

VAROPreem Annual Corporate Report 2025

A new leading force in energy





A new leading force in energy

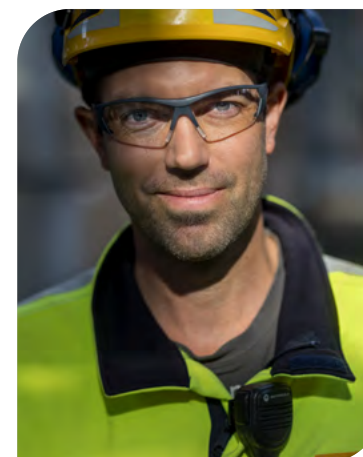


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Who is VAROPreem

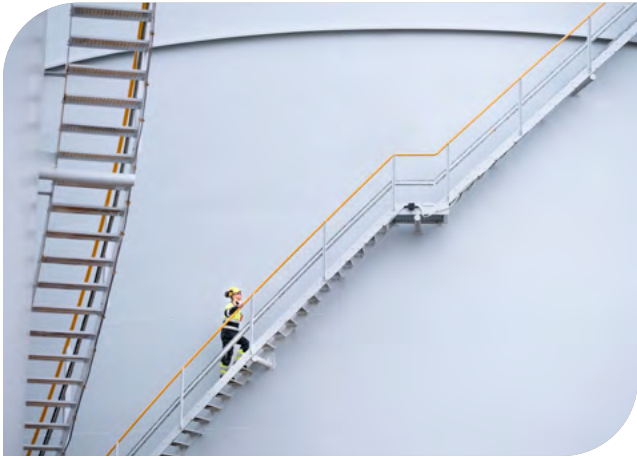
VAROPreem is a leading European energy company formed through the combination of VARO Energy and Preem in January 2026, built on scale, capability, and a proven track record.

We operate across manufacturing, storage and distribution, marketing and trading in integrated value chains combining conventional and sustainable energies.

With six strategically positioned manufacturing hubs, access to more than 120 terminals, and serving business customers in 33 countries, VAROPreem plays a key role in ensuring energy security and resilience while building sustainable energy solutions at scale. We make the energy system society relies on while making it more reliable, more efficient and more decarbonised. In doing so, we provide the heat, light, and mobility that supports customers, industries, and everyday life.

As Europe’s third-largest independent refiner, VAROPreem owns and operates critical infrastructure and supplies close to 10% of the continent’s road and marine fuel demand. We are also the second-largest European renewable fuels producer, and the sixth-largest globally, with 1.3 million tonnes per year production capacity, reflecting our twin-engine strategy of advancing both conventional and sustainable energy solutions.

Headquartered in Zug, Switzerland, VAROPreem combines expertise in global energy markets with strong customer relationships across Europe, operating as a new leading force in energy, grounded in a clear sense of purpose: supporting progress, growth, and prosperity across the societies it serves.



Who we are

We provide energy solutions that empower customers, industry, and society

Our purpose

To meet the energy needs of today and the changing energy needs of tomorrow



Our vision

To drive a secure and sustainable energy future

VAROPreem at a glance

2012

established

22

Acquisitions

6

strategically located
manufacturing hubs

530,000+

barrels per day of
processing capacity



2nd largest

renewable fuels producer
in Europe

Top 6

in the world

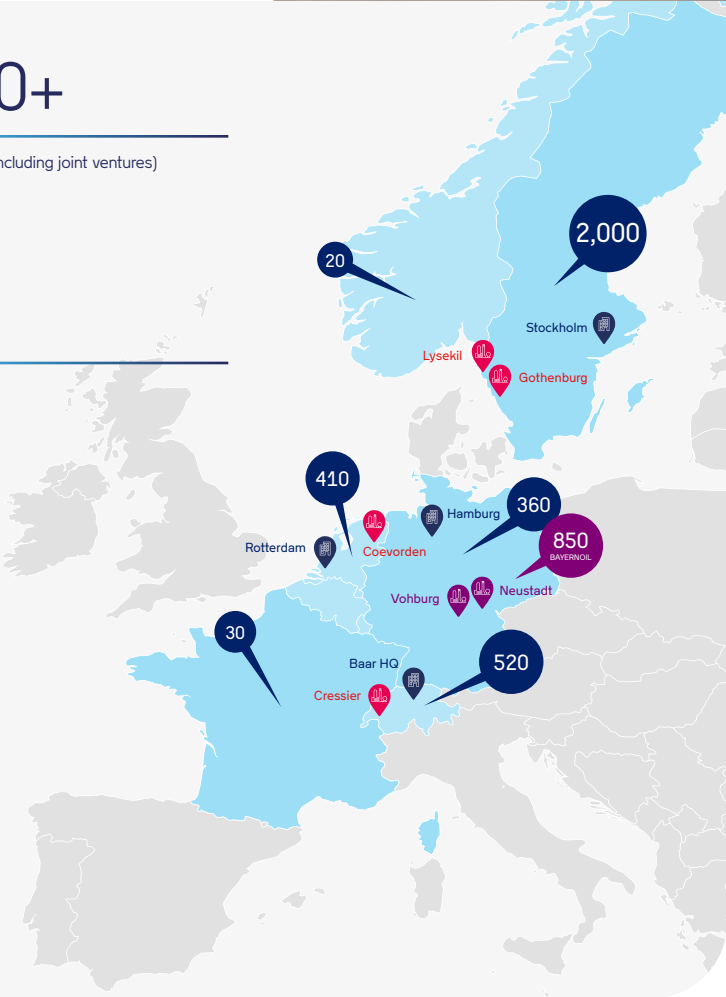


4,000+

employees (including joint ventures)

85+

nationalities



10%

of Europe's road and marine
fuel demand

1.3 mln

tonnes per year of
renewable fuel

3rd largest

independent European refinery

120+

terminals accessible
across Europe

\$1 bln+

EBITDA FY26

50%

of earnings from sustainable
energies

50,000+

business customers
across 33 countries



Our year in review

2025



March

Successful completion of turnaround at the **BAYERNOIL site**, involving around 2,000 people on site, and supported by the introduction of a new Safety Center for mandatory pre-work training.



April

Launch of **Preem Redefine HVO100** produced in Gothenburg, a fully renewable diesel carrying the Nordic Swan ecolabel.



April

Cressier launches co-processing project to replace part of its crude oil with renewable feedstock.



June

Inauguration of the Synsat unit in Lysekil following a major revamp, enabling increased renewable production capacity of 900,000 m³ through co-processing.



June

Rollout of the VARO TCO tool, allowing road customers to compare the total cost of ownership of different fuel and drivetrain options.



August

Coevorden biogas manufacturing hub expands the production capacity from 300 GWh to 450 GWh.



October

Successful completion of turnaround at **Lysekil** delivering ~3,700 work orders with around 2,500 people on-site.



December

Four-year agreement with the **Dutch Ministry of Defence** to deliver HVO30, a 30% HVO blend, across the ministry's assets to support reduced CO₂ emissions and strengthen reliable, lower-carbon fuel supply.



December

All manufacturing hubs operating on **100% low-carbon electricity** either sourced externally or produced through on-site solar installations.

2026



January

VARO completes acquisition of Preem and creates VAROPreem, delivering its 2022 transformation strategy ahead of schedule.

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Chair letter

Building a stronger company

The creation of VAROPreem marks a significant step in the company's development and long-term positioning. Following a year of strong performance and disciplined execution, the acquisition of Preem in January 2026 brought together two businesses with complementary strengths to create a world-class energy company.

This is a strategically significant step. It creates a company with greater scale, broader industrial capability and infrastructure that is increasingly relevant in today's energy system. This matters at a time when energy security, competitiveness and a pragmatic transition are all becoming more important across Europe.



“The company’s infrastructure is also increasingly relevant in today’s energy system. In a period marked by geopolitical tension, supply disruption and structural imbalance, the value of reliable industrial assets and critical infrastructure has become clearer.”

Marcel van Poecke
Chairman

VAROPreem is not simply larger. It is structurally stronger and better positioned for the future, with enhanced resilience, broader capabilities and a clear strategic vision to become one of Europe’s leading energy companies.

From transformation to VAROPreem

The ONE VARO Transformation strategy, launched in 2022, focused on building a resilient, balanced and profitable energy company that combines conventional and sustainable energies.

The Board has supported management throughout this transformation journey. Delivering the strategy eighteen months ahead of schedule reflects consistent execution over several years, underpinned by disciplined capital allocation and a clear strategic direction. The acquisition of Preem builds directly on that progress, strengthening the company’s industrial base, geographic reach and conventional and sustainable energies capabilities.

This combination brings together complementary strengths: VARO’s integrated model across sourcing, manufacturing, trading, logistics and customer solutions, and Preem’s strong manufacturing base, distinctive technology, renewable fuels expertise and Scandinavian market position. Together, these materially enhance the company’s long-term positioning.

A resilient and pragmatic energy model

VAROPreem’s integrated model is well suited to current market conditions. Its combination of sourcing, manufacturing, logistics and customer delivery provides greater resilience, flexibility and risk management across shifting market conditions.

The company’s infrastructure is also increasingly relevant in today’s energy system. In a period marked by geopolitical tension, supply disruption and structural imbalance, the value of reliable industrial assets and critical infrastructure has become clearer.

The combination with Preem strengthens the company’s position further, adding manufacturing capability, renewable fuels expertise and a leading role in Scandinavia. Developments such as the upgraded Synsat unit at the Lysekil refinery illustrate the company’s ability to invest in practical, scalable solutions that support both resilience and transition.

VAROPreem’s ‘twin-engine’ strategy remains central to this model. By combining conventional and sustainable energies, the company is better able to balance reliability, affordability and transition, meeting current demand while scaling lower-carbon solutions over time. I believe this is a pragmatic and credible approach in a market where execution, as much as ambition, remains critical.



Leadership, governance and oversight

Strong governance, experienced leadership and disciplined execution remain fundamental to the company’s success.

Throughout the year, the Board remained closely engaged with management, including through meetings across the company’s key locations and direct interaction with teams. These engagements provide valuable insight into the business and help reinforce alignment as the company evolves. I have particularly valued the opportunity to meet colleagues across the company and, more recently, teams from legacy Preem as the two businesses have come together.

Safety remains a central priority. As the business grows and the asset base becomes more interconnected, maintaining safe and reliable operations will remain essential.

Under the leadership of Dev Sanyal, the company has delivered consistently against its strategy, combining clarity of direction with disciplined execution. We also welcomed the newly formed Executive Board, which brings together leaders from both VARO and Preem and strengthens the company’s leadership for the next phase of growth. In particular, Magnus Heimborg, as Deputy CEO and EVP Markets & Customers, will play a key role in ensuring strong customer focus and commercial alignment across the enlarged group.

As the company enters the next stage, the Board’s priorities remain clear: overseeing integration, maintaining capital discipline, supporting safe and reliable operations, and ensuring that growth is delivered in a controlled and value-accretive manner.

Outlook

The focus for the year ahead will be on successful integration, maintaining operational performance and continuing disciplined execution. The broader energy landscape is expected to remain volatile, with energy security, affordability and the pace of transition continuing to shape markets.

In this context, I believe VAROPreem is well positioned. Its scale, integrated model and diversified portfolio provide a strong foundation to navigate uncertainty while delivering reliable energy and lower-carbon solutions.

On behalf of the Supervisory Board, and personally, I would like to thank the Executive Board and all employees for their commitment and performance over the past year. I also extend my appreciation to our customers and partners for their continued trust and support.

I remain confident in the company’s long-term positioning and its ability to deliver sustainable value in the years ahead.

Group CEO letter

Creating a new leading force in energy

2025 was a defining year for our company. We announced the delivery of the five-year ONE VARO Transformation Strategy 18 months ahead of schedule. The next chapter of our company started in January 2026 with the formation of VAROPreem, formed through the merger of VARO and Preem, creating a new leading force in energy. The combined entity has market presence across 33 countries and provides 10 percent of the mobility energy needs of European customers. Together, we have built a more scaled, integrated and resilient business anchored in critical infrastructure, spanning conventional and sustainable energies.



“Scale is important, but how the system operates is more so. Our integrated value chain, from feedstock sourcing through to customer delivery, provides flexibility and resilience, enabling continuity of supply and a disciplined response to changing market conditions.”

Dev Sanyal
VAROPreem Group CEO

This is increasingly important. The energy system is becoming more volatile, more fragmented, and more focused on resilience. In this environment, scale, infrastructure, pragmatic solutions and execution capability are critical. VAROPreem is well positioned to meet these challenges, serving customers across both conventional and sustainable energies while contributing to a more resilient energy system.

We continue to strengthen our operational performance and enhance safety, reliability and discipline across our system, recognising that consistent and efficient operations is what our customers expect and is essential as the business grows in scale and complexity.

We are building our commercial and integration execution capabilities. This includes integrating recent acquisitions, expanding key assets such as Coevorden – one of the largest biogas manufacturing facilities in Europe – and further developing the commercial and optimisation strength that underpins VAROPreem.

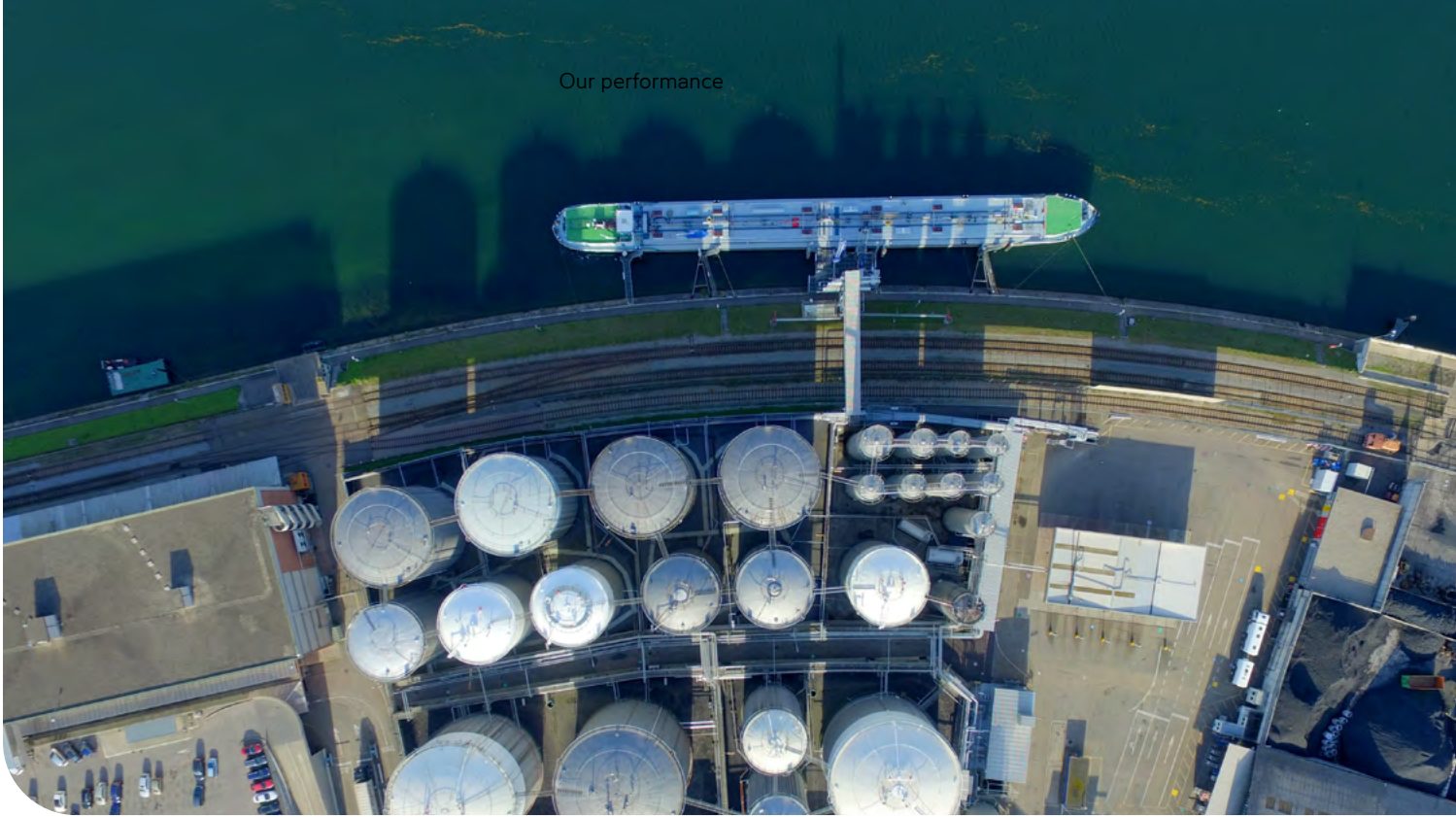
Together, these actions enhanced the scale, connectivity and effectiveness of our company, enabling us to better serve our customers and capture value across the system.

VAROPreem: scale, integration and resilience
VAROPreem brings together two highly complementary businesses across geography, industrial expertise and market reach. VARO’s integrated model – spanning sourcing, manufacturing, trading, logistics and customer solutions – now combines with Preem’s strong manufacturing base, world class renewable fuels technology and leading market position in Scandinavia.

Together, we operate six strategically located manufacturing hubs, supported by an extensive logistics network with access to more than 120 terminals, serving over 50,000 customers across 33 countries.

Scale is important, but how the system operates is more so. Our integrated value chain, from feedstock sourcing through to customer delivery, provides flexibility and resilience, enabling continuity of supply and a disciplined response to changing market conditions.

This integrated platform underpins our ‘twin-engine’ strategy: a strong and reliable conventional business, which we call Engine 1, alongside a scaled sustainable energies business, or Engine 2. Approximately 50% of earnings are now generated from sustainable energies, demonstrating the scale achieved in Engine 2 while maintaining the strength of our conventional energies business.



We are advancing the business through disciplined portfolio management and commercial execution, expanding our renewable fuels offerings, growing our manufacturing facilities, and further developing our biofuels, blending and trading capabilities.

Supporting customers through the transition
We serve a broad range of sectors, including road, marine, aviation and industry, providing both conventional fuels and renewable energy solutions tailored to customer needs.

In 2025, we entered into partnership with the Dutch Ministry of Defence to supply HVO30 across its operations demonstrating our ability to deliver lower-carbon fuels at scale to critical infrastructure.

At the same time, Preem launched Redefine HVO100 in Gothenburg, a fully renewable diesel carrying the Nordic Swan ecolabel, which was extended into Norway in early 2026.

Through these solutions, we support customers in reducing emissions while maintaining operational resilience and reliability.

In 2025, biofuels supplied to our customers contributed to avoiding more than 5 million tonnes of CO₂ emissions. We also continued to improve the sustainability of our own operations. All manufacturing hubs now operate on 100% low-carbon electricity and perform at a minimum Q1 level in the Solomon Carbon Emissions Index, providing a strong foundation for competitive, lower-carbon growth.

Outlook: executing at scale
As we enter 2026, our priority is clear: the successful integration of VAROPreem, maintaining strong operational and financial performance and building world-class organisational capability. We begin this next phase from a position of strength, with scale, critical infrastructure and a proven operating model. Our focus remains on disciplined execution, operational excellence and robust risk management.

Confidence in our strategy and long-term value creation is reflected in our engagement with financial partners. They provided financing for the VAROPreem transaction that was 90% oversubscribed and brought 15 new banks into the syndicate, from different geographies including the US, Europe, Middle East, Japan and Southeast Asia.

In a more volatile and resilience-focused energy system, companies with integrated assets and optimisation capabilities across the value chain will play an increasingly important role. VAROPreem is well positioned to meet this challenge, delivering energy security while building solutions that our customers have come to expect of us.

All of this would not have been possible without the dedication of our employees. I would like to thank them and our customers, partners and shareholders for their continued trust and commitment.



Q&A with Dev and Magnus

In today's more volatile and security focused environment, what role do you see VAROPreem playing in Europe's energy system?

Dev: I think the most significant change is that energy security and resilience is no longer something people talk about in abstract terms. It is real in the face of major geopolitical shocks. Customers and governments and markets are focused much more directly on reliability, and affordability while wanting more diversification through sustainable energies. In that environment, companies like VAROPreem have an important role to play. Our job is to keep energy moving, help customers manage through

volatility, and make sure the system remains dependable even when conditions are less predictable. Of course, the long-term transition still matters hugely not only as a means of enabling the growth of sustainable energies but also as a means for diversification. This is where I think VAROPreem has real relevance – of delivering resilience but at the same time moving the system forward through cost-effective sustainable energy solutions.

What does the creation of VAROPreem make possible that was harder for VARO or Preem to achieve alone?

Dev: The scale of the company makes possible a different level of flexibility. We can do more across a broader system, with more options in how we source, produce, optimise and serve customers. That matters in any market, but it matters even more in a volatile one, because it gives us more ways to react, respond, and optimise when conditions change. It also means we can be more helpful to customers. We are better placed to support their needs today, while also helping them navigate where their own businesses are going over time. So, for me, the real advantage is not just scale on paper. It is what that scale lets you do in practice.

Magnus: Yes, it is progressing well. At this stage, a lot of the work is about getting the basics right: aligning teams, processes, systems and decision making. That is the hard graft of any integration, and it really matters. But even at this stage, we are already starting to see the benefit of bringing the two businesses together. The clearest opportunities come from the broader asset base, the stronger logistics and trading platform, and the wider customer footprint. Over time, that should translate into better optimisation across the system, better customer solutions and better capital allocation.

Is the integration progressing, and where are you already seeing evidence of value creation?

How do you balance strong performance today with investment in the energy solutions customers will need tomorrow?

Dev: That is really the core challenge in this sector. You cannot run an energy company by focusing only on the future and ignoring what customers need today. But you also cannot just optimise for the present and hope the future takes care of itself. You have to do both at once. That is why our 'twin engine' strategy matters. Our business is about delivering secure and reliable energy today through both conventional and sustainable energies. It is about building and scaling energy solutions customers will increasingly need over time. The balance comes from staying close to customers, being disciplined in how we allocate capital, and investing where we can see a practical route to long term value. The transition is not going to happen in a straight line. Our job is to make sure we perform strongly now, while building the capabilities for the years ahead.

Magnus: In practice, it means we can do more for customers in one conversation. We can talk to them about security of supply, conventional fuels, renewable options, logistics and the regulatory backdrop, all through one platform. That is valuable because most customers are not looking at these things in isolation. They are trying to manage reliability, cost and transition at the same time. For some customers, that means more resilience in supply. For others, it means more choice in how they decarbonise. For many, it means having a partner that can help them deal with today's pressures without losing sight of where they are heading longer term.

How has the creation of VAROPreem changed what you can offer customers in practice?

Which market and regulatory developments are having the greatest impact on customers and on your business today?

Magnus: The two biggest themes are volatility and complexity. On the market side, customers are very focused on security of supply, affordability and resilience. They want to know that their energy partner can keep delivering, even when markets are moving around. On the regulatory side, the biggest issue is consistency. Customers are trying to plan ahead, and so are we, but that becomes harder when regulation moves quickly, or is interpreted differently across markets.

That is especially true in parts of the renewable fuels market, where predictability really matters. If you want customers to adopt new solutions at scale, and companies to keep investing behind them, you need frameworks that are clear, durable and workable in practice. So, from our side, the challenge is to stay close to customers, stay agile operationally, and keep responding in a way that works in the real world, not just in theory.

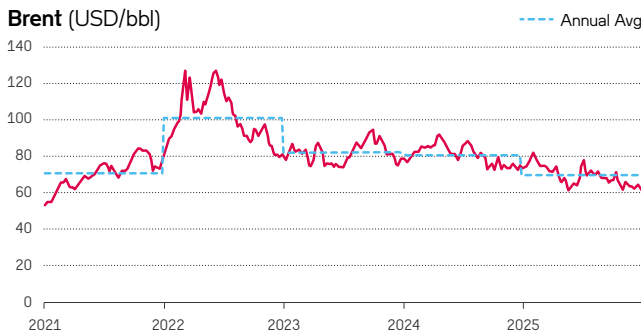
Group CFO report

Market overview

During 2025, global energy markets were shaped by persistent geopolitical uncertainty, evolving trade flows and an uneven macroeconomic backdrop. Compared with 2024, the environment was more supportive for refining and road fuels, with tighter regional supply and seasonal restocking underpinning strong product cracks for much of the year. Renewables and compliance markets also repriced materially as regulatory clarity improved, most notably in Germany and the Netherlands, increasing the value contribution of blending and ticket positions.

Oil price dynamics

In 2025, crude markets remained volatile, with prices generally trading within a broad range. Moves were driven by a shifting balance of supply disruption and sanctions headlines, OPEC and non-OPEC supply decisions and changing demand expectations. Across the year, the market also repeatedly reassessed refinery utilisation and global inventory levels, which contributed to short cycle repricing and sharp day to day moves.

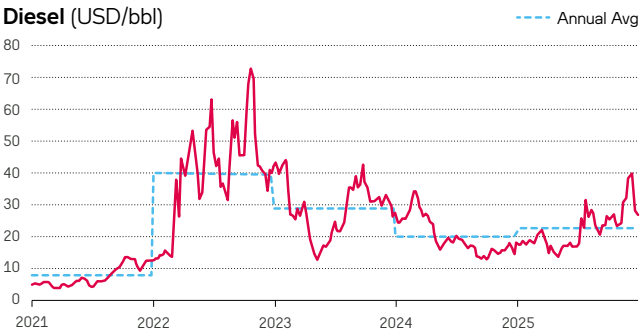


Crude structure saw several episodes of repricing through the year. Mediterranean logistics disruption and changes in Atlantic Basin arbitrage flows periodically affected prompt availability and differentials, with late year dislocations adding further complexity. These dynamics influenced crude selection and scheduling, particularly for refineries reliant on seaborne flows and inland logistics constraints. VARO managed these conditions through disciplined crude sourcing, active monitoring of timing risk and selective use of optionality to protect system security and value.

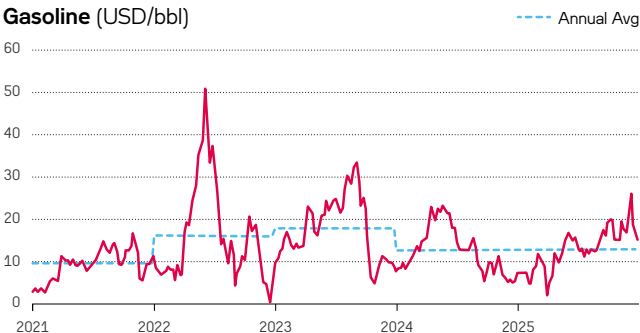
VARO continues to position its trading and sourcing activities to balance resilience with value capture under different price scenarios.

Product crack development

European product cracks strengthened across 2025, with the second half of the year notably more supportive than the first. Refining profitability benefited from strong diesel and gasoline cracks and episodes of regional tightness, although price signals remained volatile and structures rotated quickly as regional balances shifted.



While the refining environment was supportive overall, market dislocations continued to drive sharp structural swings. Gasoline structures rotated at various points as export outlets narrowed and inventories built, while distillates softened around expiry before stabilising on low inventory levels. In fuel oil, periods of structural weakness increased reliance on distillate margins to sustain simple run economics. VARO's refining and trading teams managed these rotations through disciplined optimisation of the physical system and active risk management.



Refining hedge positions moved inversely to the physical performance of refining in 2025. As market margins strengthened through the year, hedge results were negative, reflecting the protective nature of these positions under a weaker margin scenario. VARO continued to manage this volatility by balancing physical optimisation with disciplined hedging and working capital management.

“2025 was a year of strong delivery for VARO. Operationally, both refineries performed well and the Group navigated volatile markets with disciplined execution.

HSSE remained a core focus. Across the organisation, we continued to strengthen our operating management system, including the publication of process safety fundamentals and continued work on internal assurance planning.

Financial performance recovered materially versus 2024. The portfolio benefited from a supportive refining and road fuels macro environment, while Bio and Renewables delivered a major uplift as compliance economics tightened and pricing recovered. These tailwinds more than offset disruption and one-off costs linked to the January 2025 incident at the BAYERNOIL manufacturing hub, net of property damage and business interruption insurance recoveries, as well as the offsetting impact of refining hedge positions in a stronger margin environment.

Strategically, 2025 marked a decisive step in VARO's development. Final regulatory approval for the Preem acquisition was secured on 19 December, enabling final closing preparations and Day 1 readiness.

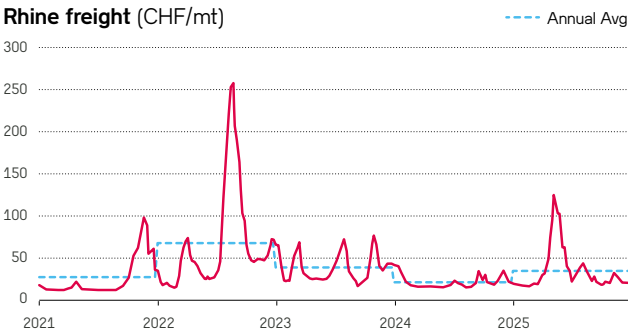
2025 also included important organisational milestones. VARO achieved a Gold rating in the 2025 EcoVadis assessment and strengthened governance across HR, IT, finance and communications. These actions support resilience, cost discipline and a scalable platform for growth and transition.

Georges Menane, Group CFO

Inland premiums

VARO earns inland premiums on product sales in Switzerland and southern Germany. These premiums reflect the costs and scarcity value associated with moving products inland and are influenced by water levels, barge availability, rail capacity and local supply demand balances.

Rhine freight conditions normalised versus the extreme volatility observed in 2022 and 2023, but continued to exhibit pronounced intra year swings. Water levels and logistics availability drove periods of tightness and release, with knock on effects for inland differentials and supply corridor economics.

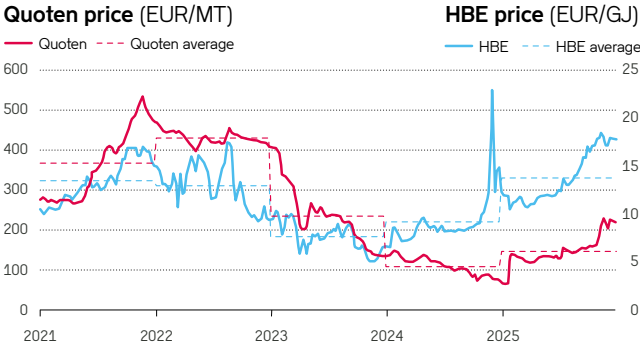


In Southern Germany, inland premia and local differentials were shaped by logistics constraints and the availability of regional refinery supply. Across the year, diesel and gasoline premia reflected alternating periods of tightness and relief as regional balances shifted.

VARO continued to optimise supply routes, blending and storage to protect customer supply and margin capture during periods of tightness. Inland performance was supported by strong commercial execution and by maintaining optionality across multiple supply corridors.

CO₂ emissions savings certificates and biofuels

In 2025, renewables and compliance markets repriced significantly as regulatory developments reduced uncertainty and tightened expectations for future compliance. German Quoten values recovered through the year and rose sharply in the fourth quarter. German Quoten went up to around €235 per ton by the end of the year, driven by a shift from policy uncertainty to structural tightening linked to implementation of RED III. Similar trends were visible in Dutch HBE ticket prices, which increased to around €18 per GJ by the end of the year supported by compliance driven demand ahead of improved regulatory clarity.



These stronger compliance economics supported Bio and Renewables performance across the Group, with higher ticket values, strong blending performance and improved premia for renewable components, including HVO. VARO continued to focus on supply optionality and active position management across 2025 and 2026, with the objective of balancing compliance delivery, commercial optimisation and risk discipline.

Carbon markets also remained an important factor for European energy and industrial economics. Price movements reflected a combination of compliance expectations, auction dynamics and broader macro sentiment. VARO's approach continues to combine disciplined compliance planning with active monitoring of market liquidity and regulatory change.



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The macro environment

The drive for an energy-secure and sustainable Europe continued in 2025, shaped by heightened geopolitical tension, structural market pressures and an evolving regulatory landscape.



The year was also marked by an escalation of sanctions regimes and the increasing fragmentation of global trade flows, creating regulatory complexity across jurisdictions and requiring active management of compliance, counterparties and operations. In several cases, this resulted in the forced wind-down of commercial relationships and the redirection of supply chains and flows, alongside continued disruption to gas flows into Europe and volatility in global oil markets. These dynamics persisted into early 2026, reinforcing the central role of energy security and system resilience.

More fundamentally, 2025 confirmed a shift in the nature of disruption. The energy system is no longer facing isolated shocks, but multiple, simultaneous pressures from geopolitics and supply chains to logistics constraints and new sources of demand. This combination of factors has increased operational complexity and reinforced the need for active risk and counterparty management. In this environment, uncertainty is not cyclical, but structural, with companies increasingly planning across a range of scenarios.

A transition shaped by pragmatism, security and execution

The energy transition is no longer seen as a linear process or a single pathway, but as a more complex and evolving system with multiple routes and outcomes. However, 2025 underscored that the challenge is no longer ambition, it is execution.

Policy frameworks such as the European Commission's Clean Industrial Deal and Affordable Energy Action Plan reflect a rebalancing of priorities. Decarbonisation remains central, but is now pursued alongside energy security, industrial competitiveness and affordability. As a result, the transition is becoming more pragmatic and more selective, with greater focus on solutions that can be delivered at scale.

Mature and scalable pathways - such as biofuels, biomethane and electrification - continued to progress. At the same time, less mature technologies, including hydrogen and e-fuels, faced delays due to cost, infrastructure and policy constraints. Markets, technologies and regulation are not moving in lockstep, reinforcing the need for flexibility and capital discipline.

Volatility, infrastructure and system resilience

Energy markets in 2025 were shaped not only by supply and demand, but by increasing constraints across the broader system. The year was characterised by pronounced price



volatility. Crude markets started strongly, supported by sanctions on Russia and expectations of robust seasonal demand, before correcting sharply in April following the announcement of new global tariffs and increasing supply. Prices rebounded mid-year amid escalating geopolitical tensions in the Middle East, including strikes on Iran, before trading in a lower and more volatile range towards year-end, reflecting expectations of oversupply.

Europe remains structurally dependent on imports, with the EU and UK importing more than 50 million tonnes of diesel and gasoil and over 25 million tonnes of jet fuel. A significant share of these flows passes through critical chokepoints such as the Strait of Hormuz, exposing the system to geopolitical and logistical risk. At times, these vulnerabilities became visible, with shipping constraints in the region disrupting flows and highlighting the fragility of key supply routes.

This is not a traditional supply issue. It reflects a system under stress, where logistics, insurance and geopolitics are constraining the movement of energy. As a result, energy security is no longer defined solely by access to resources, but by the resilience of the entire molecules-to-markets chain.

This system pressure was also reflected in market fundamentals. Refining margins moved counter to crude price trends. Following a weaker period in the second quarter of 2025 - when high crude prices and recession concerns pressured simple refinery economics - margins strengthened over the remainder of the year. This was driven by supply disruptions, continued restrictions on Russian-origin products into Europe, and strong demand for middle distillates, requiring European refineries to operate at high utilisation rates. Margins for key products such as diesel and gasoline remained strong for much of the year, with prices adjusting frequently in response to changing market conditions.

Logistics constraints added further complexity. Rhine water levels, inland freight capacity and congestion in key hubs such as ARA terminals affected product flows and inland premiums, requiring active management of supply routes and storage.

These dynamics were compounded by structural tightening in Europe’s refining system, where capacity has declined over the past decades. This has reduced flexibility and increased reliance on imports, leaving the market more exposed to disruption.

In this context, infrastructure has taken on renewed importance. Refineries, terminals and logistics networks are system-critical, essential to converting supply into reliable, usable energy.

This has also reframed the role of conventional energy. In a constrained system, conventional fuels remain foundational. Maintaining refining capacity, diversified supply routes and operational flexibility is critical to ensuring continuity of supply, particularly in structurally exposed regions such as Europe.

Policy ambition and political reality

Regulatory frameworks continued to advance in 2025, including the implementation of RED III, the expansion of emissions trading mechanisms and stricter CO₂ standards for transport. At the same time, compliance markets repriced significantly as regulatory clarity improved, particularly in Germany and the Netherlands.

This led to significant volatility in the value of blending and renewable components during 2025, driven by evolving regulatory clarity and differences in implementation across markets. Quota and ticket prices experienced sharp repricing during the year before strengthening towards year-end, supporting the economics of biofuels and other lower-carbon solutions overall.

However, the policy environment remains fragmented. Differences in interpretation of common frameworks continue to create barriers to cross-border flows and increase costs. This reinforces a central challenge: the gap between policy ambition and industrial execution.

What this means for VAROPreem

Against this backdrop, VAROPreem is positioned with a scaled and integrated system that combines critical infrastructure with growing sustainable capabilities, designed to operate reliably in a more volatile and constrained energy system. In this environment, our focus is clear: safety, operational resilience, effective risk management, supply security and continued delivery to our customers. This positioning enables the company to actively manage dislocations across supply, logistics and markets.

A key strength of this system is its conventional backbone. With approximately 530 kb/d of refining capacity across six strategically located manufacturing hubs, VAROPreem plays a direct role in converting global supply into products that can be delivered reliably to European customers. In a structurally tight and import-dependent market, this capacity is essential to securing supply to our customers and maintaining system stability.

At the same time, the company continues to scale its sustainable energy capabilities. In 2025, the Coevorden biogas facility expanded production capacity from 250 GWh to 450 GWh, while biofuels supplied to customers enabled savings of more than 5 million tonnes of CO₂ by replacing conventional fuels. Across manufacturing, all hubs now operate on 100% low-carbon electricity, supporting continued improvements in carbon intensity.

The integration of Preem further strengthens this model. The upgraded Synsat unit at the Lysekil refinery enables renewable production capacity of up to 900,000 m³ through co-processing, demonstrating how existing infrastructure can be repurposed to scale lower-carbon solutions efficiently and at pace.

This twin-engine model is particularly relevant in today’s environment. It allows VAROPreem to supply both conventional fuels and scalable lower-carbon solutions, adapting to shifting market conditions while ensuring continuity of supply.

Flexibility is central to this approach. The ability to process more than 100 crude grades, combined with an integrated value chain across sourcing, logistics, storage and trading, enables VAROPreem to adapt to disruptions, reroute flows and continue to operate safely and reliably under a wide range of scenarios.

This integrated model enables VAROPreem to respond to disruptions across supply, logistics and regulation without compromising operational continuity, and to actively manage dislocations rather than being passively exposed to them.



The Gothenburg refinery pioneered co-processing renewable feedstocks in 2010.

VAROPreem: a strategic combination

Strategic rationale

The creation of VAROPreem brings together two established energy companies with strong track records, complementary capabilities, and a shared commitment to safe, reliable performance. This combination is grounded in a clear strategic rationale: to build a company that is strongly positioned to deliver reliably to our customers, while navigating a rapidly changing energy landscape.

Both VARO and Preem are rooted in industrial strength, technical expertise, and a strong sense of responsibility. By combining these foundations, VAROPreem is not simply a larger organisation, but a more balanced and resilient one. The integration brings together experience, scale, and proven performance, creating a platform that is equipped to respond to evolving market dynamics, regulatory expectations, and changing demand across regions and sectors.

At its core, the combination reflects a pragmatic approach to the energy transition. It recognises that energy systems evolve, over time, and that companies must deliver both stability and progress. VAROPreem is designed to do exactly that: ensuring reliable and cost competitive energy solutions, while already delivering a balanced portfolio of conventional and sustainable solutions at scale.

Complementary strengths and value creation

The strength of VAROPreem lies in the complementary nature of the two businesses. Together, they combine industrial depth with commercial agility, creating an integrated model across the entire value chain.

On the industrial side, the company benefits from large-scale manufacturing capabilities, engineering expertise, and a strong track record in operating complex assets safely and efficiently. With six strategically positioned manufacturing hubs and access to more than 120 terminals, VAROPreem operates one of Europe's largest independent refining systems while also being one of the leading renewable fuel producers. This includes significant experience in delivering major projects and advancing renewable fuel production.

On the commercial side, VAROPreem brings deep market expertise, trading capabilities, and a broad reach across Europe. This enables optimisation across sourcing, manufacturing, trading, and distribution, supported by robust risk management and regulatory knowledge.

This combination creates value through integration. By connecting each part of the value chain, VAROPreem can optimise flows, respond to market changes in real time, and manage risk in a disciplined way, ensuring reliable energy supply to customers across road, marine, aviation, and industrial sectors. The result is a system that is both agile and controlled, capable of delivering consistent performance across different market conditions.

Scale further strengthens this position. Serving business customers across 33 countries, VAROPreem plays a meaningful role in European energy supply, meeting a

significant share of mobility demand. In doing so, it supports the regions and economies it serves, enabling progress and prosperity, while contributing to energy security and system resilience.

Positioned for today's energy system

VAROPreem operates in an energy system where geopolitical tensions, supply disruptions, and shifting trade flows are no longer exceptions but part of the operating environment. In this context, energy security and reliability are not abstract objectives, they are daily requirements.

Our twin-engine strategy reflects this reality, combining a strong conventional business with a robust and scalable sustainable energy business.

Engine 1 ensures the continued delivery of reliable energy at scale, supporting energy security across the markets we serve. Engine 2 focuses on the development and scaling of lower-carbon solutions, including biofuels, biogas, and e-mobility. Together, these engines already contribute broadly equally to our earnings, reflecting a balanced business model that delivers both today and for the future.

In a system where supply can tighten rapidly and logistics can shift within days, our strength lies in the ability to act across the full value chain. By connecting sourcing, manufacturing, trading, and distribution, we can redirect flows, optimise logistics, and maintain supply even as conditions change. This operational flexibility is essential to ensuring continuity across regions and transport routes.

At the same time, the balance between Engine 1 and Engine 2 provides resilience against concentration risk. We are not dependent on a single product, market, or pathway, allowing us to manage volatility and continue delivering energy even in periods of significant market dislocation.

The integration of both engines also creates practical pathways for transition. Existing infrastructure can be repurposed, renewable feedstocks can be co-processed, and new solutions can be integrated into established supply chains. At the same time, a significant share of our current business is already based on lower-carbon solutions, demonstrating that the transition is not only forward-looking but actively underway.

In this way, VAROPreem is positioned to provide the energy our customers and society need - when and how they need it - ensuring reliability, resilience and security of supply, while enabling progress and prosperity across the markets we serve.



Our twin-engine strategy



Providing energy solutions that ensure security and enable transition

VAROPreem’s twin-engine strategy is built to deliver growth and resilience in a changing energy landscape.

We manage critical infrastructure complemented by deep market expertise and strong customer relationships. This foundation allows us to strengthen energy security while scaling decarbonisation. Building on the achievements of our transformation strategy we are now driving the next phase of growth towards 2030 and beyond.

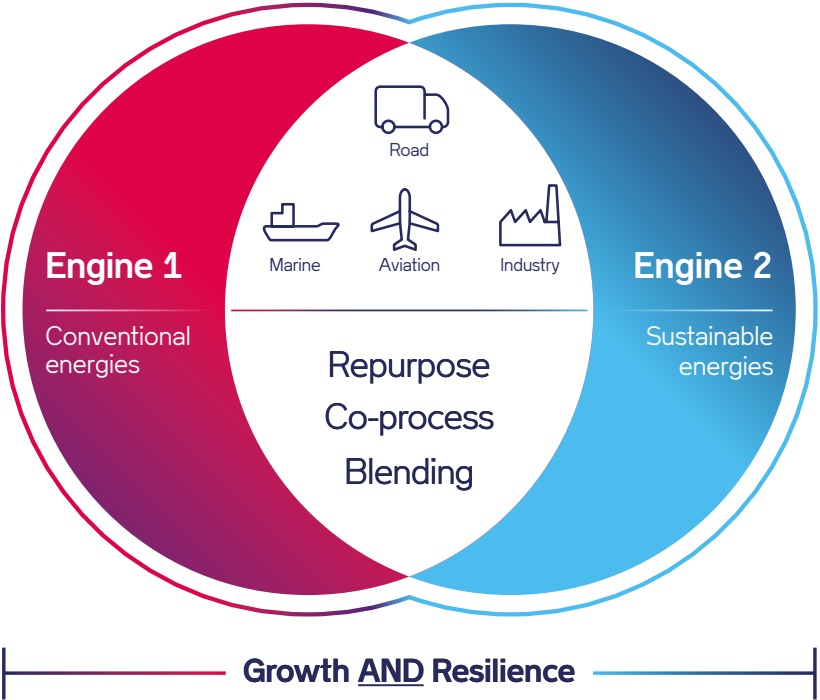
Our business model is built on two complementary engines that drive growth and resilience. They are equal in importance, with around 50% of earnings coming from each, and designed to work in harmony. Engine 1 is our conventional business and Engine 2 our sustainable business. This balance reduces exposure to single-market or single-product risks and strengthens our ability to ensure reliable energy supply, particularly in volatile market conditions.

This reflects a mature, scalable business model, built to evolve with demand for both conventional and sustainable energies at a pace guided by customer needs and market dynamics, ensuring we can adapt while continuing to deliver secure energy across cycles and transitions.

Our twin-engine strategy

The two engines are interconnected, rather than separate. Their intersection is where our transformation is most powerful: where we re-purpose existing infrastructure, co-process renewable feedstocks and blend new molecules into the fuels people already use. Here, we are not discarding the old. We are adapting and upgrading it to create the new. This is how we make the energy transition real, fast, and affordable.

Together, the two engines ensure that customers have both reliable supply and a clear pathway to decarbonisation, illustrating how energy security and the energy transition can advance side by side.



Delivering value with Engine 1

Integrated energy backbone generating resilient cash flows



Industrial scale

Six manufacturing hubs with ~530 kbd conventional fuels processing capacity

120+ terminals and distribution assets across Europe

Supply 10% of EU road and marine demand

A resilient backbone

Operating critical assets in key European markets

Portfolio integrated across the value chain

Top-tier performance assets

A profitable engine

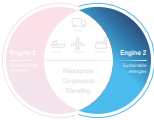
>\$1bn EBITDA FY26

>15% ROACE

Leverage (<2x) and strong liquidity (\$2bn)

Creating value with Engine 2

Unlocking scaled growth in sustainable fuels through large-scale asset repurposing



Build on existing strengths

Focus on molecules and services, not electrons

Leverage manufacturing and project execution capabilities for repurposing our assets

1.3m tonnes of renewable fuels capacity (2nd largest in Europe)

Create optionality

Engine 1 cash flows fund disciplined Engine 2 growth

Full value capture from feedstock to customer

Leading expertise in biofuel blending, trading and compliance across markets

Combine flexibility and discipline

Prioritise short-cycle projects aligned with customer demand

In house project delivery capability and selective value-accretive M&A

What sets VAROPreem apart?

An extensive supply network	We operate one of Europe's most extensive and integrated energy supply networks, combining strategic infrastructure and capabilities across the continent. Supplying around 10% of Europe's road and marine fuel needs, we ensure that the molecules our customers rely on are delivered securely and efficiently, every day even in volatile market conditions.
Integrated optimisation and risk management	VAROPreem's strength lies in its end-to-end integration from sourcing and manufacturing to blending, trading, and distribution. We leverage both our own and third-party infrastructure to maximise efficiency and value creation across the value chain. Our integrated supply and trading capabilities, supported by strong market and regulatory expertise, enable us to optimise value and respond effectively to changing market conditions.
Renewable fuels at scale	We have built one of Europe's largest renewable fuel businesses, with 1.3 million tonnes of annual production capacity and a proven ability to expand rapidly. As Europe's second-largest renewable fuels producer and a leader in co-processing, we combine industrial scale, technological know-how, and market reach to deliver low-carbon fuels at a competitive cost. This scale and capability allow us to deliver decarbonisation to our customers today.
A customer-centric energy partner	We work with our customers to help them make choices which are practical, competitive, and reliable. Using our proven commercial platform, we provide a full suite of conventional and renewable fuels, adapting our offer to each customer's needs. From road transport and marine to aviation and industry, we are a trusted partner helping businesses meet both performance and regulatory goals.
A proven growth trajectory	VARO has been one of Europe's fastest-growing downstream companies, while Preem has demonstrated the ability to design, build, and operate large-scale manufacturing assets. Together, we combine commercial agility with industrial depth, giving investors confidence in our ability to sustain growth and create long-term value. Our record speaks for itself. We have delivered on our 2022 ONE VARO Transformation strategy, delivered 19 months ahead of schedule, achieving transformation and value creation in parallel, turning strategic ambition into measurable results.

Our strategic priorities

Building on the achievements, VAROPreem is entering its next phase of growth.

Our priorities are clear: grow, lead, deliver, and integrate. Together, they ensure we continue to generate value while advancing Europe's energy evolution.

Grow	Lead	Deliver	Integrate
We will expand and optimise our critical infrastructure to strengthen our role as part of Europe's energy backbone. Our focus is on reliability, connectivity, and resilience, ensuring energy flows efficiently across regions and positioning us as the partner of choice for mobility customers, governments and industry.	We will deepen our leadership in renewable fuels, solidifying our position as Europe's second largest producer and a leading global supplier of sustainable fuels. Our priorities are to expand production capacity, diversify feedstocks, and selectively scale low-carbon solutions such as biogas and e-mobility, focusing where they create lasting value.	We will drive performance through operational excellence and digital innovation to maintain a competitive edge across our value chain in an evolving market and regulatory landscape. By leveraging our assets, technology, data, and advanced analytics, we will optimise operations, and strengthen our risk management framework and commercial agility.	We will realise the full value of the VAROPreem combination, capturing the synergies of two complementary businesses. Through integration, VAROPreem becomes greater than the sum of its parts - a unified energy leader with the scale, capability, and culture to drive growth, resilience, and long-term success.

Delivering on what we say

We have delivered on our 2022 Transformation strategy, tripling EBITDA and reaching a point where half of our earnings come from sustainable energies.

We are now defining new strategic targets through a joint strategy exercise, setting ambitious yet credible goals that will guide VAROPreem's growth over the next five years.

This achievement demonstrates our ability to transform while creating value, turning ambition into measurable results.

Our integrated value chain



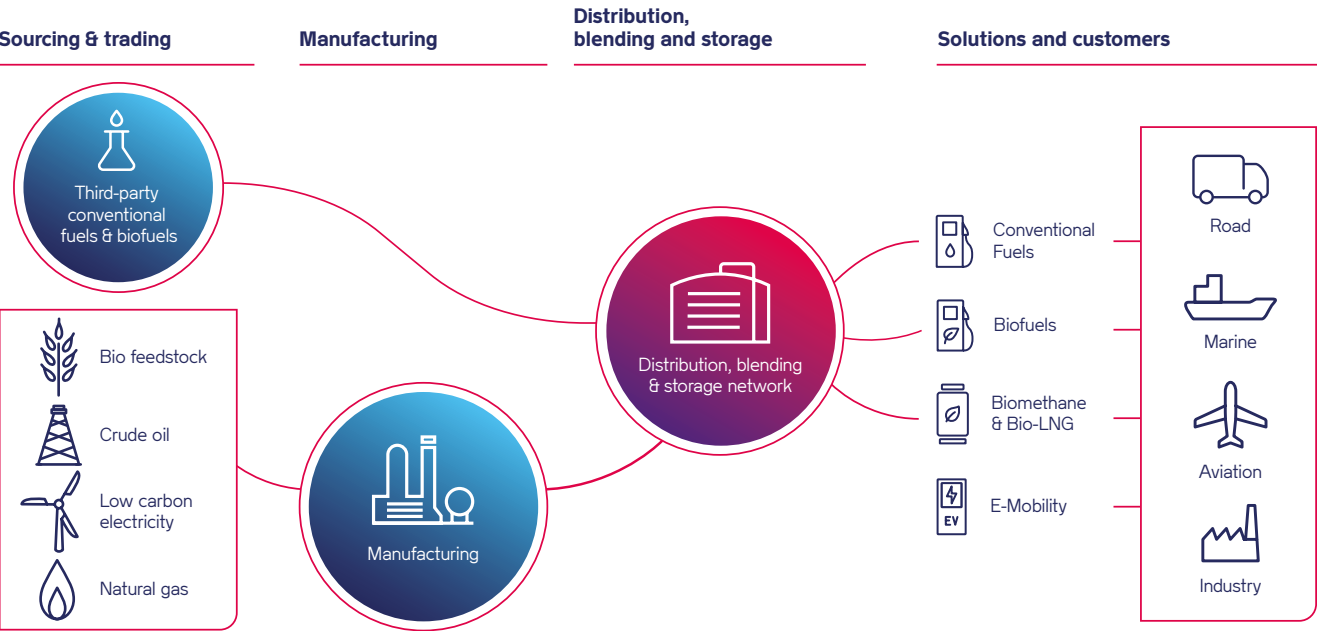
VAROPreem’s strength lies in how its entire value chain operates as one

Its integrated value chain connects feedstocks to customers through one system that delivers secure, efficient, and transparent energy supply, managing every molecule from sourcing and trading to manufacturing, blending and distribution.

In an increasingly complex and volatile energy landscape, where logistics, geopolitics and infrastructure can constrain flows, energy security depends not only on access to resources, but on the resilience of the entire system.

VAROPreem’s integrated model is designed to keep energy moving, with the scale, flexibility and operational control to adapt flows, diversify sourcing and maintain continuity across markets.

This is underpinned by significant manufacturing capacity, with approximately 530 kb/d providing the scale required to convert global supply into reliable energy for European customers.



The value of integration

Our integrated value chain is more than an operating model. It is a source of strength and competitive advantage.

By optimising make-or-buy decisions across every step of the value chain, VAROPreem captures value and ensures reliable supply across both conventional and sustainable energies, even in volatile market conditions.

Our integrated model delivers four key strengths:

Reliability

Secure supply and resilient operations under changing market conditions.

Efficiency

Optimised flows and asset utilisation across the chain.

Transparency

Traceability from sourcing to customer delivery.

Agility

Flexibility to respond to market shifts and scale new solutions.

Four regional value chains. One integrated platform

VAROPreem operates four regional value chains, in Scandinavia, Germany, Switzerland and Benelux & France, each anchored in strong local infrastructure and customer relationships.

Together, they form a single integrated platform that connects critical infrastructure across Europe, balancing supply and demand between regions and markets, while managing financial exposure and market risk in a volatile environment.

This structure combines local resilience with cross-regional optimisation, ensuring secure supply, efficient logistics, and commercial flexibility under all market conditions.

Scandinavia

In Sweden and Norway operations include refining, wholesale, retail, exports, and biofuels blending, centred on the Lysekil and Gothenburg manufacturing hubs, which together account for around 80% of Sweden's refining capacity. With eight terminals, four storage facilities, and approximately 500 retail stations across Sweden, we are a leading energy supplier to Scandinavian customers, combining scale with export flexibility.

Switzerland

Our operations centre around the Cressier manufacturing hub, the only fuel manufacturing facility in Switzerland. Activities include refining, wholesale, and B2B supply, focused on both conventional fuels and biofuels blending. With six terminals located in key strategic areas, we ensure secure and reliable domestic energy supply, supported by the broader optimisation of VAROPreem's integrated European network.

Germany

In Germany, operations span manufacturing, wholesale, bitumen, LPG, and marine bunkering. Through our 51.4% shareholding in BAYERNOIL, comprising two manufacturing hubs in Southern Germany, we operate in one of Europe's key economic regions. With 15 terminals located throughout the country, we ensure nationwide coverage and reliable supply across both conventional and renewable products.

Benelux & France

This region serves as a trading, storage, and blending hub, connecting northern European supply with continental demand. With strong wholesale activities, 20 terminals, approximately 160 retail stations and our inland bunkering network, our Benelux & France platform supports both conventional and biofuels value chains and provides vital export and import flexibility through key ports such as Rotterdam and Amsterdam.



Our sites operate under rigorous Health, Safety and Environment (HSE) standards

Critical infrastructure



Energy systems that keep Europe moving

Energy needs to flow and molecules need to move. Making that happen safely, reliably and efficiently is one of the most complex logistical challenges in today’s energy system.

In an increasingly uncertain environment, refining, logistics and distribution infrastructure are not just industrial assets, they are system critical. They underpin energy security, enable markets to function, and ensure that supply can be converted into usable energy where and when it is needed.

In recent years, the role of energy infrastructure has evolved. Facilities such as refineries – once primarily seen as industrial assets – are now recognised as essential to maintaining stable and secure energy systems. In a more volatile geopolitical environment, energy security has become closely linked to national priorities, with greater emphasis placed on the reliability of domestic and regional supply.

This is particularly relevant in Europe, where refining capacity has declined over time and few new facilities have been built in recent decades. Lysekil, for example, was commissioned in 1975 and remains one of the last major refineries constructed in the region. At the same time, Europe remains structurally dependent on energy imports, with net imports accounting for around 55–60% of its energy consumption. Today, existing infrastructure therefore plays a critical role not only in ensuring continuity of supply, but also in providing the foundation for adapting to changing energy needs.

In 2025, both VARO and Preem operated critical energy infrastructure in their respective markets. VARO’s system played a key role in supporting energy supply in Switzerland - with Cressier as the country’s only refinery - and across Europe, including Germany and the Netherlands, where its refining, storage and logistics infrastructure, including BAYERNOIL and the Coevorden bioenergy site, contributes to regional supply and distribution. At the same time, Preem’s operations form the backbone of fuel supply in Sweden and the Nordic region, with its Lysekil and Gothenburg refineries representing around 80% of Sweden’s refining capacity and underlining their importance to national supply. Across these core markets, the combined business holds strong positions, with around 30% market share in mobility demand in Switzerland, approximately 35% in the Benelux and close to 40% in Sweden, underlining the scale and system relevance of its infrastructure.

Following the combination of the two companies, this infrastructure now forms a more extensive and integrated system under VAROPreem, strengthening scale, connectivity and flexibility across regions.

An integrated system designed for resilience

Rather than a collection of individual assets, VAROPreem operates an interconnected infrastructure system. Manufacturing hubs, terminals, ports and distribution channels are linked to enable molecules to move efficiently across geographies – from feedstock sourcing to end customer – and to be redirected as market conditions evolve.

This integration enables resilience. At its core, resilience is about optionality: the ability to access multiple feedstocks, leverage different transport modes, and utilise a range of import and export routes. This flexibility allows us to respond to disruptions, manage volatility and maintain reliable supply across our markets.

Europe’s energy system remains structurally reliant on imports and exposed to external dynamics. Strategic reserves provide an important safeguard, but day-to-day system stability depends on the strength, flexibility and integration of commercial infrastructure.

Our network contributes to this resilience by enabling energy to move efficiently across regions and value chains. Renewable fuels produced in Sweden, for example, can be supplied to customers in other markets through our terminal and logistics network. We have expanded the availability of HVO across our system and now offer it through 25 terminals, demonstrating how an integrated network allows molecules to be directed where they are needed most.

Supporting both energy security and the transition

Our infrastructure is designed to meet current energy demand while enabling the gradual transition toward lower-carbon solutions. By integrating conventional and renewable molecules within the same system, we are able to maintain continuity of supply while scaling new energy solutions.

This is how our twin-engine strategy is delivered in practice. Existing infrastructure ensures reliable supply of conventional fuels, while also providing the platform to expand renewable fuels, biomethane and other lower-carbon alternatives.

Following the combination of VARO and Preem, the increased scale and geographic reach of our system further strengthen this capability.

Our critical infrastructure network

Our infrastructure operates as an integrated system, combining industrial assets and logistics capabilities to ensure reliable energy supply across regions and markets.

This includes:

Our six manufacturing hubs:

Lysekil, Gothenburg, Cressier, Neustadt & Vohburg and Coevorden, combining conventional refining with renewable fuel production. Together, they provide a processing capacity of approximately 530 kbd of conventional fuels, 1.3 million tonnes of renewable fuels and 450 GWh of biogas. Their geographic distribution and technical capabilities enable us to serve multiple markets while adapting to evolving demand and feedstock availability.

Our terminals:

with access to more than 120 terminals across Europe, including 46 owned and operated, our terminal network provides storage, blending and distribution flexibility. This extensive footprint ensures proximity to customers and enables us to respond quickly to changes in demand, supply conditions or regulation.

Our ports:

These give us strategic access to key deep-water ports, including Gothenburg and Lysekil, as well as ARA and Hamburg and provide import and export optionality for both feedstocks and finished products. These connections enable efficient global trade flows and strengthen our resilience in a dynamic market.

Our retail network:

With approximately 650 retail stations across Sweden and the Benelux, mainly through our brands Preem and Argos, we bring energy directly to consumers and commercial fleets. This network is increasingly integrated with renewable fuels and charging solutions, supporting customers’ evolving mobility needs.

Our inland bunkering network:

VAROPreem operates Europe’s largest inland bunkering network through its subsidiary, REINPLUS FIWADO. With over 100 years of experience, we are the leading supplier for inland waterways and cruise ships, offering a comprehensive range of renewable and conventional fuels.

Our critical infrastructure in practice

Manufacturing hubs

Our manufacturing hubs form the industrial backbone of our infrastructure system, combining scale, technical capability and geographic reach to ensure reliable supply and enable the growth of renewable energy solutions.

Operating assets of this scale requires a strong and consistent focus on safety. Doing business safely is our first priority. Each manufacturing hub operates under rigorous Health, Safety and Environment (HSE) standards designed to protect our people, our assets and the communities around us.

This strong operational foundation is what enables our hubs to perform reliably over time. These hubs ensure energy security, regional resilience and the capacity to scale renewable fuel production at pace. They also show how industrial infrastructure, when managed responsibly, becomes a catalyst for decarbonisation.

Lysekil, Sweden

Lysekil is our largest manufacturing hub and is situated in Sweden. It has a total refining capacity of 220 kbd and 1.0 mtpa renewable fuel capacity. It is one of the industry’s most complex facilities. The inauguration of the Synsat unit in Lysekil following a major revamp in 2025, enabled an increased renewable production capacity of 900,000 m³, through co-processing.

- 220 kbd total capacity
- 1.0 mtpa renewable fuel capacity
- 100% owned
- Opened in 1975

Gothenburg, Sweden

A leader in renewable fuel innovation, our Gothenburg facility has a total capacity of 132 kbd. The site pioneered co-processing renewable feedstocks in 2010 and continues to evolve. It produces 0.3 mtpa of renewable fuels (including HVO100), built on over a decade of advanced biofuel manufacturing expertise.

- 132 kbd total capacity
- 0.3 mtpa renewable fuel capacity
- 100% owned
- Opened in 1967

Cressier, Switzerland

Cressier is Switzerland’s only conventional fuel manufacturing facility and a critical component of national energy supply. It supplies approximately 30% of the national fuel market and is critical infrastructure for national supply. In 2023, together with Groupe E, we commissioned Switzerland’s most powerful ground-mounted solar farm (7.7 MW), capable

of providing up to 60% of the refinery’s electricity at peak. At the same time, we started supplying residual heat to a local district heating network, warming over 5,000 nearby households.

- 72.5 kbd total capacity
- 100% owned
- Opened in 1966

BAYERNOIL – Neustadt & Vohburg, Germany

A cornerstone of Germany’s energy landscape, BAYERNOIL is one of Europe’s largest and most modern refineries. Operating across two sites, Neustadt & Vohburg, it enhances efficiency and resilience through disciplined investment.

- 220 kbd total capacity
- 51.4% shareholding
- Built in 1964 (Neustadt) and 1967 (Vohburg)

Coevorden, The Netherlands

One of Europe’s largest biogas sites, Coevorden is central to VAROPreem’s bioenergy operations. A €100 million investment will more than double its capacity, from 250 GWh to 600 GWh by 2026. In 2025, we completed the first step of this plan, increasing capacity to 450 GWh following a debottlenecking project.

- 450 GWh biomethane capacity (600 GWh by 2026)
- Industrial scale plant with state-of-the-art monitoring and control systems
- 80% shareholding
- Built in 2017

Terminals, retail and distribution network

Our infrastructure extends beyond manufacturing through an integrated network of storage, logistics and customer-facing operations.

Our terminal network provides the flexibility to store, blend and distribute products efficiently across regions. This ensures proximity to customers and enables rapid response to changes in demand or supply conditions.

Our retail network, connects our infrastructure directly to end customers. Our two established brands, Preem in Scandinavia and Argos in the Netherlands, combine strong local heritage with the capabilities of an integrated energy company.

Preem is a household brand in Sweden with a comprehensive network of approximately 500 stations across the country providing consumers with fuel and charging solutions.



With a strong legacy of quality, service, and innovation, Preem plays a leading role in Sweden’s energy transition, expanding renewable fuel options and offering charging solutions for low-carbon mobility.

Trusted by millions of drivers and businesses, the brand embodies Scandinavian reliability and performance.

Argos is one of the Netherlands’ most established fuel brands, with a growing network of stations serving both consumers and fleets.

Known for reliability, local accessibility, and value, Argos is expanding its offer to include renewable fuels and e-mobility solutions while maintaining its strong reputation for efficient service and competitive pricing.

Argos’ approachable, community-oriented stations make it a trusted energy partner for drivers and small businesses across the Netherlands.

Whether supplying road fuels, renewable products, or charging solutions, our stations keep customers moving every day, delivering convenience, reliability, and sustainable energy options wherever they are.

In parallel, our inland bunkering operations, through REINPLUS FIWADO, form Europe’s largest network of their kind, enabling efficient fuel supply across key inland waterways and supporting both conventional and renewable marine fuels.

Together, these elements form a coordinated system that ensures continuity of supply, operational flexibility and direct access to customers across our core markets.



The control room at our Cressier manufacturing hub

Logistics enabling flexibility and reach

A reliable logistics system is essential to ensuring that energy reaches customers efficiently and securely. We rely on a combination of rail, pipe, marine and road transport to move feedstocks and finished products across Europe.

Rail plays a central role in connecting manufacturing hubs with terminals and key demand centres. We continue to strengthen rail capacity and infrastructure across our network to increase flexibility and reduce reliance on road transport. Through our co-operation with DARE Amsterdam, we have added new rail connections and ethanol storage capacity at the Port of Amsterdam, enhancing regional connectivity and providing an alternative to Rhine freight routes. Rail transport also offers a significantly lower carbon footprint than road haulage and contributes to reducing emissions across our logistics system.

Barge transport is a key pillar of our distribution network, particularly for bulk movements along major waterways such as the Rhine, Maas and Elbe. It enables efficient, large-scale transport of products while offering one of the lowest carbon footprints per tonne-kilometre among freight modes. We continue to work with partners to improve fleet efficiency and explore the use of biofuels and renewable marine fuels in barge operations.

Road transport ensures reliable last-mile delivery to customers and service stations. It remains essential to maintaining consistent supply, particularly for local and short-distance distribution.

Together, these logistics capabilities allow us to optimise flows across our network, reduce bottlenecks and maintain supply, even in a changing and sometimes constrained environment.

Investing in the backbone of the energy system

Maintaining and strengthening infrastructure is essential to ensuring long-term performance and resilience. We invest continuously in our assets to enhance safety, efficiency and flexibility, while preparing them for evolving energy requirements.

This includes expanding renewable fuel capabilities within existing manufacturing assets, increasing storage and blending flexibility across our network, and advancing decarbonisation initiatives across our sites.

Recent and ongoing investments include:

- Significant renewable fuel co-processing investments completed at the Gothenburg and Lysekil manufacturing hubs, with co-processing opportunities currently being assessed at our Cressier site.
- Ongoing construction of pretreatment capability in Lysekil.
- All manufacturing hubs operating at Q1 Solomon Carbon Emissions Index™ (CEI™) and certified under ISO 45001 (Occupational Health & Safety) and ISO 14001 (Environmental Management) standards.
- Decarbonisation programme at the Cressier manufacturing hub, including the installation of Switzerland's largest ground-mounted solar facility and a district heating programme supplying waste heat to nearby communities.
- Expansion of storage terminals across our European network, increasing capacity and enhancing operational flexibility through additional tanks and blending facilities.
- Production capacity expansion at our Coevorden manufacturing hub from 250 GWh to 450 GWh, with plans to reach approximately 600 GWh by 2026.

As a long-term operator of critical infrastructure, we work closely with the regions in which we operate. Our assets support local economies, create skilled employment and contribute to the stability of the broader energy system.

A foundation for the future

Reliable infrastructure remains essential to both energy security and the energy transition. In a context where security, resilience and competitiveness are increasingly shaping the energy system, infrastructure such as ours is not only industrial in nature; it is system-critical.

For VAROPreem, this is reflected in how we operate and develop our assets. Our refineries, terminals, storage capacity and logistics network form an integrated system that enables energy to move reliably across regions and markets.

In Europe, where refining capacity has declined and import dependency has increased, the ability to operate and adapt existing infrastructure has become increasingly important. This includes repurposing assets, expanding flexibility in our terminal and storage network, and integrating renewable feedstocks into conventional systems through co-processing.

These capabilities allow us to optimise flows across our network – drawing on multiple feedstocks, routes and distribution channels – and to direct molecules where they are needed most. This operational optionality is a defining characteristic of resilient infrastructure.

Owning and operating this infrastructure is therefore a clear advantage. It provides the ability to respond to changing market conditions, maintain continuity of supply and balance evolving demand across regions.

At the same time, storage and distribution capacity are becoming increasingly critical, as strategic reserves alone are not sufficient to ensure day-to-day system flexibility. Our terminal network and logistics capabilities play a central role in bridging this gap.

By combining industrial capability, integrated logistics and the ability to adapt existing assets, VAROPreem is able to deliver energy reliably today while supporting the gradual shift toward lower-carbon solutions, ensuring progress and prosperity for the communities we serve.



Lysekil is the last major refinery built in Europe (1975).

Energy solutions for mobility and industry

VAROPreem provides the energy solutions that keep Europe moving from conventional fuels to low-carbon alternatives, serving road, marine, aviation and industrial customers.



As an integrated energy company, we operate across the full value chain, from sourcing and manufacturing to storage, distribution and delivery. This allows us to ensure reliable supply while offering a range of solutions tailored to different customer needs.

Our role is to support customers in ensuring reliable and affordable energy supply, while progressing decarbonisation in a pragmatic way. Customers operate in different markets, face different regulatory requirements and have varying levels of ambition and cost sensitivity.

We therefore take a pragmatic approach, in line with regulations and our customers’ needs, providing a broad set of energy options and supporting them in choosing the pathway that best fits their operations, timelines and economic realities.

Road

Keeping people, goods and business moving

Road transport is the backbone of modern mobility, with cars, light-duty vehicles, buses and trucks moving people and goods every day. At VAROPreem, we supply the energy that keeps this system running, meeting around 10% of Europe’s total road fuel demand through a broad portfolio

of conventional fuels, renewable fuels and e-mobility solutions that serve wholesalers, retail networks, fleet operators and end consumers.

The future of road transport is shaped by both regulation and economics. Stricter emission standards, zero-emission zones and carbon pricing are accelerating the adoption of renewable fuels and electrification, while total cost of ownership (TCO) remains the key factor guiding fleet decisions.

Supporting customers in this transition requires balancing decarbonisation ambitions with affordability and operational realities. We engage with customers based on their preferred pace of transition, providing a transparent view of available energy options and helping them navigate cost, regulation and security of supply.

Regulation shaping the future of road transport

Regulation in road transport is becoming more complex, making it harder for operators to stay competitive and compliant. New frameworks set targets for renewable energy, introduce carbon pricing and define performance standards for vehicles – all aimed at reducing emissions across the transport system.

2025 highlights

Supplied **1.3 million m³ of liquid biofuels**, supporting growing demand for lower-carbon road fuels

Significantly increased HVO volumes, including around **70% growth** in the Netherlands and even higher growth in Germany, driven by improved availability and increased customer engagement

Secured landmark agreements, including the supply of HVO30 to the Dutch Ministry of Defence, demonstrating growing demand from institutional customers

Expanded renewable fuel production capacity at the Lysekil refinery, following the upgrade of the facility, strengthening our ability to supply renewable products at scale

Launched Preem Redefine HVO100, the first HVO100 to receive the **Nordic Swan Ecolabel**, delivering at least 90% emissions reduction

Expanded e-mobility solutions, with **4,690 new charging points** installed and continued rollout of charging infrastructure

Secured an EU grant for the development of **76 public truck charging sites** in Germany and the Netherlands, supporting the electrification of heavy-duty transport



Key developments include:

- Toll and road tax reform: linking toll costs to CO₂ emissions and vehicle efficiency
- Renewable Energy Directive III (RED III): strengthening the role of advanced biofuels and bio-LNG
- EU Emissions Trading System for Road Transport (ETS 2): extending carbon pricing to transport fuels
- CO₂ emission standards: accelerating the rollout of zero-emission vehicles
- Zero-emission zones (ZEZs): reshaping urban logistics and increasing demand for electric fleets

Together, these developments create a more demanding operating environment. For most operators, affordability remains the key driver. Even where decarbonisation ambitions are high, cost competitiveness and total cost of ownership continue to shape decision-making, particularly in sectors with tight margins.

Our solutions for road transport

VAROPreem serves a diverse customer base across Europe – including wholesalers, fleet operators, retail networks and individual consumers – through a multi-product offering that combines conventional and sustainable solutions.

Conventional fuels

Gasoline and diesel remain the primary fuels for road transport across Europe. VAROPreem supplies these products through an integrated value chain, ensuring consistent quality and reliable availability for wholesalers, fleets and retail customers.

Most road fuels in Europe already contain a share of bio-components in line with national blending rules, for example E5 or E10 in gasoline and B7 in diesel. VAROPreem helps customers meet these requirements by producing renewable components through co-processing, sourcing additional bio-content through our trading operations, and blending fuels across our terminal network.

This ensures customers receive compliant products that meet national standards while keeping their operations running efficiently.

HVO100:

VARO Renewable Diesel

Is a high-performance, fossil-free diesel made entirely from renewable raw materials designed for businesses ready to reduce emissions without disrupting operations. Whether you’re managing logistics, inland shipping, public transport, or industrial machinery, VARO Renewable Diesel offers a seamless transition to low-carbon mobility.

Key benefits of VARO Renewable Diesel®:

- Drop-in fuel: With best-in-class specifications, compatible with diesel engines without modification (meets DIN EN 15940), whether in pure form or blended with conventional diesel.
- CO₂ reduction: Guaranteed reduction in CO₂ emissions between 80% and 90%.
- Sustainability impact: Certified in accordance with ISCC (International Sustainability and Carbon Certification) and the EU Renewable Energy Directive (RED).
- Commercial options: Tailored to your decarbonisation strategy with full transparency on sustainability performance.
- Excellent performance: Ensures smooth engine operation, high comfort, and long-term fuel storage without quality loss.

Preem Redefine HVO100

Is a high-quality renewable diesel carrying the Nordic Swan Ecolabel, containing zero percent fossil oil.

Key benefits of Preem Redefine HVO100:

- Produced in Gothenburg at Preem’s refinery.
- Carrying the Nordic Swan Ecolabel – meets its criteria for liquid fuels.
- Available at 59 Preem fueling stations starting in May 2025.
- Renewable diesel that is chemically equivalent to fossil diesel – works as a full replacement.
- At least 90 percent lower fossil greenhouse gas emissions compared to fossil diesel.
- High cold resistance – adapted for Nordic climate.
- Raw material base that does not contain palm oil, palm by-products, and soy oil.
- Compatible with existing diesel vehicles – approval from the vehicle manufacturer is recommended before using HVO100. If the fuel cap on your vehicle is marked with “XTL,” it means that the vehicle is approved to use HVO100 and thus also Preem Redefine HVO100.

E-Mobility

Electrification is expanding across road transport, particularly in urban mobility and light-duty fleets. VAROPreem supports this shift with practical charging solutions for both consumers and commercial operators.

Fleet operators today face increasing pressure to cut emissions, without compromising on uptime or performance. Elaxon, a VAROPreem company spanning 26 countries, offers reliable, cost-effective charging solutions specifically designed for heavy-duty trucks (electric trucks) and light commercial vehicles (electric LCVs), supported by deep expertise in renewable energy and power markets.

Our offering brings together power supply, renewable energy certificates and charge point operation services into one integrated solution, allowing customers to implement charging in a way that fits their operational requirements. This integrated approach is delivered through a combination of specialised platforms and capabilities within VAROPreem. Through elaxon, we design, build and operate charging infrastructure for commercial fleets, supporting both depot-based and high-capacity charging solutions. Preem e-mobility, provides public charging at selected retail locations in Sweden, ensuring reliable access for everyday mobility. In parallel, VARO Charging focuses on developing high-capacity charging hubs for heavy-duty transport and through Road, VAROPreem adds the digital layer to this offering, providing software and services that enable the operation of charging networks, including payment, billing and customer access.

Together, these capabilities allow us to deliver practical, scalable and cost-efficient charging solutions that complement our renewable fuels offering, giving customers a balanced set of options as they plan their transition.

Supporting customer decisions

The transition in road transport is not one-size-fits-all. Customers differ in their level of ambition, operational constraints and ability to absorb higher costs.

VAROPreem supports customers with its broad portfolio but also with solutions such as the Total Cost of Ownership (TCO) Tool, introduced in 2025 by VARO. This is a free, online platform designed to help commercial fleet operators assess the financial and environmental impact of different fuel and vehicle options.

The TCO model enables fleet operators to compare different energy solutions, including diesel, HVO100, electric vehicles and bio-LNG, across both cost and emissions. Customers can simulate different scenarios by adjusting variables such as energy prices, taxation and CO₂ costs, including the expected impact of ETS2. This allows them to assess long-term cost exposure and make informed decisions about fleet transition.

Key features of the tool include:

- Customised analysis: Simulates different scenarios based on individual fleet profiles
- Multi-fuel comparison: Covers conventional and renewable fuel types
- Emissions transparency: Highlights CO₂ savings and cost implications
- Localised inputs: Includes market-specific energy prices and subsidies

Available in English and German, the TCO Tool brings clarity to complexity, supporting data-driven decisions for a low-carbon future. By making the tool publicly available and easy to use, we provide customers with clear, quantified insights, helping them navigate complexity and plan their transition with confidence.



Marine

Powering global trade and maritime transport

VAROPreem has been a trusted marine energy supplier for over a century. Built on the legacy of its predecessor companies, we bring more than 100 years of experience in supplying the fuels that keep global trade and logistics moving.

Bunkering is at the heart of maritime transport, enabling ships to move goods, connect markets and support global supply chains. Through our presence across key European ports and inland waterways, we provide reliable access to the energy that underpins maritime operations.

We offer a comprehensive range of marine fuels, both conventional and renewable, supporting our customers in maintaining operational performance while navigating the transition toward more sustainable shipping.

Marine bunkering

Shipping is the backbone of the global economy, enabling the efficient and cost-effective transport of goods and raw materials worldwide. It supports global trade, connects businesses to international markets and remains a vital component of modern supply chains.

Shipping remains the most efficient mode of transport on a tonne-per-mile basis and is essential to the functioning of the global economy.

At the same time, the sector is undergoing a structural shift. While maritime transport accounts for around 3% of global emissions, the introduction of EU ETS for marine and FuelEU Maritime is accelerating the transition from voluntary decarbonisation to regulatory compliance.

In this evolving environment, shipowners and operators face increasing pressure to reduce emissions while maintaining operational efficiency and cost competitiveness. At VAROPreem, we support this transition with practical solutions that are available today.

As a leading supplier in Europe, we provide approximately 10% of marine fuel demand, offering both conventional and renewable fuel solutions. Our solutions serve a wide range of maritime customers such as container lines, cruise lines, bulk and RoRo carriers, ferry companies and tanker fleets. And our approach focuses on enabling immediate emissions reductions through drop-in fuels, designed to reduce greenhouse gas (GHG) emissions without requiring significant investments in new ship engines or port infrastructure.

Reflecting our twin-engine approach, we continue to supply conventional marine fuels from established production hubs such as Hamburg, while expanding the availability of renewable marine fuels through our blending and supply capabilities in the ARA region.

Building on this, VAROPreem offers a comprehensive portfolio of marine fuel solutions, combining conventional products with renewable alternatives to support both operational performance and emissions reduction.



Conventional marine fuels

VAROPreem offers a full range of conventional marine fuels tailored to diverse vessel needs, including Gasoil DMA and high/low sulphur fuel oils.

This service is available in Northern Germany (including the key port of Hamburg) and across Scandinavia, supporting all maritime operations from short-sea shipping to ocean-going vessels.

Key benefits:

- Flexible delivery options across key ports in Northern Germany (including Hamburg) and Scandinavia.
- Reliable supply through local storage and distribution infrastructure.
- Fuels meet international marine quality standards.
- Suitable for a wide variety of vessel types and engine configurations.

Marine biofuels

We offer a comprehensive range of drop-in marine biofuels. VAROPreem’s FAME-based (EN14214) and blended bio marine fuels are available as BMF24, BMF30, and BMF100, as well as custom blends on request.

Produced from 100% waste- and residue-based feedstocks, these are drop-in fuels compatible with existing engines and require no technical modifications.

What makes our portfolio distinctive is our blending expertise. In addition to FAME-based biofuels, we develop proprietary VAROPreem blended solutions, including fuels with 100% biological components. These blends are designed to deliver high performance and consistent quality,

while providing a reliable and cost-effective pathway to decarbonisation.

This capability is closely linked to our approach of working alongside customers. By identifying suitable product streams and co-developing blends with shipping companies, we have been able to test and deploy these solutions at scale across different vessel types, ensuring both operational performance and security of supply.

Key benefits:

- Flexible supply options in all ports of the Netherlands, Antwerp and Zeebrugge.
- Derived from 100% waste & residue feedstocks (non-food, non-feed).
- Competitive pricing compared with standard FAME.
- Well-to-wake GHG reduction of 85-93% versus conventional fuels.
- Qualifies for zero tank-to-wake emissions under EU-ETS (as RED-certified biofuels are 0 gCO₂eq/MJ).
- Creates the possibility of over-compliance for use in banking or compliance pools.
- Uses feedstocks that do not compete with road or aviation applications.

Our marine biofuels are certified under the International Sustainability and Carbon Certification (ISCC) scheme, guaranteeing compliance with strict EU sustainability and traceability standards.

2025 highlights

Significantly increased HVO volumes, including around **70% growth** in the Netherlands and even higher growth in Germany, driven by improved availability and increased customer engagement

Expanded the availability of bio-LNG in Germany and Belgium, bringing renewable fuel solutions to market through wholesale customers and enabling broader access across distribution networks

Expanded our marine biofuels portfolio, including proprietary VAROPreem blends with 100% biological components, supporting customers in reducing emissions without operational changes

Progressed co-development with customers, working alongside shipping companies to test and **deploy biofuel blends** at scale across different vessel types

Celebrated **100 years of REINPLUS FIWADO**, reinforcing our long-standing role in supplying fuel across Europe’s inland waterways and supporting energy flows along the Rhine corridor

Inland bunkering

Inland shipping is vital for Europe’s economy, connecting industries and communities across borders and supporting the efficient movement of goods along key waterways. As the energy landscape evolves, inland shipping is also progressing on its own path towards decarbonisation.

VAROPreem operates Europe’s largest inland bunkering network through its subsidiary REINPLUS FIWADO. With more than 100 years of experience, REINPLUS FIWADO is a leading supplier to inland vessels and cruise ships, ensuring reliable access to energy across one of Europe’s busiest inland transport corridors.

Our network is centred around the River Rhine and its key tributaries, with 13 bunker locations strategically positioned to provide comprehensive coverage. This allows us to deliver fuels efficiently and consistently across a wide range of inland shipping operations.

Through this network, we supply a full portfolio of conventional fuels, lubricants and renewable alternatives, including HVO100 and bio-marine fuels. By combining product availability with strong logistics capabilities, we ensure that customers can access the energy they need – both today and as they transition towards lower-carbon operations.

A key advantage of inland bunkering lies in its flexibility. Our customers can adopt drop-in renewable fuels without requiring changes to engines or infrastructure, enabling immediate emissions reductions while maintaining operational efficiency.

By leveraging long-standing expertise in fuel supply, blending and logistics, REINPLUS FIWADO supports the resilience of inland transport while contributing to its gradual decarbonisation.

Aviation

Performance and decarbonisation in aviation

The aviation industry is under growing pressure to reduce its carbon footprint while continuing to meet rising global demand for air travel. Accounting for approximately 2–3% of global CO₂ emissions, the sector is transitioning from voluntary commitments to increasingly stringent regulatory requirements, driven by expectations from governments, investors and climate-conscious passengers.

Airlines are actively seeking scalable, low-carbon solutions to future-proof their operations.

At VAROPreem, we help airlines decarbonise with practical, scalable fuel solutions, enabling compliance, supply security, and long-term operational resilience as the market for Sustainable Aviation Fuels (SAF) expands. SAF offers a proven pathway for our customers to:

- Achieve significant emissions reductions without fleet or infrastructure changes
- Comply with mandates such as ReFuelEU Aviation, CORSIA, and ETS
- Strengthen ESG credentials and respond to rising customer and investor demand for sustainable travel
- Future-proof operations against rising carbon costs and regulatory risks

Our role in aviation energy supply

VAROPreem is a critical partner to Europe’s aviation sector, producing, storing and delivering the energy required for airlines to sustain performance and enable decarbonisation. The integration of VARO and Preem brings together a high-performance, end-to-end supply chain, spanning feedstock sourcing, production, storage and distribution of both conventional and renewable fuels.

This integrated platform enables aviation customers to decarbonise, while ensuring secure supply and compliance with evolving regulatory frameworks such as ReFuelEU Aviation and the EU Emissions Trading System (ETS).

We support our customers by:

- Leveraging our integrated manufacturing and trading platform to ensure secure, high-quality jet fuel and SAF supply across key European markets.
- Providing compliance as a service through our sustainability and certification expertise.
- Delivering through a resilient, integrated logistics system that combines storage, distribution, and trading to meet customer needs efficiently and reliably.

Our solutions for aviation

Conventional jet fuel
A stable and competitively priced supply of conventional jet fuel remains essential for the aviation industry.

It ensures operational continuity across fleets, supports route flexibility, and underpins cost efficiency in a highly price-sensitive sector.

As a major manufacturer and distributor, VAROPreem delivers secure, high-quality jet fuels that provide airlines with peace of mind on energy supply – enabling them to decarbonise, in line with their customers’ preferences.

Sustainable Aviation Fuel (SAF)
SAF is a drop-in solution for cleaner combustion.

SAF offers airlines a practical, immediate and scalable path to reduce lifecycle carbon emissions and comply with mandates such as ReFuelEU Aviation, CORSIA, and ETS. It enables decarbonisation without requiring changes to existing aircraft or infrastructure, making it a drop-in solution that supports operational continuity.

It can be supplied physically in blended form with conventional jet fuel or through a Book & Claim system, offering customers flexibility in how they meet decarbonisation goals.



Aviation accounts for roughly 2-3% of global CO₂ emissions

Industry

Energy as a foundation for industrial competitiveness

Affordable and reliable energy is the foundation of industrial competitiveness. From cement and steel to food processing, defence and chemicals, industries depend on continuous, high-quality energy and feedstock supply to operate.

VAROPreem plays a central role as critical energy infrastructure, producing, storing and delivering the energy that keeps industries running. With the combined strength of VARO and Preem, we have built one of Europe's most integrated energy systems, enabling industries to decarbonise without compromising performance or affordability.

- We support industrial customers by:
- Supplying energy to key industrial regions across Europe
 - Operating extensive refining, storage and logistics assets
 - Ensuring secure, efficient and reliable supply across both conventional and sustainable solutions

Balancing competitiveness and decarbonisation

The industrial landscape is changing rapidly. Companies are under growing pressure to reduce emissions, comply with tightening regulations and remain competitive in global markets.

Industrial players are increasingly expected to decarbonise both their energy use and their feedstocks in response to Europe's climate ambitions. Initiatives such as the EU Green Deal and the Fit for 55 package are driving deep emissions reductions, while mechanisms such as the EU Emissions Trading System (ETS) and Carbon Border Adjustment Mechanism (CBAM) are making carbon intensity a direct factor in competitiveness.

While switching to renewable energy can reduce operational emissions, decarbonising feedstocks by replacing fossil-based inputs with bio-based or recycled materials is becoming increasingly important to address Scope 3 emissions and support broader value chain decarbonisation.

In this environment, companies must balance decarbonisation with operational continuity, cost competitiveness and supply security.

Supporting our customers

Every industrial company is at a different stage in its decarbonisation journey. VAROPreem works with customers across these different starting points by providing reliable and competitive solutions that align with their operational and commercial priorities.

Through our integrated value chain and broad product portfolio, we support customers by ensuring the continuity of energy supply while enabling the gradual adoption of lower-carbon solutions.

Our solutions for industry

Conventional energies & feedstocks

Conventional energies and feedstocks have long been the backbone of industrial production due to their high energy density, established infrastructure, and availability.

As a manufacturer and distributor of conventional energies and feedstocks, VAROPreem delivers a range of products that provide industrial players with peace of mind around security of supply, enabling them to decarbonise in line with their customers' preferences. Alongside conventional fuels, we are producing valuable products for some industries such as bitumen, naphtha or LPG.



Biofuels

Biofuels offer a practical and scalable way to decarbonise industrial energy use and feedstocks. Derived from renewable biological sources, they can often be used in existing infrastructure with minimal modifications.

- Benefits include:
- Lower lifecycle emissions compared to conventional fuels.
 - Compatibility with existing engines and boilers.
 - Diverse sourcing options, including waste-based feedstocks, not competing with food & feed value chains.

Whether it's biodiesel, bioethanol or one of our other advanced biofuels, these solutions help industries transition without compromising performance.

Biomethane

Renewable gas for industrial heat and power. Biomethane, produced from organic waste via anaerobic digestion or gasification, is a powerful tool for decarbonising industrial heat and power. It is chemically identical to natural gas, making it a seamless substitute in existing systems.

- Key advantages:
- Significant emissions reduction, subject to the feedstocks used in the biomethane production.
 - Grid-injectable and transportable, enabling flexible deployment.
 - Supports the circular economy by valorising organic waste streams.

Industries can use biomethane for high-temperature processes, CHP systems, industrial burners and boilers, or as a feedstock for hydrogen production, driving deep decarbonisation.

Scaling renewable and low-carbon solutions

Across all the sectors we serve, road, marine, aviation and industry, VAROPreem provides a combination of conventional and renewable energy solutions, enabling customers to balance performance, cost and decarbonisation.

Within this portfolio, renewable fuels are playing an increasingly important role. As demand grows and regulatory requirements evolve, we are scaling these solutions across markets, building on the same infrastructure and supply chains that support our conventional energy business.

Today, through the combination of VARO and Preem, VAROPreem operates at industrial scale as one of Europe's leading renewable fuels players. Across its platform, we are scaling renewable fuels supported by:

- 1.3 million tonnes of renewable fuel production capacity
- 450 GWh of biomethane production capacity
- ~2.5 million m³ of marketed liquid biofuels
- ~65% waste- and residue-based bio feedstocks

In 2025, VARO and Preem together enabled customers to avoid almost 5 million tonnes of CO₂ emissions through the use of renewable fuels, demonstrating that large-scale decarbonisation is already underway.

Renewable fuels are one of the most practical tools to reduce emissions today. Produced from waste and residue-based feedstocks, they can deliver around 90% lower lifecycle emissions and function as drop-in solutions within existing engines, storage and logistics systems, making them particularly relevant for hard-to-abate sectors.

A key strength lies in how these fuels are produced and integrated. By repurposing existing infrastructure and co-processing renewable feedstocks, VAROPreem can scale production quickly and cost-effectively. Following the 2025 revamp of the Synsat unit in Lysekil, up to 40% renewable material can now be co-processed with diesel, while the Gothenburg site is capable of producing 100% HVO.

Combined with a focus on certified, waste- and residue-based feedstocks and a fully integrated value chain, this enables VAROPreem to deliver renewable fuels reliably across markets, giving customers the flexibility to choose solutions that match their operational needs and regulatory requirements.



In 2025, we increased capacity at our Coevorden biogas site from 250 GWh to 450 GWh.

How we manage risks

Risk management framework

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

Risk management

Our Enterprise Risk Management (ERM) system provides a framework for managing and reporting risks in our business activities and operations to the Executive Board, and ultimately to the Supervisory Board and its sub-committees.

- Our ERM system enables us to:
- Understand our risk environment, and consistently and comprehensively identify and assess risk exposures;
 - Assess actions to mitigate risk exposures and manage overall potential exposure;
 - Allocate roles and responsibilities in our risk management process;
 - Monitor and seek assurance of the effectiveness of risk management and intervene to improve, where necessary;
 - Report regularly to the Group's management chain and to the Supervisory Board and its sub-committees on management, monitoring and assurance of principal risks at VAROPreem, and improvements made.

Our ERM is embedded into our SIC, enabling business and strategic risk management, overall oversight and governance.

Risk management activities

- Our market risk management activities encompass:
- Daily monitoring of market positions, exposures, value at risk, daily profit or loss, performance risk, drawdown monitoring, stress testing, expected tail loss and adherence to limits;
 - Monthly Group Risk Oversight Committee (ROC) meetings, including incident reviews, limit setting and steering the overall development of the risk function, treasury, trading and cyber risks, as well as credit risk management to review the Group's credit risk exposures, decide on credit insurance and credit limits;
 - Systematic real-time credit risk reporting;

- Regional Credit Committees, which address regional credit limit generation, manage overdue and credit insurance risk, and implement new business exposures;
- Regional Compliance Committee, which addresses compliance-related issues for specific regions. In 2024 a Group Compliance manager was appointed.

Significant risk factors

We are exposed to various financial risks stemming from our business operations, including: challenges associated with the energy transition; market risks relating to commodity prices and foreign currency exchange rates; and financing and credit risk. Our economic strategy involves hedging against all market risks, adhering to a predefined set of approved guidelines. We have outlined below the risks we encounter, our risk appetite, the measures we implement to mitigate these risks and the possible outcomes if these risks were to materialise.



Prices, markets

The risk
We are exposed to volatility in market prices, including fluctuations in the cost of crude oil, oil products, renewable fuels, bio certificates and other commodity inputs such as natural gas and electricity, as well as interest rates and foreign currency exchange rates, influenced by the broader macroeconomic environment.

How we mitigate it
Our integrated business model is extended across the value chain. By diversifying our operations, we are able to counteract market fluctuations in various segments of our business. We manage oil price risk with financial instruments by hedging part of our physical crude oil, oil products, renewables and natural gas portfolios and refining margins. These strategies are tailored to align with the prevailing market structure and conditions.

We hedge most non-US dollar exposures. For significant transactions in foreign currencies, we apply direct hedging on a one-to-one basis, while smaller intra-day exposures are hedged in aggregate. Additionally, we employ hedging strategies to protect against currency risk associated with our anticipated operational and capital expenditure commitments. The portfolio of our physical contracts and financial instruments leads to specific financing requirements and potential timing differences in cash settlement of related positions. We managed these risks through access to a flexible borrowing base facility that, combined with close monitoring and forecasting of liquidity needs, provides an effective short-term and long-term financing structure. We apply interest rate hedging related to our forecasted use of short and long-term financing facilities.

The oil market is subject to global supply-demand and geopolitical factors. Apart from managing associated price risk, we ensure continuity of supply by operating flexible manufacturing models that do not depend on the availability of specific grades of crude oil, supported by our relationship with our shareholder Vitol.

Regulatory changes regarding product specifications may influence prices for the affected products, and other products may be affected by a knock-on impact on supply and demand. In response to the changing size and structure of global and European oil markets, we invest in our manufacturing assets to lift performance to first or second quartile, ensuring the long-term commercial viability of these production facilities, even at bottom-of-cycle economics.

Credit risk

We grant credit terms to customers and therefore carry a degree of credit exposure. To manage this risk effectively, we maintain a dedicated Credit Risk function and use credit insurance as a mitigation strategy.

Interruption risk

Our manufacturing and distribution facilities are designed for continuous operation, yet they face potential risk of interruption or shutdown due to operational incidents, supply shortages, insufficient funding, terror or cyber-attacks and regulatory interventions. We actively mitigate this risk through our commitment to process safety and asset integrity, robust supply chain partnerships, long-standing relationships with financial institutions and cyber security expertise. Furthermore, we are safeguarded by business interruption insurance to protect against unforeseen disruptions.

Process safety risk

We are engaged in operations that involve manufacturing, blending and transporting conventional products; and activities that carry inherent risks to health, safety, security and the environment. Such risks could potentially result in harm to individuals, the environment and our assets, leading to regulatory actions, legal liabilities, business disruptions, increased operational costs, reputational damage and possibly the revocation of our operating license. Ensuring the safety and integrity of our processes and assets is of utmost importance. To control and mitigate these risks, we focus on:

- Cultivating and maintaining expertise among our employees and contractors.
- Adhering to high-quality operational processes, including inspections and safety reviews.
- Committing to the upkeep and high-standard maintenance of our equipment.

These principles are integral to our daily operations, due diligence efforts and the integration of new activities. However, technical integrity failures, natural disasters, extreme weather changes, human errors and other adverse events could still pose risks. These include the potential for hazardous material leaks, resource scarcity, fires, explosions and other safety incidents during operations or transportation via road, water or pipeline.

Such incidents could not only result in injuries, loss of life, or environmental damage, but also expose us to regulatory penalties, legal liabilities, increased costs and the risk of losing our operating license.

To safeguard against these risks, we have introduced comprehensive safety management systems that emphasise safety policies, risk assessments, operational controls, incident investigations, training, communication, contractor management, emergency response preparedness, audits and ongoing improvement initiatives, aiming for a secure and risk minimised working environment.

We are dedicated to enhancing our health and safety performance continually. Industry-leading external consultants regularly perform audits on our health, safety, security and environmental (HSSE) processes and our safety culture. Our OEMS (Operational Excellence Management System) is a risk-based process safety management system and we are structuring audits on HSSE and process safety using the OEMS as a vehicle. Other studies focus on process safety and equipment integrity to ensure we identify and effectively manage hazards and risks in our manufacturing sites and terminals.

Competition risk

VAROPreem operates in mature and established markets where competition is subject to an established legal system and business practices. We are committed to adhering to all relevant competition laws across our operational jurisdictions. To ensure compliance, we have developed Competition Rules and implemented comprehensive training programs for all our employees that engage with other market participants, including customers, partners and suppliers. Employees working in commercial roles have additional detailed training on a biennial basis. Any potential concerns regarding competition matters are reported to our General Counsel for further evaluation and action.

Cyber-security risk

VAROPreem’s operations depend on the integrity and reliability of its IT infrastructure, which could face potential threats from cyber-attacks or equipment failures.

- We have implemented new initiatives to address these challenges:
- Investment in modern systems housed within secure data centres;
 - A dedicated specialist IT security and infrastructure team;
 - Adoption of rigorous cyber-security protocols and advanced security protection tools;
 - Conducting awareness, testing and training programmes for employees;
 - 24/7 network monitoring and detection;
 - Ongoing monitoring for threats along with regular testing of our cyber incident response, recovery and business continuity plans.

Climate change and energy transition risk

Climate change and the ongoing energy transition present certain risks to our operations. Government policies, legal frameworks, regulations, technological developments and market dynamics related to climate change could lead to increased costs, reduced demand for certain products in our portfolio, impact revenue and limit certain growth opportunities.

As laws, regulations, social attitudes and customer preferences evolve towards a low-carbon economy, our business may face higher compliance and litigation costs, influencing our strategic direction. The dynamic nature of environmental regulations poses a risk of unintentional non-compliance due to varying interpretations between VAROPreem and regulators on relevant legislation and accompanying guidance.

Technological advancements supporting the transition to a low-carbon economy, changing customer preferences and regulatory incentives favouring sustainable energy sources could alter demand for conventional products, impacting our financial performance and competitiveness.

As the regulatory landscape to support decarbonisation evolves, we are investing in sustainable energies to maintain and expand our market positions and we expect to capitalise on legislative changes. We monitor research and global market data to determine future investments, such as electric and gasoline hybrid vehicles sales, the move away from conventional fuels and the increased emphasis on alternative sustainable energy solutions.

Ethical misconduct and non-compliance risk

Our Legal Policy and Code of Conduct prescribe that all our employees must comply with applicable laws, regulations and company policies that govern their work, including without limitation; the antitrust and competition, anti-bribery and environmental laws of any other country that apply to our business.

We use compliance software to review commercial relationships and to review counterparties in the logistical chain. Our employees are obliged to report in good faith to VAROPreem’s General Counsel any actual or potential violations of laws, regulations, policies, procedures or the Code of Conduct, including and especially concerns as to accounting or non-compliance or fraud and corruption. Employees who raise concerns or who help to resolve reported matters are protected against retaliation.



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CASE STUDY

VAROPreem's value proposition empowers customers to decarbonise

VAROPreem is an established and reliable supplier of conventional fossil fuels, which society remains heavily dependent on. In addition, the company's diverse portfolio includes biofuels, biomethane and bio-LNG as well as comprehensive e-mobility solutions.



Biofuels are an important step in the energy transition as they use existing fuel infrastructure.

“Through our twin-engine strategy, we offer a comprehensive product portfolio to allow customers to decarbonise, with a focus on reliability and affordability. Utilising our core capabilities in compliance, we can provide customers with the flexibility to adopt low-carbon energy, in line with the cost exposures associated with prevailing policies, such as the EU Emissions Trading System.”

– **Bas Van Oosterhout**, VP Customer Value Proposition and e-mobility at VAROPreem.

Biofuels – an important step on the energy transition
VAROPreem manufactures and trades a range of blended fuels that contain both conventional and renewable fuels, such as bioethanol and renewable diesel. These biofuels are an important step in the energy transition as they use existing fuel infrastructure and replace fossil fuels, while decreasing emissions. They can also promote energy security by reducing the need for fossil energy imports.

VARO Renewable Diesel® and Preem Redefine HVO100 are drop-in HVO fuels that allow emission reductions without the need for customers to switch or upgrade their vehicles or infrastructure.

Continued expansion in biomethane and bio-LNG
As one of the largest producers and traders of biomethane in Europe, VAROPreem helps its customers to decarbonise. VARO traded 1.7 TWh of biomethane in 2025.

Biomethane is a drop-in alternative to natural gas, both as a fuel and as a feedstock, and bio-LNG can replace fossil LNG in vehicles and ships.

A major European e-mobility player

VAROPreem has an integrated e-mobility offering with charging software, charging infrastructure and power supply, which delivers operational stability and customer affordability. Road (66.3% VAROPreem ownership) is a leading provider of charging software for more than 600,000 charge points across Europe. elxon (100% VAROPreem ownership) has more than 35,000 charging points at over 1,000 locations, primarily within the logistics sector.

VARO Charging is a charge point operator with an international network of public charging hubs for commercial fleet owners and operators. In 2025, VAROPreem secured an EU grant for the development of 76 new public truck charging sites in Germany and the Netherlands. VAROPreem is working with the EU to identify an execution partner.

In Sweden, VAROPreem has an electric vehicle charging offering throughout its fuel station network. At the end of 2025, 25 Preem fuel stations offered charging for light traffic and six stations for truck charging. More truck charging points will be added in 2026. VAROPreem also offers fuel card partnerships in Sweden that provide access to all fuel types, including electricity.



elxon has more than 35,000 charging points at over 1,000 locations.



VAROPreem offers comprehensive e-mobility solutions to logistics customers.



VAROPreem secured an EU grant for the development of 76 new public truck charging sites in Germany and the Netherlands.

CASE STUDY

Preem expands renewable fuel capacity following SEK 6 billion investment

In June 2025, Preem inaugurated its upgraded Synsat facility at Lysekil, marking its largest investment in renewable fuel production to date. The SEK 6 billion project has significantly increased renewable fuel production capacity by approximately 900,000 m³, enabling large-scale production of fuels with up to 40% renewable content.

These fuels are compatible with conventional diesel engines and infrastructure, allowing customers to reduce lifecycle emissions without requiring technical modifications. At full utilisation, the increased production capacity has the potential to reduce lifecycle emissions by up to 1.7 million tCO₂ each year.

The upgrade builds on Preem's existing refinery infrastructure by repurposing and modernising established assets rather than constructing a new facility. This approach enables scalable renewable fuel production while optimising both costs and resource efficiency.

"This positions us as one of Europe's leading producers of fuel with renewable content and creates a strong opportunity to support the decarbonisation of Sweden and Northern Europe. We are proud to deliver more products with renewable content to Sweden and international markets."

– **Magnus Heimborg**, Deputy CEO, EVP Markets & Customers.



The Synsat upgrade repurposed and modernised existing assets to promote cost and resource efficiency.

CASE STUDY

Biogas Coevorden increases its biomethane production

Since acquiring a majority stake in Biogas Coevorden in 2022, VARO had invested EUR 150 million in increasing the capacity of the facility in the Netherlands by the end of 2025. During the year, the manufacturing hub had increased its production capacity from 250 GWh to 450 GWh.



Biogas Coevorden promotes energy security in Europe while helping to drive decarbonisation.

New methane units were commissioned in 2025 and began delivering biomethane to the Dutch grid. The biofuels supplied to customers enabled savings of more than 5 million tonnes of CO₂e by replacing conventional fuels.

Biogas Coevorden also received a EUR 57 million green loan to finance the ongoing expansion of the facility. A third-party assessment concluded that the loan aligns with the Green Loan Principles and supports both the UN SDGs and VAROPreem's long-term sustainability strategy.

Promoting European circularity, decarbonisation and energy security

The biomethane produced by Biogas Coevorden promotes circular resource use while helping to drive Europe's decarbonisation. It also enhances Europe's energy security by reducing the amount of natural gas that needs to be imported.



VAROPreem has received a EUR 57 million green loan to finance the ongoing Biogas Coevorden expansion.

CASE STUDY

VARO advancing co-processing in Switzerland

Through active dialogue with authorities, politicians and industry associations in Switzerland in recent years, VARO came to an agreement to allow co-processing at Cressier in 2025.

The agreement enables renewable fuels to be co-processed together with conventional fuels in Cressier's existing infrastructure – to improve the sustainability performance of its products while promoting affordability and energy security.

The co-processing of renewable and fossil feedstocks at Cressier will allow VAROPreem customers to avoid annual emissions of approximately 90,000 tCO₂e. Co-processing at Cressier is expected to start in 2027.

Advocating for the energy transition beyond 2030

“We will build on our good advocacy work in recent years to continue to promote regulations and incentives that further support the business case for low-carbon energies in Switzerland. In particular, the expiry of the Swiss CO₂ Act in 2030 presents us with advocacy opportunities to shape Swiss regulation in the coming years to support the energy transition.”

– **Ludvig Kollberg**, VP Public Affairs at VAROPreem.



VARO has worked with the authorities, politicians and industry associations to allow co-processing at Cressier.

CASE STUDY

Preem launches world's first Nordic Swan Ecolabel HVO100

Preem Redefine HVO100, is the first HVO100 to receive the Nordic Swan Ecolabel, which is the official ecolabel of the Nordic countries that promotes ambitious environmental, climate and health criteria.



The first Nordic Swan Ecolabel-certified HVO100 enables customers to reduce their fuel emissions.

HVO100 is a one-to-one renewable alternative to diesel. It can be used in most modern diesel vehicles, either neat or blended with conventional diesel. Preem Redefine HVO100 also delivers reliable year-round performance, with good cold-weather properties and improved startability compared with traditional diesel.

Preem Redefine HVO100 is produced in Gothenburg from raw materials such as byproducts from the pulp and food industries and reduces fossil emissions by at least 90%.¹ As the HVO100 is not produced using palm oil, soy or their residues, it meets the Nordic Swan Ecolabel criteria and can help customers to reduce their fuel emissions.

“With the Nordic Swan Ecolabel for Preem Redefine HVO100, we at Preem can demonstrate our ambitious sustainability efforts and success in the transition to our customers. It's also proof of our commitment to being part of the solution for reducing fossil emissions in the road transport sector in Sweden.”

– **Magnus Heimborg**, Deputy CEO, EVP Markets & Customers.

¹ The method for calculating greenhouse gas emissions in gCO₂e/MJ was carried out in accordance with Article 31 of the EU Renewable Energy Directive (2018/2001/EU) (RED II). The reference value used for fossil transport fuel was 94 gCO₂e/MJ, as stated in Annex V of RED II, which was used to calculate the percentage reduction.

CASE STUDY

Delivering local district heating at Cressier

VAROPreem’s manufacturing hubs provide residual heat to district heating systems that serve local homes and businesses.

In 2025, the Preem manufacturing hubs in Sweden delivered around 650 GWh to municipal district heating systems, which is equivalent to heating more than 30,000 homes.

During the year, Cressier delivered around 7 GWh of residual heat to district heating systems, which avoided an estimated 1,900 tCO₂e emissions, compared with the use of conventional heating oil. A second network is being developed that will supply heat to another 3,500 households and businesses and is estimated to avoid around 15,000 tCO₂e annually when completed in 2034.

At the Neustadt manufacturing hub, BAYERNOIL has advanced plans to supply district heating to the local community, with negotiations ongoing with local authorities in early 2026. The system will provide heating to homes and businesses and the aim is to annually avoid up to 6,100 tCO₂e from 2029.



Residual heat can be used by local communities to reduce emissions.



VAROPreem works closely with local partners to connect its manufacturing hubs to local district heating systems.

CASE STUDY

Innovative new VAROPreem tool helps customers find optimal fleet solutions

The VAROPreem TCO Tool, developed in 2025, is a free online platform designed to help commercial fleet operators compare total cost of ownership (TCO) and emissions for different fleet solutions – including electric vehicles, VARO Renewable Diesel (HVO100), (bio)-LNG and conventional diesel.

By entering parameters such as their vehicle data, daily mileage and energy prices, customers can simulate costs, emissions and future carbon pricing. This enables them to make data-based decisions for their fleet transition to meet future regulatory demands, such as EU Emissions Trading System (ETS-2), which will affect road transport from 2028.

The intuitive tool provides transparency on both conventional and renewable fuels by estimating emission and cost savings. The TCO Tool strengthens VAROPreem’s role as an enabler of the energy transition and helps customers accelerate the decarbonisation of their operations by identifying the decarbonisation pathways that best match their operational needs and investment strategies. The tool is currently available in English and German.



The VAROPreem TCO Tool enables customers to make data-based decisions for their fleet.

CASE STUDY

Shaping Sweden's renewable fuel policy through industry collaboration

Preem plays an active role in shaping Sweden's climate transition through its engagement in leading industry climate networks.

Preem is an active participant in Drivkraft Sverige (literally: 'driving force Sweden'), the national industry association for the fuel sector. Drivkraft Sverige works to advance the energy transition, and strengthen national preparedness for energy supply disruptions and long-term competitiveness.

Through platforms such as Drivkraft Sverige, Preem promotes regulatory frameworks that facilitate increased renewable fuel production and decarbonisation solutions across the transport sector.



Through industry collaboration, Preem seeks to promote policies that enable a competitive, low-carbon economy.

Governance

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Corporate governance

The following pages summarise the constitution and operations of VAROPreem’s corporate governance. Governance at shareholder level is based on the provisions of Dutch law, VAROPreem’s Articles of Association and the applicable Shareholders’ Agreement.

Until the completion of the transaction in early 2026, VARO and Preem operated as two separate companies. We now operate as one company. The Governance described in this section reflects the structure in place following the creation of VAROPreem.

Management structure

At Group holding level, we have a two-tier board structure, consisting of the Executive Board and the Supervisory Board.

The Management Board is responsible for operational management of our activities and comprises five members. Additionally, the Executive Board comprises nine management team members who together run the VAROPreem business.

The Supervisory Board (Raad van Commissarissen) supervises and advises the Executive Board and the Management Board. We are not subject to a mandatory Dutch law ‘large company regime’ (structuur regime) and do not apply the large company regime on a voluntary basis.

There is certain additional Swedish specific governance in place at level of the key entity holding the Swedish activities of the former Preem group reflecting its status as holding critical energy infrastructure.



VAROPreem BV Supervisory Board

Powers, responsibilities and functioning

Pursuant to VAROPreem’s Articles of Association, the Supervisory Board may adopt rules and regulations, allocating duties to one or more Supervisory Directors and regulating any subjects it deems necessary or appropriate. The Shareholders’ Agreement states that the Supervisory Board must consist of five individuals who are Non-Executive Directors (‘the Supervisory Directors’). The General Meeting appoints each Supervisory Director, pursuant to and in accordance with the Articles of Association and the Shareholders’ Agreement.

Audit Committee

The Audit Committee consists of Supervisory Board Directors or their representatives, with at least three members. The members of the Audit Committee, its Chair, Vice-Chair and Secretary are appointed by the Supervisory Board. The Audit Committee meets at least four times a year and when a committee member requests a meeting. In addition, the Audit Committee must meet before VAROPreem’s annual results are published. Meetings are called in writing by the Audit Committee Secretary, in consultation with the Audit Committee Chair. The external auditors may, under special circumstances, request a special meeting with the Audit Committee. Subject to applicable law and regulations, the Audit Committee may occasionally decide, at its sole discretion, not to comply with the charter of the Audit Committee.

- Responsibilities: Monitoring the Executive Board’s performance on:
- Relationship and compliance with recommendations of the Internal and External Auditors;
 - Group funding;
 - Application of information and communication technology by VAROPreem, including cyber-security risks;
 - Tax matters;
 - Legal and compliance matters;
 - Environmental, social and governance reporting activities;
 - Informing the Supervisory Board of the statutory audit outcome, including an explanation of how the statutory audit has contributed to the integrity of financial reporting and the role of the Audit Committee;

- Monitoring VAROPreem’s financial reporting process and making proposals to ensure its integrity, quality and improvement;
- Monitoring the effectiveness of Internal Audit controls and risk management systems in relation to financial reporting;
- Monitoring the statutory audit of the annual accounts and the consolidated accounts, especially the effectiveness of the audit performance;
- Reviewing and monitoring External Auditors, especially with respect to providing additional services;
- Determining the procedure for selecting External Auditors and nominating performed statutory audits;
- Recommendations regarding the appointment and dismissal of the senior Internal Audit function to the Supervisory Board and reporting annually to the Executive Board on the performance of the Internal Audit function.

Remuneration Committee

The Remuneration Committee consists of Supervisory Board Directors or their representatives, with at least three members. The members of the Remuneration Committee, its Chair, Vice-Chair and Secretary are appointed by the Supervisory Board.

- The Remuneration Committee’s responsibilities include:
- Determining, agreeing and developing VAROPreem’s Executive and Senior Management Remuneration Policy;
 - Determining specific remuneration packages for VAROPreem’s Executive Directors, including (but not limited to) basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives, pension and other benefits;
 - Determining criteria to measure Executive Directors and senior management’s performance in discharging functions and responsibilities;
 - Succession planning, particularly for Executive Directors and Senior Management;
 - Preparing nominations and approvals of Executive Board members;
 - Supervising policies for senior management selection criteria and appointments by the Executive Board;
 - Reviewing and agreeing significant changes to remuneration packages and amendments of key employment terms across VAROPreem.



Our governance framework ensures transparency, accountability, and effective oversight across the company.

Supervisory Board



Marcel van Poecke
Chairman

Marcel has more than 30 years of experience in the energy sector. He is the Chair of AtlasInvest, a private holding company he founded in 2007, which is engaged in investments across the broad energy spectrum. He is also Chairman of Energy at Carlyle.

Previously he was Head of Carlyle International Energy Partners (CIEP) from 2014–2022. CIEP focuses on the energy sector with a particular focus on oil and gas: upstream, midstream, downstream and oil field services.

Marcel is also Chair of ONE-DYAS, Vice Chair of Moeve, Co-Chair of TES, Vice Chair of Energy Intelligence Group and a non executive Director of Black Sea Oil & Gas. He also serves on the Board of Trustees of WCS in New York, The Wildlife Conservation Society.

Marcel has a degree in Agricultural Business Administration from the University of Wageningen and a Master’s in Business Administration from the William E. Simon School of Management of the University of Rochester, USA.



Russell Hardy

Russell Hardy is CEO of Vitol, a global energy and commodities company with revenues of over \$340 billion. Vitol delivers over 605m TOE a year and is invested in an asset portfolio spanning 8GW gross generation capacity (operational and under construction), 93kboepd oil and gas production, over 1.2mbpd refining capacity, c10,000 service stations, renewables and circular economy solutions.

Russell has over 35 years’ experience within the energy industry. He joined Vitol in 1993 from BP and became CEO in 2018. He holds a MEng in Chemical Engineering from Imperial College, London.



Joost Dröge

Joost is a Senior Advisor to Carlyle International Energy Partners (CIEP), based in Brussels. Prior to CIEP, he was a partner of AtlasInvest, a private investment company majority-owned by Marcel van Poecke. Between 1999-2007, Joost was Director of Corporate Strategy at the refining company, Petroplus, where he had both M&A as well as operational responsibilities.

His career in the energy sector started in 1993 as an oil trader.

He has a degree in Chemistry from the University of Utrecht (NL). Besides being an SB member, Joost is also a member of our Remuneration Committee.



Bendik Dahle

Bendik is a Managing Director for Carlyle International Energy Partners (CIEP), based in London. He brings significant M&A experience in the energy industry, including CIEP’s investments in Assala Energy, Nouryon and Moeve. He also holds expertise in commodity price risk management and financing, having successfully financed and refinanced a number of CIEP portfolio companies.

Prior to joining Carlyle in 2016, Bendik worked in the Investment Banking Division at Goldman Sachs in London on M&A transactions and capital raising in the energy sector.

Bendik received a BSc in Economics from the University of Warwick. Besides being a SB member, Bendik is Chair of our Audit Committee.



Jay Gleacher

Jay is an Investments Director at Vitol, based in London. In this role Jay has been focused on originating, executing and managing investments across the energy landscape in Europe, Africa and Latin America. Jay’s responsibilities at Vitol include both executive and non-executive board experience. Jay is currently a member of the supervisory board of VARO Energy, a member of the board of Vivo Energy, and chairman of the board of Engen Petroleum Ltd and Shell & Vivo Lubricants BV, respectively.

Prior to joining Vitol in 2009, Jay worked in Morgan Stanley’s Investment Banking Energy Group both in New York and London.

Jay graduated from the University of Pennsylvania with a Bachelor of Arts. Jay serves as the Chair of the University’s EMEA Leadership Committee, as a member of the College of Arts & Sciences External Advisory Board, as a trustee of the UK foundation, and as a member of the University’s Penn Golf Board.

Executive Board

VAROPreem’s Management Board is entrusted with operational management and is responsible for business continuity, under the supervision of the Supervisory Board. This is implemented through the Executive Board which meets on a weekly basis.

The Management Board comes together in Executive Board meetings and its members are in frequent contact in order to fulfil their duties. The Management Board must meet whenever one of its members calls for a meeting.

The Executive Board performs all acts necessary or useful for achieving our purpose: to meet the energy needs of today and the changing energy needs of tomorrow; except for those acts expressly attributed to the Management Board, the General Meeting or the Supervisory Board as a matter of Dutch law or pursuant to the Articles of Association.

In fulfilling their responsibilities, Executive Board members must act in VAROPreem’s interests and pay specific attention to the interests of our employees, shareholders, lenders, customers, suppliers and other stakeholders.

Management Board resolutions are adopted by a majority vote of the Managing Directors present or represented.

Additionally, two Management Board members are jointly authorised to represent VAROPreem.

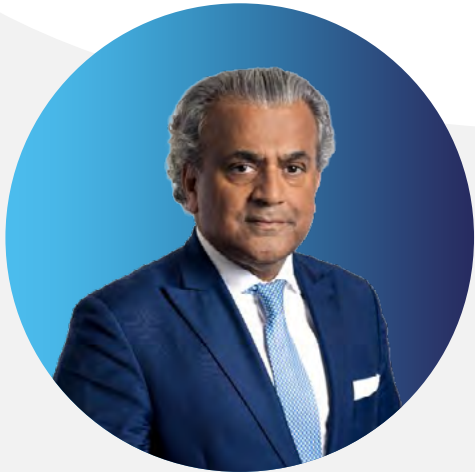
Management Board resolutions are adopted by a majority vote of the Managing Directors present or represented. Resolutions of the Management Board are identified in our Articles of Association, the Shareholders’ Agreement or identified pursuant to a Supervisory Board resolution from time to time, based on the relevant provisions in the Articles of Association, require the prior approval of the Supervisory Board or at the General Meeting.

In each of the above-mentioned situations, the absence of approval (whether from the General Meeting or from the Supervisory Board) will not affect the Management Board’s authority or the Managing Directors’ authority to represent VAROPreem. Subject to certain statutory exceptions, the Management Board is authorised to represent VAROPreem. Additionally, two Management Board members are jointly authorised to represent VAROPreem.



VAROPreem’s Executive Board

Executive Board



Dev Sanyal
Group Chief Executive Officer

Dev Sanyal is Group Chief Executive Officer of VAROPreem, based in the corporate headquarters in Zug, Switzerland.

He served as Chief Executive Officer of VARO Energy Group from 1 January 2022 until the formation of VAROPreem in January 2026. He launched the five-year ONE VARO Transformation strategy in July 2022, successfully leading its delivery 18 months ahead of schedule.

Prior to this, Dev had a 32-year career with BP plc, including over a decade as a member of the Group Executive Committee. During this time, he headed gas and low carbon energy globally and was also accountable for BP's Europe and Asia regions.

Dev started his career with BP in 1989 and held a variety of international roles in London, Athens, Istanbul, Vienna and Dubai. He was appointed chief executive, BP Eastern Mediterranean in 1999 prior to his appointment as chief executive, Air BP International in 2003. In 2006, he moved to the role of head of the Group Chief Executive's office. He was appointed Group Treasurer in 2007. During this period, he was chairman of BP Investment Management and was also accountable for the group's aluminum interests.

Dev is an independent non-executive director on the board of M&G plc; a member of the advisory board of the Centre for European Reform and the board of overseers of The Fletcher School of Law and Diplomacy, Tufts University, where he obtained a master's degree in economics and politics. He is a Fellow of the Energy Institute.

He was an independent non-executive director of Man Group plc (2013-2022); a member of the energy advisory board of the Government of India (2017-2023); Accenture Global Energy Board (2012-2018); Global Council of the International Crisis Group (2012-2020); Vice Chairman, Centre for China in the World Economy, Tsinghua University (2014-2019); The Duke of Edinburgh's International Award Foundation Business Leaders Group (2012-2015); and Trustee of Career Ready (2007-2013).



Magnus Heimburg
Deputy Chief Executive Officer
and EVP Markets & Customers

Magnus Heimburg is Deputy Chief Executive Officer and EVP Markets & Customers, based in Stockholm, Sweden. In this combined capacity, he holds enterprise-wide leadership responsibilities across VAROPreem, ensures strong governance and leadership of the Swedish operations, and leads the Group's markets and customers agenda, with ownership of the Marketing P&L and go-to-market execution across customer segments to drive margin, volume, and customer value.

Prior to the creation of VAROPreem, Magnus served as Chief Executive Officer of Preem AB for a number of years, having previously held the role of Chief Financial Officer. Earlier in his career, he held senior finance and leadership roles at Perstorp, Swedish Match, and HeidelbergCement, building broad experience across manufacturing, chemicals, consumer goods, and energy. His background spans strategy, M&A, finance, risk management, operations, and large-scale transformation across Europe, North America, and Asia.

Magnus holds a Bachelor of Science in Business Administration from Lund University. He serves as a board member and Audit Committee member of Afry AB and as board member of Drivkraft Sverige AB.



Georges Menane
EVP & Group Chief Financial Officer

Georges Menane is EVP & Group Chief Financial Officer of VAROPreem, based in Zug, Switzerland. He is responsible for the financial stewardship of the Group, ensuring robust controls, transparent reporting, disciplined capital allocation, and a resilient balance sheet. He acts as an enterprise-wide strategic finance partner, supporting performance-led decision-making, value creation, and long-term growth across VAROPreem.

Prior to the creation of VAROPreem, Georges served as Chief Financial Officer of VARO Energy, having joined the company in 2023. Before this, he was Chief Financial Officer of ADNOC Refining, based in Abu Dhabi. Georges spent over 20 years at Shell in senior financial leadership roles across the United Kingdom, the Netherlands, and Asia.

Georges brings deep expertise in capital markets, financial transformation, and scaling multinational finance organisations, with a strong track record in supporting complex, capital-intensive businesses through growth and change.

He holds an MS in Business Administration (Finance) from ESCP Business School.



Hugues Bourgogne
EVP Manufacturing, Projects
& Technology

Hugues Bourgogne is Executive Vice President Manufacturing, Projects & Technology at VAROPreem, based in Zug, Switzerland. He leads the Group's manufacturing and asset portfolio, with a clear mandate on safety, reliability, and operational excellence. He is accountable for asset performance, major capital projects, technology, and future-proofing the platform to remain competitive, resilient, and fit for the energy transition.

Prior to the creation of VAROPreem, Hugues served as Executive Vice President Operations, Projects & Infrastructure at VARO Energy, having joined the company in 2025. Before this, he spent more than 30 years at Shell in senior leadership roles across manufacturing, operations, projects, and M&A. His previous roles include Executive Vice President Safety, Environment & Asset Management, Vice President Manufacturing for Asia, General Manager of Bukom Refining and Petrochemicals in Singapore, General Manager of the Shell Convent Refinery in the United States, and senior roles in mergers, acquisitions, and divestments for Shell's Downstream business in Europe.

Hugues holds a degree in Chemical Engineering from UTC in France and a Master's degree in Mechanical Engineering from the University of Houston.



Stewart Peter
EVP Trading & Optimisation

Stewart Peter is Executive Vice President Trading & Optimisation at VAROPreem, based in Rotterdam, the Netherlands. He owns all trading activities across crude, products, biofuels, feedstocks, and compliance instruments, with full accountability for margin delivery, risk, and exposure management. He acts as the commercial orchestrator of the end-to-end value chain, ensuring alignment between trading, operations, and markets.

Prior to the creation of VAROPreem, Stewart served as Executive Vice President Group Trading at VARO Energy, having joined the company in 2025. Before this, he held senior leadership roles across the global energy trading sector, including Head of Supply and Trading at Aramco in Houston. Earlier in his career, he also held senior positions at Klesch, Standard Bank, and ABN AMRO.

Stewart brings more than 25 years of experience across crude oil, refined products, biofuels, and derivatives trading, with deep expertise in optimisation, risk management, and strategic value creation.

He holds a Bachelor of Science in Land Economics from the University of Paisley and a Master of Science in Finance from the University of Strathclyde.



Theo Pannekeet
EVP Sustainable Energies Value Chain

Theo Pannekeet is Executive Vice President Sustainable Energies Value Chain at VAROPreem, based in Rotterdam, the Netherlands. He leads the Group's renewable fuels and sustainable energies business and is responsible for operationalising and scaling the integrated platform of renewable energies across sourcing, production, blending, certification, trading, and customer delivery, ensuring end-to-end commercial and operational alignment.

Prior to the creation of VAROPreem, Theo held senior leadership roles within VARO Energy, where he led the Group's renewables activities from 2018 onwards. Earlier in his career, he progressed through a range of trading and commercial roles across product trading, wholesale, biofuels, and logistics, following the formation of VARO Energy through several predecessor companies. Since joining the organisation in 2008, Theo has played a key role in building and scaling integrated value chains across the Benelux, Germany, Switzerland and France.

Theo brings deep expertise in energy markets, exposure management, renewables, and integrated value chain optimisation.

He holds a Bachelor of Commerce from Inholland Hogeschool in Rotterdam.



Eric Westerholm
EVP Strategy & Transformation

Eric Westerholm is Executive Vice President Strategy & Transformation at VAROPreem, based in Stockholm, Sweden. He defines the Group's strategic objectives, anchored in the twin-engine strategy, including sustainability ambitions. He owns the translation of strategy into execution, driving portfolio choices, capital allocation priorities, and enterprise-wide transformation delivery.

Prior to the creation of VAROPreem, Eric held senior leadership roles at Preem AB, most recently as Executive Vice President Supply & Trading. Over a long career at Preem, he led trading, optimisation, planning, and supply chain functions, with extensive experience in value chain optimisation, large-scale commercial operations, and transformation initiatives. He was a member of the Executive Board of Preem AB and served as Chairman of Preem Norway A/S.

Eric holds a Master of Science in Theoretical and Mathematical Physics from Uppsala University and completed studies in business economics.



Susanne Stenman
EVP Data & Information Technology

Susanne Stenman is Executive Vice President Data & Information Technology at VAROPreem, based in Stockholm, Sweden. She leads the Group's data, digital, and IT agenda, ensuring secure, resilient, and scalable technology foundations across VAROPreem. Data, digitalisation, and technology are critical enablers of competitiveness, performance, and long-term value creation.

Prior to the creation of VAROPreem, Susanne held a range of senior leadership roles at Preem AB within Supply & Trading and Marketing & Sales, most recently as Head of Physical Management, Supply & Trading. Over her career at Preem, she held P&L responsibility, led large commercial and operational organisations, and drove business transformation and digital development initiatives. Earlier in her career, she worked as a strategy consultant at Accenture, advising energy and industrial clients.

Susanne holds a Bachelor of Science in Business and Economics from the Stockholm School of Economics and completed an exchange programme at Emory University's Goizueta Business School. She has been recognised among Sweden's Top Change Leaders and has participated in leadership development and mentoring programmes.



Gilles Vollin
EVP Integration,
People & Communications

Gilles Vollin is Executive Vice President Integration, People & Communications at VAROPreem, based in Zug, Switzerland. He oversees post-merger integration, organisational and people development, and the Group's internal and external communication function, strengthening the Group's operating model and overall effectiveness.

Prior to the creation of VAROPreem, Gilles served as Executive Vice President Integration and Capability at VARO Energy. He previously held senior leadership roles within VARO and its predecessor organisations, following an extensive operational career in the refining industry, including leading the Berre refinery in France and serving as Director of the Cressier refinery in Switzerland. Earlier in his career, in 2012, he acted as Chairman of the Boards of the Petroplus Cressier Refinery and Pipeline companies during composition proceedings, leading the organisations through to the successful sale of the assets which led to the creation of VARO.

Gilles brings more than 30 years of experience across refining operations, asset strategy, organisational leadership, and large-scale transformation, combining deep operational expertise with a strong track record in people, integration, and change.

He holds a degree from the École Polytechnique, France and a Masters in Energy Management and Policy from the University of Pennsylvania.



Keir Ashton
General Counsel and
Company Secretary

Keir Ashton is General Counsel of VAROPreem. Keir oversees all legal matters across the organisation, including legal and regulatory compliance, and provides legal guidance on operations, new business opportunities, mergers and acquisitions, and financing transactions.

His role is central to enabling VAROPreem's strategy, with a particular focus on supporting strategic partnerships and joint ventures that underpin the company's growth and energy transition ambitions.

Prior to this, he served as General Counsel of VARO Energy, a role he assumed in September 2024. Keir brings more than 30 years of international legal experience across a range of sectors, including commodities, media, and technology, with deep expertise in M&A, international trade, and corporate finance.

Previously, he spent 15 years at Louis Dreyfus Company, a global leader in commodities trading, where he held the position of Group General Counsel and led high-value transactions as well as complex strategic litigation. Earlier in his career, he built a strong track record at Bloomberg L.P. in New York and at The Wireless Group in London, where he played a key role in leading the company's IPO.

Keir is a graduate of the London School of Economics and a qualified solicitor, having trained at Clifford Chance in London and Paris. He is also a trustee of the Scottish Association of Marine Science, reflecting his commitment to environmental sustainability.

Internal governance structure

Our Board-level committees help us to facilitate our strategy, drive business development and implement effective decision-making:

- **Operational Risk Committee (ORC):** Maintains an oversight of the operational risks affecting VAROPreem’s activities related to health and safety, the environment, integrity and the process safety aspects of operating manufacturing, tank storage and logistics activities. It sets regulations and procedures to mitigate exposure to risk.
- **Risk Oversight Committee (ROC):** Oversees the commercial risk exposure, such as commodity and fixed price fluctuations, commercial credit risk, and liquidity risks. It investigates approaches to mitigate commodity-related risks for fossil fuels, biofuels, and feedstock linked to regulations and policies aiming to tackle climate change.
- **Investment Committee (IC):** Approves capital investment projects above DoAs and M&A, projects. The Committee ensures proposals are consistent with VARO’s strategic priorities, financial framework, and performance expectations.
- **Human Resources Committee (HRC):** The Human Resources Committee oversees VAROPreem’s capability to attract and retain people possessing the desired set of skills, as well as managing corporate social responsibility. This includes employee satisfaction and development, diversity, equity and inclusion, human rights, no retaliation and grievance mechanisms, and local community engagement.
- **Integration committee:** Reviews integration progress. The Committee provides oversight, resolves interdependencies, and ensures alignment across the programme.

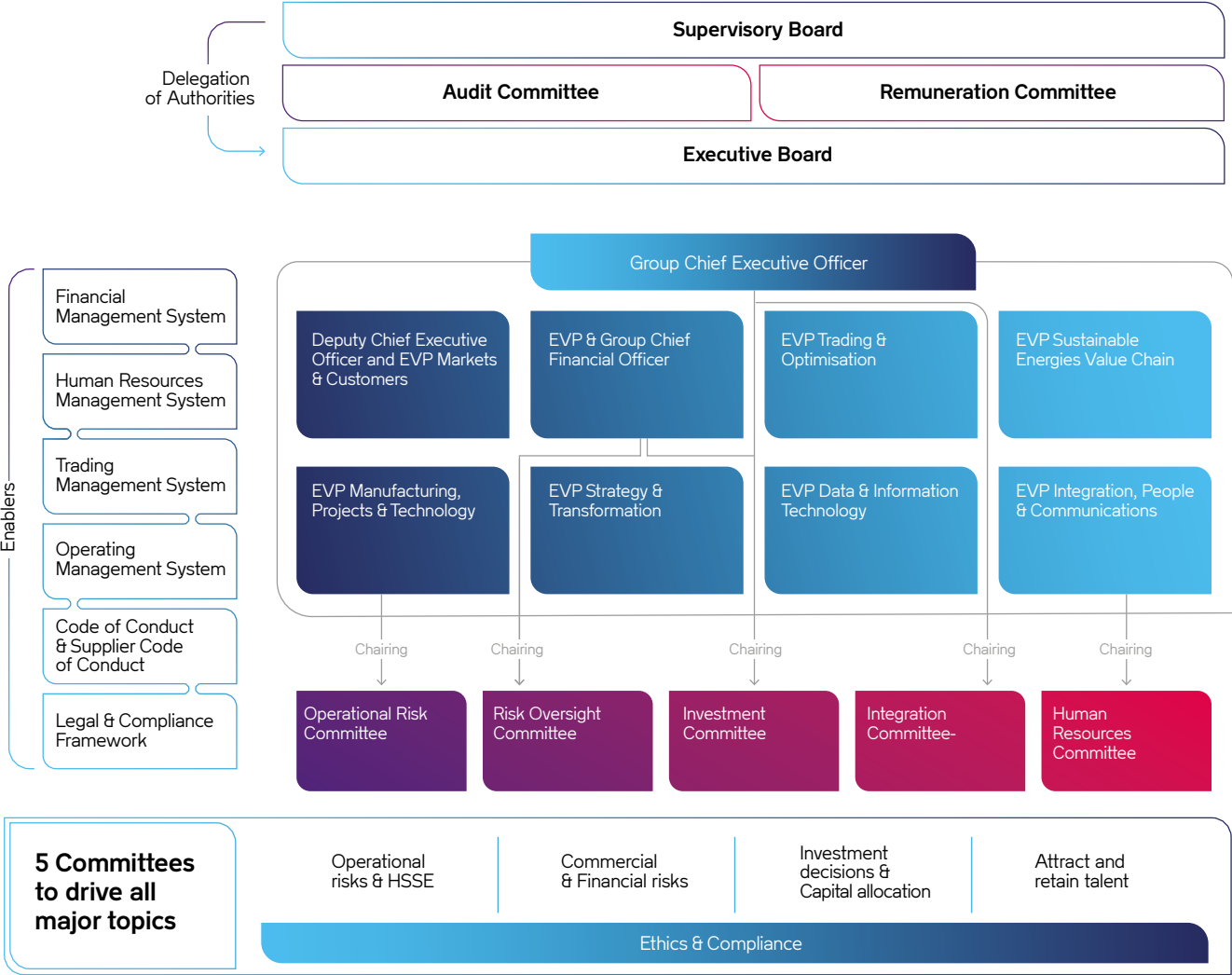


These Committees meet every month, with additional ad hoc meetings as required. We have designed support systems for corporate governance to function smoothly and effectively, including IT systems dedicated to respective functions supervised by the Committees and our Codes of Conduct. The Code is an overarching set of principles that guide VAROPreem’s stakeholder interactions, ensuring the protection of our reputation for honesty, integrity and reliability. During the integration period, the legacy VARO and Preem Codes of Conduct remain in force, and employees are expected to continue to comply with them. A unified VAROPreem Code of Conduct is currently under development.

Our governance system covers topics of material importance for VAROPreem and our stakeholders. For example, the ORC oversees issues related to health and safety, as well as environmental material topics in our ESG strategy.

The ROC investigates approaches to mitigate commodity-related risks for fossil fuels, biofuels, and feedstock linked to regulations and policies aiming to tackle climate change. The HRC acts to fulfil objectives to improve performance in the social section of our ESG strategy, including employee satisfaction and development; diversity and inclusion; human rights; non-retaliation and grievance mechanisms; and local community engagement.

We have an established internal control system with entity level controls. These corporate governance controls define our corporate values and are periodically assessed by our Audit Committee. For example, our CFO is responsible for ensuring that all key decisions and approvals are documented in line with the scheduled delegation of authorities; the Audit Committee is responsible for validating that an appropriate annual business risk assessment has been performed; and the Executive Board is responsible for ensuring that we work in line with relevant compliance and regulatory policies.



Integrated business model

We conduct our business through our Group companies acting as one entity. Our Group holding company is VAROPreem BV, which is based in the Netherlands. Our operational headquarters company is VAROPreem AG (VPAG), based in Switzerland. VPAG manages the Group’s main financial risks, holds inventory, finances working capital and recognised associated rewards. All other companies provide well-defined services for the Group following OECD guidance for correct transfer pricing of intra-group services.

As part of the risk management for the projects and activities that we undertake, our Delegation of Authority Framework outlines the authority level of Executive Board members and their team.

VAROPreem’s policies

We are committed to conducting our business with zero harm to our people, to protect the environment and respect our neighbours.

We ensure all employees and contractors working on our projects are constantly aware of safety risks and the need to always work safely. To maintain awareness at a high level, we circulate safety rules in leaflets and posters in all workplaces using clear and consistent warning icons. We constantly monitor close compliance with these rules, and our Safety Manager regularly reports on safety to the Board. For most of our operations, our management system is based on the International Standards Organisation’s (ISO) 9001 for Quality Management Standards and ISO 14001 for Environmental Management Systems.

Human Rights Policy

At VAROPreem, we are committed to upholding and promoting human rights across our operations.

VARO’s Human Rights Policy, which is still in place as the governing framework, aligns with international human rights standards and principles. It outlines this commitment in detail, setting out responsibilities and actions to embed respect for human rights throughout activities, the value chain, and business relationships. This includes ensuring fair labour practices, preventing discrimination, and fostering safe and healthy working conditions.

As part of the ongoing integration, work is underway to align policies and frameworks across VAROPreem.

Code of Conduct

Our Code of Conduct is our core documentation establishing rules and guidelines of conduct in business relations and at the workplace. We train our workforce on a yearly basis.

During the integration period, the legacy VARO and Preem Codes of Conduct remain in force, and employees are expected to continue to comply with them. A unified VAROPreem Code of Conduct is currently under development.

- The Code of Conduct is a comprehensive set of rules related to the following aspects of our business:
- Legal compliance;
 - Anti-trust, sales practices, and competitive information;
 - Prohibition of business with counterparties under sanctions;
 - Anti-bribery and anti-corruption;
 - Conflict of interest;
 - Confidentiality;
 - Priority of well-being, safety, security, and positive environmental impact;
 - Data privacy;
 - Non-discrimination and fair treatment at work.

Reporting incidents

Our culture supports registering and reporting all HSSE incidents. We report the trends and statistics from HSSE incidents to our senior management team. Based on this information, our HSE VP also issues a monthly HSSE summary to the Executive Board, reviewed monthly by an executive governance team sponsored by the EVP and chaired by the CEO. The Supervisory Board is also updated on HSSE trends and statistics on a quarterly basis and, where necessary, on individual incidents.

We seek to secure appropriate protection from environmental liabilities through contractual liability limitations in our customer agreements and through insurance coverage. Such insurance and contractual limitations on liability may not adequately protect us against all environmental liabilities to which we may be exposed.



Sustainability

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Sustainability

General information

VAROPreem’s Sustainability Report, including the Sustainability Statement, summarises the Group’s sustainability efforts and progress in 2025.



Basis of preparation

The statement is inspired by the European Sustainability Reporting Standards (ESRS), which set out disclosure requirements for material impacts, risks and opportunities. Selected disclosures are also prepared in accordance with recognised standards, including the Greenhouse Gas (GHG) Protocol.

VAROPreem is preparing to ensure compliance with applicable ESRS requirements under the Corporate Sustainability Reporting Directive (CSRD) from fiscal year 2027.

The Sustainability Statement covers material impacts, risks and opportunities across the value chain. Policies, actions and targets apply throughout the value chain where relevant, with any exceptions disclosed under the respective topic.

The scope generally follows the consolidation approach of VARO’s financial statements, except for the BAYERNOIL joint venture, where a different approach is applied for GHG emissions and health and safety data, as described in the relevant sections.

To reflect Preem’s integration, the statement includes summaries of VARO’s and Preem’s sustainability performance in 2025, including selected KPIs where relevant. VARO and Preem operated as independent companies during 2025, with the acquisition completed in January 2026.

Changes in the preparation and presentation of sustainability information

Comparative figures are included where relevant. Any changes affecting comparability or significant errors are disclosed together with the respective measure.



Jetty and pipeline infrastructure at VAROPreem’s Amsterdam terminal in the Netherlands.

Material sustainability topics

In 2024, VARO and Preem each carried out a Double Materiality Assessment (DMA) in line with ESRS to identify the topics with material impact on society and the environment, and where sustainability-related risks and opportunities are material to long-term value creation. As the companies operated independently at the time, separate assessments were performed. In 2026, these DMAs will form the basis for VAROPreem’s identification of material topics, which will inform the Group’s sustainability strategy, risk management and reporting.

DMA approach

While conducted separately, both DMAs followed a similar, systematic approach. Each was based on an analysis of the value chain, stakeholders and relevant sustainability topics. Internal expertise across functions – including logistics, manufacturing, HSSE, finance and HR – was combined with external stakeholder input to assess impacts, risks and opportunities.

Topics were assessed using a structured double materiality methodology, considering impact severity (scale, scope and remediability) and likelihood, as well as the magnitude and likelihood of financial impact. Results were subject to internal validation, leadership review and audit oversight. The outcomes informed sustainability reporting and strategic integration.

Differences in governance, stakeholder engagement and definitions reflect the organisations’ respective value chains, business models, governance structures and organisational setups.

Alignment and outcomes

The DMA outcomes were largely aligned at ESRS topic level, with broad consistency in the material topics identified. Limited differences remain in topic framing and the treatment of certain entity-specific matters. These will be further assessed and calibrated in the ongoing harmonisation of the Group’s sustainability reporting.



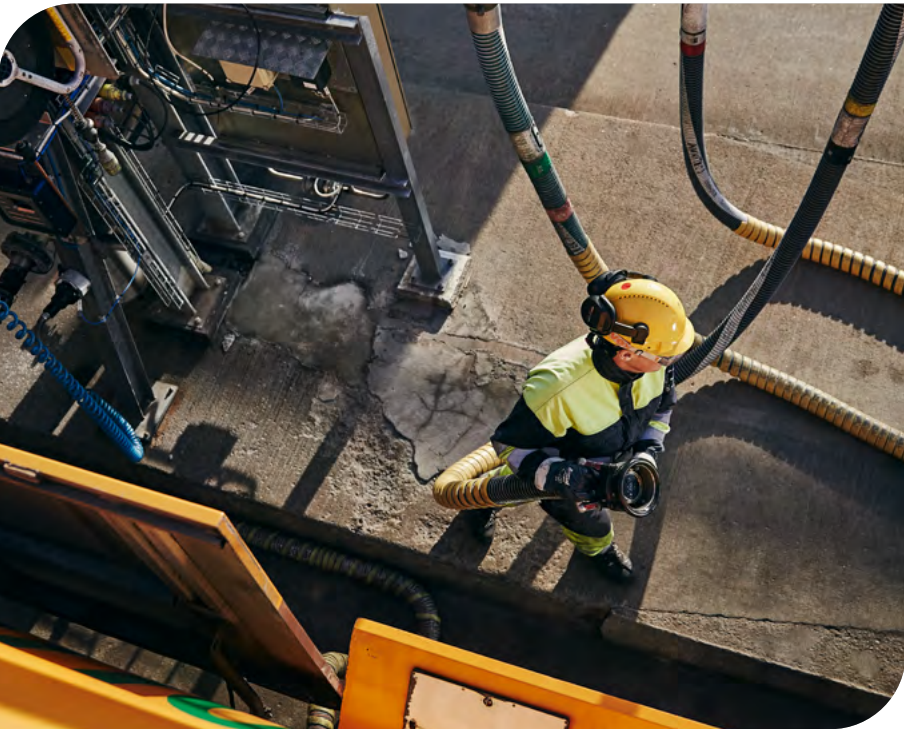
Processing units at the Gothenburg refinery in Sweden.

VAROPreem outlook

As we continue to integrate VARO and Preem, we will align and update our joint DMA. The update will reflect the value chain of VAROPreem and ensure continued alignment with stakeholder expectations, regulatory developments and strategic priorities. Our DMA will further strengthen the consistency of our sustainability reporting and the integration of sustainability considerations into strategy, risk management and long-term value creation.

ESRS topics and their rationale for VAROPreem

Topic	Materiality rationale
Climate change	Addressing climate change is essential to manage transition and regulatory risks, maintain competitiveness and reduce GHG emissions in our operations while enabling our customers to decarbonise.
Pollution	Minimising pollution to air, soil and water is vital to maintaining our licence to operate and stakeholder trust.
Biodiversity and ecosystems	Managing biodiversity impacts in our value chain is critical to mitigate regulatory and supply chain risks, meet stakeholder expectations and support long-term business viability.
Circular economy and resource use	As a major crude oil user, increasing renewable and waste-based feedstocks can help us to advance circularity, strengthen energy security, reduce reliance on virgin materials and mitigate environmental impacts.
Own workforce	We promote the health, safety and well-being of our workforce to reduce risks, ensure continuity and maintain our long-term competitiveness.
Workers in the value chain	Promoting positive working conditions in our value chain is critical to mitigate risks, ensure supply chain continuity and maintain our status as a trusted partner.
Affected communities	Our licence to operate depends on how we manage our local impacts and relationships with affected communities.
Business conduct	Responsible business conduct is critical to mitigate legal and reputational risks, maintain trust and ensure long-term competitiveness.
Energy security	We play an essential role in ensuring energy security by maintaining reliable production and supply, and by supporting access to energy – both for everyday use and during crises.



An operator performing routine operations at the Skarvik terminal in Gothenburg, Sweden.

Sustainability governance

VARO and Preem maintained separate sustainability governance structures throughout 2025.

VARO has a two-tier board structure: a Supervisory Board (SB) provides strategic oversight and counsel to the Management Board, which in turn governs operations through an Executive Board (EB) responsible for daily management. The VARO SB oversaw the ESG strategy and performance by engaging with the EB and ESG Director. The SB was supported by an Audit Committee (financial reporting, risk management, internal controls) and a Remuneration Committee (executive nominations and remuneration).

The VARO EB managed strategy and operations, including ESG strategy, performance, risk management, and financial and non-financial reporting. ESG topics were overseen by an EB ESG Committee, which managed and monitored progress, and supported decision-making. ESG considerations, including climate-related risks and opportunities, were integrated into strategic planning and financial processes.

Preem’s governance structure consisted of its Board of Directors and Group Management. The Board oversaw the company’s management of sustainability topics, including how impacts, risks and opportunities were identified and integrated into strategy and policies. It also adopted the Code of Conduct and was supported by an Audit Committee overseeing financial reporting, internal controls, audit processes and risk management.

Preem Group Management, including the CEO, managed everyday operations. Together with the Head of Sustainability, it defined strategy and targets for material sustainability topics, which were confirmed by the Board. It also monitored performance, oversaw risk management and approved policies. The Sustainability Development unit coordinated the DMA, while Risk Management led the ERM process, with key risks reported to the Board via the Audit Committee.

VAROPreem outlook

Following the acquisition of Preem in January 2026, VAROPreem applies a two-tier governance structure, with the SB providing oversight and strategic guidance and the EB responsible for daily management. The sustainability governance framework is under review to align structures, processes and priorities.

Policies and certified management systems

Our policies and management systems embed rules, standards, values and culture into everyday operations. Since the combination of VARO and Preem, VAROPreem upholds both governance and compliance frameworks. Until a unified Code of Conduct is introduced, existing VARO and Preem Codes and policies remain in place to guide business conduct and stakeholder engagement. [See Appendix 3](#) for a summary of policies by topic. All policies are available to employees and key policies are publicly accessible. Awareness and adoption are supported through mandatory and role-specific training.

VARO and Preem operate ISO-certified management systems, as shown on [page 101](#), and maintain certified sustainability schemes for renewable fuels, including ISCC EU and ISCC PLUS where relevant. Regular internal and external audits promote effectiveness and alignment with responsible business practices. These systems provide a structured framework to identify, manage and mitigate operational, environmental and safety risks.

The VARO Operational Excellence Management System (OEMS) sets standards and practices to manage operational risks concerning employees, contractors, stakeholders and the environment. In 2026, the OEMS will be integrated into Preem’s operations. VARO achieved a Gold rating in the 2025 EcoVadis assessment by strengthening its performance in several areas.

BAYERNOIL’s EU Eco-Management and Audit Scheme (EMAS) incorporates ISO 14001 requirements and adds stricter provisions on legal compliance, transparency and externally verified environmental reporting.

Preem operates an integrated management system that supports responsible business practices and continuous improvement. The organisation is certified to ISO 9001, ISO 14001 and ISO 45001, with audits ensuring effective implementation. Preem also uses renewable fuel certified schemes, as well as the Swedish sustainability framework to manage operational, environmental and safety risks.

Sustainability-related performance in employee incentive schemes

VAROPreem annual employee incentive schemes linked to sustainability-related performance are embedded in the annual objectives related to the execution of the VAROPreem strategy, with specific consideration given to health and safety performance.

Statement on due diligence

VAROPreem applies a risk-based due diligence approach to identify, prevent and manage actual and potential negative impacts on people, the environment and society across the value chain. We are committed to respecting human rights in line with the UN Guiding Principles and adhere to the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. These standards underpin our approach to prevent, mitigate and address impacts related to employees, human rights and business conduct, and we expect the same from our value chain partners.

These principles are embedded in our governance frameworks, policies and processes.



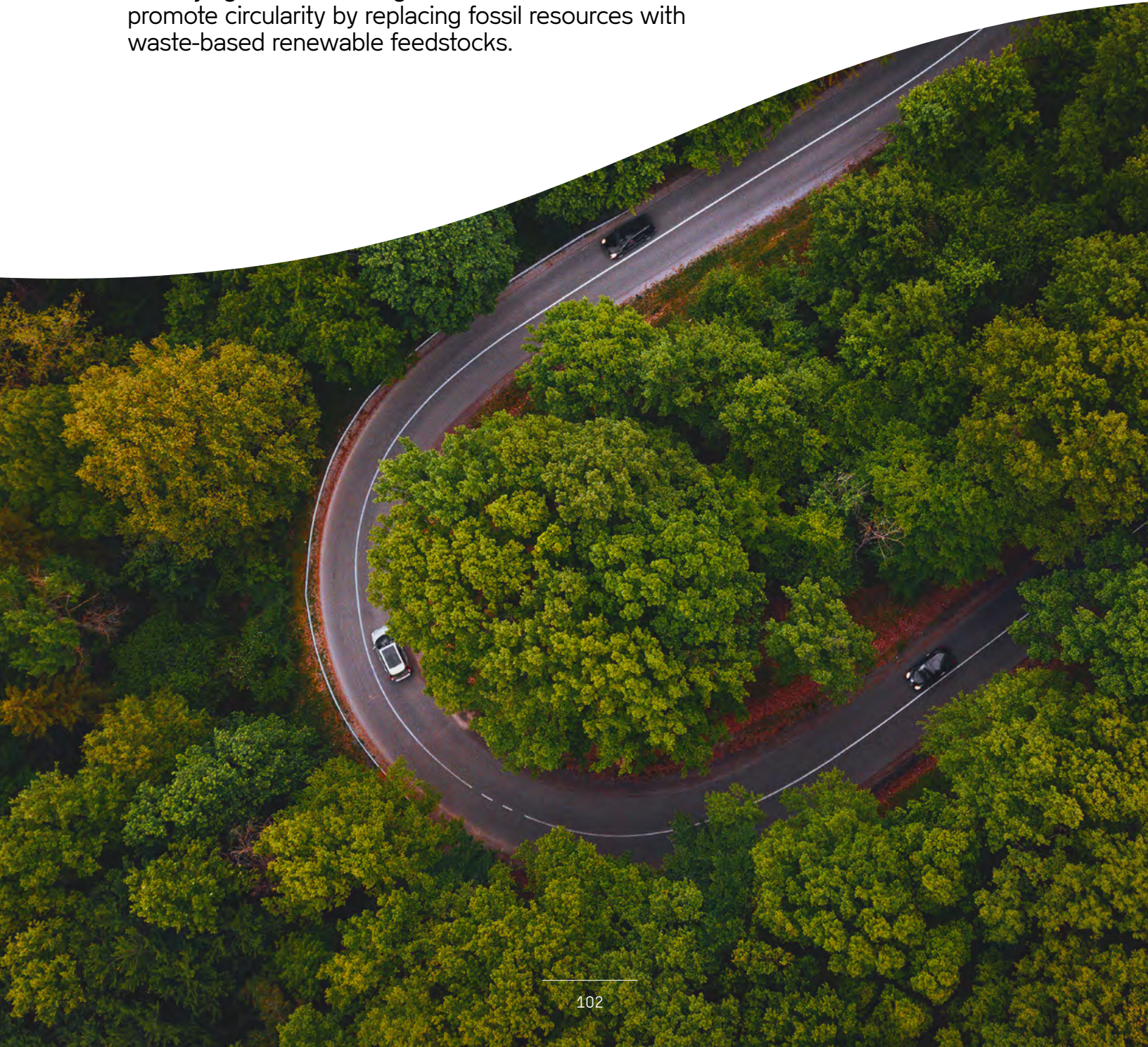
A REINPLUS FIWADO bunker vessel on the Rhine. REINPLUS FIWADO marked a century of bunkering operations in 2025.

ISO certifications											
ISO	Manufacturing hubs					Terminals					
	BAYERNOIL	Cressier	Lysekil	Gothenburg	Coevorden	Switzerland	Germany	Netherlands	Belgium	France	Scandinavia
ISO 9001	●	●	●	●		●		●	●		●
ISO 14001 / EMAS	●	●	●	●		●	●	●	●	●	●
ISO 45001	●	●	●	●		●		●	●		●
ISO 27001	●										
ISO 50001	●						●				

Sustainability – Our sustainability performance

Environmental

Environmental considerations are fundamental to VAROPreem and are embedded in how we operate and invest. Through our well-established management practices, we mitigate impacts by reducing emissions, preventing pollution and promoting biodiversity, while identifying and addressing value chain risks. We also promote circularity by replacing fossil resources with waste-based renewable feedstocks.



Climate change

Mitigating climate change is a strategic priority for VAROPreem that helps reduce our exposure to transition risks. The energy transition is a cornerstone of our approach as we decarbonise our operations and enable our customers to decarbonise theirs.



We support both EU and national climate targets, while enabling our customers to decarbonise.

Our approach to climate change

At VAROPreem, we believe that tackling climate change is a collective responsibility and we are determined to play our part. We reduce the carbon intensity of our product portfolio by investing in advanced biofuels, biomethane and e-mobility solutions.

We play an important role in helping society to decarbonise, while safeguarding energy security and affordability, and maintaining industrial competitiveness. We also mitigate the emissions we have direct control over as well as our upstream emissions related to sourcing.

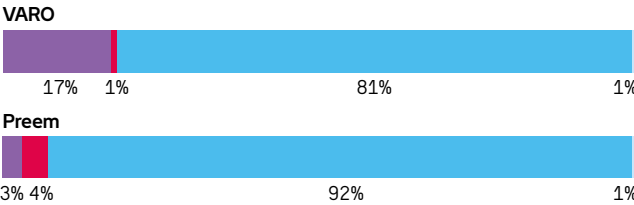
We support both EU and national climate targets, while enabling our customers to decarbonise. The combination of VARO and Preem brings together highly complementary businesses across geography, industrial expertise and market reach. VARO’s integrated model complements Preem’s strong manufacturing base, world-class renewable fuels technology and market-leading position in Scandinavia, reinforcing our commitment to climate change mitigation and the energy transition.

We are defining a consolidated VAROPreem climate strategy and a decarbonisation pathway with updated targets. The financial risks and opportunities associated with different decarbonisation pathways are being analysed from the VAROPreem perspective to identify the strategy best suited to our business and market developments. As part of this strategic work, we will develop a Group-wide VAROPreem Climate Transition Plan that will ensure we continue to be a reliable, competitive and responsible energy company while supporting societal decarbonisation.

Performance on climate change

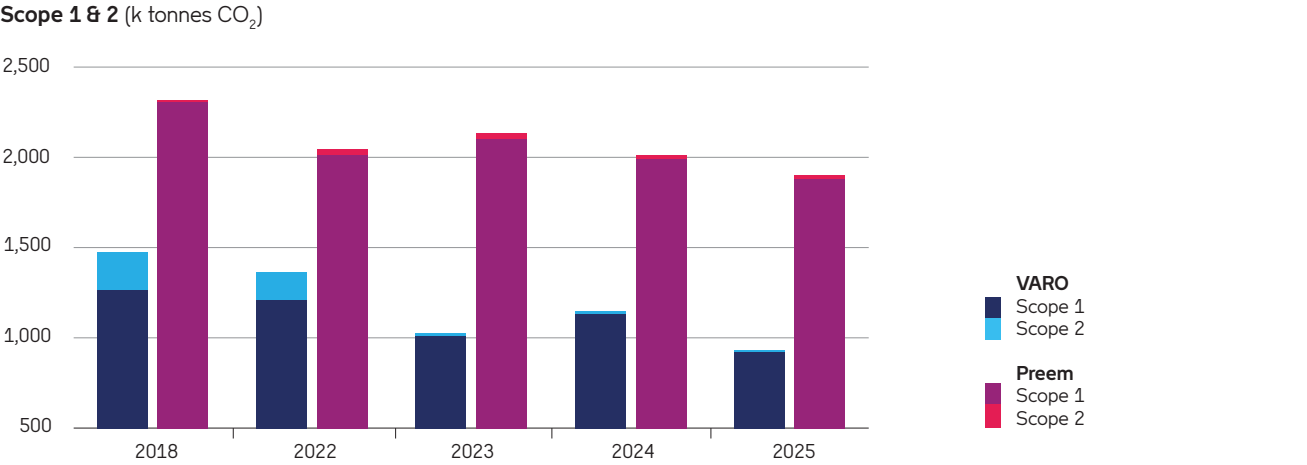
In 2025, the emissions across VARO’s value chain amounted to 79 million tCO₂e while Preem’s value chain emissions amounted to 44 million tCO₂e. The Preem upstream emissions associated with raw material and product sourcing were comparatively lower than VARO’s. This reflects differences in sourcing patterns, including less reliance on third-party finished fuels and a higher proportion of crude inputs with relatively lower upstream emissions.

Value chain emissions 2025



- Scope 3 cat. 1:** emissions associated with the production and transportation of finished traded product (not produced) and the production of crude and feedstock.
- Scope 1:** Direct emissions from hydrogen production and operations (production hubs, terminals and bunkering).
- Scope 3 cat. 11:** Downstream emissions associated with the use of products.
- Scope 3 other cat:** other emissions.

Our Scope 1 and 2 emission performance



In 2025, VARO’s Scope 1 and 2 emissions decreased by 19% and the Carbon Intensity Manufacturing (CI_M) improved by 16% compared with 2024. This was mainly driven by the operational improvements, as well as reduced throughput following an incident at BAYERNOIL in January 2025 (read more on [page 122](#)).

Compared with its 2022 baseline, VARO reduced its emissions by 32% and CI_M by 21%. Sourcing a greater proportion of low-carbon electricity accounted for around 30% of the reduction. All VARO’s manufacturing hubs, including the two BAYERNOIL hubs, were ranked among the top 25% most carbon efficient refineries in Western Europe in 2025.

- VARO efficiency actions in 2025 included:
- Improved operational availability at Cressier through the implementation of High Reliability Organisation (HRO) principles, which focus on early detection, enhanced operator reporting and the immediate prioritisation of maintenance actions.
 - Definition of an energy conservation plan to be launched in 2026, including measures such as the replacement of heat exchangers and outdated steam generators.

VARO’s total electricity consumption in 2025 decreased by 7% compared with 2024, mainly due to lower utilisation at BAYERNOIL. In 2025, 94% of VARO’s electricity was covered by low-carbon Guarantee of Origins (GoOs), which was a 3% increase compared with the previous year.

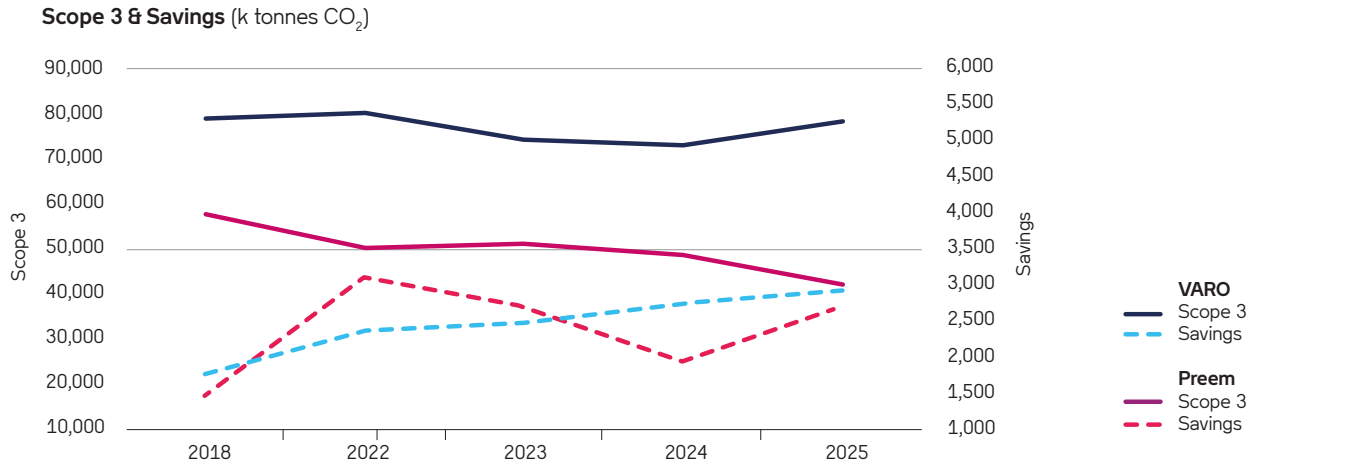
Preem reduced its Scope 1 emissions by 6% in 2025 and by 19% compared with its 2018 baseline, primarily due to lower fossil fuel use in production and ongoing efficiency improvements.

- Measures in 2025 included:
- Efficiency initiatives to reduce emissions across manufacturing hubs.
 - Investigation into the use of renewable fuels in chartered vessels.

- Preem’s Scope 2 emissions¹ decreased by 12% in 2025. Measures during the year included:
- A central agreement to secure low-carbon electricity for manufacturing hubs and fuel depots.
 - Actions to expand access to low-carbon electricity across partner-operated stations.

1) If not specified, Scope 2 emissions refer to market-based emissions.

Our Scope 3 emission performance



At VAROPreem, we are gradually reducing the carbon intensity of our value chain by increasing the proportion of low-carbon products we sell, driven by the increasingly stringent regulation on the decarbonisation of road fuels. The production and sale of biofuels, biomethane and e-mobility solutions help our customers to reduce their emissions.

In 2025, VARO’s sales¹ increased by 7%, which was the main driver for a 7% increase in Scope 3 emissions. The carbon intensity of sold products slightly decreased to 85.6 gCO₂e/MJ. VARO supplied 1.3 million m³ of liquid biofuels in 2025, which was a 13% increase compared with 2022 and a 4% increase compared with 2024. In 2025, VARO sold 970 GWh of biomethane, including produced and traded volumes. Production at Biogas Coevorden increased by 63%, following an extended shutdown the previous year. Biogas trading also increased by 32%.

In total, VARO avoided 2.9 million tCO₂e in 2025 by enabling its customers to replace conventional fuels with low-carbon alternatives. This represented an increase of 9% compared with 2024 and 24% compared with 2022². Biomethane contributed to 9% of the 2025 savings.

The average lifecycle emissions of electric vehicles registered in Europe are 66% lower than conventional cars³. By providing charging infrastructure and software, VARO plays a key role in realising these emission reductions. elaxon installed 4,690 new charging points in 2025 and VARO supplied 333 MWh of low-carbon electricity through its truck charging hub at the Port of Rotterdam.

In 2025, VARO’s Scope 3 upstream emissions increased by 10% compared with the previous year, mainly due to higher sales. 1% of the increase was due to the higher carbon intensity of sourced crude, with an average of 26 kgCO₂e/boe, which was a 4% increase compared with 2024.

Preem reduced its upstream Scope 3 emissions by 31% in 2025, mainly due to reduced crude oil intake during a turnaround at Lysekil. The Lysekil Synsat upgrade, completed in 2025, increased the company’s annual renewable fuel production capacity by 900,000 m³ enabling the larger-scale co-processing of renewable feedstocks within existing refinery assets. This supports a shift in the product mix towards lower-carbon fuels with reduced lifecycle emissions. Since 2018, Preem has reduced the annual emissions from its sold products by 19%.

In 2025, Preem launched Redefine HVO100 (Hydrotreated Vegetable Oil) – the first HVO100 to receive the Nordic Swan Ecolabel. The fuel reduces fossil emissions by at least 90% compared with conventional diesel⁴.

Preem offers electric vehicle charging throughout its station network. By the end of 2025, 25 of its fuel stations offered charging for light traffic and six for truck charging.

1) Expressed in terms of marketed energy.

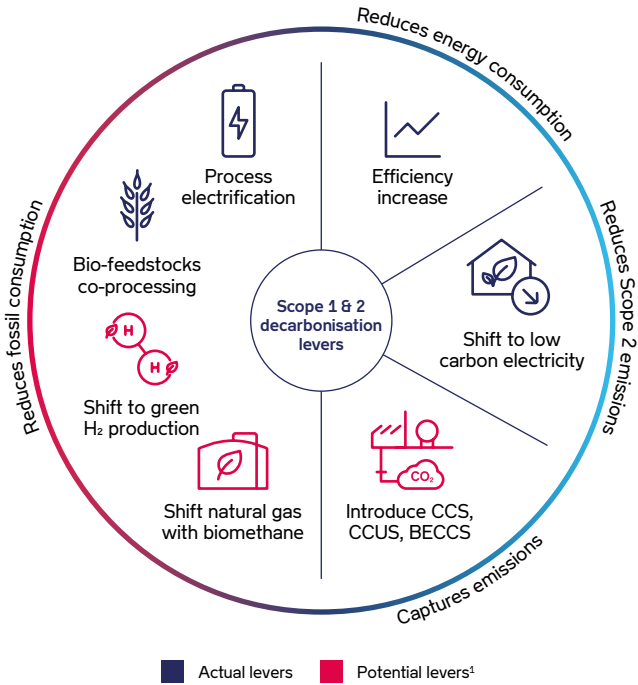
2) An error was identified in the 2024 savings calculation, and the figure has been corrected in this report.

3) The international Council on Clean Transport (ICCT): Global-LCA-passenger-cars-FS-EN-jul2021.pdf

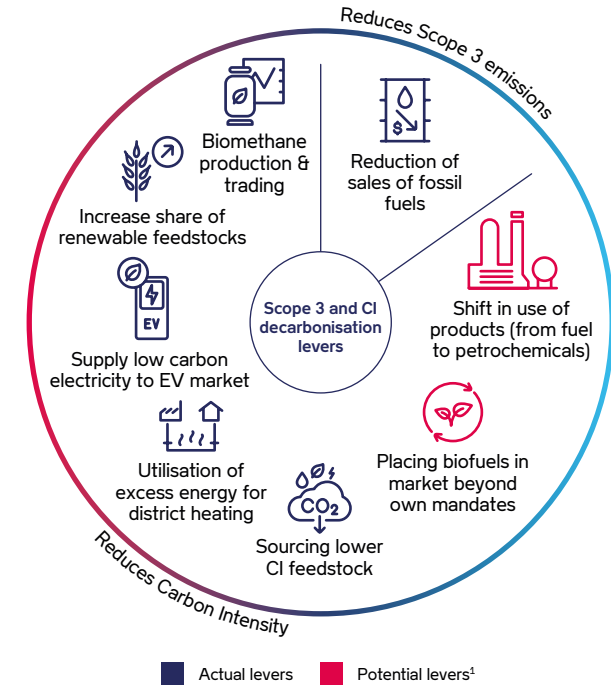
4) The method for calculating greenhouse gas emissions in gCO₂e/MJ was carried out in accordance with Article 31 of the EU Renewable Energy Directive (2018/2001/EU) (RED II). The reference value used for fossil transport fuel was 94 gCO₂e/MJ, as stated in Annex V of RED II, which was used to calculate the percentage reduction.

Our climate transition approach

Scope 1 and 2 decarbonisation levers



Scope 3 and carbon intensity decarbonisation levers



Gross Scope 1, 2 and 3 GHG emissions



We are actively investing in the decarbonisation of our value chain.

Actual and potential decarbonisation levers across our operations

At VAROPreem, we continue to improve operational efficiency, although the pace and scale of investments depend on market developments, regulation and incentives. For instance, switching to green hydrogen production offers significant emission reduction potential at our manufacturing hubs. However, despite several years of planning, the construction of an electrolyser at BAYERNOIL has not progressed due to regulatory uncertainty.

Potential decarbonisation levers include replacing natural gas with biomethane and implementing carbon capture and storage (CCS), both of which could offer significant opportunities for carbon abatement. VARO and Preem have both conducted biomethane tests along with a CCS pilot at Lysekil.

Emission reduction projects must also be economically viable to enable large-scale implementation. Carbon pricing associated with Emission Trading Schemes and low-carbon product pricing are important enablers of decarbonisation investments, although carbon pricing alone may not be sufficient to support new technologies.

Actual and potential decarbonisation levers across our value chain

VAROPreem continues to assess and develop decarbonisation opportunities across the value chain, building on recent investments where these are commercially and operationally viable.

We are developing a project to implement co-processing capabilities at Cressier, which would increase the volume and range of bio-feedstocks that can be processed (read more in the Case Study on [page 70](#)).

In February 2026, we exercised a contractual option to increase our ownership of Sunpine, the world's largest crude tall oil (CTO) refinery, from 25.1% to 100%. The acquisition, which remains subject to regulatory approval, will strengthen our access to renewable feedstock.

We are also continuing to invest in increased production capacity at Biogas Coevorden, which increased its production capacity from 250 GWh to 450 GWh in 2025 (read more on [page 69](#)).

VARO	Category	2025	2024	Baseline 2022	Delta vs 2024	Delta vs baseline
Purchase raw materials and products	Scope 3.1	13,707	12,457	13,423	10%	2%
Own operations	Scope 1 & 2	929	1,145	1,365	-19%	-32%
	Scope 1	926	1,137	1,209	-19%	-23%
	Scope 2, Market based	3	8	156	-67%	-98%
	Scope 2, Location based	61	81	101	-24%	-39%
Use of sold products	Scope 3.11	64,417	60,194	66,556	7%	-3%
Other	Scope 3, cat 2, 3, 4, 5, 9, 12, 13	437	526	466	-17%	-6%
Total	Scope 1, 2 & 3	79,489	74,322	81,810	7%	-3%
Carbon intensity of manufacturing (kg CO ₂ e/boe)	Scope 1 & 2	17.4	20.8	22.1	-16%	-21%
Carbon intensity of sold products (gCO ₂ e/MJ)	Scope 1, 2 & 3	86	86	86	0%	0%
Preem	Category	2025	2024	Baseline 2018	Delta vs 2024	Delta vs baseline
Purchase raw materials and products	Scope 3.1	1,534	2,058	7,737	-25%	-80%
Own operations	Scope 1 & 2	1,895	2,007	2,314	-6%	-18%
	Scope 1	1,877	1,987	2,305	-6%	-19%
	Scope 2, Market based	18	21	9	-12%	94%
	Scope 2, Location based	32	33	46	-5%	-31%
Use of sold products	Scope 3.11	40,627	46,556	50,083	-13%	-19%
Other	Scope 3, cat 4, 6 and 9	338	642	96	-47%	252%
Total	Scope 1, 2 & 3	44,394	51,263	60,231	-13%	-26%

Pollution

Refining operations, and the improper use or transport of fuel products can negatively impact air, water and soil through emissions or spills. Minimising pollution is essential for VAROPreem to maintain its license to operate, protect ecosystems and communities, and meet strict regulatory requirements – while strengthening its brand reputation and stakeholder trust.



Minimising pollution is essential for VAROPreem to strengthen its reputation and ensure stakeholder trust.

Our approach to pollution

Emissions from VAROPreem’s operations include SOx, NOx, volatile organic compounds (VOCs) and particulate matter (PM). Emissions are continuously monitored and managed within local environmental permits. Advanced equipment, such as infrared sensors and optical gas cameras, allow the early detection of any emission leaks to ensure we can act quickly. We conduct preventive maintenance to help minimise emissions and ensure equipment operates as expected. The storage and loading of gasoline can also cause VOC emissions, and we use Vapour Recovery Units to ensure we abide by permit limits.

Our comprehensive process safety and state-of-the-art safety technologies promote the safe operation of our infrastructure to avoid spills. We aim to reduce risks by strengthening asset integrity on high-risk sites to avoid a loss of primary containment. We carefully monitor and control our production processes, make regular inspections and conduct process Hazard and Operability Studies (HAZOPS) to prevent incidents. Read more about process safety events on [page 122](#).

Our own wastewater treatment plants manage and monitor effluent discharges from our sites.

Performance on pollution

Non-greenhouse gas emissions

All VARO sites complied with local environmental regulations in 2025 with only some minor short-term exceedances of emission limits with no significant environmental impact. NOx emissions decreased by 6%, SOx by 20% and VOC by 4%.

At BAYERNOIL, some short-term daily permit exceedances of SO₂ emissions occurred due to unexpected process disturbances, although long-term levels were within permit limits. BAYERNOIL minimises feedstock changes to avoid potential air quality issues. In 2025, BAYERNOIL continued to replace burners with ultra-low NOx burners.

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

Preem systematically measures, calculates and reports its emissions to air, water and soil in line with environmental permits and Best Available Technology (BAT) requirements, with governance oversight and regular reporting to authorities and company management. To comply with BAT and the associated BAT-AEL (Associated Emission Level) for emissions, Preem applies established abatement technologies for NOx and SOx across its operations.

In 2025, Preem continued to reduce VOC emissions and stabilised NOx emissions. Sulphur emissions and PM temporarily increased due to operational disruptions. Further improvement efforts continued to ensure emissions remain within permit limits. As part of this work, a new advanced flue gas filtration system was installed at Lysekil.

Other emissions to air

VARO	Unit	2025	2024	2023
NOx	tonnes	603	640	599
SOx	tonnes	691	865	666
VOC (volatile organic compounds)	tonnes	146	152	154
PM (Particulate matter)	tonnes	9	8	7
CO	tonnes	31	27	15
Preem	Unit	2025	2024	2023
NOx	tonnes	676	764	776
SOx	tonnes	442	266	217
VOC (volatile organic compounds)	tonnes	4,977	6,997	5,816
PM (Particulate matter)	tonnes	81	49	48
CO	tonnes	255	253	320

Spills and spill prevention

At VAROPreem, we provide employees and contractors with training on spill prevention and emergency spill management. All contractors must have the correct authorisation and follow our prevention procedures. Our strong reporting culture ensures spills are investigated and classified according to defined standards.

Our emergency planning and response procedures ensure any leakage is quickly cleaned up to minimise environmental damage and harm to people. We investigate and review the causes of any leak to avoid similar incidents from occurring in the future. Our sites hold regular training in-house and with external parties, such as local emergency services.

We promote good dialogue on our spill prevention procedures among local stakeholders. Our emergency response teams are on hand in the event of a spillage.



VAROPreem investigates and reviews the causes of any leak to avoid similar incidents from occurring in the future.

In 2025, VARO reduced its total number of spills greater than 100 litres to four, compared with 18 in 2024, which met its target of less than ten for the year. This was achieved through improving awareness and reporting procedures in recent years. Total spill volumes increased, mainly due to two events at Bayernoil in January (11,000 litres) and February (approximately 90,000 litres), bringing the total released volume from the four spills above 100 litres to approximately 105,000 litres. Material was recovered from these spills and no significant environmental impact occurred.

One large spill occurred at VARO’s Benelux Terminal in Geertruidenberg. The incident was fully contained and resulted in no soil or groundwater contamination. The spill involved a 4,000-litre leak of Keropur gasoline additive following a pump seal failure. Comprehensive corrective and preventive measures were implemented to reduce the risk of recurrence.

VARO’s terminal teams continued to clean up historic ground contamination in Germany, Belgium and the Netherlands that occurred prior to the company’s ownership. For example, at the Regensburg terminal, remediation is being carried out in collaboration with the port authority as part of a 10-year programme.

At BAYERNOIL, process safety reviews are implemented to improve procedures to avoid spills. In 2025, operation and start-up processes were calibrated for reliability, and internal spill prevention training continued for operators. A programme to upgrade pump mechanical seals was accelerated to improve process safety. Corrosion inspection and detection continued along with the removal of unused pipelines. Read more in the Process safety events section on [page 122](#).

Spills of oil and refined products

VARO	Unit	2025	2024	2023
Total number of recorded significant spills (above 100 litres)	number	4	18	10
Total volume of recorded significant spills	Litres	105,348	22,846	9,005
Total number of spills with low severity (below 100 litres)	number	56	94	84

Preem	Unit	2025	2024	2023
Total number of recorded significant spills (above 100 litres)	number	1	6	6
Total volume of recorded significant spills	Litres	20,000	6,500	37,200
Total number of spills with low severity (below 100 litres)	number	23	11	10

There were no accidental uncontrolled spills from Preem’s operations in Gothenburg, and no significant adverse environmental impacts were identified during the year. In Lysekil, however, there were a number of spills, mostly related to the turnaround. Remediation actions were taken during and after the turnaround for all spills.

In 2025, Preem conducted several emergency response exercises, including the simulation of a major oil spill at sea to test procedures and cooperation between Preem, the emergency services and the local authorities in Lysekil. The exercise demonstrated good preparedness but highlighted the need for clearer internal procedures and communication channels.

Preem has a long-term focus on remediating historical oil contamination at its manufacturing hubs. In 2025, Preem worked to remediate historical soil contamination at Gothenburg, with a focus on reducing the risk of contamination spreading to surrounding environments.

Pipeline safety

Pipeline safety and pipeline-related risks are integrated into VAROPreem’s policies, enterprise risk management framework, with defined responsibilities, management oversight and escalation procedures. Compliance and effectiveness are monitored through internal controls, external audits and regular management reviews – to safeguard people, the environment and critical infrastructure.

Effluent management

In 2025, VARO sites generally operated within environmental permits limits, with only very short-term minor exceedances of the relevant effluent discharge limits for chemical, biological and physical parameters. During the

year, BAYERNOIL had more than EUR 20 million of ongoing improvement projects to manage groundwater pollution and treat process water.

Preem’s manufacturing hubs have advanced wastewater treatment systems to ensure that effluent discharges consistently meet regulatory requirements and environmental permits. Preem continued improvement initiatives in 2025, with the ambition to perform at least 10% better than applicable discharge limits and to minimise potential impacts on surrounding aquatic environments.

Managing PFAS

The historical use of PFAS-containing firefighting foams prior to acquisition by VAROPreem’s legacy companies has led to soil and groundwater contamination at certain sites. Across VAROPreem, PFAS is managed through a consistent approach focused on prevention, phase-out, monitoring and remediation in line with regulations. This includes transitioning to fluorine-free firefighting foams, conducting site investigations, containing and treating impacted water, and implementing remediation measures in cooperation with authorities to protect human health and the environment.

At VARO sites, Cressier completed the transition to PFAS-free foam by the end of 2025, successfully phasing out its remaining PFAS-containing foam inventory ahead of the initial target agreed with the authorities. This transition occurs alongside ongoing investigation and remediation activities at former firefighting training areas. BAYERNOIL actively manages legacy PFAS contamination from historically permitted foam use. At Vohburg, groundwater is hydraulically contained, while at Neustadt, downstream water users are supported by providing access to municipal supply. All groundwater used on site is treated prior to discharge, consistently meeting permit requirements. BAYERNOIL is also progressing the phase-out of PFAS-

containing firefighting foams, restricting their use to severe incidents where no suitable alternatives are available.

During an incident at Neustadt in January 2025, municipal firefighters used a PFAS-containing foam. BAYERNOIL promptly contained, treated and managed the firefighting water on site, including activated carbon treatment, and removed affected soil for off-site treatment. Ongoing groundwater monitoring has not identified any significant increase in PFAS levels.

Preem follows a similar approach and has phased out PFAS-containing firefighting foams and implemented fluorine-free alternatives, alongside strengthened handling procedures. PFAS risks are managed through systematic investigation, monitoring and remediation in cooperation with the authorities. In 2025, Preem continued the treatment of legacy PFAS in surface water and groundwater at Lysekil, Gothenburg and the Skarvik terminal.



VAROPreem’s emergency planning and response procedures minimise environmental damage and harm to people.

Biodiversity

We actively manage the biodiversity impacts of our operations to support long-term business viability and meet regulatory and stakeholder expectations. We seek to enhance biodiversity on our sites where possible.

VAROPreem’s activities – including fossil and renewable raw materials sourcing, emissions, land use and marine transport – can affect ecosystems and habitats. Protecting biodiversity reduces value chain risks, strengthens the resilience of renewable feedstocks, and supports our ambition to operate responsibly.

Our approach to biodiversity

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

- We apply a biodiversity mitigation hierarchy to assess planned investments:
- Completely avoid negative impacts on biodiversity.
 - Where avoidance is not possible – minimise negative impact.
 - Where impact occurs – remediate any adverse effects
 - If none of the above is possible – compensate by promoting biodiversity elsewhere.

Performance on biodiversity

Cressier is located between two areas of natural habitats: one to the north-east, and the other about 600 m to the south across the Thielle River. All projects that can impact biodiversity are subject to authority approval, and local stakeholders can voice any concerns. More than 10% of unused industrial land at Cressier has been used to promote wildlife. A diverse wetland habitat with small ponds has been created, with more than 20 species of bushes and trees. Piles of stones and dead wood have been used to create habitats for rodents, snakes, lizards, insects and other small fauna.



VAROPreem has a long history of protecting and promoting biodiversity on its sites.

The BAYERNOIL Neustadt manufacturing hub is located 200 m from Lake Mauerner Badesee and adjacent to a forested area, and BAYERNOIL’s Vohburg manufacturing hub lies to the north of a small forest and close to the Paar and Danube rivers. This is a Natura 2000 area that includes protected habitats and breeding grounds for rare species. There is one Flora Fauna Habitat (FFH) 300 m from Vohburg and another four FFHs within 7 km. The FFHs are home to beaver and several species of fish, amphibians and slugs. BAYERNOIL has conducted biodiversity assessments to identify areas of valuable natural habitats that will be protected and enhanced going forward.

Preem’s biodiversity and ecosystem governance was defined through its Health, Safety and Environment Policy, Code of Conduct and ISO 14001-certified environmental management systems. Biodiversity considerations are integrated into permitting processes, with investments subject to environmental impact assessments, and operations are regulated through permits under Swedish and EU environmental legislation.

To assess biodiversity value chain impacts and dependencies, Preem uses tools such as the WWF Biodiversity Risk Filter and ENCORE, complemented by internal risk assessments. Preem focuses on protected areas, such as the Natura 2000 area adjacent to its Gothenburg manufacturing hub, as well as habitats for red-listed species or ecosystems that provide critical ecosystem services.

In 2025, Preem continued to build on its species inventories carried out in 2022 and 2024 in line with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. Preem also conducted comprehensive biodiversity mapping of all manufacturing hubs, depots and fuel stations.

During the year, Preem conducted marine biology studies to deepen its understanding of the impacts of erosion and sediment displacement on eelgrass beds at the Lysekil harbour, and a bat survey at Lysekil. The findings will guide future nature management and permitting processes.

Biodiversity is an integral aspect of Preem’s evaluation of renewable raw materials and is part of the company’s due diligence process. When assessing renewable feedstocks, Preem considers potential impacts on biodiversity and ecosystems alongside climate, water use, land use and social factors, including risks such as deforestation, habitat loss and ecosystem degradation.



In recent years, Preem has conducted comprehensive species inventories and biodiversity mapping of all its operations.

Resource use and circularity

VAROPreem’s business relies on large volumes of raw materials, most of which are currently non-renewable. By using more renewable and waste-based feedstocks, we can promote circularity, energy independence and security, while reducing environmental impact.



Increasing the amount of renewable feedstock VAROPreem sources reduces environmental impact while promoting energy security.

Our approach to resource use and circularity

VAROPreem’s product portfolio increasingly incorporates traceable renewable and circular feedstocks, including used cooking oil, tall oil, animal fats, manure and forestry residues. These feedstocks enable reduced lifecycle emissions without competing with food production or contributing to deforestation.

All renewable fuels are sourced in line with either EU or Swiss sustainability frameworks and are certified under the International Sustainability and Carbon Certification (ISCC) or equivalent schemes, ensuring full traceability and compliance with the EU Renewable Energy Directive (RED III). In 2025, 100% of biofuels were ISCC-certified, and 96% of biogas feedstock met these standards.

The company continues to expand its use of next-generation feedstocks, including lignocellulosic residues and biogenic waste oils, while developing circular value chains that transform local waste streams into scalable energy solutions.

Performance on resource use and circularity

In recent years, Preem has increased the proportion of crude sourced from the North Sea, which is generally associated with lower upstream emissions, contributing to a reduction in upstream emission intensity. As crude sourcing is influenced by market conditions, crude characteristics and refinery configuration, the ability to steer upstream emissions through sourcing decisions remains limited.

Looking ahead, sourcing patterns may vary depending on market conditions and geopolitical developments, which may impact upstream emission intensity over time. Emerging policy mechanisms, such as incentives linked to lifecycle emissions, may strengthen the role of carbon intensity in sourcing decisions.

To support the transition towards lower-carbon inputs, VAROPreem focuses on increasing the use of renewable and circular feedstocks.

The Lysekil Synsat upgrade, completed in 2025, repurposes existing refinery assets to enable the increased co-processing of renewable and circular feedstocks alongside conventional inputs. This reduces the lifecycle carbon intensity of products and provides flexibility to adjust feedstock use and production depending on market conditions.

At VAROPreem, waste is not considered to be a material topic during normal operations. However, the topic may temporarily become more material during large technical developments and major maintenance activities.

In 2025, 61% of VARO’s sold liquid biofuels were manufactured from non-crop-based feedstocks from various organic wastes. At Biogas Coevorden, feedstock is made up of around 60% manure. Process by-products are used as a fertiliser in the Netherlands, Germany and Eastern Europe to promote the circular use of nutrients.

VARO has significantly increased the proportion of biofuels in its product portfolio since 2022, mainly driven by tightening European regulatory requirements and growth in the biomethane market.

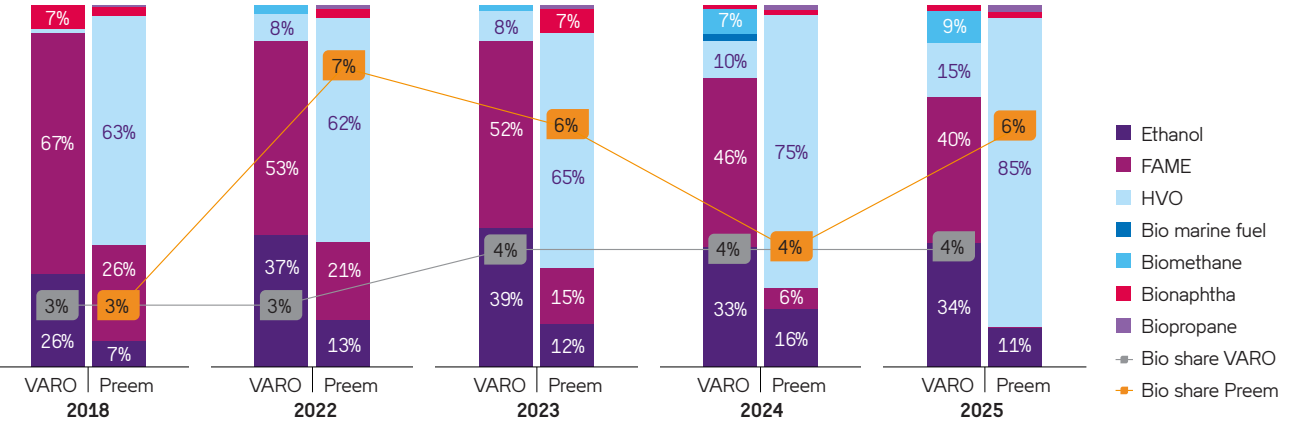
In 2025, Preem almost doubled its use of renewable raw materials to 692,000 tonnes, compared with 369,000

tonnes in 2024. These materials mainly consisted of bio-based or recycled materials, such as residual products from the forestry and pulp industry, slaughterhouse waste and used cooking oil. In 2025, Preem started a project to demonstrate how materials from used tires can replace fossil-based feedstock.

The proportion of biofuels in recent years has been largely driven by CO₂ reduction mandates in Europe. Since 2018, Preem has implemented several projects to increase its capacity to produce HVO, which has reduced the need to import FAME. The Synsat project is expected to allow Preem to produce HVO in excess of its compliance needs.

Resources used and waste generation	Unit	2025	2024	2023
VARO				
Fossil raw materials	ktonnes	6,667	6,901	6,264
Processed crude oil	thousand boe	50,990	52,760	47,973
Water consumption	km³	3,108	2,523	2,866
Hazardous waste	tonnes	3,618	5,357	4,232
Non-Hazardous waste	tonnes	10,732	11,627	7,983
Preem				
Fossil raw materials	ktonnes	12,066	13,513	13,771
Processed crude oil	thousand boe	92,140	103,190	105,160
Renewable raw materials	ktonnes	692	369	333
Water consumption	km³	3,732	3,779	3,629
Hazardous waste	tonnes	4,898	3,499	5,516
Non-Hazardous waste	tonnes	25,254	28,227	7,757

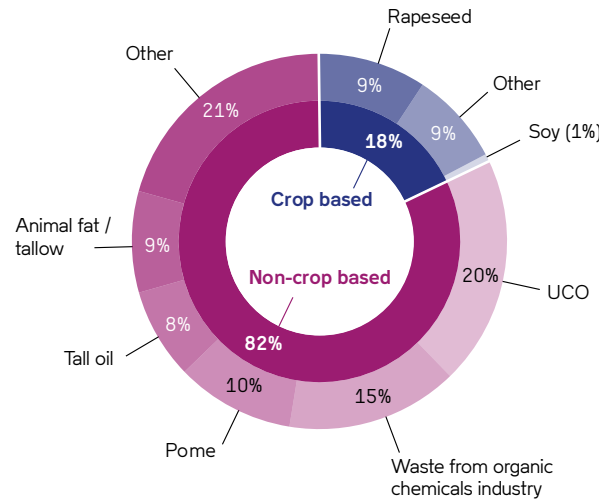
VARO & Preem marketed biofuels distribution¹



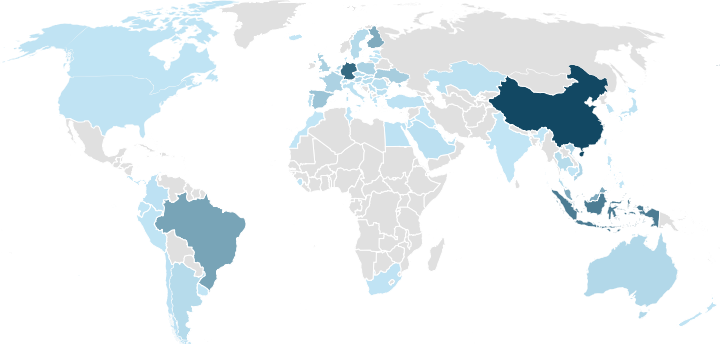
1) Percentages are calculated on a marketed energy basis because VARO’s product portfolio includes biomethane. Volume-based distribution would be less representative of the relative importance of each product.

VARO

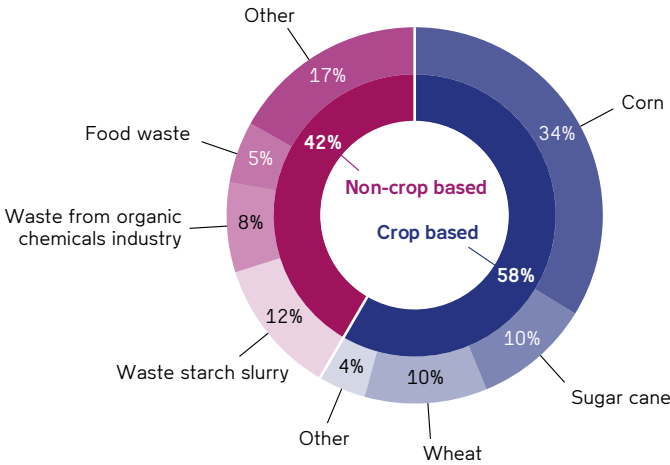
Biodiesel



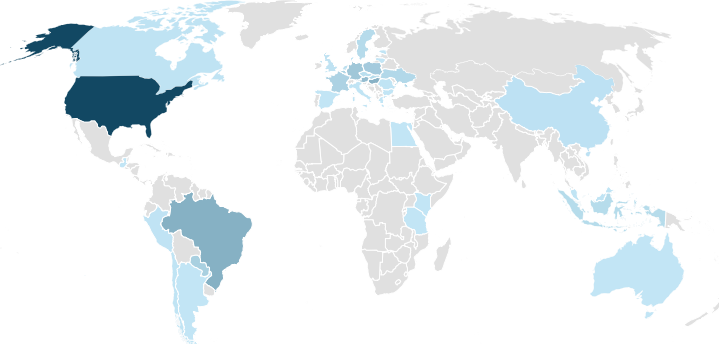
Biodiesel sourcing



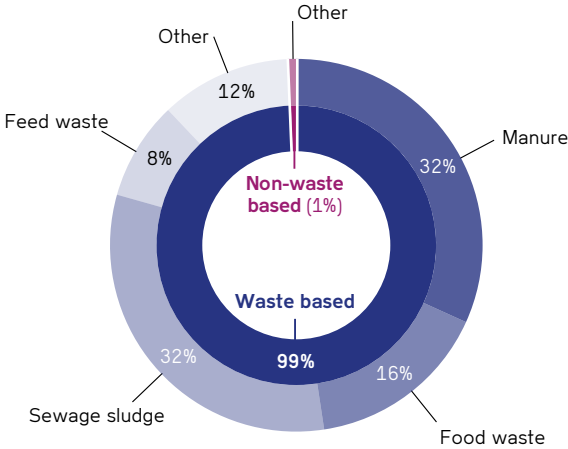
Biogasoline



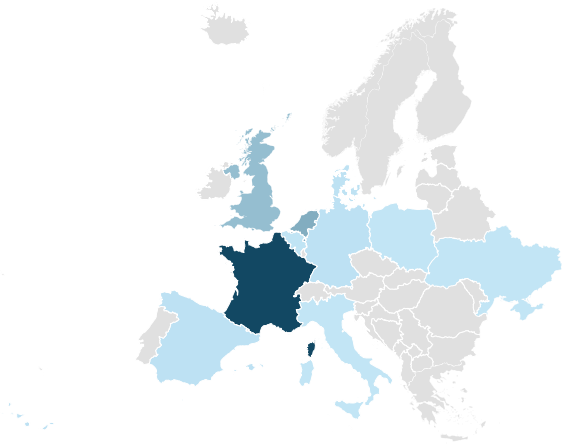
Biogasoline sourcing



Biomethane

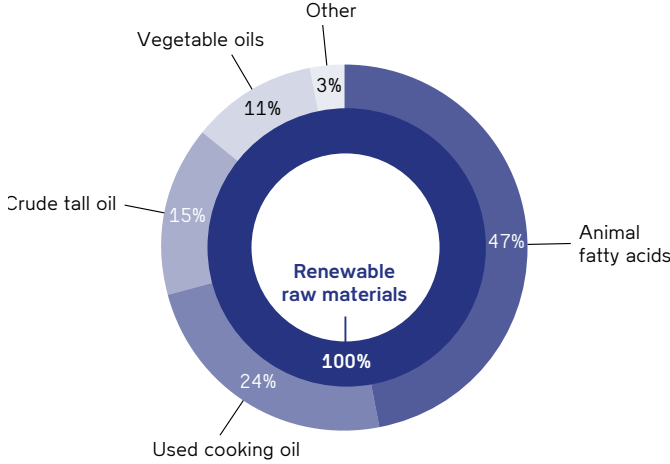


Biomethane sourcing

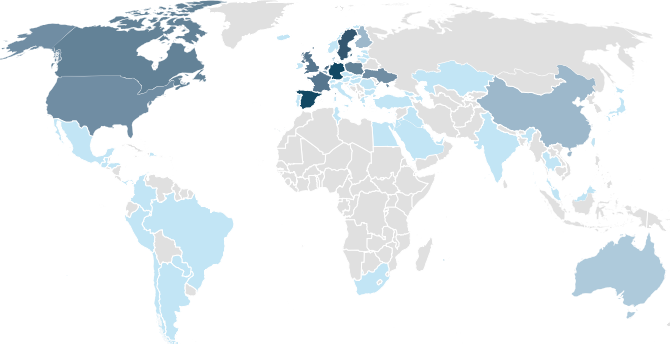


Preem

Sustainable raw materials for refining



Sustainable raw materials sourcing



1) Proportion of sourcing by country (%) — darkest shading represents the highest country share

Sustainability – Our sustainability performance

Social

We strive to promote safe, fair and inclusive working conditions across VAROPreem’s value chain – taking responsibility to protect people and uphold our commitments both as a responsible employer and business partner.

A strong social foundation also enables us to attract and retain the skilled employees we need for the energy transition, ensuring that our people can thrive, grow and contribute to our long-term competitiveness. Through close dialogue with affected communities and authorities, we strengthen our understanding of impacts and expectations, manage risks responsibly, and create lasting value for both society and VAROPreem.



Health and safety

As we work in an industry associated with workplace hazards such as flammable materials, and high pressure and temperature, our commitment to health and safety is non-negotiable – both for our own workforce and the workers in our value chain.



VAROPreem is working towards zero incidents and injuries in its operations and joint ventures.

Our approach to health and safety

At VAROPreem, we work towards zero incidents and injuries that may cause harm to our employees and contractors across our operations and joint ventures. We call this ‘Goal Zero’. By protecting our people, we also safeguard our critical assets and prevent incidents that can potentially lead to severe consequences for our operations and the environment.

We encourage everyone working on our behalf to take personal responsibility for safety, comply with our rules and procedures, and intervene if they see unsafe behaviour. These areas have been identified as the building blocks of a human performance culture that VAROPreem will use to strive towards Goal Zero.

Our commitment to health and safety covers our entire VAROPreem operations, contractors and joint ventures, such as BAYERNOIL. Although our joint ventures are

locally managed and not fully owned by VAROPreem, they are important parts of our business. For this reason, we fully incorporate BAYERNOIL into our health and safety objectives and reporting despite it being a joint venture that we do not fully consolidate in our financial and environmental reporting.

VARO upholds high standards of occupational safety, certified according to ISO 45001 and aligned with the VARO Operating Excellence Management System (OEMS). Health and safety risks are systematically identified, assessed and mitigated at all sites, particularly in high-risk operations such as manufacturing, blending and logistics.

Preem is certified according to ISO 45001 with the aim of working towards zero accidents.

Our safety commitment

Caring for our people	Operational safety	Process safety	Transportation safety	Contractor safety	Environment safety
We protect the health, well-being, and safety of everyone who works for and with us. Our actions and decisions reflect our responsibility to create a workplace where we all feel safe, respected and empowered to speak up.	Our operations are designed and managed to uphold the highest safety standards. Through continuous training, rigorous procedures, and a proactive safety culture, we ensure that risks are identified, managed and reduced before incidents occur.	Across VAROPreem's assets, we are committed to keeping products contained within their intended systems. We preserve our asset integrity through our design standards, our inspection and maintenance practices and our daily operational discipline.	Whether by road, rail or sea, we are dedicated to ensuring that the transport of our products meets the highest safety standards. This means partnering with trusted logistics providers and applying strict controls to safeguard our drivers, partners and communities.	We work hand in hand with our contractors to uphold a shared safety culture. Through engagement, training and accountability, we ensure that everyone who contributes to our operations meets the same high expectations of care and responsibility.	We comply with applicable laws and regulations, and we take responsibility for minimising the impact of our operations on the environment. We act with care and commitment to preserve the natural world for future generations.

Performance on health and safety

In 2025, VARO had no work-related fatalities or incidents with serious injury. However, the Total Recordable Work-related Injury Rate (TRIR) increased to 4.5 per million hours worked. Analyses of incidents during the year formed the basis for VARO's 2026 HSE plan, which will focus on continuing to implement the VARO Life Saving Rules and strengthening leadership field presence.

Key health and safety initiatives at VARO in 2025:

- Conducted Hazard and Operability Study (HAZOP) and Safety Integrity Level (SIL) assessments.
- Targeted safety training sessions for employees and contractors at manufacturing hubs.
- Continued roll-out of the VARO Life-Saving Rules to mitigate the greatest risks for serious injury.
- Reinforced the Stop Work Authority initiative to give anyone the right to stop an activity they perceive as unsafe.
- Developed a Process Safety Fundamentals initiative for roll-out in 2026 – to help prevent loss of containment events.

In March 2025, the Cressier manufacturing hub launched a three-year improvement plan aimed at enhancing safety, reliability and operational performance. At the heart of the plan is a strengthened safety framework built around process and personal safety. Cressier made significant progress during the year by defining strategies for maintenance of Safety Critical Equipment and expanded process safety training for operators and maintenance specialists. In parallel, it improved work preparation and permit-to-work planning, increased field audits to verify safe behaviour, and enhanced critical event management to promote rapid response capabilities and learning from high-potential incidents.



Safety is central to VAROPreem's identity with a firm commitment to preventing harm through a proactive approach.

Cressier improved its safety performance through these efforts. During the year, TRIR almost halved, Lost Time Injuries decreased to two and no Serious Injury and Fatality Potential events occurred. Spill performance also improved considerably, with only one larger spill, which was fully contained. Cressier's progress in 2025 demonstrates a maturing safety culture and provides a strong foundation for continued improvement towards safety excellence over the next two years of the plan.

BAYERNOIL had no serious injuries or fatalities in 2025, although three Tier 1 process safety events, and 12 serious injury and fatality potential events occurred. These events were all used to learn and improve. BAYERNOIL's TRIR increased to 3.6 per million hours worked.

Key health and safety initiatives at BAYERNOIL in 2025:

- Learning from incidents to improve safety culture and behaviour.
- Ongoing reorganisation of asset teams.
- Lockout/Tagout improvements.
- Permit to work improvements.
- Increased management presence with direct coaching.

In May 2025, the Ingolstadt public prosecutor's office announced the resolution of proceedings against certain BAYERNOIL employees in relation to the 2018 blast and fire at Vohburg. The outcome confirmed the cause was an unforeseeable technical failure. The conclusion of these legal proceedings provides a valuable opportunity to share the specifics of the incident more broadly with the industry and to support the ongoing improvement of standards.

In 2025, Preem's Lost Workday Injury Frequency (LWIF) was 1.4 per million hours worked. Accidents involving its own workforce were mainly related to minor pinch injuries and slip accidents. The TRIR was 3.3 per million hours worked.

In 2025, a fatal accident occurred during construction work at a Preem fuel station in Bollnäs, Sweden, involving a technician from an external contractor. Pending the police investigation, Preem conducted an internal investigation in line with its incident management processes to ensure that key lessons were captured and integrated into ongoing health and safety work with suppliers and contractors.

Key health and safety initiatives at Preem in 2025:

- Company-wide Safety Days to strengthen a safety-first culture across Preem and its subsidiaries.
- Enhanced safety culture initiatives aimed at reducing common types of minor injuries and addressing more serious events.
- Implementation of an improved Hazard and Operability analysis routine.
- Daily safety inspections and risk analysis during two turnarounds in 2025 to mitigate the increased safety risks during these periods.
- Enhanced safety onboarding for contractors prior to turnarounds.



Health and Safety indicators

VARO	Unit	2025	2024	2023
Fatalities	number	-	-	-
Rate of fatalities	per 1,000,000 hours worked	-	-	-
Tier 1 process safety events	number	3	3	3
Tier 1 process safety events rate	per 1,000,000 hours worked	0.50	0.49	0.44
Tier 2 process safety events	number	2	7	5
Tier 2 process safety events rate	per 1,000,000 hours worked	0.33	1.15	0.73
Lost Time Injuries, total employees and contractors	number	12	12	8
Lost Time Injury Rate, total employees and contractors	per 1,000,000 hours worked	1.99	1.97	1.16
Lost work days	days	268	158	358
High consequence work-related injury, total employees and contractors	number	-	3	2
High consequence work-related injury Rate, total for employees and contractors	per 1,000,000 hours worked	0.00	0.49	0.29
Total Recordable Work-related Injuries, total employees and contractors	number	27	20	24
Total Recordable Work-related Injury Rate, total employees and contractors	per 1,000,000 hours worked	4.49	3.28	3.49

Preem	Unit	2025	2024	2023
Fatalities	number	1	-	-
Rate of fatalities	per 1,000,000 hours worked	0.16	-	-
Tier 1 process safety events	number	1	2	2
Tier 1 process safety events rate	per 1,000,000 hours worked	0.16	0.30	0.28
Tier 2 process safety events	number	5	2	3
Tier 2 process safety events rate	per 1,000,000 hours worked	0.79	0.30	0.43
Lost Time Injuries, total employees and contractors	number	9	9	9
Lost Time Injury Rate, total employees and contractors	per 1,000,000 hours worked	1.43	1.33	1.28
Lost work days	days	n.a.	n.a.	n.a.
High consequence work-related injury, total employees and contractors	number	n.a.	n.a.	n.a.
High consequence work-related injury Rate, total for employees and contractors	per 1,000,000 hours worked	n.a.	n.a.	n.a.
Total Recordable Work-related Injuries, total employees and contractors	number	22	16	32
Total Recordable Work-related Injury Rate, total employees and contractors	per 1,000,000 hours worked	3.50	2.37	4.55

What are Tier 1 and Tier 2 process safety events?

Tier 1 process safety events – are high-consequence incidents involving a significant loss of primary containment (LOPC).

Tier 2 process safety events – are lower consequence but still serious LOPC.

Process safety events

Process safety events involving the unintended release of hazardous materials or energy due to a system or equipment failure, have the potential to cause significant harm to people, the environment and assets. Such events are classed as either Tier 1 or Tier 2 events. Process safety events can also have environmental impacts – read how we manage these on [page 108](#).



Process safety

Across VARO, the number of Tier 1 process safety events remained steady in 2025, while the number of Tier 2 events decreased. Importantly, there were no high-consequence work-related injuries in VARO’s operations during the year. VARO invested in improving its processes to reduce the number of process safety events going forward.

During the year at VARO, there were three Tier 1 events at BAYERNOIL and two Tier 2 events (one at Cressier and one at Coevorden). One of the Tier 1 events at BAYERNOIL involved an explosion and fire in January at Neustadt, which was an unforeseeable event caused by an exothermic reaction in the isomerisation reactor catalyst that resulted in no injuries.

Preem achieved its Process Safety Event Rate (PSER) target in 2025 with a rate of 0.9 per million hours worked. The PSER rate has decreased since 2022 and has been below Preem’s target of 1.0 since 2024.

Health and safety outlook

Safety is at the core of VAROPreem’s identity. As we move forward as a new company, we are committed to ensuring that no one is harmed at work. Our focus is on strengthening proactive risk management, consistently using job safety analyses, and maintaining high-quality safety dialogues and inspections to prevent incidents before they occur.

We also work to secure high operational reliability across our sites, recognising that safe and stable operations go hand in hand. To support this, we continue to invest in modern technology, from control systems to electrical infrastructure and enhanced maintenance tools. Together, these efforts reflect our long-term ambition: to build a culture where safety is a shared responsibility and a fundamental value that shapes how we operate every day.

Own workforce

We seek to create inclusive and engaging workplaces that enable VAROPreem employees to thrive and develop, while also securing the capabilities we need for the future. We believe equal opportunities and continuous competence development are vital to achieving our business objectives and driving innovation.



VAROPreem has a focus on creating inclusive and engaging workplaces that enable its employees to thrive and develop.

2025 marked a definitive milestone in our history with the acquisition of Preem, Sweden’s leading energy company. In January 2026, 2,038 new colleagues from Preem joined our organisation, equating to more than a 150%¹ increase in our workforce, to fundamentally transform our scale, capabilities and potential.²

The engine of opportunity

VAROPreem is a company that plays a critical role in enabling societal progress and prosperity.

At a time when many European companies are scaling back, VAROPreem is growing boldly – driven by our twin-engine strategy, which has been stepped up by the acquisition of Preem. Our strategy has created momentum, along with broadened career opportunities and genuine excitement among our people. This has enhanced our ability to attract talented professionals who want to be part of a future-focused company. We are committed to navigating the challenges of merging two companies with distinct cultures and operating practices. We do this with transparency and care, with dedicated integration teams, forums for open dialogue and investments in change management. This work is ongoing, and we are committed to creating a company where people can develop professionally while contributing to meaningful impact.

Our approach to our own workforce

We believe that the well-being, development and empowerment of our employees form the foundation of our business resilience and long-term success. We also foster a work environment that supports professional growth and psychological safety.

Our policies related to our own workforce are guided by international labour standards and human rights principles to guarantee equal pay for equal work, prohibit any form of harassment or discrimination, and support flexible working arrangements.

At VAROPreem, we aim to create working environments where everyone feels empowered to speak up and be heard, with the intention of driving greater creativity and innovation. We encourage our employees to act in accordance with our values and will establish VAROPreem values as part of our integration work.

Performance on our own workforce

Workplace inclusion and fair treatment

At VAROPreem, we provide equal opportunities to enable our people to reach their full potential, with fair hiring, promotion and compensation practices. We promote working environments where no one is discriminated against based on race, colour, religion, sex, gender identity or expression, sexual orientation, national origin, genetics, disability or age. We maintain a strict zero-tolerance policy for all forms of harassment, whether verbal, physical or otherwise to promote respectful and inclusive workplaces.

1) The ‘more than 150%’ was calculated as 2,038 (Preem employees on 31 December 2025) / 1,306 (VARO employees on 31 December 2025) = 156%. The VARO employee figure excludes joint ventures.
2) BAYERNOIL data and progress are not included in this ‘Our workforce’ section.

Inclusion targets and performance

Indicator	2030 targets	Performance 2025
VARO		
Female employees in office-based positions	≥50%	41%
Female senior managers	≥50%	20%
Gender pay gap	0.9–1.1 range across all geographies	Gender pay ratio within the 0.9–1.1 range
Preem (*)		
Women in blue-collar positions	≥30%	13%
Women in senior manager positions	≥50%	29%
Women in white-collar positions	≥50%	37%

(*) data only includes Preem AB and Preem AS. Retail excluded

VARO applied its Equity, Inclusion and Diversity (EI&D) Policy to all its business relationships in 2025, ensuring that employees demonstrate inclusive conduct with colleagues, customers, suppliers, authorities, stakeholders and the public. VARO expanded career development programmes for women in technical and leadership roles. Female representation among senior managers remained stable compared with prior year at 20%, and 41% of office-based employees were female.

In 2025, Preem further developed its approach to inclusion and fair treatment as a central part of its role as a responsible employer. Preem developed a company-wide diversity and inclusion strategy, focusing on fair recruitment processes, competence development, transparent and equitable remuneration, and an inclusive organisational culture. Preventive work against discrimination and harassment was also strengthened by introducing an additional confidential reporting channel for employees. During the year, the representation of women among senior management increased from 28% to 29%.

Employee training and skill development

We are committed to creating development and career opportunities for our people to promote employee satisfaction and enable us to attract and retain talented employees. The personal and professional development of our employees is essential to our succession planning and business continuity.

In 2025, VARO continued to roll out the VARO Sales Academy, which upskills customer-facing employees to work with both sustainable and conventional energies. The VARO Learning Galaxy, a digital Learning Experience Platform (LXP) designed to strengthen employee development was also launched for employees. In 2025, VARO achieved a 95% voluntary employee retention rate.

During 2025, Preem continued to strengthen employee training and skill development to support long-term development and competitiveness. Employees were supported through a range of development initiatives, including both role-specific and general training, as well as targeted programmes for managers. As part of the ‘Digital Step’ initiative, selected teams received training in digitalisation and AI to better equip the organisation for the future. During the year, Preem achieved a 97.5% voluntary employee retention rate. Preem also established employee review procedures to set goals related to work environment and job satisfaction.

Workforce size

As of 31 December 2025, VARO had 1,306 employees (excluding joint ventures) located in five countries. Preem had 2,038 employees (1,681 excluding retail fuel stations) located in Sweden and Norway.

Fair wages, social protection and well-being

At VAROPreem, we go beyond statutory minimum wage and social protection requirements by providing enhanced pension contributions, disability coverage and supplementary insurance programmes where applicable. Remuneration levels are reviewed annually using external benchmarks and based on inflation and local living costs. We offer parental leave, accident insurance and favourable pensions.

We promote employee well-being, including mental health, through initiatives such as healthy food options, sponsored sports activities, and discounts for gyms and yoga classes.

To support integration and strengthen collaboration across VARO Preem, a balanced approach to flexible working is applied. Under the VARO Flexible Working Policy, employees can work remotely up to 20% of their time, depending on their role and departmental needs.



VAROPreem goes beyond statutory requirements in terms of wages, social protection and employee well-being where possible.

All Preem employees in Sweden were covered by collective bargaining agreements during the year. Preem promotes employee well-being beyond legal requirements by offering a broad range of health and benefits. Employees can work remotely for up to 20% of their working time.

Employee development and satisfaction targets

Indicator	Target	Performance 2025
Voluntary employee retention rate - VARO	>90%	95%
Voluntary employee retention rate - Preem	no target	97.5%

VAROPreem workforce

VARO	UoM	Switzerland	Germany	Benelux/France	Total 2025
Total employees	headcount	511	352	443	1,306
Employees with permanent contract	headcount	511	342	407	1,260
Employees with temporary contract	headcount	-	10	36	46
Full time employees	headcount	466	298	362	1,126
Part-time employees	headcount	45	54	81	180
Preem	UoM				Total 2025
Total employees	headcount				1,681
Employees with permanent contract	headcount				1,663
Employees with temporary contract	headcount				18
Full time employees	headcount				1,654
Part-time employees	headcount				27

Headcount as of 31 December 2025

Workers in the value chain

VAROPreem sources raw materials, products, equipment and services from global supply chains where risks related to working conditions and human rights may arise. We protect people, strengthen resilience and build trust through risk-based due diligence, defined supplier requirements, ongoing monitoring and transparent reporting.

Our approach to value chain workers

At VAROPreem, we strive to embed a strong ethical culture and promote human rights throughout our value chain. We do this by ensuring our partners either adopt our policies or have similar standards in place. We abide by the UN Guiding Principles on Business and Human Rights and ordinance on due diligence and transparency in relation to metals and minerals from conflict-affected areas and child labour.

All the main countries VAROPreem operates in – Belgium, France, Germany, Luxembourg, the Netherlands, Switzerland, Sweden and Norway – rank highly on the Human Freedom Index. This means that most of our relations with employees and society are well regulated by local practices and legislation, with high standards governing human rights.

However, we recognise the potential for human rights risks in parts of our supply chain. As we source more bio-feedstock from higher-risk countries and strengthen due diligence processes in line with evolving regulations, identified risks are expected to increase as we gain improved visibility across the supply chain.

Human rights policy commitments

VARO and Preem require suppliers and business partners to comply with their Codes of Conduct that set minimum standards on human rights, labour conditions, health and safety, and business ethics.



VAROPreem seeks to protect people working in its value chain by enforcing supplier requirements and ongoing monitoring.

These requirements are based on internationally recognised standards, including the UN Guiding Principles on Business and Human Rights and ILO core conventions, and are supported by due diligence and monitoring processes across the value chain.

Both companies prohibit child labour, forced labour and human trafficking, and require suppliers to comply with minimum age requirements and applicable labour standards.

The codes are implemented through supplier requirements, contractual commitments and ongoing follow-up.

In 2025, Preem further developed how it manages value chain risk, with particular emphasis on upstream activities such as raw material extraction, transport, contracting and process equipment manufacturing. The company developed its long-term internal processes for evaluating fossil and renewable raw materials. Human rights were also incorporated into all agreements.

Risk and impact assessment

At VAROPreem, impacts on our own operators, contracted workers and neighbouring communities are our top priority, with our policies defining minimum human rights standards for all our suppliers and business partners.

While salient risks within our own operations are well managed, challenges increase in our value chain where our influence is more limited, such as in our joint ventures and

suppliers. We are committed to assessing and monitoring our human rights impacts in both our own operations and our value chains through a risk-based approach.

We use certifications and independent audits as part of our control framework to mitigate adverse human rights impacts. For example, the ISCC certification related to renewable fuels includes human rights criteria such as the prohibition of child labour and is externally verified. Our human rights risk assessments evaluate potential and actual human rights risks based on their severity and likelihood across the value chain, with a primary focus on the direct sourcing of raw materials and other key inputs. Risks related to indirect goods and services are included to a more limited extent based on risk relevance and the available information.

VARO identified its most salient human rights issues as:

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

Preem conducted a value chain Human Rights Impact Assessment in 2025. The assessment identified the highest inherent risks in crude oil extraction, IT products and services, waste management, technical services, refining, and agricultural or biological raw material production.



VAROPreem promotes minimum human rights standards for all suppliers and business partners.

The assessment identified higher risks for value chain workers and affected communities than for Preem's own workforce, particularly in health and safety, and community-related environmental and land issues.

In 2025, the Swedish authorities carried out an unannounced inspection at the Lysekil refinery, mainly targeting contractors and subcontractors active during an audit suspension. No issues were found, however the company identified gaps in its electronic personnel register and has since updated its procedures.

Communication on human rights

We provide regular assessments and updates on our human rights framework and performance in our annual sustainability reporting, available at www.varopreem.com. Our relevant policies are also available on our website.

Grievance mechanisms

Grievance and remedy mechanisms are outlined in our policies, which require employees to report any suspected human rights violations in good faith through our whistleblower channels. Read more about our whistleblower channels on [page 132](#).

Data privacy and human rights

International human rights law recognises a right to privacy, which includes the protection of personal data. Our information and cybersecurity measures safeguard data privacy for both our internal and external stakeholders.

We meet the requirements of the German Federal Data Protection Act Bundesdatenschutzgesetz (BDSG) and the General Data Protection Regulation (GDPR) to safeguard the personal data of individuals – including our employees, customers, suppliers and business partners. We train and inform employees on safeguarding confidential information, particularly in relation to the handling of computer equipment used for work purposes.

Relevant VARO policies include the HR Privacy Notice and Data Retention Policy. The VARO Privacy Committee meets quarterly to manage relevant topics.

Preem protects the personal data of its stakeholders through dedicated Privacy Policies for private customers, companies, suppliers and partners.

Affected communities

VAROPreem’s licence to operate depends on the environmental and socio-economic impacts it creates for the communities and stakeholders surrounding its facilities. Through responsible management and ongoing stakeholder dialogue, we aim to build trust and create long-term value.

Our approach to affected communities

VAROPreem plays an important role in society by contributing to European energy security and system resilience, while working to promote more sustainable energy solutions. We are also a major local employer in our markets and engage in various local initiatives and sponsorships to promote positive economic and societal benefit. Additionally, we invest in solar energy and district heating projects that benefit local communities.

At the same time, we work to mitigate the negative impacts our operations can have on surrounding communities. Open communication and frequent dialogue help maintain good relations with local communities. We engage on key topics, such as potential impacts from planned maintenance and turnarounds and aim to communicate openly with stakeholders on topics that might affect them.

Engagement mechanisms

- Community assessments – help us to identify and assess risks and opportunities.
- Continuous dialogue and local partnerships – all our sites maintain ongoing engagement with neighbouring communities and local government.
- Community communication channels – we share information through our website, local media and direct communication, and maintain emergency hotlines that allow local stakeholders to raise concerns. All complaints are documented, investigated and resolved by local site management teams.
- Open days and site visits – provide additional opportunities for communities to learn about our operations and raise issues directly with our representatives.
- Collaboration with local authorities – we organise regular visits for local officials to exchange views, gather feedback and align on shared community priorities.



VAROPreem works to mitigate the negative impacts its operations can have on surrounding communities.

Performance on affected communities

In 2025, Cressier contributed to community projects, including playground construction and sports facility refurbishments. BAYERNOIL supported 15 local schools and kindergartens, sponsored cultural events like the Bavarian Open-Air Theatre, and donated to charities such as Make-A-Wish and Vaarwens.

During the year, Preem conducted a comprehensive assessment of social impacts with a focus on enhancing positive effects and mitigating negative impacts throughout the value chain. Preem contributed to local communities through sponsorships, research collaborations and long-standing cooperation with authorities to advance knowledge on renewable fuels. For example, it has been involved in a collaboration on renewable fuels led by the Chalmers University of Technology since 2007.

Preem promotes the representation and visibility of female engineers as part of its commitment to diversity, inclusion and talent development. Through partnerships with national engineering networks such as the female engineer network Wera, Preem supports mentoring, networking and knowledge-sharing initiatives that strengthen the role of women in engineering.

Mitigating community impacts

VAROPreem investigates and addresses incidents that may affect communities, implements corrective and preventive measures, and collaborates with the authorities when necessary. We implement systematic measures to mitigate negative impacts on local communities, such as noise disturbance, smell and pollution.

Concerns raised by communities are handled promptly and fairly. We prioritise remediation through operational adjustments, transparent reporting and direct dialogue with the affected parties. Our processes are designed to prevent recurrence and to strengthen mutual trust with local stakeholders.

In 2025, VARO received two complaints related to noise disturbance, which were both resolved together with the local authorities. Two odour complaints were received by BAYERNOIL’s Neustadt site, which were investigated and resolved with corrective measures.

At Preem, no noise or odour complaints were received in Gothenburg during the year. At Lysekil, 17 minor odour-related complaints were received, mainly related to heavy fuel oil loading operations. 28 noise complaints were made at Lysekil, mainly associated with vessels, flaring during operational disturbances, and temporary maintenance or construction activities.



VAROPreem investigates and addresses incidents that may affect communities and collaborates with the authorities when necessary.

Sustainability – Our sustainability performance

Governance

In an increasingly interconnected business environment, robust governance and ethical business conduct are fundamental to creating value for VAROPreem and its stakeholders.



Business conduct

VAROPreem operates in complex, global value chains where risks related to corruption, unethical conduct and a lack of transparency may arise. Effectively managing these risks is essential to not only reduce legal and financial exposure, but also to maintain stakeholder trust and support long-term competitiveness. By upholding high standards of integrity, transparency and ethical conduct, we strengthen partnerships, maintain access to markets and reinforce resilient operations.

Our approach to business conduct

At VAROPreem, our aim is to create long-term value and trust among our stakeholders and society at large by being a reliable partner that acts with ethical integrity. We prevent corruption, ensure ethical business relationships and maintain transparency throughout our value chains. We expect everyone acting on behalf of VAROPreem – including employees, consultants and representatives – to abide by our ethical business practices.

In our own operations, we promote a strong ethical corporate culture through training, recruitment and onboarding, communication campaigns, and initiatives that promote our values and employee development. Among our suppliers, we promote clear governance, risk management and robust processes to minimise business ethics violations throughout our value chains. This work strengthens the VAROPreem brand, mitigates risk and enhances our long-term competitiveness.

With the formation of VAROPreem, we uphold the governance and compliance frameworks of both legacy organisations. Until the adoption of a unified Code of Conduct and harmonised policies, the existing VARO and Preem policies continue to apply to their respective operations. See a summary of our policies on [page 144](#).



Integrity and transparency underpin everyday business practices for VAROPreem employees.

Ethical business practices

Ethical conduct underpins our reputation as a trusted partner and our ability to create long-term value. We conduct our business with integrity, transparency and accountability, and comply with applicable national legislation and relevant international sanctions, including those of the EU, UK and US.

We apply a zero-tolerance approach to bribery and corruption across our operations and value chains. We expect our employees and business partners to act in accordance with the applicable anti-bribery and anti-corruption laws and our internal policies. Employees exposed to elevated compliance risks are provided with relevant training and guidance.

To manage compliance risks, including sanctions breaches, fraud, bribery and corruption, VARO implements a risk-based Know Your Customer (KYC) framework. The VARO KYC department conducts due diligence. Screening of counterparties prior to establishing, and throughout, business relationships, is based on risk, geography, transaction type and the nature of the business partner.

As part of its ethical business practices, Preem integrates responsible business conduct into its due diligence processes across the value chain, including clear supplier requirements, monitoring and the follow-up of environmental, social and governance risks. Ethical considerations are embedded in internal governance through established roles for internal auditing, alongside structured processes for reporting and addressing potential breaches via whistleblowing mechanisms. Together, these practices support consistent ethical behaviour, transparency and accountability across Preem's operations and business relationships.

Anti-corruption training and awareness

VAROPreem has clear commitments for responsible business conduct. This includes the continuous improvement of our anti-corruption compliance programmes, mandatory Code of Conduct training for employees and communication campaigns. The VARO and Preem Anti-Corruption Policies help prevent corruption and mitigate risk. Any reports of corruption or bribery are assessed and undergo investigation, action and reporting.

At VARO, employees in commercial roles are required to complete market abuse training, and employees involved in counterparty onboarding and trading activities receive KYC training. New employees in Benelux and Germany receive an in-person introduction to the Code of Conduct as part of their onboarding process, with roll-out in other countries underway.

In 2025, 87% of eligible Preem employees completed Code of Conduct training, and mandatory training was conducted for employees exposed to corruption risks as well as training in competition law and protective security. Preem applies risk-based supplier due diligence and audits to identify and address potential corruption risks in the value chain.



VAROPreem continuously improves its anti-corruption compliance programmes, and employee training and awareness.

Anti-corruption training 2025

Coverage	VARO	Preem
Percentage covered by the training requirement ¹	93%	99%
Other		
Grievance cases reported	One	n/a
Whistleblowing cases were reported through our whistleblowing mechanisms	Seven	None
KYC Policy breaches	None	n/a

1) VARO: All employees of fully owned VARO entities (excluding joint ventures).
Preem: Anti-corruption for managers, management teams and risk-exposed departments.

Our whistleblower channels

Employees are expected to report, in good faith, any suspected violations of applicable laws, regulations or internal policies. Both VARO and Preem currently maintain whistleblowing channels that allow confidential and anonymous reporting. All reports are assessed according to established procedures and, where appropriate, are subject to further investigation, follow-up actions and internal reporting. Individuals who raise concerns in good faith are protected against retaliation in accordance with the applicable laws and internal policies.

Partnerships and advocacy

We actively engage in sustainability-related partnerships with like-minded partners. Such partnerships enable us to advocate for clear and consistent regulations that support societal decarbonisation while creating long-term business opportunities for VAROPreem.

One example is our partnership with the World Economic Forum, which allows us to collaborate with other leading global companies to develop solutions to some of the world's greatest challenges. [See Appendix 4](#) for a list of associations that VARO and Preem collaborated with in 2025. VARO is a signatory of the UN Global Compact and its ten principles related to human rights and labour rights.



VAROPreem maintains whistleblowing channels that allow confidential and anonymous reporting.

Sustainability Appendix

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Appendix 1:
Limited assurance VARO

Scope of assurance

The scope of the limited assurance is limited to VARO entities and excludes Preem. Disclosures are reported using VARO’s fiscal year, which corresponds to the standard calendar year (1 January to 31 December). The most recent completed financial year is reported in the following year’s reporting cycle.

Definition of selected disclosures

GHG inventory and scope of reporting

VARO measures and reports GHG emissions in line with the Greenhouse Gas Protocol Corporate Standard (Scope 1 & 2) and the Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. While we strive to report CO₂e, this information is not always readily available.

The GHGs that are most material to VARO’s operations and value chain are CO₂ and CH₄.

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

Units

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

Emission factors for GHGs

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

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

GHG emissions in VARO’s assurance scope

Type	Explanation	Application in VARO reporting (if different from above)	In scope limited assurance
Scope 1	Direct emissions from combustion of fuels in own operation	Operational data and direct CO ₂ as reported by manufacturing hubs included in ETS (Emission Trading Scheme).	Yes
Scope 2	Indirect emissions from e.g. Electricity usage	Market-based emissions using supplier-specific factors or the national residual mix (AIB). Location-based emissions based on the national production mix (AIB).	Yes
Scope 3, category 1	Purchased goods	Processed crude oil and renewable feedstock using crude-type and country of origin specific emission factors. Purchased ready-made products are calculated using generic factors.	Yes – only for FY 2025
Scope 3, category 2	Capital goods	Includes purchases for manufacturing hubs, terminals, retail and offices, as well as investments.	No
Scope 3, category 3	Fuel and energy	Production-related emissions for all fuels and energy sources used by VARO and not included in Scope 1 or 2.	No
Scope 3, category 4	Upstream transport	Services purchased by VARO to transport crude oil, feedstock and final products.	No
Scope 3, category 5	Waste	Third-party disposal and treatment of waste generated in VARO’s operations.	No
Scope 3, category 9	Downstream transport	Services purchased by VARO’s suppliers or clients to transport feedstock and final products.	No
Scope 3, category 11	Use of sold products	Total sale of fuels including both, VARO’s own manufactured products and traded products (if sold to direct users, distributors or other parties). Fuels are assumed to be combusted. Bitumen is not considered in this category.	Yes
Scope 3, category 12	End of life treatment	Applied to bitumen.	No
Scope 3, category 13	Downstream leased assets	Applied to time charter barges leased to third parties.	No



Consolidation approach on GHG emissions

VARO applies a financial control approach and reports emissions according to its proportional ownership of joint ventures.

BAYERNOIL, of which VARO owns 51.4%, estimates

BAYERNOIL	2021	2022	2023	2024	2025
Allocation of Scope 1 and 2 emissions	52.38%	56.64%	53.09%	52.75%	52.33%

The GHG emissions associated with biofuels for EU markets, are aggregated using data from official sustainability certificates that follow these volumes. As of the reporting date, emission figures for Q4 biofuel volumes are not available due to the timing of bio-certificate processing. To ensure consistency and comparability, the reported volumes comprise Q4 of the prior year and Q1 to Q3 of the current reporting year. These figures are used in the calculation of VARO's Scope 3 category 1 and 11.

In 2025, an adjustment to Scope 3 category 1 was made by deducting emissions associated with the logistics of traded products to avoid double counting. However,

the emissions corresponding to each shareholder based on their use of the total production capacity. Therefore VARO's emissions from Bayernoil do not necessarily coincide with its participation in this joint venture. Below is an overview of the allocation of Scope 1 and 2 emissions in recent years:

the adjustment resulted in an approximately 1% reduction in Scope 3 category 1 emissions in recent years. It is therefore considered immaterial, and the adjustment will be discontinued, with the understanding that a portion of emissions reported under logistics will also be accounted for under Scope 3 category 1.

Figures from previous years are restated if the variation amounts to at least 5%. VARO divested its retail business in Germany at the end of 2024. The only figure restated as a result of this sale was market-based scope 2 emissions for 2024, as the variation exceeded the 5% threshold.

Restatement figures for 2022 are:

KPI (k tonnes CO ₂)	ESG Report 2024	Sustainability Report 2025
2022 GHG emissions Scope 3, category 1	13,327	13,415

Scope 3 category 1 emissions were recalculated to apply the same methodology for 2022, 2023, 2024 and 2025.

Corrections resulting in minor adjustments were applied to the calculation of Scope 3 category 3 for 2023 and 2024.

Improved data collection and processing, through greater automation and additional controls, allowed us to identify inconsistencies in the units used to account for savings in 2024. The total savings figure has been adjusted accordingly.

Restated figures for 2023 are:

KPI (k tonnes CO ₂)	ESG Report 2024	Sustainability Report 2025
2023 GHG emissions Scope 3, category 1	12,498	12,722
2023 GHG emissions Scope 3, category 3	69	64

Restatement figures for 2024 are:

KPI (k tonnes CO ₂)	ESG Report 2024	Sustainability Report 2025
2024 GHG emissions Scope 2 market-based	9	8
2024 GHG emissions Scope 3, category 1	12,277	12,457
2024 GHG emissions Scope 3, category 11	60,186	60,194
2024 GHG emissions Scope 3, category 3	83	85
2024 GHG savings (from low-carbon products)	2,851	2,703

Disclosures on carbon intensity

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

CI

=

gCO₂e

MJ

=

Total GHxG¹

Marketed conventional fuels

+

Marketed sustainable energies

Restatement figures for 2022 are:

KPI (kg CO ₂ e/MJ)	ESG Report 2024	Sustainability Report 2025
2022 Carbon intensity of sold products	85	86

Restatement figures for 2024 are:

KPI (kg CO ₂ e/MJ)	ESG Report 2024	Sustainability Report 2025
2024 Carbon intensity of sold products	85	86

Disclosure on electricity generated from low-carbon sources

The reported 94% low-carbon emissions electricity usage reflects total consumption across VARO's operations (purchased renewable electricity by Guarantee of Origin, following the annual matching principle plus self-produced renewable electricity).

at all VARO sites. Low-carbon emissions electricity at the Cressier manufacturing hub and at Biogas Coevorden includes electricity generated by on-site solar parks. Nuclear power is considered to be a low-carbon energy source and is therefore included in this metric.

Scope of the assurance audit covers the percentage of electricity generated from low-carbon emissions sources

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

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Appendix 2:
ESG data

Greenhouse gas emissions (GHGs)

VARO	Unit	2025	2024	2023
Direct (Scope 1) GHG emissions	metric tonnes CO ₂ equivalent	925,850	1,136,674	1,012,440
of which from Cressier	metric tonnes CO ₂ equivalent	360,757	313,367	359,183
of which from BAYERNOIL	metric tonnes CO ₂ equivalent	527,150	784,371	620,693
Energy indirect (Scope 2) GHG emissions, market-based	metric tonnes CO ₂ equivalent	2,795	8,482	16,125
of which from Cressier, market-based	metric tonnes CO ₂ equivalent	-	-	-
of which from BAYERNOIL, market-based	metric tonnes CO ₂ equivalent	-	-	-
Energy indirect (Scope 2) GHG emissions, location-based	metric tonnes CO ₂ equivalent	61,433	81,190	80,418
of which from Cressier, location-based	metric tonnes CO ₂ equivalent	722	164	311
of which from BAYERNOIL, location-based	metric tonnes CO ₂ equivalent	52,748	73,463	69,781
Other indirect (Scope 3) GHG emissions	metric tonnes CO ₂ equivalent	78,560,165	73,177,289	74,304,825
of which categories 3.1	metric tonnes CO ₂ equivalent	13,706,929	12,457,269	12,721,574
of which categories 3.11	metric tonnes CO ₂ equivalent	64,416,541	60,193,846	61,116,690
Preem	Unit	2025	2024	2023
Direct (Scope 1) GHG emissions	metric tonnes CO ₂ equivalent	1,876,629	1,987,000	2,101,000
of which from Lysekil	metric tonnes CO ₂ equivalent	1,272,670	1,378,000	1,568,000
of which from Göteborg	metric tonnes CO ₂ equivalent	554,282	565,000	488,000
Energy indirect (Scope 2) GHG emissions, market-based	metric tonnes CO ₂ equivalent	18,184	20,592	30,947
of which from Lysekil, market-based	metric tonnes CO ₂ equivalent	3,367	3,243	12,212
of which from Göteborg, market-based	metric tonnes CO ₂ equivalent	1,480	1,404	3,996
Energy indirect (Scope 2) GHG emissions, location-based	metric tonnes CO ₂ equivalent	31,721	33,270	26,029
of which from Lysekil, location-based	metric tonnes CO ₂ equivalent	20,065	21,186	17,167
of which from Göteborg, location-based	metric tonnes CO ₂ equivalent	8,819	9,105	6,518
Other indirect (Scope 3) GHG emissions	metric tonnes CO ₂ equivalent	42,499,055	49,256,303	51,164,681
of which categories 3.1	metric tonnes CO ₂ equivalent	1,534,040	2,058,315	2,488,469
of which categories 3.11	metric tonnes CO ₂ equivalent	40,626,965	46,556,000	48,094,000

Carbon Intensities

Carbon Intensities VARO	Unit	2025	2024	2023
Intensity of refinery processing	kg CO ₂ e/boe	17.41	20.81	20.43
Intensity of sold products	gCO ₂ e/MJ	85.56	85.73	85.83

Air emissions

VARO	Unit	2025	2024	2023
NOx	tonnes	603	640	599
SOx	tonnes	691	865	666
VOC (volatile organic compounds)	tonnes	146	152	154
PM (Particulate matter)	tonnes	9	8	7
CO	tonnes	31	27	15
Preem	Unit	2025	2024	2023
NOx	tonnes	676	764	776
SOx	tonnes	442	266	217
VOC (volatile organic compounds)	tonnes	4,977	6,997	5,816
PM (Particulate matter)	tonnes	81	49	48
CO	tonnes	255	253	320

Spills of oil and refined products

VARO	Unit	2025	2024	2023
Total number of recorded significant spills (above 100 litres)	number	4	18	10
Total volume of recorded significant spills	Litres	105,348	22,846	9,005
Total number of spills with low severity (below 100 litres)	number	56	94	84
Preem	Unit	2025	2024	2023
Total number of recorded significant spills (above 100 litres)	number	1	6	6
Total volume of recorded significant spills	Litres	20,000	6,500	37,200
Total number of spills with low severity (below 100 litres)	number	23	11	10

Process safety

VARO	Unit	2025	2024	2023
Tier 1 process safety events	number	3	3	3
Tier 1 process safety events rate	per 1,000,000 hours worked	0.50	0.49	0.44
Tier 2 process safety events	number	2	7	5
Tier 2 process safety events rate	per 1,000,000 hours worked	0.33	1.15	0.73
Preem	Unit	2025	2024	2023
Tier 1 process safety events	number	1	2	2
Tier 1 process safety events rate	per 1,000,000 hours worked	0.16	0.30	0.28
Tier 2 process safety events	number	5	2	3
Tier 2 process safety events rate	per 1,000,000 hours worked	0.79	0.30	0.43

Work related injuries, employees and contractors

VARO	Unit	2025	2024	2023
Fatalities	number	-	-	-
Rate of fatalities	per 1,000,000 hours worked	-	-	-
Number of hours worked, total employees and contractors	hours	6,017,760	6,088,638	6,877,516
Number of hours worked, employees	hours	3,250,458	3,527,424	3,303,198
Number of hours worked, contractors	hours	2,767,302	2,561,214	3,574,318
Lost Time Injuries, total employees and contractors	number	12	12	8
Lost Time Injuries, employees	number	10	7	7
Lost Time Injuries, contractors	number	2	5	1
Lost Time Injury Rate, total employees and contractors	per 1,000,000 hours worked	1.99	1.97	1.16
Lost Time Injury Rate, employees	per 1,000,000 hours worked	3.08	1.98	2.12
Lost Time Injury Rate, contractors	per 1,000,000 hours worked	0.72	1.95	0.28
Lost work days	days	268	158	358
Lost work days, employees	days	230	131	358
Lost work days, contractors	days	38	27	-
High consequence work-related injury, total employees and contractors	number	-	3	2
High consequence work-related injury, employees	number	-	1	1
High consequence work-related injury, contractors	number	-	2	1
High consequence work-related injury Rate, total for employees and contractors	per 1,000,000 hours worked	0.00	0.49	0.29
Lost Time Injury Rate, employees	per 1,000,000 hours worked	0.00	0.28	0.30
Lost Time Injury Rate, contractors	per 1,000,000 hours worked	0.00	0.78	0.28
Total Recordable Work-related Injuries, total employees and contractors	number	27	20	24
Total Recordable Work-related Injuries, employees	number	17	10	15
Total Recordable Work-related Injuries, contractors	number	10	10	9
Total Recordable Work-related Injury Rate, total employees and contractors	per 1,000,000 hours worked	4.49	3.28	3.49
Total Recordable Work-related Injury rate, employees	per 1,000,000 hours worked	5.23	2.83	4.54
Total Recordable Work-related Injury rate, contractors	per 1,000,000 hours worked	3.61	3.90	2.52

Employees

VARO	UoM	2025	2024	2023
Total employees	headcount	1,306	1,530	1,433
Employees with permanent contract	headcount	1,260	1438	1322
Employees with temporary contract	headcount	46	92	111
Full time employees	headcount	1,126	1,290	1,192
Part-time employees	headcount	180	240	241

Work related injuries, employees and contractors

Preem	Unit	2025	2024	2023
Fatalities	number	1	-	-
Rate of fatalities	per 1,000,000 hours worked	0.16	0.00	0.00
Number of hours worked, total employees and contractors	hours	6,294,626	6,762,486	7,030,432
Number of hours worked, employees	hours	2,526,731	2,454,101	2,261,944
Number of hours worked, contractors	hours	3,767,895	4,308,385	4,768,488
Lost Time Injuries, total employees and contractors	number	9	9	9
Lost Time Injuries, employees	number	3	2	3
Lost Time Injuries, contractors	number	6	3	7
Lost Time Injury Rate, total employees and contractors	per 1,000,000 hours worked	1.43	1.33	1.28
Lost Time Injury Rate, employees	per 1,000,000 hours worked	1.19	0.81	1.33
Lost Time Injury Rate, contractors	per 1,000,000 hours worked	1.59	0.70	1.47
Lost work days	days	-	-	-
Lost work days, employees	days			
Lost work days, contractors	days			
High consequence work-related injury, total employees and contractors	number	-	-	-
High consequence work-related injury, employees	number	-	-	-
High consequence work-related injury, contractors	number	-	-	-
High consequence work-related injury Rate, total for employees and contractors	per 1,000,000 hours worked	0.00	0.00	0.00
Lost Time Injury Rate, employees	per 1,000,000 hours worked	0.00	0.00	0.00
Lost Time Injury Rate, contractors	per 1,000,000 hours worked	0.00	0.00	0.00
Total Recordable Work-related Injuries, total employees and contractors	number	22	16	32
Total Recordable Work-related Injuries, employees	number	8	4	17
Total Recordable Work-related Injuries, contractors	number	14	12	15
Total Recordable Work-related Injury Rate, total employees and contractors	per 1,000,000 hours worked	3.50	2.37	4.55
Total Recordable Work-related Injury rate, employees	per 1,000,000 hours worked	3.17	1.63	7.52
Total Recordable Work-related Injury rate, contractors	per 1,000,000 hours worked	3.72	2.79	3.15

Employees

Preem	UoM	2025	2024	2023
Total employees	headcount	1,681	1,627	1,516
Employees with permanent contract	headcount	1,663	1604	1499
Employees with temporary contract	headcount	18	23	17
Full time employees	headcount	1,654	1,595	NA
Part-time employees	headcount	27	32	NA

Appendix 3:
Policies

2025 VARO policies

Policy	Content
Data Privacy, Vendor Selection Section	Guidance on conducting the due diligence of vendors in relation to data handling processes and ensures compliance with GDPR.
Supplier Code of Conduct	Introduced in 2024, the Supplier Code of Conduct will enable VARO to better monitor and promote supplier compliance with its requirements. New suppliers will agree to abide by the Supplier Code of Conduct. Existing suppliers will be informed of the code.
Driving Policy	Provides general requirements for professional drivers transporting goods, and drivers using a car (privately, lease or company) for business reasons.
HSSE commitment and Policy	Encourages business conduct that avoids harm to people, protects the environment and respects neighbours. The policy outlines specific requirements for employees, joint ventures and contractors.
Human Rights Policy	Introduced in 2024, this policy outlines VARO's commitment to upholding and promoting human rights throughout its operations. The policy details VARO's responsibilities and actions in embedding respect for human rights across its activities, value chain, and business relationships. This includes ensuring fair labour practices, preventing discrimination, and fostering safe and healthy working conditions. The policy aligns with international human rights standards and principles, reinforcing VARO's dedication to social responsibility in all aspects of its business.
Life-Saving Rules Policy	Introduced in June 2023, the policy draws attention to the activities most likely to lead to a fatality, based on historical statistics, and the life-saving actions over which an individual has control.
OEMS (Operational Excellence Management System)	Structured and documented set of interdependent practices with the objective to identify, assess and manage operational risks related to employees, contractors, stakeholders, the business and the environment. The routine application of the OEMS will provide ongoing identification, prioritisation, and control of these operational risks in a consistent manner across VARO. VARO began implementing the OEMS in 2024.
Serious Injury and Fatality Potential (SIFP) policy	Drives a focus on the underlying causes of potential SIFs to avoid the occurrence of a SIF.
Bonus Policy	Introduced in 2024, the VARO Bonus Program Policy outlines a discretionary, performance-based bonus plan linked to company and individual results. Bonus eligibility, calculation methods, and special conditions (e.g. onboarding, leave, termination) are detailed. Payouts depend on a scorecard system and personal evaluations, with final approval by senior leadership.
Equity, Inclusion & Diversity Policy	Defines and promotes equal opportunities and a work environment free from harassment.
Hiring Policy	Introduced in 2025, the VARO Hiring Policy outlines a fair, transparent, and merit-based recruitment process to attract diverse, qualified talent aligned with VARO's values. It details procedures for hiring, referrals, internships, and offers, ensuring equity, compliance, and consistency across all roles and locations.
HR Privacy Notice and Data Retention Policy	Establishes rules for the collection, sharing and retention of private data of prospective, current or former employees or other individuals working for or on behalf of VARO.
Just Culture Policy	Aims to foster a healthy and supportive environment that encourages a culture of reporting and learning. It provides an atmosphere of trust which is essential for building a strong safety culture.
Performance Evaluation Process Policy	Establishes the principles and process for conducting regular performance appraisals, setting personal performance objectives, and establishing a path for professional development.
Stop Work Authority Policy	Introduced in May 2023, the policy gives employees the right and responsibility to refuse tasks or activities that pose an undue risk to themselves, co-workers or the environment.
VARO Flexible Working Policy	Establishes the scope, conditions and requirements for employees to combine remote working.
Whistleblower Policy	Defines and supports the process for submitting complaints or grievances, receiving feedback and establishes a policy of non-retaliation against individuals submitting grievances.
Crisis Management Policy	Structured document embedding principles of VARO's crisis management policy are:
	Safety: Ensuring the well-being of all people.
	Stabilisation: Controlling the incident to prevent further harm.
	Environmental Protection: Preserving our environmental commitments.
Crisis Management Policy	Property and Reputation: Safeguarding our assets and reputation to resume normal activities swiftly.

KYC (Know Your Customer) Policy	Includes the risk assessment and verification of risk-related information regarding counterparties and business relationships. The policy ensures compliance with sanctions and mitigates the risk of exposure to corruption, bribery or any other criminal activities.
Operational Risk Assessment Policy	Updated in 2024 to align with the OEMS, the policy is a guidance tool to facilitate a consistent approach to qualitative risk assessment throughout VARO by using the VARO risk matrix.
Code of Conduct	Guides employees and all individuals acting on behalf of VARO on how to act in an ethical and responsible manner and uphold VARO's values.
Information Security Policy	Provides the foundation for an effective and secure information security management system, in alignment with legal requirements and best practices.
Renewable Compliance Control Framework	Outlines mandatory compliance procedures and critical control points for VARO's sustainable products business, ensuring adherence to ISCC EU certification and RED II regulations. It also defines roles, responsibilities, and a three-lines of defence model to mitigate risks, safeguard certifications, and maintain regulatory compliance in trading biofuels and biomethane.
REACH & MSDS Process	Describes the processes to comply with the obligations under the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the Classification, Labelling and Packaging (CLP) Regulation.

2025 Preem policies

Policy	Content
Code of Conduct	Reflects the values and ethical principles upheld by Preem and everyone working for the company, which all employees and business partners are expected to follow. It emphasises respect for human rights, the environment and business ethics, and serves as a tool to promote sustainability, prevent corruption and ensure a positive working environment.
Safety, Health, and Environmental Policy	Sets guidelines to achieve a zero-incident vision in workplace and environmental matters. Focuses on systematic work, risk identification and resource efficiency. Requires all employees to actively contribute to improvements and comply with applicable laws and regulations regarding safety, health and the environment.
Quality Policy	Aims to create long-term value through sustainable products with high performance. Emphasises safe and efficient production with minimal environmental impact.
Master Transition Plan (MTP)	Preem's transition plan applied during 2025 and set the direction towards climate neutrality across the entire value chain by 2035. The plan will be reviewed as part of VAROPreem's joint strategy and target-setting process.
Process for Equal Rights and Opportunities	Ensures non-discrimination and equal treatment. Covers salaries, recruitment, training and work environment.
Policy Against Offensive Treatment and Sexual Harassment	Prevents and handles harassment. Includes a clear process for reporting and corrective actions.
Salary Policy and Compensation Strategy	Regulates remuneration and terms of employment. Ensures fairness and transparency in compensation.
Business Ethics Policy	Summarises the business ethical principles that apply and are consistent with sound business ethics.
Guidelines Against Bribery	Specifies the business ethics policy and provides guidance regarding gifts, representation and benefits.
Reporting of Crimes and Other Violations	Describes how suspected irregularities should be reported and handled, and provides a basis for preventive measures.
Reporting of Serious Misconduct (Whistleblowing)	Enables the anonymous reporting of serious violations. Protects whistleblowers and regulates the investigation process.
Business Continuity Management, Group-wide Guideline	Process for identifying, prioritising and preparing so that business-critical processes can be maintained during disruptions and unplanned interruptions.
Information Security Policy	Aims to protect against sabotage, intrusion and unauthorised access, particularly for critical and sensitive information.
Instruction for Emergency Stock	Specifies responsibilities, follow-up and reporting regarding emergency stock.

Appendix 4:

Associations

Association	Country	Purpose of association
AFM+E	Germany	Represents independent, medium-sized energy trading companies and importers, advocating for policy frameworks that enable the scale-up of low-carbon liquid fuels.
Avenergy Suisse	Switzerland	Represents importers of liquid fuels and supports security of supply for key energy carriers used in mobility and heating in Switzerland.
Biofuels Schweiz	Switzerland	Represents the biofuels industry in Switzerland, engaging with authorities and stakeholders, and supporting members through advocacy, communication and information exchange.
BRAFCO	Belgium	Federation representing fuel distributors in Belgium, including independent excise warehouse operators.
Drivkraft Sweden	Sweden	Industry association representing companies active in fuel distribution and mobility solutions.
Drivkraft Norway	Norway	Represents companies in the fuel and mobility sector, advocating on industry and policy matters.
CONCAWE	Switzerland	Conducts research on environmental, health and safety issues related to the oil industry, including emissions, air and water quality, and product stewardship.
en2X	Germany	Industry association promoting low-carbon energy solutions and supporting the transition to climate neutrality in line with the Paris Agreement.
Energia	Belgium	Sector organisation responsible for the standardisation of petroleum products in Belgium, contributing to national standards for fuels, LPG, bitumen and bunker fuels.
Entreprises des Energies des Territoires (FF3C)	France	Federation of independent companies distributing off-grid energy (e.g. heating fuels, LPG, wood energy), representing their interests at national level.
European Fuel Manufacturers Association (EFMA)	Belgium	Represents the EU refining and fuels manufacturing industry, contributing technical expertise and policy input to support sustainable and competitive energy transition frameworks.
Fuels Europe Association	Switzerland; EU	Represents the European refining industry, engaging with EU institutions to promote sustainable refining, supply and use of petroleum products.
IKEM	Sweden	Industry association representing chemical and energy-intensive sectors, advocating on industrial, energy and climate policy.
NOVE	Netherlands	Represents independent fuel traders and distributors in the Netherlands, particularly in road and marine fuels.
VEMOBIN	Netherlands	Represents the Dutch petroleum industry, promoting collaboration, safety, and sustainability across refining and distribution activities.

Appendix 5:

Assurance statement



Limited assurance report of the independent auditor on selected indicators

To: the supervisory board and management board of VAROPreem B.V.

Our conclusion
We have performed a limited assurance engagement on selected indicators in the accompanying Sustainability Report for the year 2025 of VAROPreem B.V. at Rotterdam.

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

- The selected indicators consist of:
- Percentage of electricity generated from low-carbon sources (VARO) for 2025 on [page 104](#) of the Sustainability Report
 - Scope 1 CO₂e emissions (VARO) for 2025 on [page 107](#) of the Sustainability Report
 - Scope 2 CO₂e emissions (VARO) (both market-based and location-based) for 2025 on [page 107](#) of the Sustainability Report
 - Scope 3.1 CO₂e emissions (VARO) (Purchased Goods and Services) for 2025 on [page 107](#) of the Sustainability Report
 - Scope 3.11 CO₂e emissions (VARO) (Use of sold products) for 2025 on [page 107](#) of the Sustainability Report

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

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

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

Criteria
The criteria applied for the preparation of the selected indicators are the criteria developed by VAROPreem B.V. and are disclosed in Appendix 1, “Definition of selected disclosures” and “Consolidation approach on GHG emissions” of the Sustainability Report published on the official website of VAROPreem B.V.

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

Corresponding information not assured
The disclosed amounts in the Sustainability Report 2025 of the selected indicator “Scope 3.1 CO₂e emissions (Purchased Goods and Services)” for the periods prior to the financial year 2025 have not been part of an assurance engagement.

Consequently, the corresponding selected indicator above and thereto related disclosures for the periods prior to the financial year 2025 were not assured.

Our conclusion is not modified in respect of this matter.



Limitations to the scope of our assurance engagement

Our assurance engagement is restricted to the selected indicators. We have not performed assurance procedures on any other information as included in the Sustainability Report 2025 in light of this engagement.

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

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

Our conclusion is not modified in respect of these matters.

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

The management board is responsible for the preparation of the selected indicators in accordance with the criteria as included in the section “Criteria”. The management board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of the intended users, considering applicable law and regulations related to reporting. The choices made by the management board regarding the scope of the selected indicators and the reporting policy are summarized in Appendix 1 “Definition of selected disclosures” and “Consolidation approach on GHG emissions” of the Sustainability report published on the official website of VAROPreem B.V.

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

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

Our responsibilities for the assurance engagement on the selected indicators

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

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

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



Our assurance engagement included amongst others:

- Performing an analysis of the external environment and obtaining an understanding of the sector, insight into relevant sustainability themes and issues and the characteristics of the company as far as relevant to the selected indicators
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures on the selected indicators. This includes the evaluation of the reasonableness of estimates made by the management board
- Obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the entity’s risk assessment process relevant to the preparation of the selected indicators, obtaining assurance information about the implementation or without testing the operating effectiveness of controls
- Identifying areas of the selected indicators where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the selected indicators responsive to this risk analysis. These procedures consisted amongst others of:
 - Making inquiries of management and relevant staff at corporate level responsible for the sustainability strategy, policy and results relating to the selected indicators
 - Interviewing relevant staff responsible for providing the information for, carrying out controls on, and consolidating the data in the selected indicators
 - Obtaining assurance evidence that the selected indicators reconcile with underlying records of VAROPreem B.V.
 - Reviewing, on a limited sample basis, relevant internal and external documentation
 - Considering the data and trends in the information submitted for consolidation at corporate level
 - Reading the information in the Sustainability Report 2025 that is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the selected indicators
 - Considering whether the selected indicators are presented and disclosed free from material misstatement in accordance with the criteria applied

Amsterdam, 18 May 2026

EY Accountants B.V.

signed by J.J. Vernooij



Get in touch

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VAROPreem 