to 31 December 2024, there were no reclassifications between level 1 and level 2, nor were there any reclassifications to or out of level 3. Furthermore, there was no change in purpose for the financial assets that would have caused a change to the classification of an asset.

There is no net reporting for these financial assets and financial liabilities since no enforceable master netting arrangements or similar agreements exist.

The carrying amounts of the financial instruments, their classification into IFRS 9 measurement categories, their fair values and their measurement sources by level are presented in the following table as of 31 December 2024:

€ million	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measurement category ⁷	Fair value	Fair value (IFRS 13)		
					of which level 1	of which level 2	of which level 3
Equity investments	143.3	0.0	FVtOCI	0.0			
Long-term loans granted	2.3	2.3	AmC	n/a			
Trade receivables (including advance payments made)	79.0	79.0	AmC	n/a			
Other receivables	563.2	357.2		n/a			
Receivables from joint operations	42.7	42.7	AmC	n/a			
Financial receivables	252.4	252.4	AmC	n/a			
Other receivables	268.1	62.1	AmC	n/a			
Cash and cash equivalents	650.1	650.1		82.2	82.2		
Cash and cash equivalents	567.9	567.9	AmC	n/a			
Cash and cash equivalents	82.2	82.2	FVtPL	82.2	82.2		
Total assets	1,437.9	1,088.6		82.2	82.2	0.0	
Financial liabilities	4,234.3	4,234.3		4,078.6	3,590.3	488.3	
Bonds	3,731.1	3,731.1	AmC	3,590.3	3,590.3		
Liabilities to banks	400.4	400.4	AmC	386.8		386.8	
Other financial liabilities	102.8	102.8	AmC	101.5		101.5	
Trade payables	49.3	49.3	AmC	n/a			
Other operating liabilities	356.6	39.7	AmC	n/a			
Total liabilities	4,640.2	4,323.3		4,078.6	3,590.3	488.3	

⁷ FVtOCI: Fair value through OCI; FVtPL: Fair value through profit or loss; AmC: Financial assets and liabilities measured at amortised cost; n/a: the derivatives with hedging relationships cannot be assigned to any IFRS 9 category.

Carrying amounts as of 31 December 2023:

€ million	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measurement category ⁸	Fair value	Fair value (IFRS 13)		
					of which level 1	of which level 2	of which level 3
Equity investments	119.0	0.0	FVtOCI	0.0			
Long-term loans granted	2.1	2.1	AmC	n/a			
Trade receivables (including advance payments made)	51.0	51.0	AmC	n/a			
Other receivables	301.7	138.0		n/a			
Receivables from joint operations	75.1	75.1	AmC	n/a			
Financial receivables	22.3	22.3	AmC	n/a			
Other receivables	204.3	40.6	AmC	n/a			
Derivatives with hedging relationships	0.2	0.2	n/a	0.2		0.2	
Cash and cash equivalents	618.5	618.5		0.0	0.0		
Cash and cash equivalents	618.5	618.5	AmC	n/a			
Total assets	1,092.5	809.8		0.2	0.0	0.2	
Financial liabilities	3,650.8	3,650.8		3,479.3	3,073.3	406.0	
Bonds	3,232.7	3,232.7	AmC	3,073.3	3,073.3		
Liabilities to banks	287.0	287.0	AmC	272.1		272.1	
Other financial liabilities	131.1	131.1	AmC	133.9		133.9	
Trade payables	89.5	89.5	AmC	n/a			
Other operating liabilities	266.7	66.5	AmC	n/a			
Total liabilities	4,007.0	3,806.8		3,479.3	3,073.3	406.0	

The carrying amounts of cash and cash equivalents and trade receivables are considered realistic estimates of their fair values because of their short maturity.

Financial assets measured at fair value through profit or loss relate to current investments in money market funds.

⁸ FVtOCI: Fair value through OCI; FVtPL: Fair value through profit or loss; AmC: Financial assets and liabilities measured at amortised cost; n/a: the derivatives with hedging relationships cannot be assigned to any IFRS 9 category.

The market value of the money market funds and the bonds is based on the prices quoted on the reporting date.

The fair value of debt instruments that are not actively traded, such as loans received, long-term loans granted and financial liabilities, is determined by discounting future cash flows. Any necessary discounting is performed using current market interest rates over the remaining terms of the financial instruments.

The carrying amount of borrowings under short-term credit facilities and trade payables is used as the fair value owing to the short maturities of these items.

Net result by measurement category

The net result of the financial instruments by measurement category in accordance with IFRS 9 is as follows:

€ million	2024	2023
Financial assets at amortised cost	18.5	24.0
Interest income included in interest result	18.3	25.2
Change in impairment of financial assets and losses on receivables	0.2	-1.2
Financial assets at FVtPL	2.1	0.5
Financial liabilities at amortised cost	-85.6	-91.9
Interest expense included in interest result	-85.6	-91.9
Total	-65.0	-67.4

Measurement of derivative financial instruments

Derivative financial instruments are measured by determining fair value. The fair value of derivative financial instruments is sensitive to movements in underlying market rates. The Group determines and monitors the fair value of derivative financial instruments at regular intervals. Fair values for each derivative financial instrument are determined as being equal to the price at which one party can sell the rights and/or obligations to an independent third party. The fair values of derivative financial instruments are calculated using common market valuation methods with reference to market data available as at the measurement date including a credit value adjustment in the case of positive market

values and a debit value adjustment in the case of negative market values. All derivative financial instruments are measured individually.

Further information on the risk factors can be found in section 3.1 “Financial risk factors”.

4.2 Goodwill and intangible assets

The acquisition of OGE in 2012 and the addition of new shares in the joint operation NETRA GmbH Norddeutsche Erdgas Transversale & Co. Kommanditgesellschaft (“NETRA”), Schneiderkrug, in 2019 resulted in goodwill which was unchanged from the previous year in the amount of € 840.3 million which, according to IFRS 3, is not amortised. Therefore, in accordance with IAS 36.80 ff., impairment testing was performed in the financial year on the basis of the cash-generating unit, which in the present case represents the Group. This impairment testing gave no indication of impairment.

For the impairment test as of 31 December 2024, the recoverable amount was determined, as in the previous year, by taking the fair value less costs of disposal on the basis of the forecast of future cash flows (“fair value less costs of disposal view”). This method is in line with level 3 of the measurement hierarchy in accordance with IFRS 13.

The cash flow forecasts used for the valuation are based on the medium-term planning of the Group, which represents the net assets, financial position and results of operations in the past, and projected into the future on the basis of assumptions. In this context, significant assumptions are regulatory revenues reflecting the current regulatory regime, the planning of operating costs and the investment planning that is mainly characterised by investments under the network development plan. The key parameters of the regulatory framework as well as the network development plan are information that is publicly available. The calculations for impairment-testing purposes are generally based on the five planning years of the medium-term plan. In certain justified exceptional cases, a longer detailed planning period is used as the calculation basis, especially when that is required under a regulatory framework or specific regulatory provisions. The assumptions on cash flow from unregulated business areas extending beyond the detailed planning period are determined using specific growth rates that are based on historical analysis and prospective forecasting. Measurement of the assumptions on cash flow from the regulated business area after the detailed forecast period is based on the regulatory asset base, which is measured using multipliers derived from market data. In light of national

and European climate objectives, in particular the national objective of climate neutrality by 2045, the Group is examining in various cooperation initiatives and projects the possibilities for adapting the natural gas transport network to climate-neutral operation and expanding the core business to include the transport of hydrogen and other climate-neutral gases. With the approval of the hydrogen core network by the BNetzA on 22 October 2024, which the Group will be involved in constructing, some of these plans have already taken shape. Such an alternative use of the pipeline network is assumed for the cash flow assumptions beyond the detailed forecast period. The inflation rate assumed

in the medium-term planning is based on publicly available market data and is 2.0 % in the terminal value (previous year: 2.0 %); the sustained growth rate in the unregulated business was conservatively derived from this inflation rate and assumed to be 1.0 % (previous year: 1.0 %). The interest rate used for discounting cash flows (WACC after tax) is calculated using market data and at the measurement date was 4.6 % (previous year: 4.8 %).

In the 2024 financial year, goodwill and intangible assets changed as follows:

€ million	Goodwill	Internally generated industrial property rights and similar rights and assets	Purchased concessions, industrial property rights and similar rights and assets and licences to such rights and assets	Advance payments	Total
Acquisition and production costs					
1 Jan. 2024	840.3	11.5	281.0	6.6	1,139.4
Additions	0.0	0.1	13.1	4.9	18.1
Disposals	0.0	0.0	-18.3	0.0	-18.3
Reclassifications	0.0	0.2	5.8	-5.4	0.6
31 Dec. 2024	840.3	11.8	281.6	6.1	1,139.8
Accumulated amortisation					
1 Jan. 2024	0.0	-8.4	-205.3	0.0	-213.7
Additions	0.0	-1.5	-10.8	0.0	-12.3
Disposals	0.0	0.0	0.2	0.0	0.2
31 Dec. 2024	0.0	-9.9	-215.9	0.0	-225.8
Net carrying amount as of 31 Dec. 2023	840.3	3.1	75.7	6.6	925.7
Net carrying amount as of 31 Dec. 2024	840.3	1.9	65.7	6.1	914.0

There were no impairment losses or reversals of impairments.

As of the reporting date, the carrying amount of intangible assets with indefinite useful lives is € 37.6 million (previous year: € 52.6 million). Of this figure, limited personal

easements account for € 20.1 million (previous year: € 20.0 million) and emission rights for € 17.5 million (previous year: € 32.6 million).

In the 2023 financial year, goodwill and intangible assets changed as follows:

€ million	Goodwill	Internally generated industrial property rights and similar rights and assets	Purchased concessions, industrial property rights and similar rights and assets and licences to such rights and assets	Advance payments	Total
Acquisition and production costs					
1 Jan. 2023	840.3	11.8	272.3	5.3	1,129.7
Additions	0.0	0.2	41.4	4.8	46.4
Disposals	0.0	-0.5	-36.2	0.0	-36.7
Reclassifications	0.0	0.0	3.5	-3.5	0.0
31 Dec. 2023	840.3	11.5	281.0	6.6	1,139.4
Accumulated amortisation					
1 Jan. 2023	0.0	-7.6	-198.0	0.0	-205.6
Additions	0.0	-1.3	-12.9	0.0	-14.2
Disposals	0.0	0.5	5.6	0.0	6.1
31 Dec. 2023	0.0	-8.4	-205.3	0.0	-213.7
Net carrying amount as of 31 Dec. 2022	840.3	4.2	74.3	5.3	924.1
Net carrying amount as of 31 Dec. 2023	840.3	3.1	75.7	6.6	925.7

4.3 Property, plant and equipment

In the 2024 financial year, property, plant and equipment changed as follows:

€ million	Land, leasehold rights and buildings including buildings on third-party land	Pipeline system	Technical plant, equipment and machinery	Other equipment, fixtures, furniture and office equipment	Right-of-use assets	Advance payments and construction in progress	Total
Acquisition and production costs							
1 Jan. 2024	403.0	3,305.7	1,957.3	113.3	34.2	397.4	6,210.9
Additions	7.8	75.4	44.4	10.1	5.9	242.5	386.1
Disposals	0.0	-0.5	-1.3	-1.2	-2.5	-0.3	-5.8
Reclassifications	21.6	109.4	85.2	9.2	0.0	-226.0	-0.6
31 Dec. 2024	432.4	3,490.0	2,085.6	131.4	37.6	413.6	6,590.6
Accumulated depreciation							
1 Jan. 2024	-92.1	-874.1	-637.2	-66.8	-14.7	0.0	-1,684.9
Additions	-13.7	-97.7	-86.4	-11.2	-5.4	0.0	-214.4
Disposals	0.0	0.2	0.6	1.2	2.5	0.0	4.5
31 Dec. 2024	-105.8	-971.6	-723.0	-76.8	-17.6	0.0	-1,894.8
Net carrying amount as of 31 Dec. 2023	310.9	2,431.6	1,320.1	46.5	19.5	397.4	4,526.0
Net carrying amount as of 31 Dec. 2024	326.6	2,518.4	1,362.6	54.6	20.0	413.6	4,695.8

Borrowing costs in accordance with IAS 23 in the amount of € 7.6 million were capitalised in 2024 (previous year: € 5.3 million).

As in the previous year, no impairment loss on property, plant and equipment was recognised in the financial year.

In the 2023 financial year, property, plant and equipment changed as follows:

€ million	Land, leasehold rights and buildings including buildings on third-party land	Pipeline system	Technical plant, equipment and machinery	Other equipment, fixtures, furniture and office equipment	Right-of-use assets	Advance payments and construction in progress	Total
Acquisition and production costs							
1 Jan. 2023	400.6	3,233.1	1,888.4	103.0	31.2	212.4	5,868.7
Additions	1.7	58.6	38.4	10.1	4.6	233.6	347.0
Disposals	-0.1	-0.2	-1.2	-1.7	-1.6	0.0	-4.8
Reclassifications	0.8	14.2	31.7	1.9	0.0	-48.6	0.0
31 Dec. 2023	403.0	3,305.7	1,957.3	113.3	34.2	397.4	6,210.9
Accumulated depreciation							
1 Jan. 2023	-78.6	-777.8	-552.0	-58.4	-11.8	0.0	-1,478.6
Additions	-13.5	-96.3	-86.2	-9.5	-4.5	0.0	-210.0
Disposals	0.0	0.0	1.0	1.1	1.6	0.0	3.7
31 Dec. 2023	-92.1	-874.1	-637.2	-66.8	-14.7	0.0	-1,684.9
Net carrying amount as of 31 Dec. 2022	322.0	2,455.3	1,336.4	44.6	19.4	212.4	4,390.1
Net carrying amount as of 31 Dec. 2023	310.9	2,431.6	1,320.1	46.5	19.5	397.4	4,526.0

4.4 Financial assets

€ million	31 Dec. 2024	31 Dec. 2023
Companies accounted for using the equity method	76.9	72.8
Equity investments	143.3	119.0
Long-term loans granted	2.3	2.1
Total	222.5	193.9

The list of shareholdings is given in section 7.

The main equity investments are Nordrheinische Erdgastransportleitungsgesellschaft mbH & Co. KG ("NETG"), Dortmund, amounting to € 84.3 million (previous year: € 79.7 million), Open Grid Participations GmbH, Essen, ("OGP"), amounting to € 49.9 million (previous year: € 30.1 million) and PLEdoc GmbH ("PLEdoc"), Essen, amounting to € 4.2 million (previous year: € 4.2 million).

In financial year 2024, an impairment loss of € 3.4 million at OGP was recognised as a result of losses on its former equity investments, Route4Gas B.V., Amsterdam (NL), and e-loops GmbH, Essen.

Shareholdings in companies accounted for using the equity method

As of the reporting date, GasLINE KG as an associate is the only company accounted for using the equity method.

The following two tables provide information on the summarised balance sheet and profit/loss data of GasLINE KG:

Balance sheet data	31 Dec.2024	31 Dec.2023
€ million		
Dividends received	12.7	9.7
Non-current assets*	480.5	456.7
Current assets*	35.6	53.9
thereof cash and cash equivalents	6.9	26.8
Non-current liabilities*	202.7	200.6
thereof non-current financial liabilities	100.0	100.0
Current liabilities*	51.5	62.1
thereof current financial liabilities	0.4	0.4
Pro-rata equity	76.6	72.5
Other effects	0.3	0.3
Carrying amount of company accounted for using the equity method	76.9	72.8

* Figures refer to the total shareholders share (100 %).

Profit/loss data	2024	2023
€ million		
Revenues*	142.2	122.4
Depreciation and amortisation*	24.5	20.5
Interest income / expense*	-1.5	-1.4
Income tax expense*	6.8	6.6
OCI*	0.0	0.0
Income statement result*	45.0	43.3
Total comprehensive income*	45.0	43.3

* Figures refer to the total shareholders share (100 %).

Shareholdings in joint operations

The companies MEGAL Mittel-Europäische-Gasleitungsgesellschaft mbH & Co. KG (“MEGAL”), Essen, Trans Europa Naturgas Pipeline Gesellschaft mbH & Co. KG (“TENP”), Essen, NETRA and Zeelink GmbH & Co. KG (“Zeelink”), Essen, are, as joint operations, included in the Group on a pro-rata basis.

As of 31 December 2024, the consolidated balance sheet includes the following carrying amounts of the joint operations:

€ million	MEGAL	TENP	NETRA	Zeelink
Non-current assets				
Intangible assets	0.1	0.0	0.0	14.1
Property, plant and equipment	383.5	396.1	110.7	568.3
Deferred tax assets	1.9	0.3	0.2	0.7
Current assets				
Trade receivables (including advance payments made)	0.2	0.1	0.3	0.0
Income tax receivables	0.0	0.0	0.5	0.0
Other receivables	0.3	1.7	0.6	1.2
Cash and cash equivalents	6.2	22.9	15.4	1.7
Non-current liabilities				
Provisions for pensions and similar obligations	0.1	0.2	0.1	0.0
Financial liabilities	181.1	233.0	0.0	0.0
Other non-current liabilities	0.0	0.0	0.5	0.0
Deferred tax liabilities	30.8	26.7	14.2	10.8
Current liabilities				
Financial liabilities	25.8	2.2	0.0	0.0
Trade payables	0.6	2.2	0.0	1.5
Other liabilities	0.5	27.6	0.7	0.0

Carrying amounts of the joint operations in the consolidated balance sheet as of 31 December 2023:

€ million	MEGAL	TENP	NETRA	Zeelink
Non-current assets				
Intangible assets	0.6	0.0	0.0	13.2
Property, plant and equipment	389.9	319.8	115.2	565.3
Deferred tax assets	2.0	0.4	0.4	0.3
Current assets				
Trade receivables (including advance payments made)	3.3	3.7	0.5	0.0
Income tax receivables	1.5	0.1	1.1	0.0
Other receivables	8.0	0.5	13.8	0.8
Cash and cash equivalents	16.4	29.9	4.5	9.4
Non-current liabilities				
Provisions for pensions and similar obligations	0.1	0.2	0.1	0.0
Financial liabilities	153.0	87.2	0.0	0.0
Other non-current liabilities	0.0	51.7	0.5	0.0
Deferred tax liabilities	29.9	24.1	14.5	10.7
Current liabilities				
Financial liabilities	87.0	26.7	0.0	0.0
Trade payables	2.7	6.9	3.1	5.8
Other liabilities	0.3	0.7	0.6	0.3

The balance sheet and profit/loss data of all other equity investments held by the Group and measured at cost are not material in aggregate.

4.5 Non-current receivables and assets

Non-current receivables and assets mainly include a non-current asset from the plan assets in the amount of € 175.0 million (previous year: € 129.9 million). Further information on the plan assets can be found in section 4.11.

4.6 Inventories

Inventories break down as follows:

€ million	31 Dec. 2024	31 Dec. 2023
Raw materials and supplies	25.1	21.0
Work in progress	2.1	2.1
Gas inventories	0.0	10.3
Total	27.2	33.4

4.7 Trade receivables and other current receivables

Current receivables break down as follows:

€ million	31 Dec. 2024	31 Dec. 2023
Trade receivables (incl. advance payments made)	79.0	51.0
Income tax receivables	6.1	9.1
Financial receivables	252.2	22.1
Contract assets	10.4	19.9
Other current operating receivables	119.3	124.7 ⁹
Total	467.0	226.8

With the exception of the contract assets, all receivables contained in this line item have a remaining term of less than one year. The contract assets item contains the right to consideration from contracts with customers that have a remaining term of more than one

year. There were no unscheduled events that would have had a material effect on the balance of contract assets.

Other current receivables mainly include receivables in the amount of € 41.4 million (previous year: € 66.8 million) from the three proportionately consolidated pipeline companies MEGAL, TENP and Zeelink arising on the accounting for the one-sided capital contributions. The financial statements of these pipeline companies reflected this by recognising the capital contributions as liabilities in accordance with IAS 32.

Furthermore, other current receivables comprise mainly receivables from market area conversion and biogas levies in the amount of € 47.3 million (previous year: € 21.9 million), receivables from taxes chargeable to VGS in the amount of € 15.7 million (previous year: € 6.8 million) and tax refund receivables from tax creditors in the amount of € 7.7 million (previous year: € 4.0 million).

4.8 Cash and cash equivalents

Cash and cash equivalents relate to balances at banks in the amount of € 567.9 million (previous year: € 618.5 million), which are mainly invested as current account balances, overnight money and one-month money. In addition, money market funds in the amount of € 82.2 million (previous year: € 0.0 million) are recognised under cash and cash equivalents.

⁹ The adjustment of € 66.8 million to the prior-year figures is the result of a change in the presentation of receivables from the third-party shareholders in proportionately consolidated pipeline companies arising on the accounting of one-sided capital contributions. This change is in line with the corresponding presentation of liabilities from the one-sided capital contributions of the third-party shareholders.

4.9 Equity

Subscribed capital

The subscribed capital of VGT is fully paid in and remains unchanged from the previous year at 25,000 shares, each with a value of € 1. The shares are held by the sole shareholder, VGS.

The changes in equity and other comprehensive income are shown separately in the statement of changes in equity and in the statement of total comprehensive income.

Additional paid in capital

Additional paid-in capital amounts to € 1,125.6 million (previous year: € 925.6 million). The change results from a capital contribution by VGS in the amount of € 200.0 million.

Retained earnings

Retained earnings total € 512.2 million (previous year: € 828.0 million). The change results from the consolidated net income for the year of € 106.2 million (previous year: € 471.8 million) and the remeasurement of defined benefit plans amounting to € 32.9 million (previous year: € -22.7 million) as well as the deferred taxes thereon of € -10.2 million (previous year: € 7.1 million). Furthermore, in the reporting year the profit in the amount of € 444.7 million (previous year: € 193.9 million) was transferred to VGS, € 265.0 million of this figure (previous year: € 90.0 million) being transferred in advance.

Other Comprehensive Income

The accumulated OCI totals € 30.4 million (previous year: € 34.5 million). The change results from the measurement of derivatives and the deferred taxes thereon as well as the reversals recognised in profit or loss.

4.10 Deferred taxes

The following table shows the deferred tax assets and deferred tax liabilities as of the reporting date:

€ million	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
Intangible assets	6.8	6.5	12.1	9.1
Goodwill	2.2	3.3	0.0	0.0
Property, plant and equipment	2.3	2.4	635.4	618.2
Financial assets	0.1	0.1	6.8	6.5
Other assets	148.8	117.2	7.0	14.5
Special reserve items	0.0	0.0	5.2	5.2
Provisions	1.6	0.1	173.8	180.6
Liabilities	15.3	13.2	24.3	27.0
Loss carryforward	12.8	11.2	n/a	n/a
Deferred taxes before netting	189.9	154.0	864.6	861.1
Netting	-173.1	-134.7	-173.1	-134.7
Deferred taxes after netting	16.8	19.3	691.5	726.4
thereof current	7.2	10.0	1.0	0.6
thereof non-current	9.6	9.3	690.5	725.8

In 2024, current deferred tax assets of € -14.8 million (previous year: € -24.2 million) and non-current deferred tax assets of € -158.3 million (previous year: € -110.5 million) were netted against deferred tax liabilities.

The Group has trade tax loss carryforwards in the amount of € 80.9 million (previous year: € 67.3 million). Deferred tax assets of € 12.8 million (previous year: € 11.2 million) were recognised on trade tax loss carryforwards.

Of the deferred taxes recognised € -8.5 million (previous year: € 8.8 million) were recognised within equity in the reporting period.

These deferred taxes are attributable to the remeasurement of defined benefit plans recognised in comprehensive income and to cash flow hedges.

€ million	before tax	income tax	after tax
31 Dec.2024			
Changes from the remeasurement of defined benefit plans	32.9	-10.2	22.7
Cash flow hedges	-5.8	1.7	-4.1
Other comprehensive income	27.1	-8.5	18.6
31 Dec.2023			
Changes from the remeasurement of defined benefit plans	-22.7	7.1	-15.6
Cash flow hedges	-5.9	1.7	-4.2
Other comprehensive income	-28.6	8.8	-19.8

No deferred taxes were recognised on temporary differences of € 36.4 million (previous year: € 37.3 million), in connection with shares in subsidiaries.

4.11 Provisions for pensions and similar obligations

In addition to their entitlements under government retirement systems and the income from private retirement planning, the employees in the Group are also covered by company retirement plans. These company retirement plans are based on company-wide agreements and on agreements in individual contracts.

Both defined contribution and defined benefit plans are in place, which provide retirement, invalidity and surviving dependant benefits. All pension commitments exist solely in Germany.

In the VGT Group, there are currently five different pension plans in the form of direct commitments, of which one pension plan for new employees is still open, and one pension plan in the form of an insurance-based pension vehicle.

With the exception of the insurance-based pension option, the basis for the relevant pension plan is always a works agreement in conjunction with the individual's employment

contract. The individual employment contracts of senior executives contain pension commitments. Apart from the statutory rules customarily applying in Germany, the pension plans are not subject to any legal or regulatory rules.

All pension commitments (with the exception of direct insurance) constitute direct legal claims of the employees against the respective company and therefore provisions have to be shown in the balance sheet.

If and insofar as plan assets are created which serve solely to fulfil pension commitments, they are offset in the balance sheet against the present value of the obligation.

Provisions for pension obligations were established solely in connection with defined benefit pension commitments for current and former employees. As part of defined benefit pension commitments, beneficiaries are granted pensions with a defined benefit when they retire.

Employees in the Group mainly have pension commitments with fixed benefit commitments. The majority of pension commitments for the active workforce is based on capital components that the employees earn for each year of service with the company. The amount of the capital component earned in a year depends on the employees' income and their individual ages or length of service with the company.

Defined benefit pension commitments also generally include benefits for invalidity and death. Obligations from defined benefit pension commitments are largely covered by assets in bond, equity and real estate funds which are outsourced on a long-term basis.

Furthermore, the Group makes commitments under defined contribution plans. In this case, fixed contributions are paid to external insurance companies or funds. The VGT Group has generally no further benefit obligations or risks from these pension plans beyond the payment of the defined contributions. In addition, the Group pays contributions to statutory retirement systems.

Responsibility for managing the pension commitments, in particular with regard to investment plans and contribution plans, rests with each management.

Individual contractual pension benefit commitments

There are pension commitments under individual contracts of managing directors and senior executives. They contain retirement, invalidity and surviving dependants' benefits based on the Bochumer Verband Benefits Plan, the "VO Pension Plan" and deferred compensation. Employer-financed direct life insurance contracts exist in individual cases.

Defined benefit plans

Defined benefit plan commitments constitute direct pension claims of the employees against the company and therefore provisions have to be shown in the balance sheet. If plan assets are created which serve solely to meet retirement plan commitments, they are offset on the balance sheet against the present value of the obligations.

Extent of obligations for pension commitments

The direct pension obligations, measured by their present value, changed as follows:

€ million	2024	2023
Present value at start of financial year	510.3	440.7
Service cost	14.5	13.3
Past service cost	0.1	0.1
Interest cost	16.6	16.1
Gains/losses from plan settlements	0.0	0.2
Payments from plan settlements	-0.1	-0.6
Remeasurement of defined benefit plans	-11.6	51.0
Pension benefits paid	-13.2	-10.5
Present value at end of financial year	516.6	510.3

Past service cost is solely the result of new early retirement agreements and contains not only the social security compensation but also the effects on general pension obligations.

Plan settlements in the reporting period mainly relate to transfers of obligations at the commercial balance sheet carrying amount resulting from transfers of employees.

The remeasurement of defined benefit plans in the financial year is due to gains from changes in the financial assumptions (€ 16.4 million; previous year: loss € 31.0 million) and losses from experience adjustments € 4.8 million; previous year: loss € 20.0 million).

The weighted average duration of the obligation is 16.4 years (previous year: 17.2 years) as of the reporting date.

In the following 10 years, the following pay-outs for pension benefits are expected:

€ million	31 Dec. 2024	31 Dec. 2023
Expected pay-outs for pension benefits		
Due within 1 year	17.0	14.6
Due within 1 to 2 years	17.1	17.0
Due within 2 to 5 years	63.4	58.2
Due in more than 5 years	127.4	120.1

Actuarial assumptions

The following parameters were used for measurement:

	31 Dec. 2024	31 Dec. 2023
Discount rate	3,50 %	3,30 %
Expected salary increase rate	2,70 %	2,70 %
Expected pension increase rate	2.00 % or in line with promised guaranteed increase	2.00 % or in line with promised guaranteed increase
Biometric data	Heubeck mortality tables 2018 G	Heubeck mortality tables 2018 G

Sensitivity analysis

If the assumptions vary by +/- 0.25 percentage points or the expected mortality in the mortality tables varies by +/- 10 percentage points, the effects on the scope of the obligation will be as follows:

	+0.25 %p or +10 %	-0.25 %p or -10 %
31 Dec. 2024		
Discount rate	-3.77 %	+4.01 %
Future salary increase rate	+0.56 %	-0.55 %
Future pension increase rate	+2.33 %	-2.22 %
Mortality	-2.19 %	+2.43 %
31 Dec. 2023		
Discount rate	-3.87 %	+4.12 %
Future salary increase rate	+0.61 %	-0.60 %
Future pension increase rate	+2.44 %	-2.33 %
Mortality	-2.25 %	+2.49 %

The effects were determined using the same methods as for the measurement of the obligation at the end of the year.

Apart from the normal risks to which the pension commitments expose the Group, such as longevity or volatility of the assets, the Group is not exposed to any unusual or company-specific risks in connection with the pension commitments.

Fair value of plan assets

The fair value of the plan assets changed as follows:

€ million	2024	2023
Start of financial year	633.0	583.1
Interest income from plan assets	20.9	21.6
Remeasurement of defined benefit plans	21.2	28.3
End of financial year	675.1	633.0

To minimise the effects of the loss of individual investments or the failure of individual investments to provide the expected return, the Group spreads asset investments widely. The Group intends to ensure that plan assets fully cover the pension obligations under commercial law at every reporting date.

Should the development of plan assets fall short of the development of the obligations, payments into the plan assets are made.

As of the reporting date, the trustee has invested the plan assets in the following asset classes:

%	31 Dec. 2024	31 Dec. 2023
Quoted prices in an active market		
Bonds	38.0	36.0
Equity funds	16.7	19.0
Total	54.7	55.0
No quoted prices in an active market		
Bonds	10.0	13.5
Equity funds	14.9	12.4
Real estate funds	11.9	11.8
Infrastructure funds	4.2	3.3
Cash and money market instruments	4.3	4.0
Total	45.3	45.0
Total plan assets	100.0	100.0

The target allocation of the asset classes is as follows:

%	2024	2023
Bonds	50.0	51.0
Equity funds	29.0	30.0
Real estate funds	15.0	15.0
Infrastructure funds	6.0	4.0
Total	100.0	100.0

The expected return on plan assets for the subsequent year amounts to € 23.6 million. The expected payments into plan assets for the subsequent year amount to € 4.5 million.

Presentation of net pension obligation

The net pension obligation recognised changed in the financial year as follows:

€ million	2024	2023
Start of financial year	-122.6	-142.3
Service cost	14.5	13.3
Past service cost	0.1	0.1
Net interest expense	-4.3	-5.5
Plan settlement gain/loss	0.0	0.2
Transfers/payments from plan settlements	-0.1	-0.6
Remeasurement effects	-32.9	22.7
Pension benefits paid	-13.2	-10.5
End of financial year	-158.5	-122.6
of which presented as operating receivables	-159.1	-123.3
of which presented as provisions for pensions	0.6	0.7

The resulting excess of plan assets is recognized under the non-current receivables in section 4.5.

Pension cost

The net periodic pension cost for defined benefit pension plans breaks down as follows:

€ million	2024	2023
Current cost (incl. plan settlement gain/loss)	14.5	13.3
Past service cost	0.1	0.1
Interest cost	16.6	16.1
Interest income from plan assets	-20.9	-21.6
Total	10.3	7.9

The remeasurement of defined benefit plans is accrued and recognised in full. It is reported outside the income statement as part of the other comprehensive income within the consolidated statement of comprehensive income.

The remeasurements of defined benefit plans recognised in equity and corresponding plan assets are shown in the following table:

€ million	31 Dec. 2024	31 Dec. 2023
Accumulated remeasurement recognised in equity at start of financial year	31.4	54.1
Remeasurement of the current financial year recognised in equity	32.9	-22.7
Accumulated remeasurement recognised in equity at end of financial year	64.3	31.4

4.12 Other provisions

Provisions with a maturity of more than one year are recognised at the present value of the expected future cash flows.

The other provisions are structured as follows:

€ million	31 Dec. 2024		31 Dec. 2023	
		thereof current		thereof current
Provisions – pipeline sector	106.1	34.7	85.0	10.8
Provisions – personnel sector	55.3	30.7	52.4	27.9
Provisions – production sector	11.7	11.7	18.3	18.3
Miscellaneous other provisions	1.0	0.9	0.7	0.6
Total	174.1	78.0	156.4	57.6

VGT expects the full amount of current provisions totalling € 78.0 million to be utilised within the year.

Provisions – pipeline sector

As part of the acquisition of OGE, in 2012 contingent liabilities were identified, measured at fair value, accounted for as provisions and adjusted for changes in accordance with IFRS 3.56. These include provisions for restoration obligations for the decommissioned pipeline network in the amount of € 53.0 million (previous year: € 54.7 million) which are

€ million	Provisions – pipeline sector	Provisions – personnel sector	Provisions – production sector	Miscellaneous other provisions	Total
1 Jan. 2024	85.0	52.4	18.3	0.7	156.4
Additions	31.0	56.2	11.7	0.3	99.2
Releases	0.0	-0.4	-0.3	0.0	-0.7
Unwinding of discounting	0.9	0.5	0.0	-0.0	1.4
Change in plan assets	0.0	-17.0	0.0	0.0	-17.0
Utilisation	-10.8	-36.4	-18.0	-0.0	-65.2
31 Dec. 2024	106.1	55.3	11.7	1.0	174.1

recognised under provisions for the pipeline sector and for which, according to current estimates, utilisation can mainly be expected from 2034 onwards.

Provisions – personnel sector

Provisions for personnel obligations contain mainly provisions for bonus payments, early retirement obligations, obligations for gas allowance payments and for long-service anniversary payments as well as other personnel costs. € 11.9 million (previous year: € 11.9 million) of the non-current provisions are expected to be utilised after 5 years. The remaining non-current provisions are expected to be utilised within the next 5 years.

Provisions – production sector

Provisions for obligations from the production sector include expected charges for emission rights in the amount of € 11.7 million (previous year: € 18.3 million).

Miscellaneous other provisions

Miscellaneous other provisions exist in the amount of € 1.0 million (previous year: € 0.7 million).

The following table shows the change in other provisions:

4.13 Liabilities

The following table provides a breakdown of liabilities:

€ million	31 Dec. 2024		31 Dec. 2023	
	Current	Non-current	Current	Non-current
Bonds	749.7	2,981.4	0.0	3,232.7
Liabilities to banks	2.1	398.3	88.1	198.9
Liabilities to proportionately consolidated companies	7.4	0.0	13.4	0.0
Lease liabilities	4.3	16.3	4.6	15.5
Other financial liabilities	59.2	15.6	56.6	41.0
Financial liabilities	822.7	3,411.6	162.7	3,488.1
Trade payables	49.3	0.4	89.5	0.2
Investment grants / construction cost grants	0.0	21.6	0.0	15.7
Liabilities to proportionately consolidated companies	1.9	0.0	7.6	0.0
Liabilities to affiliated companies	231.5	0.0	142.9	0.0
Income tax liabilities	0.1	0.0	0.0	0.0
Accruals	19.9	0.0	21.0	0.0
Contract liabilities	31.1	0.0	7.4	0.0
Other operating liabilities	49.6	0.6	71.3 ¹⁰	0.6 ¹⁰
Trade payables and other operating liabilities	383.4	22.6	339.7	16.5
Total	1,206.1	3,434.2	502.4	3,504.6

There were no unscheduled events that would have had a material effect on the balance of contract liabilities.

The Group has seven bond tranches with a total volume of € 3,750.0 million at the reporting date. One bond tranche with a total volume of € 500.0 million was issued in the financial year.

The individual tranches mature in 2025, 2027, 2028, 2029, 2031, 2032 and 2034. The average effective interest rate is 2.54 %.

The Group has three significant bank loans with a volume of more than € 100 million. These are all unsecured, bullet loan agreements. These bilateral bank loans contribute € 168.3 million to the Group and were concluded at the end of June 2021, the end of

¹⁰ The adjustment in the amount of € 51.8 million made to the prior-year figures is in accordance with the amendment to IAS 1. In line with this amendment, liabilities relating to the one-sided capital contributions of the third-party shareholders, which were previously recognised as non-current, are now presented under current liabilities.

June 2023 and the end of September 2023. The loans mature in 2025, 2030 and 2031 and have an average fixed interest rate of 3.0 %.

The liabilities to proportionately consolidated companies relate to the remaining minority interest in the Group. This liability bears interest at 0.50 % plus the corresponding monthly average rate of the €STR.

Other financial liabilities include a Schuldschein loan agreement in the amount of € 25.5 million (previous year: € 50.7 million) and a registered bond in the amount of € 15.6 million (previous year: € 15.6 million).

The Schuldschein loan has a term until 2025 and has a fixed interest rate of 2.2 %.

The registered bond matures in 2029 and has a fixed interest rate of 1.8 %.

The revolving credit facility (RCF) in the amount of € 600.0 million concluded in the 2023 financial year and maturing in August 2028 was replaced in the current financial year by a credit facility with the same volume initially running until 2029. The RCF had not been drawn as of the reporting date.

A Euro Commercial Paper Programme for a total volume of € 500.0 million is available to provide supplementary cover for short-term liquidity requirements. As of the reporting date, there were no Euro Commercial Paper issues outstanding.

Given the terms of the bonds, the RCF maturing in 2029 and the Euro Commercial Paper Programme as a further source of short-term financing, VGT has, overall, a balanced liquidity profile with a wide maturity spread.

The current other operating liabilities mainly include liabilities arising from the proportionately consolidated pipeline company TENP in the amount of € 26.8 million (previous year: € 51.8 million) from the accounting of one-sided capital contributions, which are to be classified as liabilities in accordance with IAS 32.

Furthermore, this item includes deferred income items in the amount of € 11.6 million (previous year: € 4.6 million) and liabilities from other taxes amounting to € 7.9 million (previous year: € 7.9 million).

Non-current liabilities with a maturity of more than five years break down as follows:

€ million	31 Dec.2024	31 Dec.2023
Bonds	1,984.4	1,487.5
Liabilities to banks	260.1	114.8
Lease liabilities	5.5	6.6
Other financial liabilities	15.6	15.6
Investment grants / construction cost grants	15.0	14.1
Total	2,280.6	1,638.6

5 Information on the consolidated income statement

5.1 Revenues

Revenues from contracts with customers

In the following table, the revenues generated are split into revenues from contracts with customers and revenues from leases and then broken down into the divisions Transport business and Other Services business:

€ million	Transport business	Other Services business	Total
2024			
Revenue from contracts with customers	985.3	145.6	1,130.9
Revenue from leases	0.0	2.2	2.2
Total revenues	985.3	147.8	1,133.1
2023			
Revenue from contracts with customers	1,511.4	134.8	1,646.2
Revenue from leases	0.0	2.1	2.1
Total revenues	1,511.4	136.9	1,648.3

Generally, revenues from the Transport business are recognised at a point in time and revenues from the Other Service business are recognised over time. Revenues from the Transport business are subject to regulation by the BNetzA and revenues from the Other Services business are basically generated in the unregulated gas industry segment.

The classification into Transport business and Other Services business is in line with the entity-wide disclosures as part of the segment reporting.

All contract liabilities that were contained in the balance of contract liabilities at the beginning of the financial year led to revenues in the reporting period.

The revenues from contracts with customers recognised within revenues basically result from performance obligations that were satisfied in the reporting period.

The total value of the performance obligations from contracts with customers that had not yet been satisfied at the reporting date amounts to € 285.8 million (previous year: € 213.1 million). These obligations are expected to be satisfied as follows:

Performance obligations not yet satisfied	2024	2023
€ million		
Probable satisfaction in ≤ 1 year	135.1	160.4
Probable satisfaction > 1 year	150.7	52.7
Total	285.8	213.1

5.2 Own work capitalised

Own work capitalised amounts to € 40.8 million (previous year: € 33.0 million) and results primarily from engineering services in the network sector and in connection with new construction projects.

5.3 Other operating income

Other operating income mainly includes income from market area conversion and biogas levies in the amount of € 43.6 million (previous year: € 21.9 million), income from the sale of scrap in the amount of € 4.2 million (previous year: € 0.2 million) and income from compensation from pipeline construction projects in the amount of € 3.0 million (previous year: € 3.2 million).

Realised exchange rate gains and income from foreign currency translation on the reporting date were of an insignificant amount (< € 50k).

5.4 Cost of materials

€ million	2024	2023
Expenses for raw materials and supplies	349.2	387.7
Expenses for purchased goods	116.4	104.5
Total	465.6	492.2

Expenses for raw materials and supplies mainly comprise expenses for fuel energy and usage fees. This item also includes expenses for market area conversion and biogas

levies, which are largely passed on to the customers and collected in revenues of the transport business.

The expenses for purchased goods mainly relate to maintenance costs as well as other services purchased in connection with the services business.

5.5 Personnel costs

The personnel costs contain the following items:

€ million	2024	2023
Wages and salaries	179.6	160.0
Social security contributions	28.1	26.2
Pension costs and other employee benefits	14.9	14.5
Total	222.6	200.7

Expenses for social security contributions include contributions to statutory retirement systems in the amount of € 12.8 million (previous year: € 11.6 million).

Of the pension costs and other employment benefits totalling € 14.9 million, € 0.1 million (previous year: € 0.5 million) relate to defined contribution plans.

In the reporting period, the Group employed an average of 1,812 employees (previous year: 1,733), of which 367 were industrial workers (previous year: 362), 1,304 were salaried employees (previous year: 1,248), 57 were apprentices (previous year: 48), 81 were placement students (previous year: 71) and 3 were managing directors (previous year: 4). The figure includes 3 employees (previous year: 3) from proportionately consolidated Group companies.

The personnel figures were determined on an average basis from the end figure of each quarter. Employees from proportionately consolidated companies were included in full.

5.6 Other operating expenses

The other operating expenses break down as follows:

€ million	2024	2023
IT costs	37.6	31.9
Market area conversion and biogas levies	45.5	22.9
Miscellaneous other operating expenses	44.3	41.7
Total	127.4	96.5

Miscellaneous other operating expenses include in particular expenses for insurance premiums, social insurance contributions, external audit and consulting costs as well as road vehicle costs.

5.7 Depreciation and amortisation

€ million	2024	2023
Amortisation of intangible assets	12.3	14.2
Depreciation of property, plant and equipment	214.4	210.0
Total	226.7	224.2

As in the previous year, no impairment charges were recognised on property, plant and equipment in the financial year.

5.8 Financial result

€ million	2024	2023
Income/loss (-) from equity investments	5.5	13.0
Income from companies accounted for using the equity method	12.7	12.2
Interest income	25.2	33.7
Interest expenses	-80.0	-89.8
Interest share of the addition to provisions	-1.5	-2.9
Other interest expenses	-78.5	-86.9
Impairment of financial assets	-3.4	0.0
Financial result	-40.0	-30.9

Dividend income is recognised when the right to receive payment is established. Interest income is recognised as the interest accrues using the effective interest method.

The interest share of the addition to provisions is mainly the interest cost from pension provisions (€ 16.6 million; previous year: € 16.1 million) - after deduction of the expected return on plan assets (€ 16.6 million; previous year € 16.1 million) – as well as the unwinding of discounting of the other non-current personnel provisions totalling € 1.5 million (previous year € 2.9 million).

Of the other interest expenses, € 77.7 million is interest on debt (previous year: € 87.6 million) and € 3.2 million is the effective interest rate on the bonds (previous year: € 3.3 million).

The other interest expenses are reduced by the capitalised interest on debt amounting to € 7.6 million (previous year: € 5.3 million).

The impairment of financial assets is the result of the impairment loss at OGP, see section 4.4.

5.9 Income taxes

A profit-and-loss transfer agreement exists between VGT and VGS with VGT as the controlled company and VGS as the controlling company which is the reason for the establishment of a fiscal entity for income tax purposes between VGT and VGS. In addition, an income tax allocation agreement was concluded between VGT and VGS with the aim of allocating the income taxes economically incurred by VGT to that company. Consequently, the VGT Group shows income tax allocations for the reporting year.

The income taxes break down as follows:

€ million	2024	2023
Income taxes for current financial year	2.7	2.5
Income tax allocations	80.7	50.3
Income taxes for prior financial years	0.0	-0.2
Deferred taxes for current financial year	-40.2	148.7
Deferred taxes for prior financial years	-0.5	-6.9
Income taxes	42.7	194.4

The pro-rata trade tax of proportionately consolidated partnerships is shown as an effective tax expense for the financial year. The taxes for previous years are current and deferred taxes from partnerships and from the OGE fiscal entity for income tax purposes.

The deferred tax effects are due to the change in temporary differences. The income for the financial year is due mainly to the tax-law related change in the regulatory account.

The following reconciliation shows the differences between the expected and the recognised tax expense / rate in the Group:

	2024		2023	
	€ million	%	€ million	%
Profit before tax in accordance with IFRS	148.9		666.2	
Group income tax rate		31.0		31.0
Expected income tax expense	46.2		206.5	
1. Permanent effects	-5.8	-3.9	-8.0	-1.2
2. Difference due to the trade tax assessment base	2.2	1.5	1.8	0.3
3. Taxes not relating to the period	-0.5	-0.3	-7.2	-1.1
4. Effect from measurement using the equity method	-1.9	-1.3	-1.8	-0.3
5. Change in deferred taxes on loss carryforwards	0.5	0.3	0.0	0.0
6. Other	2.0	1.3	3.1	0.5
Effective tax expense / rate	42.7	28.6	194.4	29.2

The difference between the calculated tax expense and the current tax expense is mainly due to permanent effects from plan assets. In addition, tax adjustment amounts have an impact.

6 Other Information

6.1 Information on the Consolidated Cash Flow Statement

Cash provided by operating activities amounted to € 366.2 million (previous year: € 927.8 million), and was € 561.6 million lower than in the previous year, which is mainly due to the significantly lower net income for the Group.

Cash provided by investing activities decreased in the financial year by € -783.2 million to € -647.0 million. In the current financial year, purchases of time deposits under other financial investments resulted in cash outflows totalling € 248.6 million. Furthermore, the withdrawal of a one-sided capital contribution from a joint operation resulted in cash inflows of € 25.0 million. The Group made capital contributions to non-consolidated equity investments in the financial year, which resulted in cash outflows of € 31.9 million.

Of the total additions to property, plant and equipment and intangible assets in the amount of € 398.4 million in the 2024 financial year, € 15.5 million were non-cash. In addition, the prior-year non-cash investments resulted in outflows in the amount of € 37.2 million.

Cash flows from financing activities amounted to € 312.4 million (previous year: € -908.7 million). The change is due mainly to a bond tranche issued in the amount of € 495.3 million. In addition, cash proceeds from borrowings amounted to € 199.6 million in the financial year. Furthermore, VGT received a contribution to additional paid in capital in the amount of € 200.0 million. In the previous year, repayment on maturity of a VGT bond tranche resulted in cash outflow in the amount of € 750.0 million.

The following shows the changes in liabilities from financing activities in the financial year:

Financial liabilities	Short-term debt and current portion of long term debt	Long-term debt, net of current portion	Total
€ million			
Start of the 2023 financial year	807.6	3,526.4	4,334.0
Cash-effective changes	-855.9	71.4	-784.5
proceeds from/ payments of long-term debt	-750.0	71.4	-678.6
payments of lease liabilities	-4.8	0.0	-4.8
proceeds from/ payments of other financial liabilities	-101.1	0.0	-101.1
Non-cash changes	211.0	-109.7	101.3
current portion of long-term debt	116.5	-116.5	0.0
additions to lease liabilities	1.4	3.9	5.3
Amortised Costs of financial liabilities	93.1	2.9	96.0
End of the 2023 financial year	162.7	3,488.1	3,650.8
Cash-effective changes	-148.7	694.9	546.2
proceeds from/ payments of long-term debt	-111.9	694.5	582.6
payments of lease liabilities	-5.9	0.0	-5.9
proceeds from/ payments of other financial liabilities	-30.9	0.4	-30.5
Non-cash changes	808.7	-771.4	37.3
current portion of long-term debt	779.5	-779.5	0.0
additions to lease liabilities	1.0	5.5	6.5
Amortised Costs of financial liabilities	28.2	2.6	30.8
End of the 2024 financial year	822.7	3,411.6	4,234.3

The non-cash changes result almost exclusively from accrued interest and from reclassifications for maturity reasons and are classified under "other changes" in accordance with IAS 7.44B (e).

Cash and cash equivalents for the purposes of the cash flow statement totalling € 650.1 million (previous year: € 618.5 million) comprise balances at banks in the amount

of € 567.9 million and investments in money market fund units in the amount of € 82.2 million.

See section 4.4 for information on the cash and cash equivalents of the joint operations and for the explanation of the amount of the liability resulting from profit transfer see section 6.6.

6.2 Contingencies

All financings in the VGT Group (in the form of bonds or bank loans) are granted to the borrowing Group companies without the provision of collateral security. As of 31 December 2024, the total amount of bank guarantees in favour of third parties was € 3.8 million (previous year: € 3.8 million).

6.3 Other financial obligations

The other financial obligations which cannot be seen from the balance sheet amount to € 72.9 million per annum (previous year: € 74.7 million) as of the reporting date and arise from long-term contracts for the grant of use of the pipeline network.

The following purchase commitments existed as of the reporting date:

€ million	31 Dec. 2024	31 Dec. 2023
Purchase commitment for investments in intangible assets	6.5	2.5
Purchase commitment for investments in property, plant and equipment	653.6	256.9
Purchase commitment for maintenance work (incl. inventory materials)	96.2	85.3
Total	756.3	344.7

6.4 Leases

The Group as Lessee

The Group recognises capitalised right-of-use assets in particular for land and buildings and for vehicles. The following table shows the right-of-use assets recognised in the balance sheet by class as of 31 December 2024:

€ million	31 Dec. 2024	31 Dec. 2023
Land and buildings	13.0	13.8
Vehicles	6.9	4.9
Other equipment, fixtures, furniture and office equipment	0.1	0.8
Total	20.0	19.5

See section 4.3 for the change in the right-of-use assets.

The Group's existing lease liabilities result in the following undiscounted future lease payments:

€ million	31 Dec. 2024	31 Dec. 2023
Due within 1 year	2.5	4.4
Due in 1 to 5 years	5.1	8.1
Due in more than 5 years	9.4	10.5

As of the reporting date, there were no future obligations arising from leases that had already been entered into but had not yet commenced on the reporting date.

The Group recognised leases in the income statement as follows:

€ million	2024	2023
Depreciation of right-of-use assets	5.4	4.5
thereof land and buildings	2.1	2.0
thereof vehicles	2.5	2.2
thereof other equipment, fixtures, furniture and office equipment	0.8	0.3
Expenses relating to short-term leases	0.1	0.2
Expenses relating to leases of low-value assets which are not short-term leases	1.4	1.6
Interest expenses on lease liabilities	0.5	0.4

In the financial year, cash outflows resulted not only from cash payments in the amount of € 5.9 million (previous year: € 4.8 million) for the interest and principal portions of lease liabilities recognised in the balance sheet but also from cash payments for short-term leases not recognised in the balance sheet and for leases of low-value assets of € 1.5 million (previous year: € 1.8 million). The payments for the interest portion and the principal portion are included in cash flow from financing activities.

6.5 Segment reporting

In accordance with IFRS 8, the segments are defined according to the internal steering and reporting in the VGT Group (management approach). The entire Management of OGE is identified as the chief operating decision-maker (CODM) of the VGT Group. In particular the implementation of the concept of an Independent Transmission Operator (ITO) prohibits intervention of higher levels in the business operations of the OGE Group. Consequently, resource allocation at higher level is not possible.

The VGT Group has two business segments, the Transport and Other Services businesses. For both business segments, the key performance indicator EBITDA (earnings before interest, taxes, depreciation and amortisation - including income from equity investments and income from companies accounted for using the equity method) is only reported in total to the Management Board of OGE and is not used for resource allocation. The revenues of these two business segments are reported separately to the OGE Management Board. However, as expenses exist in both business segments which are neither immaterial nor independent of revenues, the revenues are not a result metric within the meaning of IFRS 8.5 (b). Another result metric for the two business segments is not reported separately to the OGE Management Board. As a result, the VGT Group constitutes a “one segment company”.

Entity-wide disclosures

External revenues break down as follows:

€ million	2024	2023
Transport business	985.3	1,511.4
Other Services business	147.8	136.9
Total	1,133.1	1,648.3

Information on geographical regions in accordance with IFRS 8.33 is not given as the business of the VGT Group largely relates to one region (Germany; place of performance and/or seat of the companies).

The VGT Group generated € 123.5 million with one customer in the 2024 financial year. This is more than 10 per cent of its total revenues (previous year: no customer).

6.6 Business transactions with related parties

From the Group's perspective, the following companies and bodies are related parties as defined by IAS 24:

Controlling companies: through VGH and VGS, a consortium consisting of Okanagan IRR S.à r.l., Luxembourg (32.15 %), Infinity Investments S.A., Luxembourg (24.99 %), FluxysGer SA, Brussels (24.11 %) and Vier Gas Investments S.à r.l., Luxembourg (18,75 %), which together hold 100 % of the shares in VGT.

On the basis of the profit-and-loss transfer agreement concluded with VGS on 1 January 2013, VGT is to transfer its profits of € 444.7 million (previous year: € 193.9 million) and pay € 80.7 million (previous year: € 50.3 million) to VGS under the income tax allocation agreement with VGS. An advance payment of € 290.0 million (previous year: € 99.0 million) was already made to VGS on the basis of these two agreements. As of the reporting date, the total remaining amount of € 235.4 million (previous year: € 145.2 million) after deduction of tax receivables chargeable to VGS is recognised in current operating liabilities to affiliated companies.

Apart from the above, no material business transactions were performed in the reporting period with controlling companies.

Associates and joint arrangements

The list of shareholdings is given in section 7. Material business relations only exist with NETG, DEUDAN - Deutsch/Dänische Erdgastransport-Gesellschaft mbH & Co. Kommanditgesellschaft, Handewitt, GasLINE KG, NetConnect Germany GmbH & Co. KG, Ratingen and Trading Hub Europe GmbH, Düsseldorf. The individual business transactions were as follows:

€ million	2024	2023
Receivables	13.8	12.3
Liabilities	2.4	2.9
Revenues	19.1	19.5
Cost of materials	18.7	15.9

The revenues generated relate mainly to technical and commercial services contracted at a flat rate in the amount of € 15.6 million (previous year: € 14.7 million) and to services provided as part of the project business and individual measures in the amount of € 3.5 million (previous year: € 4.8 million). At € 14.5 million (previous year: € 12.2 million), fees for usage contracts for the pipeline network account for most of the cost of materials.

Related parties

In line with IAS 24, the remuneration of key management personnel (Management of VGT as well as Management and members of the Supervisory Board of OGE) is to be disclosed. With one exception, the managing directors of VGT are employed at the member companies of the controlling investor consortium and receive no remuneration from VGT for their work. As the managing directors perform similar pipeline and monitoring activities for a large number of companies and the costs are not allocated to the individual companies, it is not possible to attribute the individual remunerations to their VGT management work.

The remuneration received by the members of the OGE Management Board and Supervisory Board as well as by the managing director employed at VGT for their services as employees (in line with IAS 24.17) breaks down as follows:

€ million	2024	2023
Salaries and other current benefits	2.5	2.1
Post-termination benefits	0.3	0.2
Other benefits due in the long term	0.8	1.9
Total remuneration	3.6	4.2

At the reporting date, outstanding balances owed to the members of the management in key positions (in line with IAS 24.18) amount to € 9.2 million (previous year: € 8.1 million). Otherwise, no transactions took place with members of the management in key positions.

6.7 Events after the balance sheet date

Up to the date of the preparation of the consolidated financial statements, no business transactions of material significance had taken place which have an effect on the presentation of the net assets, financial position and results of operations of the Group in the reporting period.

6.8 Independent auditors' fees

The auditors of the VGT consolidated financial statements are Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf. The fees for financial statement audits include in particular fees for statutory auditing of the consolidated financial statements and the annual financial statements of the Group companies of VGT. The fees for other assurance services are mainly fees for providing assurance on the Group sustainability report. The fees for other services mainly comprise project-related advisory services.

€ million	2024	2023
Financial statement audits	0.6	0.5
Other assurance services	0.2	0.0
Other services	0.1	0.1
Total	0.9	0.6

6.9 Management Board

The following persons have been appointed to the Management Board and as representatives of the Company:

Christine U. Wilinski
Managing Director, until 31 March 2024

Pascal De Buck
CEO & Managing Director, Fluxys Belgium SA & Fluxys SA
Brussels/Belgium, until 15 August 2024

Luís Pisco
Senior Portfolio Manager, Infrastructure Division, ADIA
Abu Dhabi/United Arab Emirates, until 15 August 2024

Lincoln Hillier Webb
Executive Vice President, Infrastructure & Renewable Resources, British Columbia Investment Management Corp.
Victoria, British Columbia/Canada, until 15 August 2024

Alexander Bögle
Senior Investment Manager, Private Equity & Infrastructure, MEAG MUNICH ERGO Asset Management GmbH
Munich, until 24 January 2024

Olivier Lemoine
Affiliates Portfolio Manager, Fluxys Europe SA
Brussels/Belgium

Guy Lambert
Head of Utilities, Infrastructure Division, ADIA
Abu Dhabi/United Arab Emirates, until 15 August 2024

Timothy Keeling
Senior Principal, Infrastructure & Renewable Resources, British Columbia Investment Management Corp.
Victoria, British Columbia/Canada, until 24 January 2024

Robert Pottmann
Head of Illiquid Assets Equity, MEAG MUNICH ERGO Asset Management GmbH
Munich, from 25 January 2024 to 15 August 2024

Paraskevas Fronimos
Senior Principal, Infrastructure & Renewable Resources Investments, British Columbia Investment Management Corp.
Victoria, British Columbia/Canada, from 25 January 2024 to 15 August 2024

Lin-Sya Laetitia Chao
M&A and Financial Advisory Manager, Fluxys Europe SA
Nivelles/Belgium, from 16 August 2024

Suhail Hamad Mohammed Al Yabhouni Aldhaheri
Investment Manager, Infrastructure Division, ADIA
Abu Dhabi/United Arab Emirate, from 16 August 2024

Eric Christian Marc Dubreuil
Portfolio Manager, Infrastructure Division, ADIA
Abu Dhabi/United Arab Emirate, from 16 August 2024

Stefan Michael Holzmair
Investment Manager Infrastructure Equity, MEAG MUNICH ERGO Asset Management GmbH
Munich, from 16 August 2024

Cornelia Groenendijk
Sr. Principal Infrastructure & Renewable Resources, British Columbia Investment Management Corp.
Victoria, British Columbia/Canada, from 16. August 2024

With the exception of Christine U. Wilinski, the managing directors are not employees of the Company.

7 List of Shareholdings as of 31 December 2024

Name	Seat	Trade register number	Share in %	Equity in € k ⁽¹⁾	Net income in € k ⁽¹⁾
Consolidated					
Open Grid Europe GmbH	Essen	HRB 17487	100.00	2,455,651	295,400
Mittelrheinische Erdgastransportleitungsgesellschaft mbH	Essen	HRB 24567	100.00	64,150	53,493
Line WORX GmbH	Essen	HRB 23536	100.00	105,725	11,730
Proportionately consolidated					
MEGAL Mittel-Europäische-Gasleitungsgesellschaft mbH & Co. KG	Essen	HRA 8536	51.00	72,717	11,166
NETRA GmbH Norddeutsche Erdgas Transversale & Co. Kommanditgesellschaft	Schneiderkrug	HRA 150471	55.94	65,076	14,875
Trans Europa Naturgas Pipeline Gesellschaft mbH & Co. KG	Essen	HRA 8548	51.00	127,330	12,581
Zeelink GmbH & Co. KG	Essen	HRA 10610	75.00	726,030	6,510
Equity-accounted					
GasLINE Telekommunikationsnetzgesellschaft deutscher Gasversorgungsunternehmen mbH & Co. Kommanditgesellschaft	Straelen	HRA 1805	29.24	175,358	44,960

(1) Equity and net income are based on country-specific accounting policies.

Name	Seat	Trade register number	Share in %	Equity in € k ⁽¹⁾	Net income in € k ⁽¹⁾
Non-consolidated companies due to immaterial importance					
bioplus LNG GmbH ⁽⁴⁾	Röthenbach a. d. Pegnitz	HRB 40648	100.00	49,025	-27
DEUDAN-Deutsch/Dänische Erdgastransport-Gesellschaft mbH & Co. Kommanditgesellschaft ⁽³⁾	Handewitt	HRA 3848 FL	24.99	5,257	969
DEUDAN-Deutsch/Dänische Erdgastransport-Gesellschaft mbH ^{(2) (3)}	Handewitt	HRB 3531 FL	24.99	92	2
evety GmbH ^{(2) (3)}	Essen	HRB 31097	40.00	494	-376
GasLINE Telekommunikationsnetz- Geschäftsführungsgesellschaft deutscher Gasversorgungsunternehmen mbH ⁽⁵⁾	Straelen	HRB 4812	29.24	80	2
H2UB GmbH ^{(2) (5)}	Essen	HRB 32216	37.50	99	-614
LIWACOM Informationstechnik GmbH ^{(2) (5)}	Essen	HRB 7829	33.33	696	228
MEGAL Verwaltungs-GmbH ⁽³⁾	Essen	HRB 18697	51.00	59	2
NEL Beteiligungs GmbH ⁽⁴⁾	Essen	HRB 23527	100.00	25	0
NETRA GmbH-Norddeutsche Erdgas Transversale ^{(2) (3)}	Schneiderkrug	HRB 150783	50.00	122	2
Nordrheinische Erdgastransportleitungsgesellschaft mbH & Co. KG ⁽³⁾	Dortmund	HRA 17834	50.00	161,798	9,557
Nordrheinische Erdgastransportleitungs-Verwaltungs-GmbH ^{(2) (3)}	Dortmund	HRB 26278	50.00	44	1
Open Grid Regional GmbH ⁽⁴⁾	Essen	HRB 19964	100.00	500	18
Open Grid Participations GmbH ⁽⁴⁾	Essen	HRB 30907	100.00	49,084	-97
PLEdoc GmbH ⁽⁴⁾	Essen	HRB 9864	100.00	1,214	743
PRISMA European Capacity Platform GmbH ^{(2) (6)}	Leipzig	HRB 21361	1.33	2,419	445
Trading Hub Europe GmbH ^{(2) (6)}	Düsseldorf	HRB 93885	9.09	6,524	343
Trans Europa Naturgas Pipeline Verwaltungs-GmbH ⁽³⁾	Essen	HRB 18708	50.00	57	2
Zeelink-Verwaltungs-GmbH ⁽³⁾	Essen	HRB 27607	75.00	39	2

(1) Equity and net income are based on country-specific accounting policies.

(2) Equity and net income refer to the previous year.

(3) Joint arrangement (not consolidated pro rata/measured using the equity method)

(4) Non-consolidated affiliated company

(5) Associate (not measured using the equity method)

(6) Other equity investments

Essen, 14 March 2025

Vier Gas Transport GmbH

The Management Board

Suhail Hamad Mohammed Al Yabhouni Aldhaheeri

Lin-Sya Laetitia Chao

Eric Christian Marc Dubreuil

Cornelia Groenendijk

Stefan Michael Holzmaier

Olivier Lemoine

Auditor's Reports

INDEPENDENT AUDITOR'S REPORT

To Vier Gas Transport GmbH, Essen/Germany

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Vier Gas Transport GmbH, Essen/Germany, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the Parent and the Group of Vier Gas Transport GmbH, Essen/Germany, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the group sustainability report contained in a separate section of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit:

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the group sustainability report referred to above.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the recoverability of goodwill, which we have determined to be the key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

- a) description (including reference to corresponding information in the consolidated financial statements)
- b) auditor's response

Recoverability of goodwill

a) The "Goodwill" balance sheet item of the consolidated financial statements of Vier Gas Transport GmbH, Essen/Germany, reports goodwill of mEUR 840.3 (i.e. 11.7 % of total assets). To determine any possible need to recognise impairment losses, the executive directors test goodwill for impairment once a year as at the balance sheet date or when there are indications that goodwill may be impaired. The impairment test is performed at the level of the cash-generating unit to which the goodwill is allocated. The measurement is based on the present value of the future cash flows of the cash-generating unit, determined in accordance with the concept of fair value less costs to sell, which is compared with the carrying amount of the cash-generating unit including the goodwill. The present value of the future cash flows, which are derived from the Group's projections prepared by the executive directors, is used as a basis because there is no market value available for the cash-generating unit. The projections are extrapolated based on assumptions regarding long-term industry-specific and regulatory developments and multipliers derived from market data. Discounting is based on the discount rate derived from the weighted average cost of capital of the cash-generating unit.

The result of this valuation is highly dependent on the executive directors' assessment of the assumptions underlying the projections, the future cash flows derived from the projections, the parameters underlying the discount rate, the industry-specific and regulatory developments and the derivation of the multipliers, and is therefore subject to considerable uncertainty. Against this background and due to the complexity of the valuation of this significant item, this matter was particularly relevant in the context of our audit.

The executive directors' disclosures on the impairment test and the "Goodwill" balance sheet item are included in sections 2.5 and 4.2 of the notes to the consolidated financial statements.

b) As part of our audit of the recoverability of goodwill, we examined the methodology used to perform the impairment tests and assessed the determination of the discount rate. We assured ourselves of the appropriateness of the future cash flows used in the valuation by, among other things, recording and critically assessing the underlying planning process. In addition, we assessed the appropriateness of the future cash flows used in the valuation, in particular by comparing them with the executive directors' projections and by assessing them on the basis of industry-specific and regulatory market expectations. In this context, we interviewed the executive directors regarding their planning assumptions and relied on their explanations of the key value drivers, which we checked for plausibility using internal and external evidence. We thoroughly examined the parameters used to determine the discount rate applied and assessed the methodological and arithmetic accuracy of the calculation model. In the case of estimates made by the executive directors, we assessed the reasonableness of the methods applied, the assumptions made and the data used.

In addition, we verified that the disclosures in the notes to the consolidated financial statements were complete and accurate.

Other Information

The executive directors are responsible for the other information. The other information comprises the group sustainability report contained in a separate section of the combined management report, which includes disclosures of the non-financial statement in accordance with Section 315b and Section 315c HGB.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information:

- is materially inconsistent with the consolidated financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Audit Committee for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position

and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The audit committee is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial

performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the shareholders' meeting on 22 March 2024. On 7 October 2024, we were engaged by the executive directors. We have been the group auditor of Vier Gas Transport GmbH, Essen/Germany, without interruption since the financial year 2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Dr Benedikt Brüggemann.

Düsseldorf/Germany, 17 March 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed: Dr Benedikt Brüggemann
Wirtschaftsprüfer
(German Public Auditor)

Signed: Sebastian Figura
Wirtschaftsprüfer
(German Public Auditor)

ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE GROUP SUSTAINABILITY REPORT INCLUDED IN THE COMBINED MANAGEMENT REPORT

To Vier Gas Transport GmbH, Essen/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Group Sustainability Report of Vier Gas Transport GmbH, Essen/Germany, included in section “Group Sustainability Report” of the combined management report for the Parent and the Group for the financial year from 1 January to 31 December 2024. The Group Sustainability Report was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 315b and 315c German Commercial Code (HGB) for a consolidated non-financial statement.

Not subject to our assurance engagement are the prior year’s disclosures and the content of the Group Sustainability Report marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Report is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe:

- that the accompanying Group Sustainability Report does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Report (the materiality assessment) is not, in all material respects, in accordance with the description set out in section “1 General disclosures” of the Group Sustainability Report, or
- that the disclosures in the Group Sustainability Report do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

We do not express an assurance conclusion on the parts of the Group Sustainability Report marked as unassured.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently,

the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Report”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Audit Committee for the Group Sustainability Report

The executive directors are responsible for the preparation of the Group Sustainability Report in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a group sustainability report in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Group Sustainability Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Report as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The audit committee is responsible for overseeing the process for the preparation of the Group Sustainability Report.

Inherent Limitations in Preparing the Group Sustainability Report

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Group Sustainability Report. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Group Sustainability Report is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Report.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Report

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Report has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also:

- obtain an understanding of the process used to prepare the Group Sustainability Report, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Report.

- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Report.

- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Report about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Report, and about the internal controls relating to this process.

- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Report.

- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.

- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Group Sustainability Report.

- conducted a site visit.

- considered the presentation of the information in the Group Sustainability Report.

- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Report.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated 1 January 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Düsseldorf/Germany, 17 March 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Daniel Oehlmann
Wirtschaftsprüfer
(German Public Auditor)

Signed:

Sebastian Figura
Wirtschaftsprüfer
(German Public Auditor)