

HELLENIC GAS
TRANSMISSION SYSTEM
OPERATOR



**ESG
REPORT**

2023

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INTRODUCTION

1.

- CEO MESSAGE.
 - DESFA AT A GLANCE.
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1.1. CEO message

GRI 2-22



We are pleased to present **DESFA's ESG Report for 2023**, reaffirming our commitment to sustainable development and transparency in sharing our approach, performance and future goals.

In 2023, DESFA adopted an ambitious Ten-Year Development Plan for 2023-2032 which includes investments of EUR 1.320 million, with a 35% growth versus the previous plan. 58% of these investments correspond to H2-ready infrastructures, such as the West Macedonia High Pressure Pipeline (167m€), the Greece - North Macedonia Pipeline (97m€) the Patras Pipeline (98m€), the Karperi - Komotini Pipeline (290m€) and the Patima - Livadia pipeline (140m€), emphasizing our commitment to sustainable growth and innovation.

In the framework of the new TYDP, we introduced new strategic projects, including the duplication of the Karperi - Komotini branch with a new Hydrogen ready high pressure pipeline, which will in the short term increase the NNGTS capacity at all its exit points, while in the future will form part of the Greek Hydrogen Network and the duplication of the Patima - Livadeia high pressure branch, which will provide capacity to future users of the Dioriga Gas FSRU. The new TYDP also includes innovative projects related to energy transition and decarbonization, such as a pilot project on pyrolysis for the production of Hydrogen and solid carbon, and the connection of DESFA's network to the planned H2 valley in West Macedonia, for the injection of green hydrogen into the existing network and which are highly correlated with the reduction of methane emissions in the NNGS.

In addition, we worked extensively with our partner TSOs on the Vertical Corridor initiative, which aims to improve the transport of natural gas, as well as renewable gases and hydrogen in the future, from the North to the Southeast and Central European markets, using the enhanced capabilities of the new FSRU of Alexandroupolis and those under development, to increase the diversification of supply sources and the security of supply of the region.

In this way, we continue to provide our commitment to secure energy supply in Greece and the surrounding region, to diversify natural gas import routes and to enhance Greece's role as an energy gateway.

We also successfully and safely continued our international activities in Kuwait with the safe operation and maintenance of the Al Zour LNG terminal, a milestone international and non-regulated project in the evolution of DESFA.

Our comprehensive approach to Sustainable Development, addressing a broad spectrum of environmental, social, and governance (ESG) criteria alongside our economic standards, while ensuring their integration into our business strategy, has led to outstanding results.

ENVIRONMENT

Enabling the energy transition

During 2023, with the full support of our Board and Shareholders, we continued the implementation of our long-term strategy towards the introduction of green and renewable gases, such as hydrogen and biomethane, in Greece and the EU energy mix, firmly positioning DESFA as a key player in the country's energy transition, as well as actively participated to the preparation of the National Energy and Climate Plan and the National Strategy for Hydrogen & Renewable Gases. DESFA adopts a holistic approach concerning the Environment, committing itself not only to combat climate change, but also to adopt the best practices for the conservation and enhancement of the areas in which it operates, thereby mitigating the environmental impacts of its operations.

In line with our strategy, all new infrastructure is designed and built to ensure the progressive integration of green gases. All our new major pipelines (such as Karperi - Komotini, Patra, Nea Messimvria - Evzoni) that are currently under development are 100% hydrogen ready. DESFA is developing a dedicated H2 "backbone" that has been included in the 6th Projects of Common Interest (PCI) List by the European Commission.

In 2023, we launched with our partner Ecolog the Apollo CO₂ project another project that has been included in the 6th PCI list of the European Commission- undertaking the development of a national hub for the collection of captured CO₂ from emitters located close to Attica and Boeotia region via dedicated CO₂ pipelines and a liquefaction terminal near the Revithoussa LNG Plant, promoting the development of a CO₂ Capture, Transportation and Storage integrated logistic solution in Greece in an on-going effort to support decarbonization of the Greek Industry.



1.1. CEO message

GRI 2-22

In addition, we have been involved in COREu, a 4-year Horizon Project that will demonstrate key enabling technologies in a CCS value chain and support the development of new routes in Central-East and South-East Europe (CEE).

We continuously working on minimizing our carbon footprint and reducing our Scope 2 indirect greenhouse gas emissions, achieving 15% of CO₂ and 61% of CH₄ emissions reduction for 2023, in comparison to last year.

During 2023, the Board of Directors approved DESFA's commitment to reduce CO₂ emissions (Scope 1 & 2) by 50% by 2030, compared to 2018 and achieve Carbon Neutrality (net-zero emissions) by 2040. To this end, DESFA has developed a Net Zero Master Plan with a short-, medium- and long-term horizon, based on specific measures and an assessed methodology to achieve our goals.

Furthermore, throughout 2023, we contributed to environmental conservation in collaboration with the NGO We4All, carrying out environmental seminars in primary schools and 10 tree planting and beach clean ups, in which 340 volunteers planted 2.000 trees, offering 710 volunteering hours that will absorb 44,000 kg of CO₂ and produce 234.000 kg of O₂. Moreover, we promoted local communities and economies in West Macedonia by supporting the 10th Rally Greece Offroad and working with local authorities to open and maintain mountain routes on Mount Vitsi.

SOCIETY 

Fostering a culture of care and collaboration

Our respect for society is at the heart of our corporate culture. We consider people's health, safety, quality of service and protection of environment, as priority objectives for our sustainable development, implementing and continuously improving initiatives that have a positive impact on our stakeholders.

We are committed to the protection and promotion of human rights and to the ongoing health and safety of our employees, contractors and sub-contractors, as well as the local communities with which we interact and where we continually seek to build and maintain constructive relationships.

We are attributing great attention to supporting local communities, both during construction and during our operation, by supporting the purchase of goods from local businesses, while every effort is made to ensure that people from nearby towns and villages are notified of hiring opportunities and are considered for hiring on a non discriminatory basis. Our Operation and Maintenance Centers in the cities of Ampelia, Vistonida, Sidirokastro, Kipi TAP and the Revithoussa LNG facility are a great example, since the employees working in these facilities are hired from the local communities nearby. For example, 48% of the employees working in Revithoussa come from Megara and neighboring areas, while employees in the Kipoi TAP O&M center are all hired from the city of Alexandropolis and likewise employees in Sidirokastro are all hired from Sidirokastro and Serres.

As part of our continuous effort over innovation and enhancement of skills, in 2023, we developed DESFA's holistic training curriculum, which offers many and varied training opportunities for employees to participate in, achieving an increase of 144% in average training hours per employee.

Our partnership with organizations, such as ActionAid and Wise Greece contributes to job reskilling, promoting that way social inclusion and cultivating equal opportunities for all in the areas of Athens, Thessaloniki and West Macedonia. For instance, during our collaboration with ActionAid more than 87 people and 10 local businesses in Athens and Thessaloniki have participated in the soft skill development workshops and job readiness seminars, with 27 of the participants securing employment after completing them.

We also contributed to the enhancement of education via awarding two full scholarships to two of the top students of the MSc in

“Energy: Strategy, Law & Economics” at the International and European Studies Department of the International, Business and Economics Schools of the University of Piraeus.

In the context of talent acquisition and aiming to enhance our graduate's pipeline, we have established collaboration with universities, indicatively with NTUA, and our open positions are forwarded to the respective career offices, so as to update the graduates' network platforms accordingly. Moreover, DESFA aspires to further enhance innovation and lifelong training through its cooperation with the academic and research communities, working closely in this direction with leading Greek universities, such as the International University, the University of Western Macedonia and the University of Thessaly to elevate any educational and training initiatives undertaken by DESFA through its Technical Training Center.

Regarding our contribution to the health and wellbeing of society, we supported the renovation of the Surgical Care Unit of the Thriassio General Hospital of Elefsina, an important and complex project on the social care front. We utilized DESFA human capital and technical expertise, collaborating with the Medical, Nursing and Technical Services of the Hospital and the contractors, to renovate an of 800sq meters by replacing the floors, the lighting with LED technology, renewing the wall coatings, installing new handrails and painting the whole unit, in accordance with the most modern hospital standards. We also supported the expedition of the NGO +plefsi providing a modern triplex cardiac ultrasound machine to support the provision of medical services during an expedition in eight small and remote islands in the Aegean, as well as the running event of the Panhellenic Association of Women with Breast Cancer “Alma Zois”, supporting breast cancer awareness. We also carried out various voluntary initiatives to support disabled people and fight food poverty, organizing 13 meals throughout the year, in which 2.748 portions were prepared and distributed to homeless people in the center of Athens by 195 participants, who dedicated 404 volunteering hours, in total.



1.1.
CEO message

GRI 2-22

GOVERNANCE 

Building a robust and responsible business

During the reporting period, we launched our Anti-Corruption Model, which aims to mitigate corruption risks by effectively activating questionnaires to ensure third party compliance in several critical pillars. We have also established a monitoring and reporting process for gifts received from third parties. Our efforts have been recognized with the certification of the ISO 37001:2016 standard for anti-bribery management systems.

We also continue to work on the existing data protection framework. Based on the principles of Privacy by Design and by Default, the Data Minimization and Data Deletion Operating Instructions have been approved and launched, and the Data Processing Agreements have been expanded and signed with the vast majority of data processors.

In addition, we proceeded with changes in our organizational structure to ensure the efficient segregation of roles and responsibilities in the areas of information and cyber security by creating a new structure: the Information Security and Business Continuity Department within the Risk, Compliance & Information Security Division.

INVESTING IN A SUSTAINABLE FUTURE



At DESFA, we believe that sustainability is integral and embedded in our long-term energy development plans and we are committed to continue creating value for our stakeholders and local communities, building strong and long-lasting relationships, improving and expanding our activities and portfolio. With this philosophy, DESFA lays the foundations for tomorrow's clean energy and leads energy transition by investing in people, innovation, and future proof infrastructure, facilitating more sustainable energy alternatives and building safely the way to a zero-carbon future.

Maria Rita Galli

Chief Executive Officer (CEO)
National Natural Gas System
Operator (DESFA) S.A.

1.2 DESFA at a glance

GRI 2-4

ENVIRONMENTAL

CO₂e EMISSIONS

161.521 tCO₂e

(Scope 1, Scope 2 market-based emissions and Scope 3)¹

(+63,32% vs 2022)

ENERGY CONSUMPTION

545.960.506 MJ

151.656 MWh

(+41,22% vs 2022)

SOCIAL

EMPLOYEES

593

(+5,33% vs 2022)

WOMEN IN MANAGERIAL POSITIONS

31%

(+3,33% vs 2022)

TOTAL AND AVERAGE TRAINING HOURS PER EMPLOYEE

20.494

(33,65)

(+144,03% vs 2022)

CSR ACTIVITIES

351

THOUSAND EUR

(+8,00% vs 2022)

OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT

100%

(No change vs 2022)

Note:
 1) In the ESG Report 2022 was inadvertently stated that greenhouse gas emissions only included Scope 1 and 2 emissions, but Scope 3 was also included in the calculation. For more analytical explanation, please see the reference in the section 4.2 Carbon Footprint (P. 45).

**1.2
DESFA
at a glance**

EM-MD-000.A, GRI 2-4

GOVERNANCE & FINANCIAL	<p>REVENUES</p> <p>597.935</p> <p>THOUSAND EUR</p> <p>(+84,92% vs 2022)</p>	<p>DISTRIBUTED VALUE²</p> <p>386.713</p> <p>THOUSAND EUR</p> <p>(+108,01% vs 2022)</p>	<p>2023-2032 DEVELOPMENT PLAN</p> <p>1.323</p> <p>MILLION³ EUR</p>
	<p>2023 TRANSMISSION & LNG SERVICES REVENUES RATIO</p> <p>79%/21%</p> <p>(-1,25%/+5% vs 2022)</p>	<p>OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION</p> <p>100%</p> <p>(No change vs 2022)</p>	<p>VALUE AND PERCENTAGE OF PURCHASES FROM LOCAL SUPPLIERS⁴</p> <p>133.115 THOUSAND EUR</p> <p>(59,03%)</p> <p>(-27,94% vs 2022)</p>
	<p>0 SUBSTANTIATED COMPLAINTS REGARDING BREACHES OF CUSTOMER PRIVACY OR LOSSES OF CUSTOMER DATA</p> <p>(No change vs 2022)</p>		
OPERATIVE	<p>METRIC TON KILOMETERS OF NATURAL GAS</p> <p>588,1</p> <p>(+16,51% vs 2022)</p>	<p>PHYSICAL OFF-TAKES TO POWER PRODUCERS</p> <p>64%</p> <p>TWh</p> <p>(-4,79% vs 2022)</p>	<p>STORAGE CAPACITY</p> <p>370.000 m³</p> <p>LNG⁵</p> <p>(No change vs 2022)</p>

Notes:

2) Distributed value consists of operating costs, employee wages and benefits, payments to the government and providers of capital and community investments.

3) In the ESG Report 2022 was inadvertently stated that 2022-2031 Development Plan budget was EUR 1.274 million instead of 760 million.

4) DESFA's geographical definition of local refers to regions of Greece and more specifically, Central Greece, Peloponnese, Thessaly, Macedonia, Thrace, Crete, Epirus and it is closely related to the Facilities of the Purchase Requisition/Demand. Therefore, DESFA considers local suppliers as those who are based within the demand regions and non-local suppliers as those who are based outside the demand regions.

5) In 2022, DESFA proceeded with the chartering of a Floating Storage Unit (FSU) to increase the storage capacity of the Revithoussa LNG facility by approximately 65%, in accordance with the provisions of the country's Preventive Action Plan to protect Greece from a potential supply crisis during the critical period of winter 2022 - 2023. The storage capacity of the FSU was 145,000 m³ LNG, increasing the total storage capacity of Revithoussa from 225,000 m³ LNG to 370,000 m³ LNG. The FSU remained at the facility from until 1 July, 2023, when the storage capacity returned to its initial level.

**CORPORATE
PROFILE**

2.

→ MISSION, VISION AND VALUES.
AND BUSINESS RELATIONSHIPS.



2.1. Mission, vision and values

GRI 2-1

DESFA, the Hellenic Gas Transmission System Operator was founded on 30 March 2007, in accordance with the provisions of law 3428/2005 (Government Gazette 313/27.12.2005) on the liberalization of the natural gas market, which aligned Greek legislation with the European Directive 2003/55/EC.

DESFA is responsible for the operation, management, utilization and development of the National Natural Gas System and its interconnections, in a technically sound and economically efficient way, in order to best serve its Users with safety, reliability and adequacy.

Established as a trusted energy partner in Southeast Europe and beyond, DESFA, whose shareholders are, by 34% the Greek State, and by 66% Senfluga Energy Infrastructure Holdings S.A. - a joint Company of renowned energy companies with an international presence, Snam, Enagás, Fluxys and Damco - is making a significant contribution to the security and diversification of supply in Greece and the wider region, while working to enable the transition to a more sustainable energy future.

The Company's headquarters are located in Chalandri, Attica, Greece.

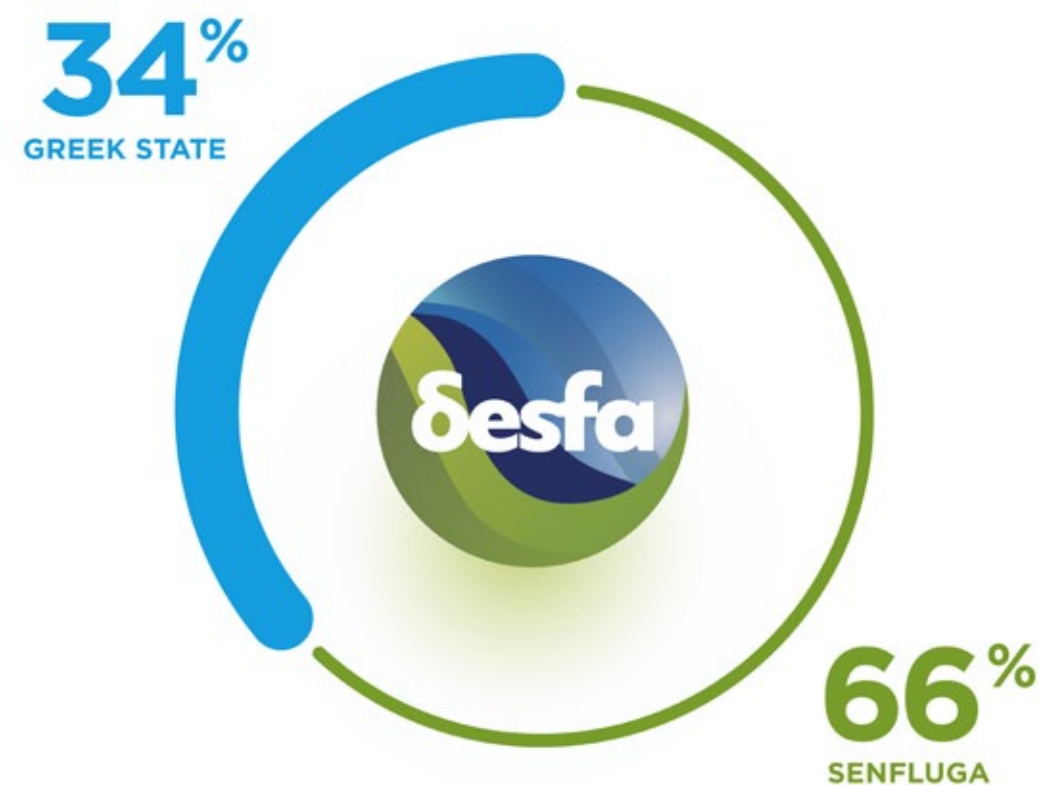
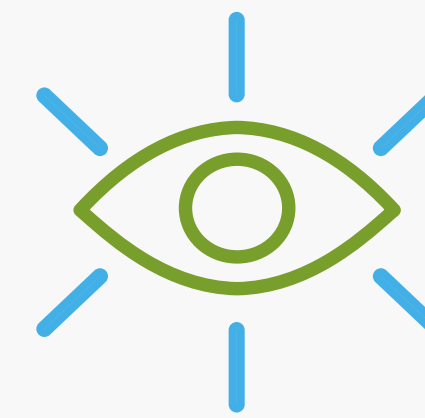


Figure 1: Ownership Status



VISION

DESFA is the warrantor of the proper functioning of the National Natural Gas System (NNGS), enhancing competitiveness and extroversion and improving life quality, while leading the energy transition to achieve carbon neutrality by 2040 via its innovative sustainable energy network.

The Company' vision is to safely operate and develop a technologically advanced multi molecules network, which transmits and stores clean, reliable, and affordable gas energy carriers.

DESFA is committed to maintain and significantly strengthen its role as a pillar of energy stability in Greece and Southeast Europe. Placing Greece as a gateway for diversified gas energy imports, the Company develops the Greek renewable gases network (e.g. hydrogen, biomethane), paving new energy ways, and the carbon dioxide logistic chain, enabling its efficient capture, transportation, liquefaction and shipping to a storage site.



MISSION

As a reliable gas infrastructures' partner in Southeast Europe & beyond, DESFA constantly evolving its system paving the way to new carbon-neutral energy routes.

The Company generates added value to the environment, society, corporate governance, its people, and the communities, where it operates, fostering a diverse and inclusive organization that attracts talent and innovative ideas that create new opportunities for the country.

VALUES

DESFA operates based on clearly identified values, ensuring that all DESFA employees are working towards the same goals, supporting the Company's mission, and shaping our corporate culture.



Values



FOCUS IN INTEGRITY

The Company's outmost priority is the **Health and Safety** of its employees and users, guaranteeing **the security of our infrastructures** and acting for the mitigation of operational risks in Greece and the wider Southeast European region. In conducting business, DESFA is inspired by and complies with the principles of **fairness, efficiency, honesty, transparency**, and impartiality in all its business partnerships, having adopted a **zero tolerance approach** to any form of corruption.



PROMOTE EXCELLENCE & LEADERSHIP

DESFA's aim is for all its employees to be **proud** of the work they do and the Company they work for. It promotes a culture of **continuous improvement**, through the **empowerment** of all its people to excel themselves and seek opportunities for the enhancement of its operation and services. The Company continuously redefines the standard of **excellence** in every aspect of its business operation and culture, developing the leaders of the future energy market.



EMPOWER COLLABORATION

The Company believes in the power of **working together**, building, and encouraging collaboration across teams for the achievement of our shared objectives and the **internal dissemination of knowledge, information, and technical know-how**, fostering innovation and leading the way to energy transition.



INVEST IN SUSTAINABILITY & INNOVATION

DESFA is committed to **incorporate ESG factors in its business model**, focusing on those with a high impact on the **climate** and the **environment** towards **net-zero emissions**. The Company fosters **innovation** to pursue a sustainable energy system and to promote the protection of natural resources, ensuring an environmentally safe operation for the societies where it operates.

2.1. History and Milestones

Since the establishment of DESFA in 2007, the Company has achieved important milestones in promoting the use of natural gas in the Greek market, expanding its network and achieving significant market goals that have strengthened the Company, to date, while paving the way for even greater achievements in the future.

2023

- Certification with ISO 37001:2016 for Anti-Bribery Management System (December)
- Renewed OGMP Gold Standard certification for Methane Emission and excellent results for safety in the workplace (December).
- Publication of DESFA's ESG Report 2022 (November).
- "Hydrogen Networks: Transforming Vision into Action" conference, dedicated to hydrogen (organized and hosted by DESFA) (November).
- The new Ten-Year Development Plan 2023-2032 was approved by RAEWW, with planned CAPEX of approximately EUR 1.3 billion (October).
- Inclusion of the hydrogen infrastructure project, to connect Greece with Bulgaria, in the 6th PCI list (October).
- Integrated CO₂ logistic solution in Greece, in conjunction with Energean's sequestration project in Prinos, became the first CCUS PCI development in the SE Europe (October).
- A contract has been awarded from Nomagas for the contract administration and supervision of the construction of the Northern Macedonian part of the project (September).
- FID of the new Investment of the Pipeline Nea Messimvria - Evzoni/ Gavgelija and its Metering Station, to interconnect the NNGS with North Macedonia (July).
- Market Test in coordination with the Vertical Corridor initiative, promoted with other TSOs of South and Eastern Europe, to increase gas throughput from Greece to SEE/CEE region (June).
- Approval of the Net Zero Targets by DESFA's Board of Directors, committing to reduce Scope 1 & 2 (market based) emissions by 50% by 2030 in comparison to 2018 levels and achieve Carbon Neutrality by 2040 (June).
- Completion and start of operation of the first Liquefied Natural Gas (LNG) Truck Loading Station at Revithoussa, Greece (March).
- Inauguration event for the beginning of the construction works for the West Macedonia High Pressure Pipeline (February).
- Commercial operation of the Compressor Station of Nea Messimvria achieved.
- Progress was made on critical projects, including the Connection with the FSRU of Alexandroupolis, the two new Compressor Stations at Komotini and Ampelia and the High-Pressure Pipeline to West Macedonia.

2022

- Approval of the H₂ Master Plan from the BoD (December).
- Participation in the closed consultation organized by the Ministry of Energy on the upcoming Biomethane Policy and submission of comments (December).
- Completion of H₂ Readiness assessment of existing gas network for H₂ blend up to 10% (November).
- Final Investment Decision (FID) of new Compressor Station in Komotini (November).
- Inauguration of LNG Truck Loading Station in Revithoussa (October).
- Approval of the Sustainability Policy (October).
- Building up the "Greek Hydrogen Value Chain" conference (July). (organized and hosted by DESFA).
- Launching of Market Test for capacity booking for the natural gas Interconnection between Greece and North Macedonia (July).
- Installation of a temporary FSU in Revithoussa to increase the LNG storage capacity to 370.000m³ of LNG, to restore the energy crisis (June)
- Completion of the familiarization phase of the O&M project in Kuwait in April, and receipt of first grant installment for the HORIZON 24/7 Zen Program on H₂ (May).
- DESFA-HENEX Gas Trading Platform inauguration (March).
- FID for the FSRU project in Alexandroupolis (January).

2021

- Conclusion of the acquisition of a 20% stake in Gastrade S.A., the Company that develops "ASFA ALEXANDROUPOLIS" the Floating Storage and Regasification Unit of LNG in Alexandroupolis (December).
- Completion of the Construction of the temporary Metering Regulating (M/R) city gate station at the area of Megalopolis. (December).
- New ESG Strategy integrating ESG factors into its business strategy and the overall value chain. (October).
- Logo rebranding, to reflect the evolution of DESFA to date, the new energy landscape and the Company's vision for the future. (September).
- Revisiting corporate mission, vision & values. (July).
- Commencement of the familiarization phase of the O&M project in Kuwait (May).
- Adoption of the Data Protection Framework (June⁶).

2020

- The TAP-DESFA interconnection point at Nea Mesimvria has become operational. (December).
- DESFA was awarded the O&M of the new LNG terminal of the state-owned Kuwait Company, KIPIC, in Al-Zour in 2020 (May).
- Approval of the Anticorruption Policy, Whistleblowing Policy and revised Code of Ethics.

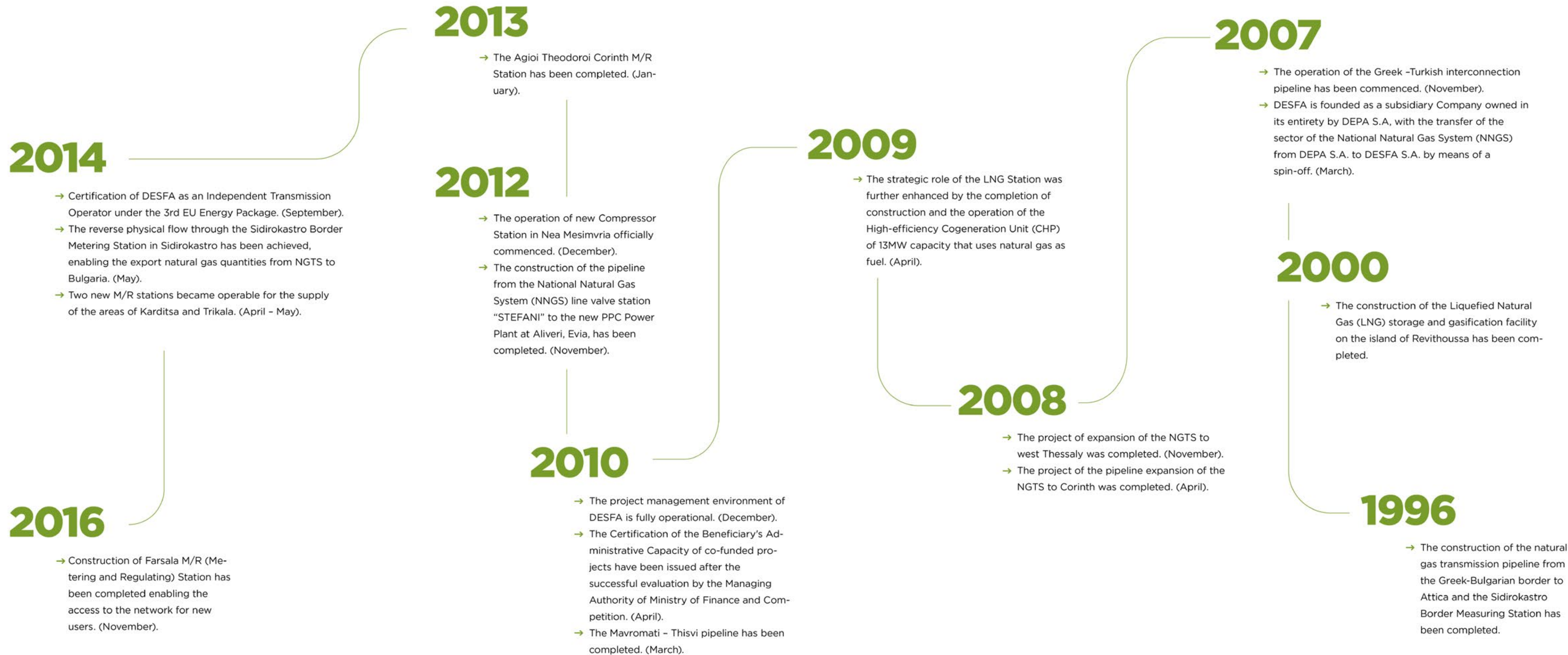
2019

- Corporate & digital transformation⁷.

2018

- Certification of DESFA as an Ownership Unbundled Operator under the 3rd EU Energy Package. (December).
- Change in the ownership structure (shareholding structure). (December).
- One of the most critical projects, the 2nd upgrading phase of Revithoussa's Terminal was completed. (December).
- Inauguration of the 3rd LNG Tank on the Terminal. (November).
- Participation as a shareholder (7%) in the Hellenic Energy Exchange (HENEX). (June).
- The 2nd upgrade of Border Metering Station in Sidirokastro has been completed. (February).
- The Upgrade of FTS (System of Fixed Communication) of NNGS has been completed. (January).

2.1. History and Milestones



Notes:

6) The Data Protection Framework was adopted in different phases: Data Protection Policy (Jun. 2021), Consent Management Process (Jul. 2021), Data Subject Request Management Process (Jul. 2021), Data Protection Impact Assessment Process (Jul. 2021), Data Breach Management Process (Oct. 2021), Data Protection by Design and by Default Operating Instructions (Jun. 2022).

7) DESFA has developed a business and digital transformation plan is focused on four key objectives: a) Organization Design, b) Business Process Reengineering,

c) Operating Model Review and Redesign d) ICT Service Model Definition.

2.2. Activities, value chain and business relationships

GRI 2-6

LEGAL FRAMEWORK

DESFA operates in the Transmission and LNG markets and applies the EU Legislative Framework related to its activities (the most important of which the Regulation (EC) 715/2009 of the European Parliament and the European Council on the conditions of access to the natural gas transmission networks and the secondary legislation deriving therefrom).

DESFA's activities are mainly regulated by law 4001/2011, which transposes Directive 2009/73/EC of the European Parliament and of the Council. Law 4001/2011 regulates, inter alia, the Company's activities of Transmission and Liquefaction and Gasification of Natural Gas, which are considered activities of public utility. These activities, with respect to Third Party Access to the Company's Transmission Network and LNG Terminal, as well as the applicable Tariffs, are highly regulated and closely monitored by the Regulatory Authority for Energy, Waste and Water (RAEWW).

Further information regarding the [Regulated services](#) and the [Other provided services](#) is available on the [Company's website](#).

BUSINESS ACTIVITIES AND SERVICES

DESFA operates, maintains and develops the Greek Natural Gas System in a safe, reliable and economically efficient way, by providing:



1. Regulated services in a transparent and non-discriminatory way, such as:

- › Transmission Services.
- › LNG Services.
- › Truck Loading Services.
- › Non-transmission services
- › Metrology Services.
- › Odorization services to Distribution grids.
- › Supplementary Transmission Services.



2. A range of other services for various national and international clients, such as:

- › Network Operation & Maintenance.
- › Technical Support.
- › Pipeline.
- › LNG Services⁸.
- › CNG (Compressed Natural Gas) Services⁹.
- › Welder Certification.
- › Carbon Footprint¹⁰.
- › EU ETS (European Trading System) Management.
- › Training services.

Notes:

8) Operation and maintenance of LNG facilities, as well as Services for LNG vessels.

9) Operation and maintenance of facilities containing CNG compressors.

10) Carbon footprint analysis in compliance with ISO 14064 and drafting of a carbon footprint report.

2.2. Activities, value chain and business relationships

GRI 2-6

NETWORK AND FACILITIES

The NNGS transports Natural Gas from the upstream Interconnected Natural Gas Transmission Systems of Bulgaria and Turkey, the Trans Adriatic Pipeline (TAP) and from the LNG terminal, which is located on the island of Revithoussa in the gulf of Megara, as well as from distribution networks.

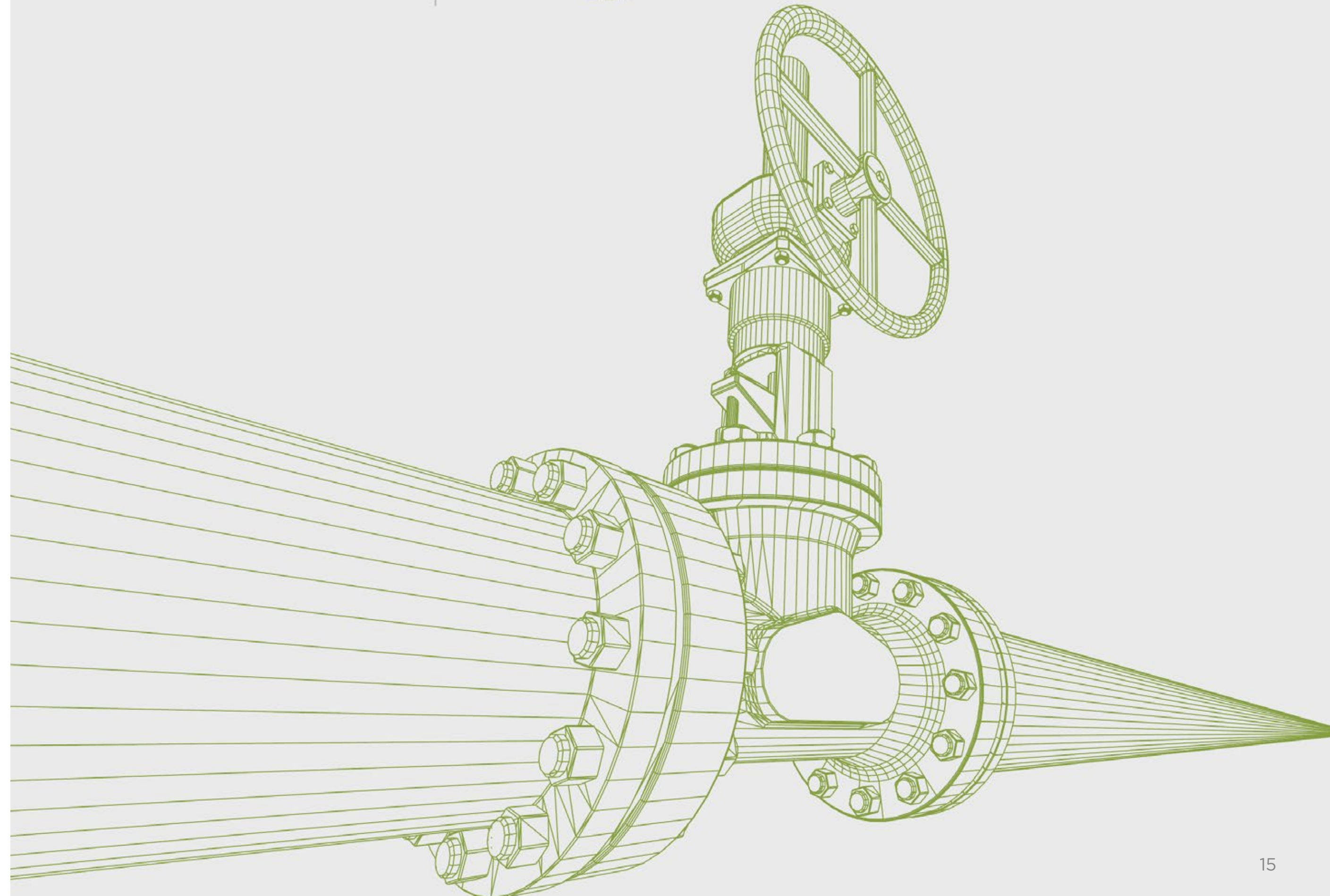
Natural gas is delivered, from **four entry points** through the NNGS to Transmission and/or LNG Users in **47 exit points** in the Greek mainland. Additionally, at the exit point of Sidirokastro, gas quantities can be delivered to the Interconnected Natural Gas Transmission System of Bulgaria with reverse gas flow.

The NNGS consists of:

- › The main pipeline, with a length of **512 km** and a diameter of 36” & 30” and the branches with a length of **953,20 km** (containing the underwater pipeline of the Aliveri branch, with a length of 14,20 Km and a diameter of 20” and the two underwater pipelines, each one a back-up to the other, with a diameter of 24” and a length of 620 m and 630 m, connecting the Revithoussa LNG Terminal to the mainland), which connect different areas of the country to the main pipeline.
- › The Metering Stations of the Sidirokastro, Kipi, Nea Messimvria and Agia Triada Entry Points of the NNGS.
- › The LNG Terminal at Revithoussa is connected to the Agia Triada Entry Point.
- › The Compression Station at Nea Messimvria, Thessaloniki.
- › The Natural Gas Metering and Regulating Stations.
- › The Control and Dispatching Centers.
- › The Operation and Maintenance Centers of the Sidirokastro Border Station, Eastern Greece, Northern Greece, Central Greece, Southern Greece, and Peloponnese.
- › The Remote Control and Communication System.

NNGS (LENGTH)

1.466 km



2.2. Activities, value chain and business relationships

GRI 2-6

The Revithoussa LNG Terminal is one of the most important energy infra-structures of the country and the wider region of Southeast Europe. Designed and built in 1999, according to the best international standards, the Terminal successfully expanded in 2007 (1st upgrade) and later in 2018 (2nd upgrade) with the construction of the third LNG tank, increasing the total LNG storage capacity to 225.000 m³ LNG, as well as increasing of LNG regasification rate up to 1.400 m³/h.

The Terminal uses the most environmentally friendly technology and operates in accordance with the strictest safety regulations. In particular, the Terminal is subject to the requirements of the Seveso III Directive, which provides for the highest safety standards, the application of which is constantly verified and certified by independent operators. It is also covered by Directive 2010/75 (e.g., regarding air pollution, sea temperature and waste), and applies all the required Best Available Techniques.

The Terminal is an important energy asset for Greece, providing security of energy supply, operational flexibility in the transmission system and increased capacity to meet peak gas demand. The Revithoussa LNG Terminal is the only facility in the NNGS, which following its second expansion, can now temporarily store Natural Gas volumes up to **225.000 m³ LNG** (excluding the FSU at Revithoussa). It consists of:

- › **Three Liquefied Natural Gas storage tanks of 65.000 m³, 65.000 m³ and 95.000 m³ LNG storage capacity.**
- › **LNG offloading installations with a maximum LNG offloading rate of 7.250 m³ LNG/h.**
- › **LNG gasification installations with a maximum sustained output of 1.400 m³ LNG/h.**



2.2. Activities, value chain and business relationships

GRI 2-6

TEN YEAR DEVELOPMENT PLAN (TYDP) 2023 - 2032¹¹

During 2023, DESFA updated its 10-year Development Plan (TYDP), with a forecasted budget of approximately EUR 1.323 million, of which EUR 476 million will be allocated to new projects.

The Development Plan includes projects, which have already been approved in the TYDP 2022-2031, as well as those whose construction is scheduled to start within the timeframe of the updated Plan (period 2023-2032), or even small projects that have been updated in terms of timeline and budget. From these new projects, EUR 13 million corresponds to improvements, modernization, and maintenance of NNGS, while EUR 430 million corresponds to new projects, expanding the capacity of the system.

The main new projects are:

- › The "Duplication of the Karperi-Komotini HP pipeline", a project that aims to provide firm capacity from the Virtual Trading Point (VTP) to all exit points of the specific branch and from all North-Eastern entry points to all exit points of the branch.
- › The "Duplication of the HP Branch Patima - Livadeia", which aims at providing firm capacity to the users of Dioriga Gas FSRU and should therefore be implemented subject to the to the FID of Dioriga Gas.

Furthermore, DESFA is pursuing innovative projects related to energy transition and decarbonization through the corresponding investments amounting to EUR 15 million. These projects relate to a pilot pyrolysis project and the connection of DESFA's network to the planned H₂ valley in West Macedonia, for the injection of green hydrogen into the existing network and are highly correlated with the reduction of methane emissions in the NNGS. Finally, EUR 18 million relates to 2 new connection projects.

Notes:
 11) Concerning TYDP, RAEWW approved is in October 2023t for the reporting period of 2023.
 12) In the ESG Report 2022, was inadvertently stated that the 2022-2031 Development Plan budget was EUR 855 million instead of EUR 760 million, as RAE's decision 666 & 681 /2022 refers to the amount originally submitted by DESFA in July, excluding the Ioannina expansion (EUR 85 million) and the "LNG infrastructure to supply the regions of Poria, Aspros & Perdikas" (EUR 11 million), since the project is being redesigned and included in the LSP to speed up the FID approval process. Amounts also include projects beyond 3 years (€32.500.000 in both TYDPs).



Figure 2: High Pressure Natural Gas Transportation Network Map

2.2. Activities, value chain and business relationships

GRI 2-6

VALUE CHAIN AND BUSINESS RELATIONSHIPS

In the context of its operation, DESFA cooperates with several types of suppliers and subcontractors on a continuous basis all over its network across the country. The following table presents the value chain of DESFA per sector of activity:

UPSTREAM	ACTIVITIES AND SERVICES	DOWNSTREAM
<ul style="list-style-type: none"> › Material suppliers › Equipment suppliers › Service providers/consultants › Energy providers (fuel, electricity) › LNG supplier (vessel) › EPC contractors › Subcontractors › Manufacturers › Wholesalers › Brokers 	Transmission Services	<ul style="list-style-type: none"> › Customers (power producers, distribution, big industries, exports) › Other operators › Engineers, freelancers, students
	LNG (Liquefied Natural Gas) Services	
<ul style="list-style-type: none"> › Material suppliers › Equipment suppliers › Service providers/consultants › Energy providers (fuel, electricity) › LNG supplier (vessel) › EPC contractors › Subcontractors › Manufacturers › Wholesalers › Brokers 	Truck Loading Services	
	Supplementary Transmission Services	
<ul style="list-style-type: none"> › Material suppliers › Equipment suppliers › Service providers/consultants › Energy providers (fuel, electricity) › LNG supplier (vessel) › EPC contractors › Subcontractors › Manufacturers › Wholesalers › Brokers 	Network Operation & Maintenance	
	Technical Support	
	Metrology	
	Pipeline Protection	
› LNG supplier (vessel)	LNG (Liquefied natural gas)	
› LNG supplier (vessel)	CNG (Compressed Natural Gas)	
› Service providers/consultants	Odorization	
› Service providers/consultants	Welder Certification	
› Service providers/consultants	Carbon Footprint	
› Service providers/consultants	EU ETS Management	
› Service providers/consultants	Training Services	

Table 1:
DESFA Value chain and business relationships

2.2. Activities, value chain and business relationships

GRI 2-6

DESFA'S CLIENTELE

The clientele of DESFA includes wholesale suppliers, power producers/plants, large industrial customers, retailers and natural gas traders, proving that way the essential role in the Greek energy ecosystem and its contribution to the national economy.

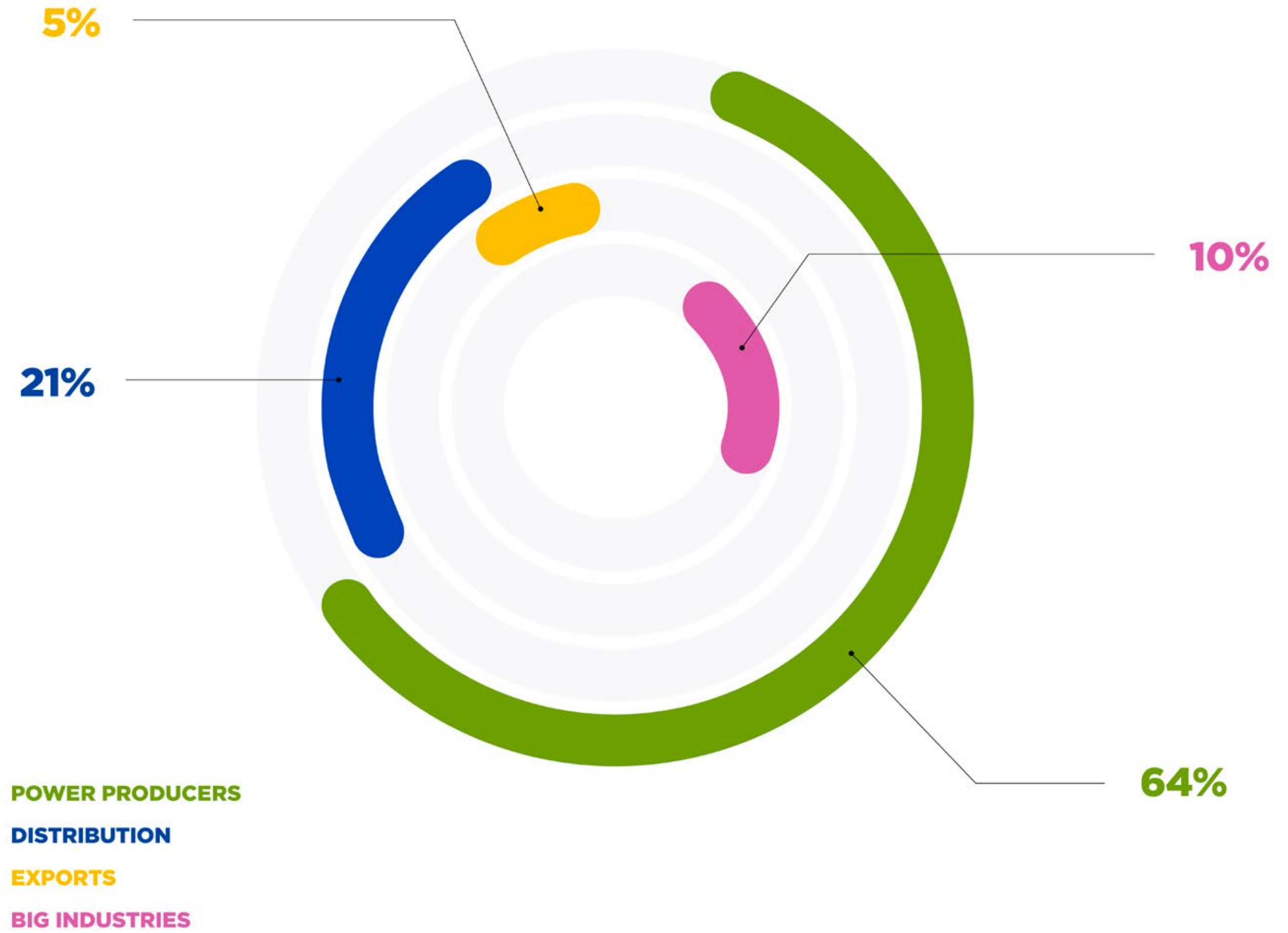


Chart 1:
Share of physical off-takes 2023

2.2. Activities, value chain and business relationships

GRI 2-4
ATHEX ESG A-G1

Business Model

INPUTS	BUSINESS ACTIVITIES AND VALUES	OUTPUTS: THE VALUE WE CREATE	
<p>FINANCIAL CAPITAL</p> <ul style="list-style-type: none"> › EUR 1.323 million TYDP¹³ › EUR 505 million Common Bond Loan › EUR 25 million Loan for the financing of the North Macedonia Project <p>HUMAN CAPITAL</p> <ul style="list-style-type: none"> › 593 of employees <p>NATURAL CAPITAL</p> <ul style="list-style-type: none"> › Land › Raw Materials <p>MANUFACTURING CAPITAL</p> <ul style="list-style-type: none"> › 225,000m³ LNG storage capacity › 1.465,2 km high-pressure pipelines <p>INTELLECTUAL CAPITAL</p> <ul style="list-style-type: none"> › High expertise and know-how due to uniqueness of operation › Internal policies, procedures and certifications <p>SOCIAL AND RELATIONSHIP CAPITAL</p> <ul style="list-style-type: none"> › Approximately 700 suppliers (national/international) 	<p>VALUES:</p> <ul style="list-style-type: none"> › Integrity › Excellence & Leadership › Collaboration › Sustainability & Innovation <p>BUSINESS ACTIVITIES:</p> <ul style="list-style-type: none"> › Regulated and Other Services (Transmission Services, LNG (Liquefied Natural Gas) Services, Truck Loading Services) <p><i>(As they are referred to above in Business Activities and Services section)</i></p>	<p>FINANCIAL CAPITAL</p> <ul style="list-style-type: none"> › EUR 597.935 thousand Revenues <p>HUMAN CAPITAL</p> <ul style="list-style-type: none"> › 20.494 total training hours <p>NATURAL CAPITAL</p> <ul style="list-style-type: none"> › 15,46% reduction (3.328,02 t CO₂e) Scope 2 market-based emissions in comparison with 2022. <p>MANUFACTURING CAPITAL</p> <ul style="list-style-type: none"> › 64% of physical offtakes refers to power producers. <p>INTELLECTUAL CAPITAL</p> <ul style="list-style-type: none"> › Adoption of a Sustainability Policy 	<p>ENVIRONMENT</p> <p>Combat climate change, adopting the best practices for the conservation and enhancement of the areas where it operates with its infrastructure, mitigating the environmental impacts.</p> <p>SOCIAL</p> <p>Promote human rights, diversity, equal opportunities, training & development, attracting and retaining specialized human resources, ensuring a healthy and safe environment, and providing high-quality services.</p> <p>GOVERNANCE</p> <p>Focus on ethics, compliance, service reliability, and efficiency, as well as the development of a risk management system, which works towards business continuity.</p>

Table 2:

DESFA business model

Notes:

13) In the ESG Report 2022 was inadvertently stated that the 2022-2031 Development Plan budget was EUR 855 million instead of EUR 760 million, as RAE's decision 666 & 681 /2022 refers to the amount originally submitted by DESFA in July, excluding the Ioannina expansion (EUR 85 million) and the "LNG infrastructure to supply the regions of Poria, Aspros & Perdikas" (EUR 11 million), since the project is being redesigned and included in the LSP to speed up the FID approval process.

**SUSTAINABLE
DEVELOPMENT
APPROACH**

3.

- STRATEGY.
 - MEMBERSHIPS AND AWARDS.
 - STAKEHOLDER ENGAGEMENT.
 - MATERIALITY ANALYSIS.
-



3.1. Strategy

ATHEX ESG C-G4

Nowadays, more than ever, integrating sustainability into the business strategy is critical to ensure a future-proof business and maintain a social license to operate. DESFA has built a consistent, contemporary and well-established sustainability approach, addressing Environmental, Social and Governance factors (ESG) and incorporating them into its business strategy and across its value chain, in full alignment with the Company’s mission, values and business scope.

ENVIRONMENT

DESFA’s commitment to the Environment is reflected by implementing an Environmental Management System, covering all activities and facilities, based on the international standard ISO 14001:2015 and the communication of a Health & Safety, Security, Environment and Quality (HSSEQ) Policy to stakeholders.

DESFA adopts a holistic approach concerning the Environment, committing itself not only to combat climate change, but also to adopt the best practices for the conservation and enhancement of the areas in which it operates, thereby mitigating the environmental impacts of its operations. This is also reflected in the targets below:

- › Reduction of CH₄ emissions, as well as in all targets concerning energy efficiency.
- › New business development with a particular focus on green gases and innovation, while adopting waste management and recycling programs in its operations and supply chain.

DESFA is also committed to engage stakeholders across the value chain, in order to create synergies for reducing its direct and indirect energy emissions of Scope 1, 2 and 3 greenhouse gases, based on the Paris Agreement, the EU Green Deal, and the EU Taxonomy, aiming to achieve carbon neutrality in its activities by 2040.



SUSTAINABILITY POLICY

DESFA has developed a Sustainability Policy that defines the Company’s approach to long-term sustainable development and its commitments and actions regarding the ESG aspects. DESFA considers sustainability as a guiding principle for defining strategic and operational options, while ESG aspects constitute a valuable tool for creating shared value and making the Company respond beyond what is required by the regulatory framework.

SOCIETY

DESFA identifies employees, local communities, customers and suppliers as key stakeholders since only through their participation it will be possible to achieve the challenging strategic objectives of the coming years. The company contributes to the social and economic development of local communities, giving priority to those areas and regions, where it operates, through sustainable social action models.

DESFA promotes a culture that defends the individual and its human rights, promoting diversity and equal opportunities in an inclusive environment. The Company’s employees are its most important asset, and it is therefore of outmost interest to attract and retain specialized human resources, to provide ongoing training and development and, above all, to ensure a healthy and safe environment for every one of them.

The aim is always to provide the highest quality of services to the customers, achieving maximum satisfaction, while managing the gas network in a reliable and socially responsible manner.



GOVERNANCE

Essential importance is given to the proper Governance of the Company, with particular attention to ethics, compliance, service reliability, and efficiency, as well as the development of a risk management system, which works towards the business continuity of the Company. DESFA considers market trends, the regulatory updates, and the strategic plans of its shareholders keeping its policy updated with a long-term perspective.

DESFA’s Sustainability Policy, as well as its Code of Ethics, Anticorruption Policy and Whistleblowing Policy are communicated internally to employees via email and are available on the website, to guarantee transparency and collaboration with business or other partners, the public and anyone else who may be interested.



3.1. Strategy

ATHEX ESG A-G3

TARGET SETTING

For the environmental and social pillars, DESFA has adopted a comprehensive set of targets, with the aim of involving all its business units in working towards their implementation. The targets are divided into those that the company aimed to achieve within the reporting period and future targets that are expected to be achieved by 2024 and 2025.

ENVIRONMENT 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	Zero spills of LNG.	Zero spills.	Achieved
2023	Emissions Trading System Compliance Status "A".	Achieved Compliance Status "A" for 2023 for both facilities participating in the Emissions Trading System.	Achieved
2023	Prepare and present to the Board the Net Zero Plan and action plan.	Net Zero methodology submitted and approved by BoD and masterplan finalized in Q2 2023.	Achieved
2023	CO ₂ Footprint Performance 97%-99.5% of 5ys average.	93,5% of 5ys average ¹⁴ .	Achieved
2023	Initiation of the Green IT project.	Design Recycling Programme for IT equipment (Refurbished PCs & 60 furniture donated).	Achieved
2023	Assessment and gap analysis of the NNGS regarding its readiness to accept and transport growing percentages of hydrogen blended into the natural gas.	Completed H ₂ master plan, initiation of implementation phase.	Achieved
2023	Preparation and implementation of a new set of specifications, so that all new expansions of the NNGS are hydrogen ready.	70% of the new set of specifications have been prepared and implemented ¹⁵ .	Ongoing

Notes:

14) The index indicates a better performance compared to initial estimations (the lower the number, the better the performance).

15) In 2023, the NNGS expansions have been designed and constructed to be hydrogen ready, studies have been completed and specifications have been drafted.

The target is not fully achieved due to a) internal approval by DESFA, b) external approval by MEE and c) disclosure through official (HGG) or unofficial (DESFA site) channels.

3.1. Strategy

ATHEX ESG A-G3

ENVIRONMENT 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	No impacts to protected species in areas affected by the operation of the pipeline system.	Zero impacts.	Achieved
2023	Develop and publish ESG Scorecard for 2023.	Share ESG Dashboard every quarter.	Achieved
2023	Water withdrawn from various sources (surface, underground, ocean), used during construction/operation of pipeline systems (hydraulic tests and ORVs), and returned to the environment non-polluted.	100% of non-polluted water returned to the environment.	Achieved
2023	Zero Environmental incidents during Projects Construction on an annual basis.	Zero environmental incidents.	Achieved
2023	No significant impacts to habitats during construction works, no harm to animals and birds.	Zero impacts.	Achieved
2023	100% Hazardous Waste Management.	100% managed waste (Operations).	Achieved
		100% managed hazardous solid and liquid waste (Construction).	Achieved
2023	100% compliance with environmental laws/regulations (no monetary fines, sanctions, or high court).	100% compliance with environmental laws/regulations.	Achieved

ENVIRONMENT 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	Initiation of a paper-use reduction program.	Reduction by 24.000 pages in total, 2.000 pages per month appx, (compared to 10.000 pages in 2022). Zeroing out the printing of paper in the HQ.	Achieved
		Software implementation in place (VIM).	Achieved
2023	Design and implement a program for the reduction of Single Plastic Use (cups, cutlery, straws, plates, etc.) in DESFA HQ.	Implementation of measures such as the purchase of new cups and cutlery and the elimination of single-use plastics to ensure the effective operation of the programme.	Achieved
2023-2024	10% decrease in CO ₂ and 7% decrease of NOx (10tn) emissions from DESFA's vehicles fleet.	26% of the total fleet are new technology vehicles (compared to 8% in 2022) and 41 old technology vehicles (18% of the fleet) have been replaced by new vehicles (PHEV, mild hybrid and fully electric). In 2023, DESFA has achieved 15% reduction of CO ₂ and 7,8% of NOx compared to 2022.	Achieved
2023-2024	15% decrease in DIESEL consumption from vehicles fleet.		Ongoing
2023-2024	50% recycling of waste materials by Contractors during the construction of projects.	78,25% (compared to 75% in 2022).	Achieved
2023-2024	Identification and evaluation of environmental risks in DESFA operations.	An Environmental Risk Register is prepared internally, including environmental risks' assessment and evaluation (progress: 60%) ¹⁶ .	Ongoing
2025	New Headquarters building according to LEED Certification.	The project for a new headquarters building has been cancelled and the headquarters will remain in the current building.	Cancelled
2025	20% decrease in CH ₄ Emissions in comparison to CH ₄ Emissions in 2015.	61% decrease in CH ₄ emissions (DESFA achieved Level 4 Emissions reports for NNGS installations according to Technical Guidance Tools of OGMP).	Achieved
		Awarded the OGMP's Gold Standard, 3 rd consecutive year (report released during COP28).	Achieved
2025	5% Reduction of NOx emissions from the operation of LNG terminal and Compressor stations.	No actions taken.	Ongoing

Note:

16) In 2023, no further actions have been taken to complete the target, 60% of the implementation has been achieved with the preparation of the Environmental Risk Register and its initial population. Pending items include further literature review, consultation (internal and possibly external) and alignment with existing DESFA procedures.

SOCIETY 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	<60 days off due to accidents/illness.	8 Days off due to accidents. (Operations).	Achieved
		0 days off due to accidents/illness. (Construction)	Achieved
2023	More than 50 HSSEQ audits on an annual basis.	77 (compared to 70 in 2022).	Achieved
2023	100% of scheduled QHSE audits during Project construction are to be performed.	100% of scheduled audits were performed.	Achieved
2023	All issued Non-Conformance Report (NCRs) (100%) during the Projects Audit are to be closed out within the agreed time frame.	100% follow up of non-conformances and corrective actions.	Achieved
2023	97% Intrinsic Availability.	100% availability.	Achieved
2023	Over 250 points of QHSE Continuous Improvement ¹⁷ .	1.787pts (compared to 457 points in 2022) ¹⁸ .	Achieved
2023	1≤ Lost Time Incident Rate Employees & Contractors <2. (LTI is an injury sustained on the job by an employee that results in the loss of productive work time since the employee is unable to perform regular job duties and takes time off for recovery).	0,7 accidents per million man-hours for DESFA employees (compared to 0,8 in 2022). Zero accidents per million man-hours for third-party personnel (Construction) remaining the same as 2022.	Achieved

Notes:

17) A performance monitoring point system for all QHSE Improvement actions. The Continuous improvement score is calculated by claiming points awarded for performing several HSSEQ initiatives. Initiatives that award points include: HSSEQ Training, meetings, drills, Near Misses, HSE Visits/Walks. Points awarded vary (from 1 to 5) based on importance, involved personnel, frequency, etc.

18) The improvement in performance was due to the implementation of monthly meetings with all facilities, awareness campaigns and close monitoring of contractors.

SOCIETY 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	Full compliance with requirements for the provision of service information pursuant to the Regulatory framework and contractual obligations.	5 incidents occurred regarding service information and were resolved.	Achieved
2023	Working Flexibility.	Introduce a voluntary remote working schedule (when applicable).	Achieved
2023	Zero incidents of discrimination.	No incidents were reported. Relevant policies have been uploaded and communicated in the intranet portal.	Achieved
2023	Number of fatalities, serious injuries and accidents on an annual basis (operations).	0 fatalities, 0 serious injuries, 0 serious accidents.	Achieved
	Number of fatalities, serious injuries and accidents on an annual basis during Projects (Construction).	0 fatalities, 0 serious injuries, 0 serious accidents.	Achieved
2023	Increase in average man-hours of Environmental, Health and Safety Training.	3,57 hours on H&S Training (compared to 3,49 in 2022).	Achieved
2023	Increase of H&S awareness initiatives (HSE championship, thematic training, safety walks, etc).	19 awareness initiatives (compared to 18 awareness initiatives in 2022).	Achieved
2023	Increase in average training hours for upgrading skills.	36,7 training hours for male employees (compared to 16 training hours in 2022). 30,6 training hours for female employees (compared to 12,8 training hours in 2022).	Achieved

SOCIETY 

IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	No violation of human rights of local communities and people in the areas where NGTS is developed or operates (e.g., economic displacement, restrictions to land access, etc).	Zero incidents.	Achieved
2023	In-time review of Contractor's QHSE Management Systems during Projects Construction to comply with QHSE International Standards (ISO9001, ISO14001 and ISO 45001) and legislation requirements.	100% In-time review of Contractor's QHSE Management Systems during Projects Construction to comply with QHSE International Standards (ISO9001, ISO14001 and ISO 45001) and legislation requirements.	Achieved
2023	To manage structured Customer Feedback collection (surveys, interviews, workshops), to assess results & provide Customer Satisfaction report.	89% answered the evaluation questioners sent (compared to 85% in 2022).	Achieved
2023	Continuous improvement and efficiency of the customer operations and services by improving the relevant processes (customer onboarding & offboarding, solution offers, contract management) - receiving less than 10 problems from network users ¹⁹ .	3 received users problems.	Achieved
		14 days response time when the target response time to customers complaints is 15 days.	Achieved
2023	To manage Market Intelligence and Customer Communications to gain market insights and ensure consistent & efficient communication with the customers.	89% out of the total number of our active customers accepted our meetings requests and all these meetings were realized (compared to 82% in 2022).	Achieved
2024	Elaboration of Environmental and Social Impact Assessments for ensuring minimum impact on local communities from the construction and operation.	Two main documents consisting of the Stakeholder Engagement Framework (SEF) ²⁰ are under preparation: 1. Grievance Mechanism 85% (compared to 75% in 2022). 2. Stakeholder Engagement Plan 60% (compared to 50% in 2022).	Ongoing

Notes:

19) It is noted that there is no comparison between the nature of the problems reported by network users and the complaints received from local communities in Western Macedonia.

20) An Environmental Social Impact Assessment (ESIA) is carried out for each new project on an ad hoc basis, in accordance with national legislation. In addition, DESFA develops a SEF which contains the grievance mechanism and the stakeholder engagement plan to improve the quality of consultation with local communities, over and above any mandatory procedures.

GOVERNANCE



IMPLEMENTATION YEAR	TARGET	2023 ACTION	2023 STATUS
2023	Increase women's ratio in employment.	35% in December 2023 (compared to 34% in 2022).	Achieved
2023	Regular performance and career development reviews of the employees.	Performance appraisal cycle completed for 2022 for N-1, N-2, N-3 management level.	Achieved
2024	Monitor Employees' satisfaction.	Satisfaction Survey was implemented in Q42022. Overall Employee Engagement Index = 69% (every 2 years).	Ongoing
2024	Development of the pre-qualifications process, where Vendors/contractors will have to read, accept, apply and comply with DESFA's code of ethics.	The Vendor Qualification Procedure will be approved after the completion of the PILOT project (evaluation of approximately 40 selected Vendors) for which the CEO gave her approval for initiation. The full implementation and the digitalization of the Procedure in the system will be completed in 2024.	Ongoing
2024	Deserve a standard entry-level wage 15% above the national minimum wage.	During 2023, DESFA offered standard entry-level wage 15% above the national minimum wage.	Achieved
2025	100% of agreements taken care by the supply chain division to include a clause that vendor/ contractor has read, accepted, applied and complied with DESFA's code of ethics.	95% of agreements taken care by the supply chain division ²¹ .	Ongoing
2025	Training to the entire personnel on the respect of human rights per operating division (Aspects of Diversity, Potential Violations, [Discriminations, Child and Forced Labor], Achieving Inclusion [Equal Opportunities, Creating Inclusive Leadership, Awareness]).	Annual training plan in place - Design of 2024 training plan in progress.	Ongoing
2025	Increase of the investments in Gas Network (10 years dev. Plan).	563 m (compared to 159,91m € in previous development plan).	Ongoing

Note:

21) The remaining part of the unsucceeded target refers to exceptional suppliers such as large IT companies with whom DESFA works following their code of ethics and anti-bribery policies.

MANAGEMENT OF SUSTAINABILITY ISSUES

GRI 2-12, GRI 2-13
ATHEX ESG C-G2

ESG STEERING COMMITTEE

The ESG Steering Committee is comprised of the division’s directors of the Company reflecting the importance of sustainable development to the Company. The members of the committee are responsible for the elaboration, monitoring and proper implementation of the Sustainability Policy, which includes targets, actions and corporate performance of the Company in relation to environmental, social and governance issues, both to the external and internal environment of the Company.

The work of the committee’s members is supported by the ESG Agents, members of the management who represent most of the Company’s divisions. The ESG Agents carry out the tasks regarding the sustainable development of the Company, including the data selection, the development of the necessary actions and the monitoring of the implementation of the targets.

The main responsibilities of the committee are the following:

- › Proposing and structuring the strategy of ESG and sustainability.
- › Proposing social and environmental responsibility issues in the Business Plan of the Company.
- › Receiving feedback from the Board of Directors (BoD) on ESG and Sustainability issues.
- › Providing guidance to the Sustainability Team.

The ESG Steering Committee directly to the CEO, as follows:

- › Reporting on the progress of the ESG and Sustainability Strategy.
- › An annual presentation of the Sustainability Report and the implementation of the Strategy to BoD and the stakeholders.
- › Changes/adjustments to the ESG Strategy on an annual basis or whenever necessary.

In terms of sustainability oversight, the BoD members of DESFA have the competency to approve the strategy on ESG-related issues as part of the broader company’s strategy. The BoD members are involved in discussions around sustainability issues with management during BoD meetings, including the setting of sustainability-related targets. To be noted that there is no dedicated Board Committee to provide sustainability oversight of the Company’s business activity.

CORPORATE AFFAIRS, ESG & COMMUNICATION DIVISION

The Corporate Affairs, ESG & Communication Division, aims to develop and maintain a transparent and consistent long-term relationship with its Institutional Stakeholders and Organizations.

Every quarter the Division reports to the ESG Steering Committee and subsequently to BoD on the progress of the organization’s impacts on the economy, environment, and people, through the ESG Dashboard.

The Division is responsible, among others, to:





















- › Define a comprehensive ESG strategy and a long-term ESG goals achievement plan in collaboration with ESG experts.
- › Develop and oversee the implementation of cross-functional ESG initiatives and strategies, to promote corporate sustainability, and engage with internal and external stakeholders to promote the sustainability of the business.
- › Monitor the effectiveness of the ESG initiatives using a standardized reporting mechanism and provide regular and ad-hoc sustainability reports to the Management Team and the BoD.
- › Oversee the preparation of annual ESG/Sustainability reports and participate in sustainability indexes on the progress (UN Sustainable Development Goals, GRI).
- › Promote training on ESG topics within the organization and in particular with those across the organization who participate in the ESG initiatives and workgroups.
- › Oversee the definition of the sustainability model, developing and promoting CSR activities.

3.2. Memberships and awards

GRI 2-28

MEMBERSHIPS

DESFA is an active member of key industrial and economic organizations, promoting entrepreneurship, sharing knowledge and participating in committees and workgroups.

						
Gas Infrastructure Europe (GIE) www.gie.eu	European Network of Transmission System Operators for Gas (ENTSOG) www.entsoe.eu	Society of International Gas Tankers & Technical Operators Ltd (SIGTTO) www.sigtto.org	MARCOGAZ www.marcogaz.org	Hellenic Federation of Enterprises (SEV) SEV Hellenic Federation of Enterprises	Hellenic Association for Energy Economics (HAEE) www.haee.gr	Institute of Energy for South-East Europe (IENE) www.iene.eu
						
Oil & Gas Methane Partnership 2.0 (OGMP) www.ogmpartnership.com	Greek Energy Forum www.greekenergyforum.com	Alliance for Greece www.symmaxiagiatinellada.gr	Biomethane Industrial Partnership (BIP) www.bip-europe.eu	European Hydrogen Backbone (EHB) www.ehb.eu	Gas for Climate www.gasforclimate2050.eu	Federation of Industries of Greece www.sbe.org.gr
						
European Clean Hydrogen Alliance www.europa.eu european clean hydrogen alliance	Global Gas Centre (GGC) www.globalgascentre.org	Transparency International - Business Integrity forum www.transparency.gr				

3.2. Memberships and awards

AWARDS

DESFA's performance in Occupational Health & Safety, Environmental and Quality Management is among the highest standards in Greece. Since 2013, the Company has received more than 30 awards for its performance and innovation from Health, Safety and Environmental stakeholders in the following categories: energy sector, emissions, awareness, preparedness, personnel participation, competency management, waste management, after participating in several relevant competitions.

YEAR	AWARDING BODY	CATEGORY / TITLE	AWARD TYPE
2023	Environmental Awards 2023 by Boussias Communications	Green Deal Compliance	GOLD
		CO ₂ Emissions Footprint Monitoring	GOLD
		Sustainable Supply Chain	GOLD
		Emissions Control Technology	GOLD
		Energy Intensive Industry	GOLD
		Sustainable Infrastructure Development	SILVER
		GHG Offset	SILVER
		Wastewater Treatment	SILVER
		Energy Efficiency	SILVER
		Energy Efficiency Certification	SILVER
		Sustainable Business	SILVER
		Climate Change	SILVER
		GHG Reduction	BRONZE
2022	Manager of the Year 2022	Supply Chain & Logistics Manager of the Year 2022	N/A
	Corporate Responsibility Index	Corporate Responsibility Index (CRI) 2021-2022	SILVER
	HR Awards 2022 by Boussias Communications	Equity & Social Protection in the Workplace / "Equity & Social Protection is included in company's values and constitutes a main drive of our operational activities"	SILVER
		Best Returning to the Workplace Plan	SILVER
Oil & Gas Methane Partnership, United Nations	Company's performance in the Oil and Gas Sector for the year 2021.	GOLD	
2021	Health & Safety Awards 2021 by Boussias Communications	Crisis Response / Back to action: From paper to the field	GOLD
	HR Awards 2021 by Boussias Communications	Road Safety / Driving - First cause of accident in the NG sector	GOLD
		Critical Incident Response Unit / All around Greece - A need for alertness	SILVER
		Health & Safety Culture / Culture as part of the HS Management System	SILVER
		Best Re-skilling Strategy / "Learning & Development Strategy: Adaptation to the new remote working conditions and connection with the vision and goals of the Company"	GOLD
		Best Flexible Working Strategy "DESFA during the Pandemic - the challenges in a new work reality"	SILVER
		Most Innovative use of Technology in HR / "The use of applications and portal technology in Human Resources Management"	SILVER
		Most Effective Recruitment Strategy / "Talent Acquisition Strategy: Connecting with the vision, goals and values of the Company through corporate transformation in recruitment"	BRONZE
2019	Environmental Awards 2018 by Boussias Communications	Health, Safety & Environment	GOLD
		Health & Safety Training and Awareness / Activities to Promote Corporate Culture	SILVER
2018		Waste Management	SILVER

Table 3: DESFA Awards

3.3. Stakeholder engagement

GRI 2-29
ATHEX ESG C-S1

Stakeholders are defined as individuals or groups that have an interest that is affected or could be affected by the organization’s activities. In that framework, DESFA aims to build relationships with its stakeholders based on trust and open and transparent communication.

DESFA aims to retain an open and sincere engagement with its stakeholders. Through ongoing consultation and feedback on ESG performance, constructive participation in initiatives, such as working groups and think tanks and unbiased exchange of information, is building trust, transparency and common understanding, to identify the material impacts that its activity has or could have on the environment, people, including human rights, and the economy.

STAKEHOLDER IDENTIFICATION PROCESS

DESFA identifies and engages with its key stakeholders, both internal and external, that could be affected by the Company’s activities and business relationships, namely its employees, suppliers, NNGS Users, BoD members, public authorities, other operators (DSO/ TSO), local communities, financial institutions and non-governmental stakeholders, in order to understand their needs and concerns.

The process of stakeholders’ identification, enables the Company to:

- › Identify among stakeholders the key players who have the greatest impact on the success of the business against the variables of interest and influence.
- › Identify the current proximity and relationship with each stakeholder to accurately assess the current status with each one and define future target objectives, KPI’s, strategies and tactics.
- › Define the main issues and milestones that need to be addressed for each stakeholder, developing the best strategy forward.
- › Analyze project-specific stakeholders, milestones, issues and future strategy.
- › Develop an action plan with specific tactics and frequency for stakeholders’ engagement.
- › Explore potential opportunities for new synergies and cooperations which will promote DESFA’s overall business strategy.
- › Assess or explore the impact, dynamics and interrelationships between stakeholders to forecast the potential impact that actions by one stakeholder may have on some or all of the others.



Figure 3:
DESFA Stakeholders Groups

3.3. Stakeholder engagement

GRI 2-29
ATHEX ESG C-S1

Throughout the reporting period, DESFA actively engages with its stakeholders through formal consultations and ongoing dialogue to understand and address their diverse interests. Using a structured materiality analysis, DESFA ensures that stakeholder input is carefully considered in decision-making processes, including discussions at BoD level. This approach enables DESFA to enhance transparency and accountability in its regulated business activities. The following list outlines the key stakeholder groups that DESFA engages with on a regular basis, highlighting the breadth of its stakeholder network.

STAKEHOLDER GROUPS	COMMUNICATION /ENGAGEMENT METHODS	FREQUENCY OF ENGAGEMENT
USERS OF THE NATIONAL NATURAL GAS SYSTEM	<ul style="list-style-type: none"> › Website › Social media › Meetings (Online / Face to face) › Conventional and digital marketing tools › Market events and business associations › Evaluation Questionnaires › ESIA (Environmental and Social Impacts Assessment for projects and operations) › Press releases, interviews and articles › Public Consultations 	When necessary
MEMBERS OF THE BOARD OF DESFA	<ul style="list-style-type: none"> › Awareness Trainings › Corporate events / Volunteerism initiatives › ESG Report › Evaluation Questionnaires › Financial Statement › Internal Communication emails, SMS › Meetings (Online / Face to face) › NNGS Development Plan › Portal › Social media › Sustainability & Carbon Footprint Report › Website 	Ongoing
DESFA EMPLOYEES	<ul style="list-style-type: none"> › Portal › Internal Communication emails, SMS › Personal Meetings (MS Teams / Face to face) › Corporate events / Volunteerism initiatives › Employee and Union Relations › Awareness Trainings › Press releases, interviews and articles 	Ongoing

Table 4:
Stakeholder's engagement framework



3.3. Stakeholder engagement

GRI 2-29
ATHEX ESG C-S1

STAKEHOLDER GROUPS	COMMUNICATION /ENGAGEMENT METHODS	FREQUENCY OF ENGAGEMENT
PUBLIC AUTHORITIES	<ul style="list-style-type: none"> › Conventional and digital marketing tools › Corporate events / Volunteerism initiatives › ESG Report › Financial Statement › Market events and business associations › Meetings (Online / Face to face) › NNGS Development Plan › On-site visits › Sustainability & Carbon Footprint Report › Environmental and Social Impacts Assessment for projects and operations › Website › Press releases, interviews and articles › Consultations 	Ongoing
THIRD PARTIES	<ul style="list-style-type: none"> › Awareness Trainings › Conventional and digital marketing tools › Corporate events / Volunteerism initiatives › ESG Report › Evaluation Questionnaires › Financial Statement › Market events and business associations › Meetings (Online / Face to face) › NNGS Development Plan › On-site visits › Social media › Sustainability & Carbon Footprint Report › Website › Press releases, interviews and articles 	Occasionally
SUPPLIERS	<ul style="list-style-type: none"> › Website › Meetings (Online / Face to face) › Conventional and digital marketing tools /platforms › Market events and business associations › Evaluation Questionnaires › Sustainability & Carbon Footprint Report › Financial Statement › ESG Report › Press releases, interviews and articles 	Occasionally

STAKEHOLDER GROUPS	COMMUNICATION /ENGAGEMENT METHODS	FREQUENCY OF ENGAGEMENT
LOCAL COMMUNITIES	<ul style="list-style-type: none"> › Conventional and digital tools › Corporate events / Volunteerism initiatives › ESG Report › Employee and Union Relations › Evaluation Questionnaires › Financial Statement › Meetings (Online / Face to face) › NNGS Development Plan › On-site visits › Portal › Social media › Sustainability & Carbon Footprint Report › ESIA › Website › Press releases, interviews and articles 	When necessary
FINANCIAL INSTITUTIONS	<ul style="list-style-type: none"> › Website › Market events and business associations › Financial statements › Meetings (Online / Face to face) › ESG Report › Press releases, interviews and articles 	Occasionally
NON-GOVERNMENTAL ORGANIZATIONS	<ul style="list-style-type: none"> › ESIA › Website › Social media › Sustainability & Carbon Footprint Report › Meetings (Online / Face to face) › Market events and business associations › Press releases, interviews and articles › Corporate events / Volunteerism initiatives 	When necessary

Table 4:
Stakeholder’s engagement framework

3.4 Materiality analysis

GRI 3-1
ATHEX ESG C-G3

In 2022, DESFA applied the new methodology of the GRI-3 Material Topics, to identify, assess and prioritize, for reporting purposes, the impacts (which have been classified as positive and negative, actual and potential) that the company creates or may create on the environment and people, including on their human rights and the economy.

The prioritization of the identified impacts contributed to the determination of the Company’s material topics. The materiality analysis for the reference period was carried out through the following four phases:

1. Understanding the organization’s context

Review the Company’s internal and external environment, through understanding its business model and business relationships and the external environment, by reviewing documents and available relevant material (GRI, SASB, ATHEX ESG Reporting Guide), sector standards (GRI 11: Oil and Gas Sector 2021).

2. Impact identification

Identification of positive/negative, actual/potential impacts on the environment, people, including on their human rights, and the economy, across DESFA’s operations and business relationships, and as emerged from the Oil and Gas Sector Standard.

3. Impact assessment

Implementation of a materiality analysis survey, conducted by the Corporate Affairs, ESG and Communication division, to consult stakeholder groups on environmental, economic and social impacts.

Criteria for assessing positive (actual and potential) impacts:

- › The scale.
- › The scope.
- › The likelihood of them occurring in case of positive potential impacts.

Criteria for assessing negative (actual and potential) impacts:

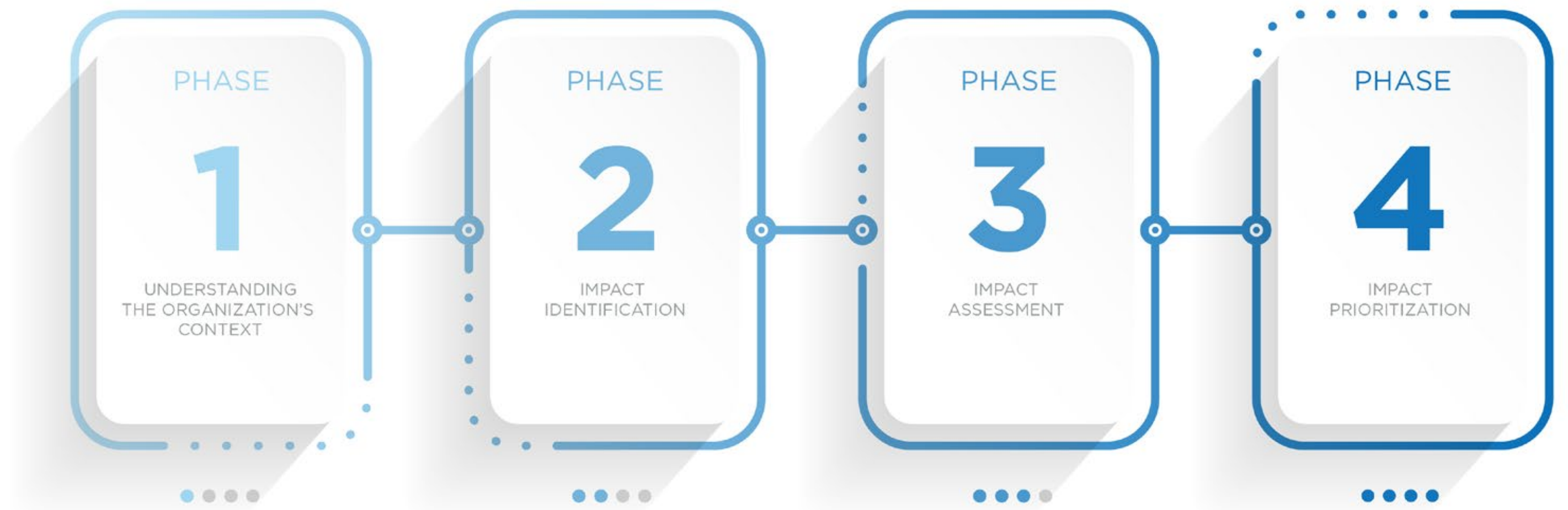
- › The scale.
- › The scope.
- › The irremediable character.
- › The likelihood of them occurring in case of negative potential impacts.

Once the e-survey was completed, the responses were collected and analyzed to determine the results of the impact assessment.

4. Impact prioritization

GRI 2-14

Following the impact assessment, the impacts were grouped into topics, based on their nature. All the identified impacts were recognized as material, meaning that the Company is managing them. However, for reporting purposes, a threshold was set to define which sustainability topics were included within DESFA’s ESG report. The threshold was set by the ESG Steering Committee, based on which a sustainability topic is characterized as material, as shown in the table below. The ones that were below this threshold appear in the faded area of the table below.



3.4
Materiality
analysis

GRI 3-1, GRI 3-2, GRI 3-3
ATHEX ESG C-G3

PILLAR	TOPICS RELEVANT TO POSITIVE IMPACTS
 ENVIRONMENT	GHG emissions
	Climate adaptation, resilience, and transition/ Innovation
 SOCIETY	Employment practices / Freedom of association and collective bargaining
	Occupational health and safety
	Local communities
	Land rights
 GOVERNANCE	Business Conduct (Public Policy, Anti-competitive behavior, Anti-corruption, Payments to governments, Asset integrity and critical incident management)
	Economic impacts
 ENVIRONMENT	Air emissions
	Biodiversity
	Water and effluents
	Waste
	Raw Materials
 SOCIETY	Non-discrimination and equal opportunity
	Forced labor and modern slavery
 GOVERNANCE	Privacy

Table 5:
Topics relevant to positive impacts

PILLAR	TOPICS RELEVANT TO NEGATIVE IMPACTS
 ENVIRONMENT	GHG emissions
	Climate adaptation, resilience, and transition/Innovation
 SOCIETY	Occupational health and safety
	Employment practices / Freedom of association and collective bargaining
 GOVERNANCE	Privacy
 ENVIRONMENT	Water and effluents
	Air emissions
	Biodiversity
	Waste
	Water and effluents
	Raw Materials
 SOCIETY	Local communities
	Land rights
	Non-discrimination and equal opportunity
 GOVERNANCE	Forced labor and modern slavery
	Economic impacts
 GOVERNANCE	Business Conduct (Public Policy, Anti-competitive behavior, Anti-corruption, Payments to governments, Asset integrity and critical incident management)

Table 6:
Topics relevant to negative impacts

3.4 Materiality analysis

GRI 3-2

The actions taken to mitigate and address the actual and potential negative impacts, as well as the actions taken to enhance the actual and potential positive impacts on the material topics, are further analyzed in the following chapters. For the reporting period of 2023, DESFA took into consideration the same material topics that arose from the materiality analysis conducted in 2022 and aims to conduct a new materiality analysis within 2024, which will be taken into account in the next ESG report.

PILLAR	MATERIAL TOPICS	UN SDGS
 ENVIRONMENT	GHG emissions	      
	Climate adaptation, resilience, and transition/ Innovation	  
 SOCIETY	Employment practices / Freedom of association and collective bargaining	     
	Occupational health and safety / Asset integrity and critical incident management	  
	Local communities / Land rights	 
 GOVERNANCE	Economic impacts	    
	Business Conduct	 
	Privacy	

Table 7: Material topics

ENVIRONMENT

4.

- CLIMATE ADAPTATION, RESILIENCE, AND TRANSITION.
 - CARBON FOOTPRINT
-



4.1 Climate adaptation, resilience and transition

MATERIAL TOPIC:
CLIMATE ADAPTATION, RESILIENCE,
AND TRANSITION/INNOVATION

GRI 3-3



Our Approach in

DESFA is committed to managing all the activities and processes to ensure the protection of the environment, taking into account the principles of sustainability and maximum preservation of natural wealth.

DESFA invests in projects that promote the expansion and upgrade of its infrastructure, such as the new pipeline in Western Macedonia, where there is no natural gas transmission and distribution grid. Thus, its arrival is expected to offer new opportunities and prospects for direct investment that will bring new jobs, maintain district heating, promote the development of new gas-fired power generation modules, conventional and High-Efficiency Cogeneration Unit (CHP), replacing lignite utilization in the region. A future synergy is not excluded with hydrogen applications, since the new pipeline will be hydrogen ready.

DESFA has also made progress on climate adaptation, defining organisational and operational boundaries and identifying potential transition risks and opportunities. In 2023, the Company has established 'DESFA S.A. 1.5°C Net Zero Scenario', which drives the definition of short-, medium- and long-term business objectives to achieve net zero emissions in its operations, in line with the Net Zero Master Plan. As part of this plan, levers to support the transition to carbon neutrality have been identified, actions to reduce emissions have been initiated and a monitoring process has been developed to ensure that DESFA remains on track.

POSITIVE IMPACTS

ACTUAL:

- Contribution of the natural gas transmission system in the energy transition and the commitment to reduce fugitive emissions (20% by 2025).
- Participation in hydrogen and biomethane projects.
- Digitalization of the whole transmission system's maintenance and repair process.

POTENTIAL:

- Implementation of the Company's decarbonization action plan. Utilization of biomethane or hydrogen in the fuel mix.
- Utilization of biomethane or hydrogen in the fuel mix.



NEGATIVE IMPACTS

ACTUAL:

- Direct and indirect emissions of greenhouse gases (GHG) relevant to DESFA's current operation.

POTENTIAL:

- Delays in the implementation of the Company's digital transformation plan.

4.1 Climate adaptation, resilience and transition

GRI 3-3

ENVIRONMENTAL MANAGEMENT SYSTEM

EM-MD-160a.1

DESFA has developed and implemented since 2009 an Environmental Management System (EMS) designed to reduce negative impacts on the environment induced by DESFA's operations and administrative activities, based on the international standard EN ISO 14001:2015, which has been certified by an independent third party since December 2011.

DESFA annually calculates its carbon footprint, which is prepared by the Health, Safety, Physical Security, Environment and Quality Division and includes direct emissions resulting from equipment and facilities owned or controlled by DESFA, as well as indirect emissions from electricity consumed in Company's facilities.

In addition to the Carbon Footprint of DESFA, other fields that are monitored and populated through the Monthly Reports of the relevant Organizational Unit, to the Management, include:

- › Waste Management.
- › Water Resources Management.
- › Adequacy of Technical Staff in QHSE issues.
- › Drills.
- › Audits.
- › Events.

Moreover, dedicated for environmental management employees prepare monthly reports to ensure strict compliance with legal requirements, specific emission reduction targets and specific corporate procedures.

ENERGY TRANSITION PLANS

GRI 203-1, GRI SECTOR STANDARD REF. NO. 11.2.4

DESFA is focused on the development of knowledge and technology, applying initiatives and practices that will enable the Company to support the achievement of a clean energy transition. An integral part of this strategy is hydrogen, which is one of the main pillars of the Company's energy transition roadmap.

The development of the production and consumption of hydrogen and renewable gases – such as biomethane - in Greece, for use in sectors that are difficult to decarbonize and for long-term energy storage, is critical for DESFA. The CEO of the Company participates in the team for the review of the National Energy and Climate Plan. In this framework, DESFA seeks to engage the government in the formulation of public policy through its participation in working groups for the preparation of the national strategy for hydrogen and renewable gases.

In addition, DESFA focuses its efforts to ensure the adaptation of the transmission network for hydrogen and renewable gases and proceeded with the assessment of the current system investments required to accommodate hydrogen blends of 5% and 10% and to develop new specifications so that all extensions of the transmission system will be hydrogen ready.

Since 2021, DESFA has proceeded with the final investment decision (FID) approval by BoD, for the “High-pressure pipeline to West Macedonia” project, which is being constructed to be compatible with H2 transportation up to 100% and, therefore it will initiate actions for H₂ adaptation.

The project will support the decarbonization policy introduced by the Hellenic Republic and it concerns the expansion of DESFA's network via a new pipeline branch through the Region of West Macedonia. Addressing National and Regional development plans, initially, the pipeline will transfer Natural Gas, thus extending the NNGS in new regions, whilst in the future it will transfer a blend of natural gas and hydrogen, in the medium term, and up to 100% hydrogen, in the long term.

In the future, DESFA will continue to engage with the stakeholders to further develop the role of gas infrastructure and its readiness level in the context of the energy transition. In this context the Company established a road map for the development of green gases and hydrogen business, contributing to the design of the national H₂ strategy and the ongoing developments at an EU level on the role of TSOs in the H₂ value chain. Finally, the Company is cooperating with key national and international energy players for the assessment of Carbon capture and storage (CCS) projects in Greece.

4.1 Climate adaptation, resilience and transition

GRI 3-3

Also justified by the inclusion of its projects in the latest list of European Union Projects of Common Interest and Projects of Mutual Interest (EU PCI/PMI list), published in November 2023, DESFA is aiming to play a crucial role in the midstream part of the CCS value chain.

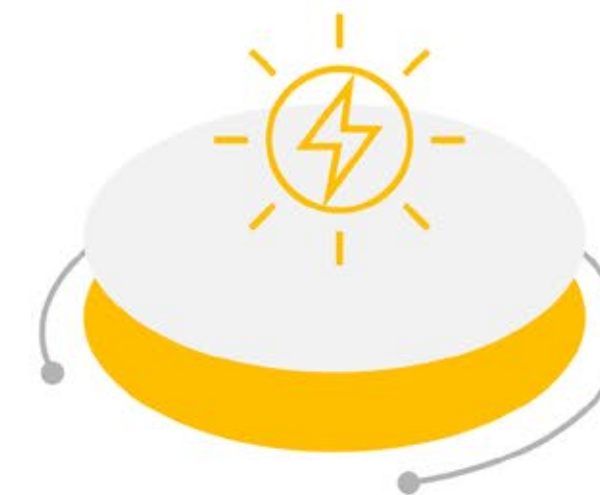
DESFA is developing along with its partners, the Apollo CO₂ project. DESFA's role in the project includes the development of a dedicated CO₂ pipeline collecting captured CO₂ from emitters located close to Attica and Boeotia region, a liquefaction terminal where these volumes will be aggregated and liquified; the liquid CO₂ will be temporarily stored in a dedicated facility until its loading to LCO₂ carriers that will transport it by sea to Prinos (in Northern Greece) or other permanent underground Storage facilities.

Moreover, DESFA is actively involved in COREu, a 4-year Horizon Project that was successfully assessed by the European Commission during summer 2023 and that will demonstrate key enabling technologies in a CCS value chain and support the development of new CCS routes in Central-East and South-East Europe (CEE), helping accelerate CCS development. More specifically, DESFA is participating by undertaking the road transportation part of the pilot CCS project in Greece, that foresees the capturing of CO₂ emission from a power plant in Central Greece, its transportation and injection for permanent sequestration to Prinos site (in Northern Greece). DESFA also is the Task Leader for the cost benefit analysis (CBA) of the identified CCS routes across Europe.



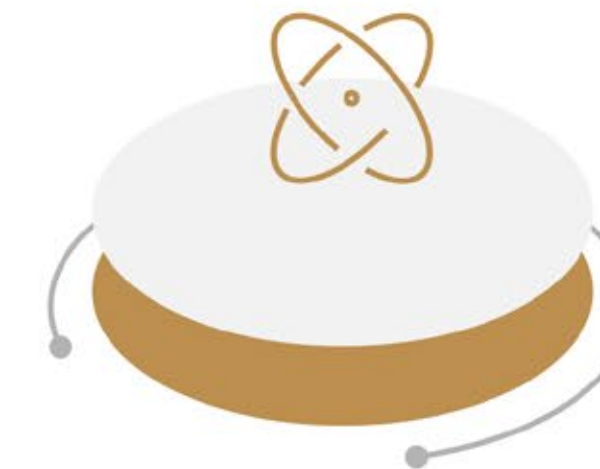
CARBON FREE

- Can be produced with zero carbon footprint



ENERGY CARRIER

- Energy transport and storage with a lower cost with respect to electricity
- Valorization of the existing infrastructure



FUEL

- Zero Emission fuel
- Decarbonization of the industrial processes

Figure 4:
The role of hydrogen in the decarbonization roadmap

4.1 Climate adaptation, resilience and transition

CLIMATE CHANGE TRANSITION RISKS AND OPPORTUNITIES

ATHEX ESG A-E2

The contribution to mitigation and adaptation to climate change is key commitment for the Company, which continues to focus on assessing and managing climate related risks and opportunities, in accordance with corporate governance best practices.

The relevant Organizational Unit assesses and manages the climate-related risks and opportunities and reports any climate-related issues to the Board, which is responsible for oversight of the risks and opportunities, at least on an annual basis.

In 2021, the involved executives began the process of identifying and assessing risks and opportunities arising from Climate Change, in line with the recommendations of the framework "Task Force on Climate-related Financial Disclosures" (TCFD).

In this direction, the Company identified and quantified climate change risks, based on a standard methodology of impact upon likelihood, considering financial losses, loss of facilities, gas supply crisis and regulatory non-compliance.

Furthermore, DESFA identified opportunities related to climate change, such as the development of a business continuity plan, Company-wide awareness and specific environmental targets.

DESFA's climate change risks and opportunities analysis resulted in a climate risks and opportunities matrix, based on a coherent and forward-looking climate scenario narrative, in alignment with the Company's Enterprise Risk Management (ERM) framework.

In DESFA there are several controls in place to manage environmental risks, including the calculation of the corporate carbon footprint, the application of the environmental management system (see section on GHG emissions) and the incorporation of resilience measures in new infrastructure. Additionally, the annual exercise of the recalculation of corporate risks acts as a reminder of the controls in place and an opportunity to build additional measures.

IMPACTS	RISKS	CATEGORY
Current and new energy policies, regulatory changes issued by the EU and international initiatives promoting zero-emission energy sources, can have a significant impact on the Company's operations, economic results and investment plan.	Mandates on and regulation of existing products and services	Policy and legal
A higher level of emissions reporting obligation - both voluntary and regulation-driven, results in an increased level of effort and associated cost.	Enhanced emissions-reporting obligations	Policy and legal
Increasing (operating) costs associated with compliance with laws governing CO ₂ emissions are considered a risk.	Carbon pricing and reporting obligations	Policy and legal
Unsuccessful investment in new technologies alternative to gas affect business planning and might result in lower revenues due to lower demand for products and services.	Unsuccessful investment in new technologies	Technology
Shifting away from traditional fossil fuels due to emissions reduction and renewable target commitments.	Changing customer behavior	Market
The natural gas sector could be stigmatized as the sector with the less green energy sources compared to the others.	Increased stakeholder concern or negative stakeholder feedback	Reputation

IMPACTS	OPPORTUNITIES	CATEGORY
Increased demand for climate-friendly investments, products and services have the potential to improve financial performance.	Development and/or expansion of low-emission goods and services	Products and Services
Increase in the supply and demand of natural gas due to the progressive reduction in the consumption of coal and oil with possible developments abroad.	Access to new markets	Market
Diversification of revenues from growing demand for energy transition-related products and services.	Participation in renewable energy programs and adoption of energy-efficiency measures	Resilience

Table 8:
Indicative identified impacts of climate risks and opportunities

RESEARCH AND DEVELOPMENT INITIATIVES

Within the reporting period, DESFA started cooperation with the Centre for Research and Technology Hellas (CERTH) for the development of an in-house gas pyrolysis project. The project has two phases:

- › The assessment of the current status of natural gas pyrolysis technologies and basic lab concept.
- › The construction/operation of lab scale facility at Ptolemais premises.

The first phase has finished and the decision regarding the second phase will be based on the final results.

In addition, DESFA set up a project team with the aim to pursue initiatives that promote the use of renewable biomethane, despite the fact that there is delay in the issuance of Biomethane Legal Framework, by developing a large-scale biomethane production and grid injection plan.

The objective is to turn waste into biogas and upgrade biogas to biomethane to be used for own consumption²² requirements, as well as injected into the NNGS aiming to neutralize (or at least reduce) its emissions footprint.

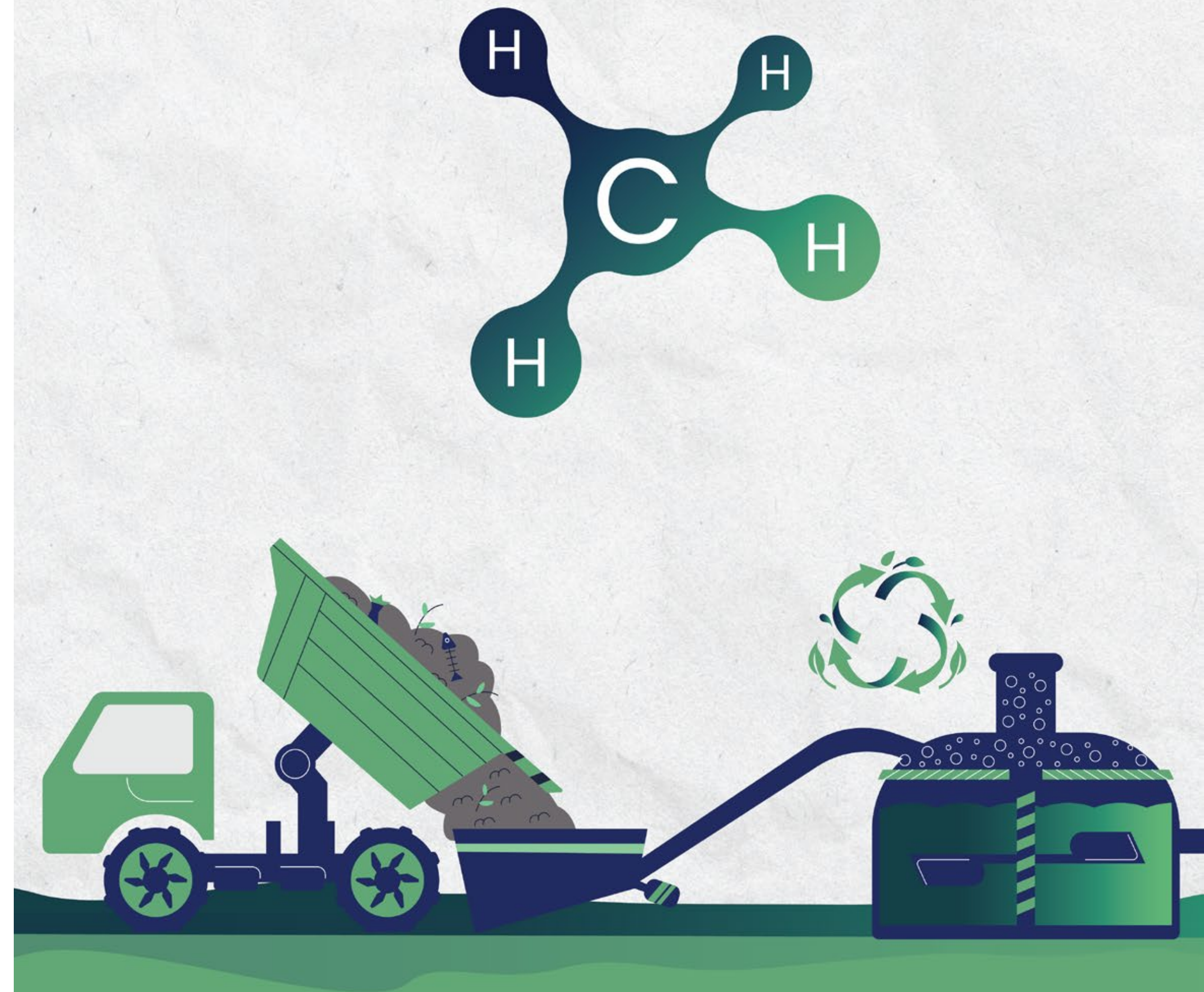
Furthermore, DESFA participated as a member in the works of the National Committee responsible for the preparation of a proposal for the national strategy towards hydrogen and other renewable gases and participated actively in the works of:

- › The European Hydrogen Backbone initiative, a growing group of now 32 European gas infrastructure companies, working together to plan a pan-European dedicated hydrogen transport infrastructure. It is worth noting that DESFA's planned project for a dedicated hydrogen pipeline became part of the European Backbone and was presented at various events.
- › Gas for Climate initiative, a group of 11 leading European gas transport companies and two renewable gas industry associations, committed to achieving Net Zero greenhouse gas emissions in the EU by 2050. DESFA was involved in the conduct of several studies in 2022 including the "Facilitating hydrogen imports from non-EU countries", "Action Plan for secure, clean and affordable energy in Europe" and "Biomethane production potential in EU".
- › The European Clean Hydrogen Alliance.
- › Biomethane Industrial Partnership (BIP Europe), the forum launched by the European Commission to bring together policy makers, industry and other stakeholders to support the Repower EU biomethane target (35 bcma).

DESFA continues participating in the works of associations like ENTSOE, GIE, and Hydrogen Europe, contributing to the preparation of position papers and documents that support the role of the gas infrastructure and the gas TSOs for the energy transition towards a decarbonized economy.

Note:

22) Own consumption refers to producing and using electricity on-site.



4.2 Carbon footprint

MATERIAL TOPIC: GHG EMISSIONS

GRI 3-3



Our Approach in

GHG EMISSIONS

DESFA, based on Company policies and in line with the Code of Ethics, considers the health & safety of people, environmental protection, public safety and the quality of services as priority objectives for its sustainable development. Within this framework, DESFA's QHSE Policy is based on the following principles, regarding environmental stewardship:

- › To design, implement, manage and dispose of plants, buildings and activities, in a manner that respects the health and safety of employees, the environment and energy savings, using the best available and economically sustainable technologies.
- › To implement the sustainable use of natural resources, the prevention of pollution and the protection of ecosystems and biodiversity.
- › To control and reduce the environmental impact of the Company's operations, as well as the rational use of natural resources and energy and to implement operational and management actions to reduce greenhouse gas emissions, with a climate change mitigation approach.
- › To manage waste in order to reduce waste production and promote waste recovery at the final destination.

POSITIVE IMPACTS

ACTUAL:

→ Monitoring of CO₂ emissions (European Trading System related) on a monthly basis.

POTENTIAL:

→ Utilization of biomethane or hydrogen in the fuel mix.



NEGATIVE IMPACTS

ACTUAL:

→ Air emissions released during production and processing, e.g., flaring, fuel combustion for electricity generation and transportation of employees, supplies and products.

POTENTIAL:

→ Fugitive emissions.

4.2 Carbon footprint

GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5
 ATHEX ESG A-E1
 EM-MD-110a.1, EM-MD-110a.2

CALCULATION, MONITORING AND VERIFICATION

For the monitoring of emissions, DESFA adopts a methodology based on a computer model approved by the competent service unit of the Hellenic Ministry of Environment and Energy. This methodology consists of determining emissions based on the quantified activity data consumed. The data are obtained using measurement systems and additional parameters resulting from an online chromatographic analysis.

For the accuracy of the measurements, the Company implements a program of maintenance and calibration of all the measuring equipment involved in the calculations in accordance with the requirements of the relevant European regulations.

The quantitative measurement of the carbon footprint allows control over the environmental management of DESFA's all processes and the maximum preservation of natural wealth. DESFA calculates its carbon footprint according to the international standard ISO 14064 and the provisions of the GHG Protocol.

2021

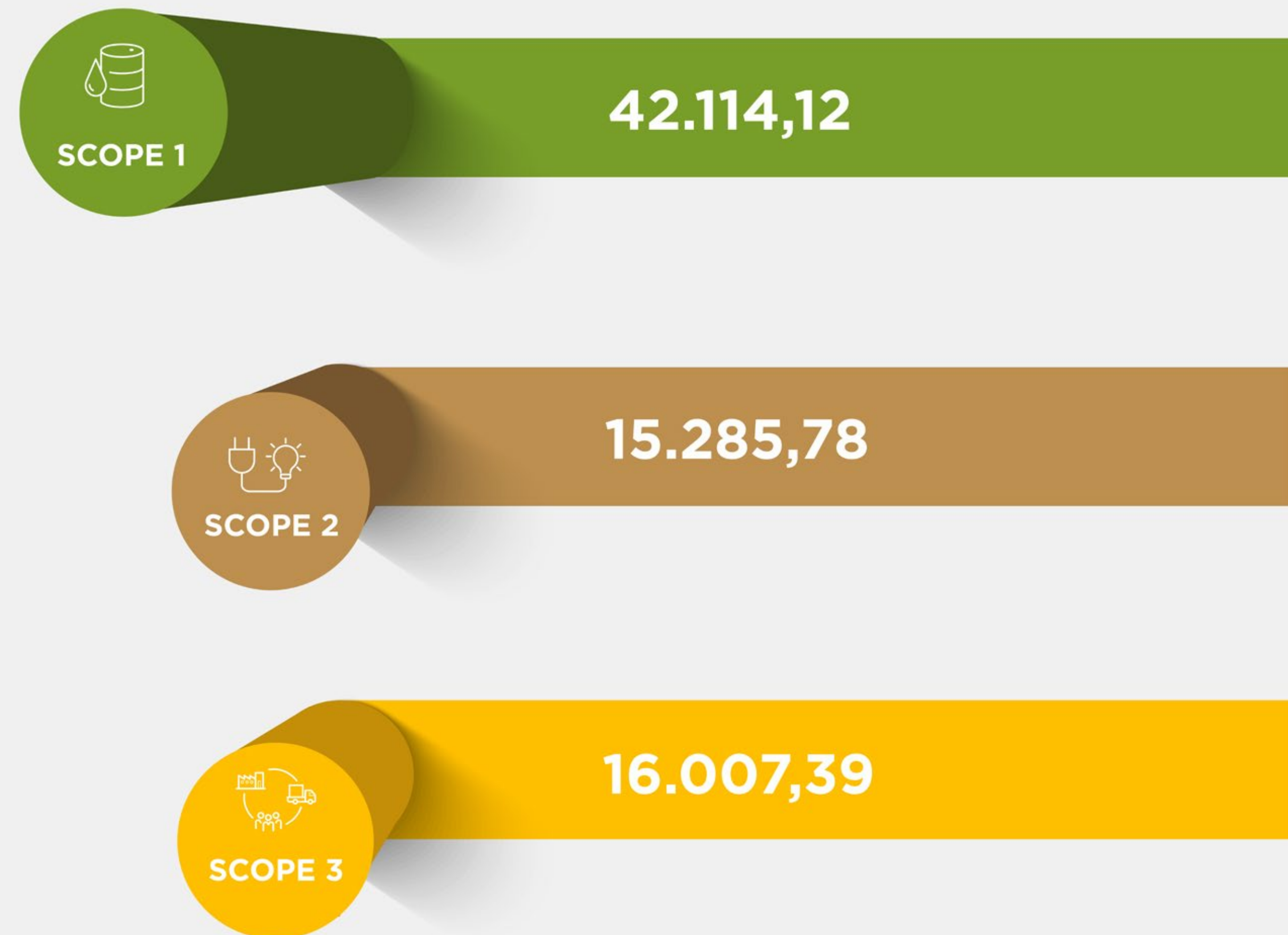


Chart 2:
CO₂ emissions per scope (tCO₂e)

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

4.2 Carbon footprint

The monitoring fields, through which the total carbon footprint of DESFA is calculated, are Scope 1 (direct emissions), Scope 2 (indirect emissions) and Scope 3 (value chain emissions).

The main sources of GHG are the facilities that implement the Greenhouse Gas Emission Targeting System (EU ETS), namely the Liquefied Natural Gas (LNG) Terminal on the island of Revithoussa and the compressor station unit at Nea Messimvria. The results of the emission measurements obtained through the monitoring and measurement are verified annually by an independent licensed third party and submitted to the Hellenic Ministry of Environment and Energy.

In particular, the ETS includes flare emissions, High-Efficiency Cogeneration Unit (CHP) emissions, Submerged Combustion Vaporizer (SCV) pilot emissions, compressor and diesel consumption. Furthermore, GHG emissions include the calculation of electricity consumption, natural gas leakage and the own consumption of natural gas. The calculation also includes fuel consumption, which is comprised of diesel, gasoline and LPG consumption in vehicles as also the consumption of diesel in fixed equipment.

2022

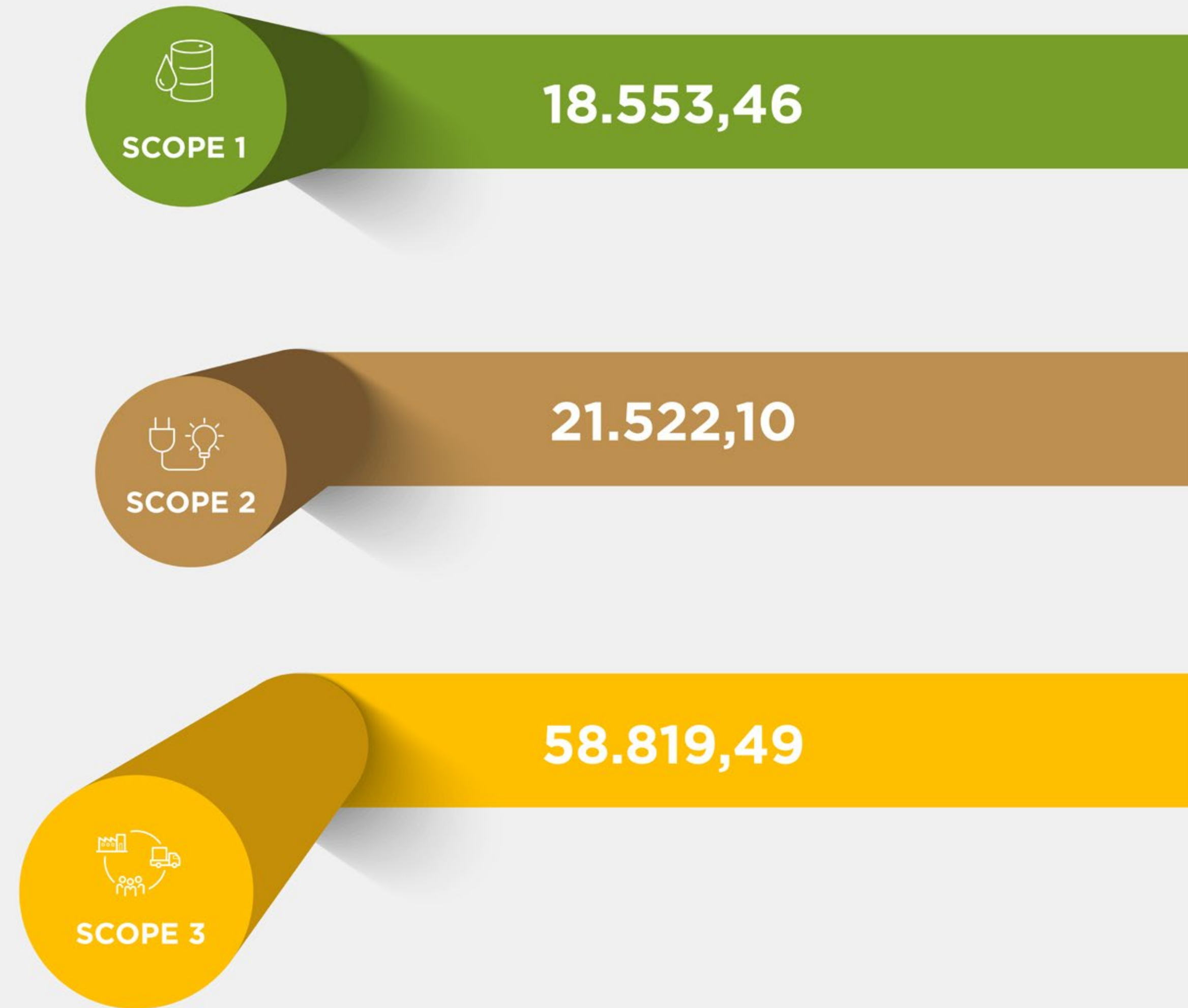


Chart 2:
CO₂ emissions per scope (tCO₂ e)

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

4.2
Carbon footprint

During the reporting period, DESFA's total emissions amounted to 161.521,12 tCO₂e, representing an increase of 63,33% compared to the previous year (98.895,06 tCO₂e). The increase in emissions is due to a higher operational profile of the compressor station and flare at the Revithoussa LNG terminal and the purchase of capital goods, which significantly increased the Scope 3 emissions. In particular, Scope 1 emissions were 26.383,24 tCO₂e, an increase of 42,20% compared to 2022 (18.553,46 tCO₂e). Scope 1 emissions consisted of CO₂ (74,05%) and CH₄ (25,95%), of which 66,32% are covered by emissions-limiting regulations. Scope 2 market-based emissions were 18.194,08 tCO₂e, a decrease of 15,46% (21.522,10 tCO₂e) compared to 2022, due to changes in the operational profile of the Company based on market needs and the decrease of the emission factor from the energy mix of suppliers.

Source factor data from National Inventory Reports (NIR Greece 2023) and the UK Department for Environment, Food and Rural Affairs (DEFRA) were used to calculate GHG emissions. DESFA also used the Greenhouse Gas Protocol, the Energy Mix of Suppliers 2023 from the Hellenic Operator of Renewable Energy Sources and Guarantees of Origin. The calculation was performed using the ETS Calculation Tool and the Carbon Footprint Tool.

2023

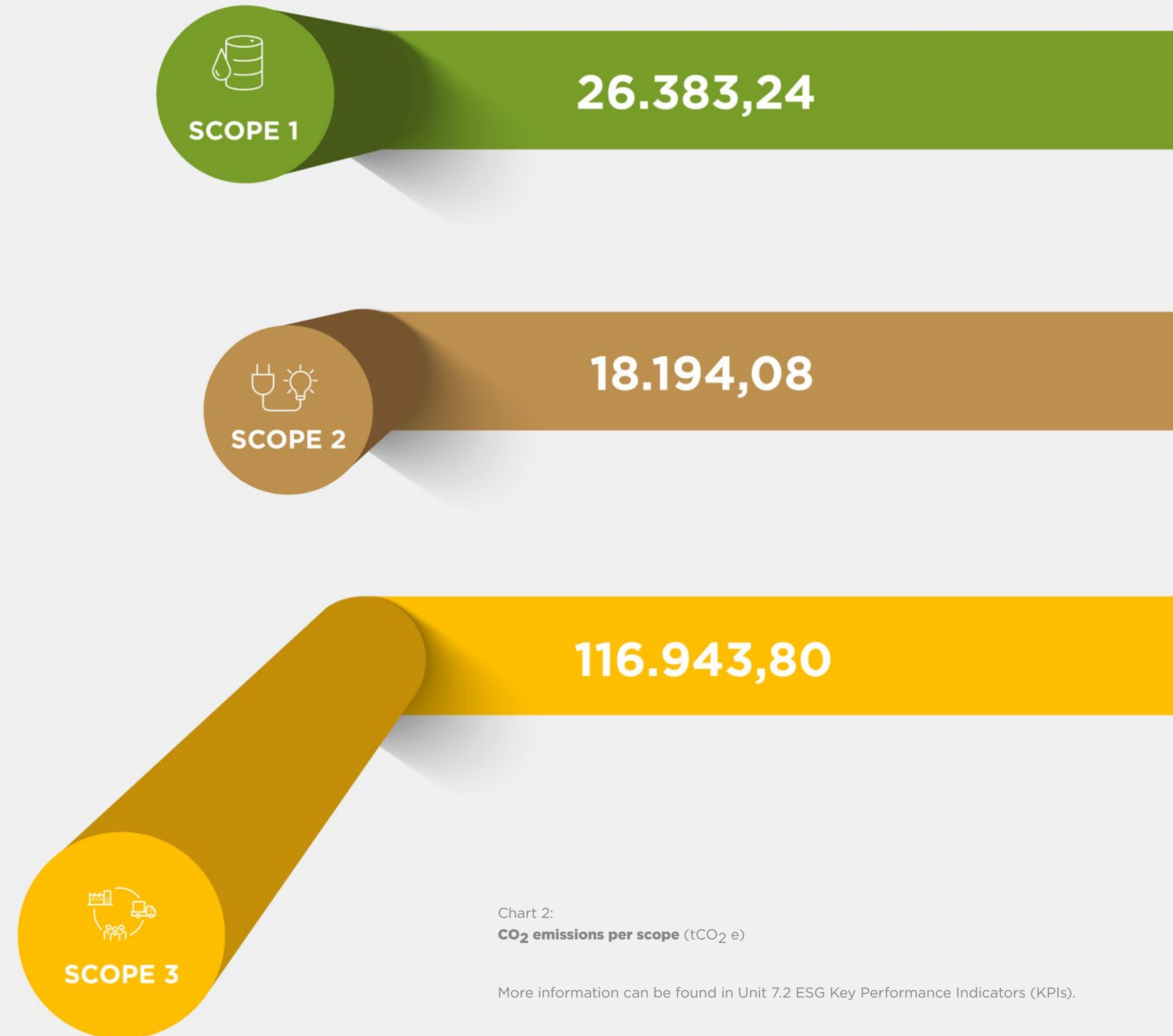


Chart 2:
CO₂ emissions per scope (tCO₂e)

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

4.2 Carbon footprint

Finally, the Company's Scope 3 emissions amounted to 116.943,80 tCO₂e, representing an increase of 98,82% compared to 2022 (58.819,49 tCO₂e). The increase in emissions is due to new major projects, such as the rental of FSU at the LNG terminal, the construction and procurement of compressors [boil-off gas (BOG) compressor station BOG, TAP Booster and compressor station at Ampelia], the construction of new metering stations, the installation of new pipelines and the construction of a truck loading unit at the LNG terminal. Regarding the segmentation of Scope 3 emissions, almost all of them are due to upstream categories and the majority of them are mainly caused by purchased goods and services.

GRI 305-4
ATHEX ESG C-E1, ATHEX ESG C-E2

DESFA uses for the calculation of the emissions intensity ratio of the amount of Scope 1 and Scope 2 emissions in grams of CO₂ equivalent per Nm³ of transferred natural gas. Within 2023, the ratios amounted to:

- › Scope 1 intensity ratio:
5,68 grCO₂e/Nm³ of transferred natural gas.
- › Scope 2 intensity ratio (location-based emissions):
3,60 grCO₂e/Nm³ of transferred natural gas.
- › Scope 2 intensity ratio (market-based emissions):
3,92 grCO₂e/Nm³ of transferred natural gas.
- › Scope 3 intensity ratio:
25,19 grCO₂e/Nm³ of transferred natural gas.
- › GHG emissions (sum of Scope 1, Scope 2 location-based emissions and Scope 3) intensity ratio:
34,48 grCO₂e/Nm³ of transferred natural gas.
- › GHG emissions (sum of Scope 1, Scope 2 market-based emissions and Scope 3) intensity ratio:
34,79 grCO₂e/Nm³ of transferred natural gas.



Chart 3:
Other indirect (Scope 3) GHG emissions segmentation (tCO₂e)

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

4.2 Carbon footprint

GRI 3-3

FUGITIVE EMISSIONS

ATHEX ESG SS-E1

Within the OGMP 2.0 framework, DESFA's target is to reduce methane emissions generated by its activities until 2025, compared to 2015 baseline.

The Company has established implementation plans to minimize methane emissions, under the reporting guidelines of the OGMP 2.0 protocol. The technical actions under consideration by DESFA will include:

- › Leak Detection and Repair (LDAR) campaigns based on the EN 15446 standard, in order to quantify and reduce fugitive emissions at the Transmission Grid, Compressor Station and LNG Terminal.
- › LDAR support through a Work Force Management (WFM) tool that DESFA is currently using.
- › Manufacturer's data sheets and measurements.
- › More advanced techniques allowing for the performance of top-down site level measurements at key facilities, such as the use of laser emissions detection devices installed on helicopters or drones, will be assessed.

EMISSIONS TRADING SYSTEM (ETS)

The Emissions Trading System (ETS) is a set of procedures, guidelines, and calculation approaches, approved by the competent authority, with the sole purpose of monitoring, recording, registering and verifying the GHG emissions of any facilities required to implement the said system, in accordance with European and Greek legislation.

As an operator of fixed installations, DESFA monitors the emissions of greenhouse gases from its installations and submits relevant reports in accordance with the 2003/87/EC Directive of the European Parliament & Council. Adopts and implements a GHG Emission Management & Monitoring System in accordance with European Regulations 2085/2020/EC and 2066/2018/EC for those activities defined in the above Directive.

More specifically, the Company proceeds to the following actions:

- › Development of a GHG Emissions Monitoring System for each facility.
- › Development of the Emissions Monitoring System for each facility, and operation of the system on a daily or monthly basis.
- › Development of the Emissions Monitoring System for each facility, and operation of the system on a daily or monthly basis, and support in the implementation of the relevant legal requirements for each facility.

By March 31st of each year, an Emission Report covering the reporting period is being submitted to the competent authority and verified by an independent third-party in accordance with relevant European Regulation. The facilities that implement a GHG Emission Targeting System are the LNG Terminal on the island of Revithoussa and the compressor unit at Nea Messimvria.

4.2
Carbon footprint

ENERGY CONSUMPTION

GRI 302-1
ATHEX ESG C-E3

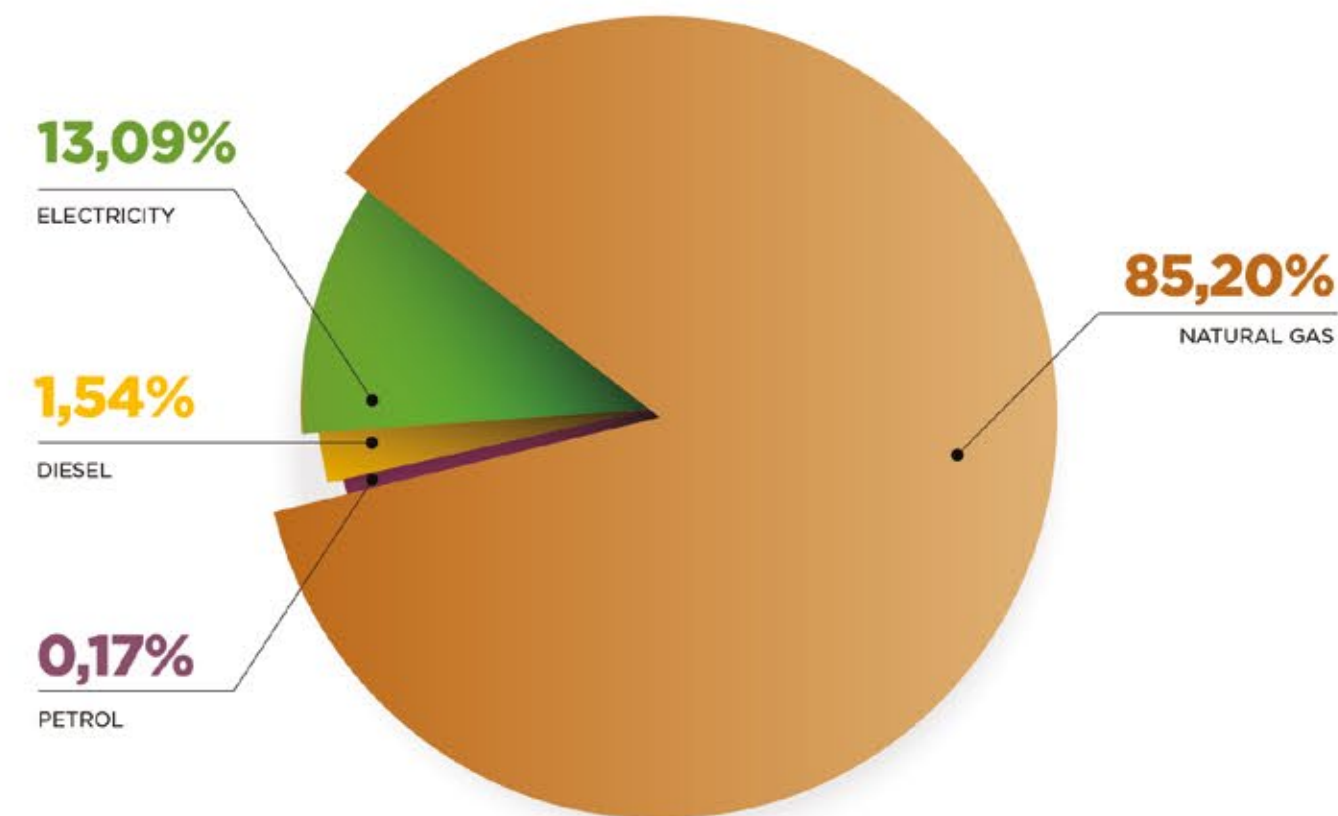
In 2023, DESFA consumed 545.960.506,23 MJ of energy, split between natural gas consumption for its operational needs and the purchase of electricity. Additionally, DESFA consumed fuel for its vehicle fleet as well as for the heating of corporate facilities and other uses such as diesel generators in case of emergency. Purchased electricity accounted for 29,68% of the total energy, of which zero quantity comes from renewable energy sources.

There is a significant increase in energy consumption of 41,22% compared to 2022 (386.597.451,79 MJ) due to a higher operating profile of the compressor station at Nea Messimvria and the flare system at the Revithoussa LNG terminal, which led to a significant increase in natural gas consumption and a simultaneous decrease in electricity consumption.

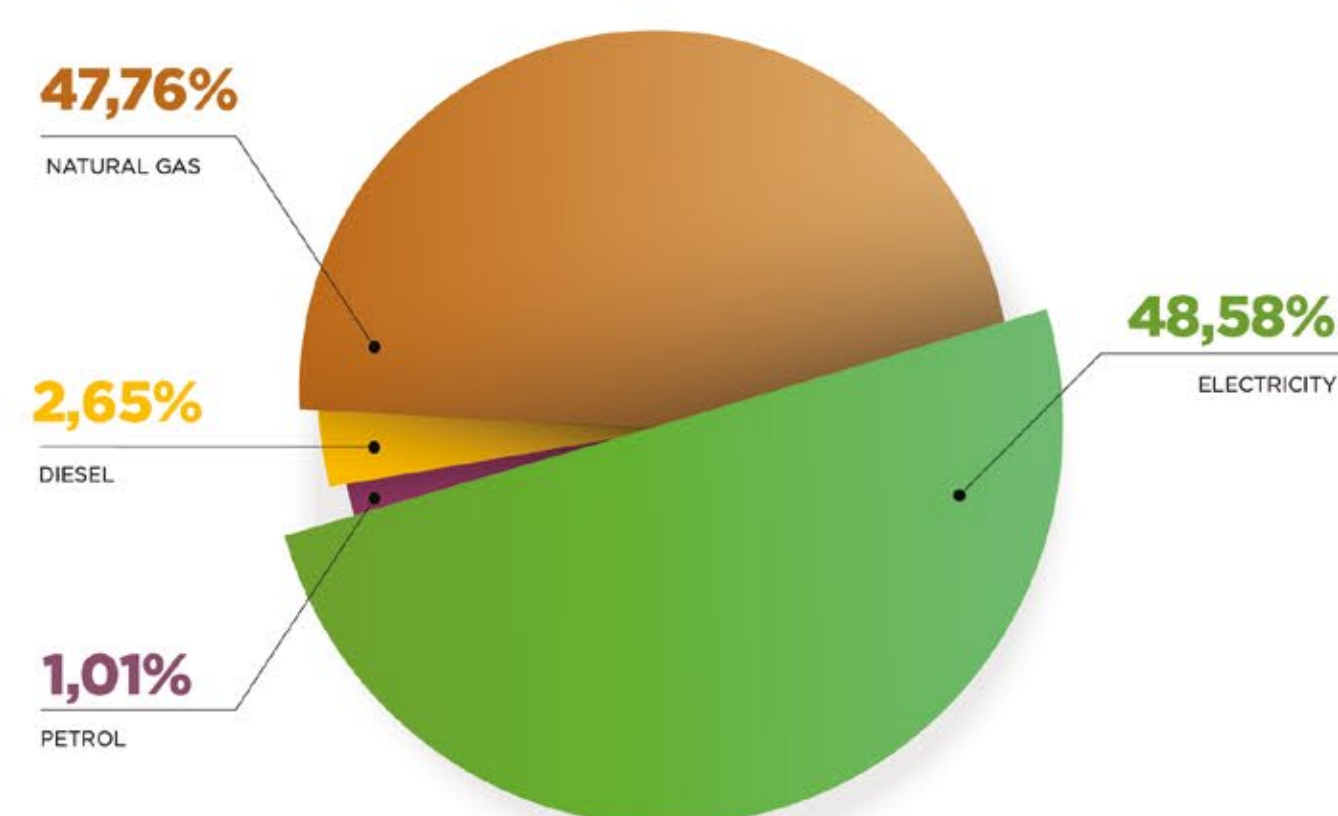
Notes:

- › In Electricity the sold quantity has been excluded.
- › In the energy segmentation for 2021 and 2023, there was a small consumption of LPG and CNG respectively, but as their share was considered negligible, they are not incorporated in the chart.

2021



2022



2023

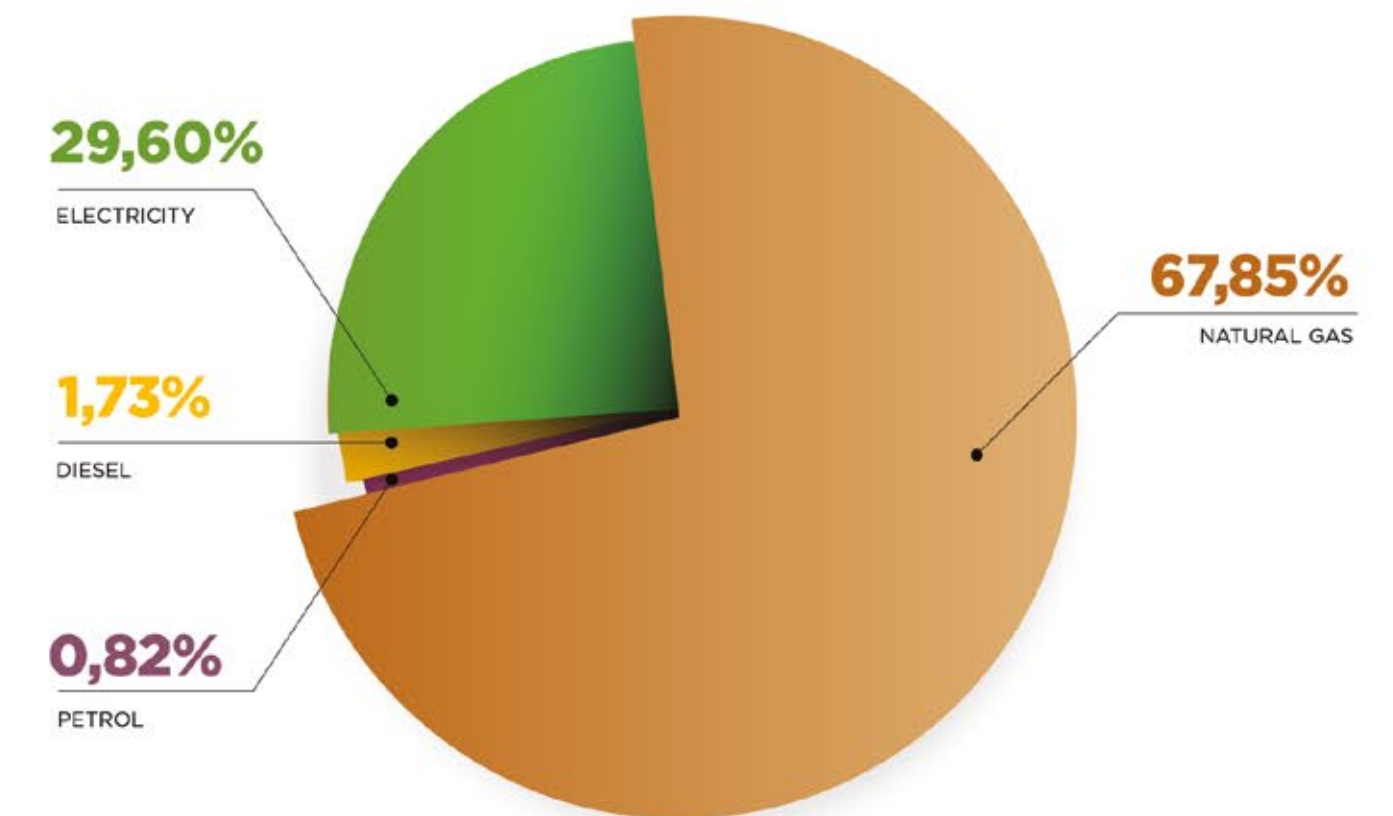


Chart 4:
Energy consumption

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs)

4.2 Carbon footprint

GRI 302-3

DESFA uses the amount of total energy consumed within the Company (including fuels, electricity and heating) in MJ per Nm³ of natural gas transferred to calculate the energy intensity ratio. For the 2023 reporting period, the ratio amounted to 0,12 MJ/ Nm³ of natural gas transferred, while in 2022 the energy intensity amounted to 0,07 MJ/ Nm³.

REDUCTION INITIATIVES AND FUTURE TARGETS

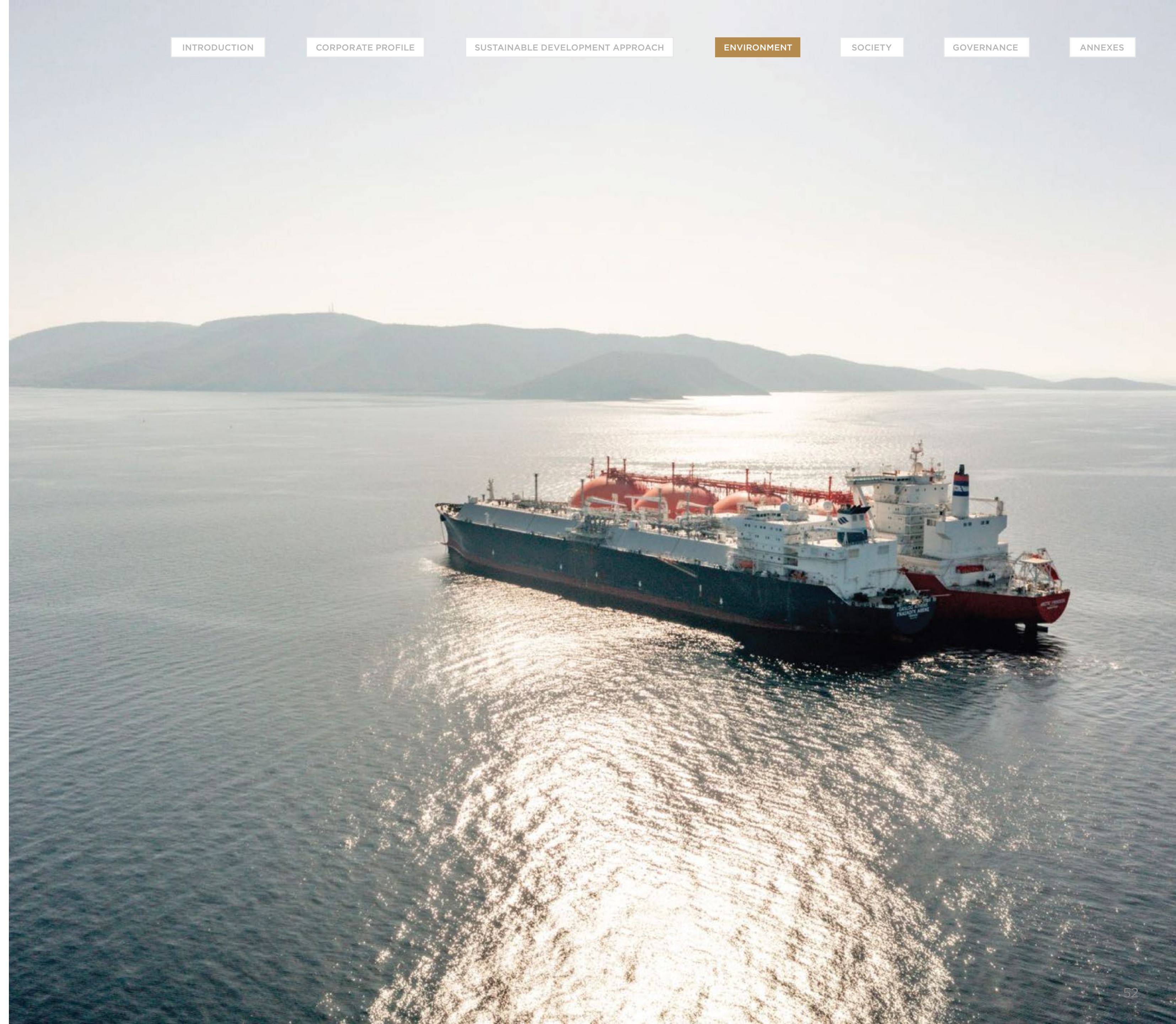
EM-DM-110a.2

DESFA is installing a BOG compressor station at the Revithoussa LNG terminal to increase the pressure and inject it into NNGS. This project will enable the Company to manage the BOG produced at the Revithoussa LNG Terminal from the cryogenic facilities, avoiding the combustion of the gases in the flare of the facility in the case of no send-out operation during the unloading/loading phase. The above project will benefit the Company's environmental performance and will contribute to the efficiency of the NNGS. Also, the project will offer multiple benefits including the NNGS efficiency, the environmental performance of the Company.

In addition, DESFA has developed a dynamic tool to re-evaluate and reformulate its Net Zero Master Plan with a mid-term (2030) and long-term (2040/2050) horizon. During 2023, the Company prepared a high-level emissions reduction execution plan, including specific proposals to reduce Scope 1 and 2 emissions. These measures are assessed both in terms of CAPEX requirements and the forecast of their emissions reduction potential.

Finally, the Company is developing an emission offsetting roadmap, including an emission forecast and proposals for offsetting initiatives, including a 10-year financial assessment.

DESFA has set challenging and ambitious targets to reduce its carbon footprint and begin the journey towards a carbon-neutral future. The Company has developed targets that include the reduction of CO₂ and CH₄ and the achievement of an "A" compliance status in the Emissions Trading System. More information about DESFA's ESG targets may be found on "Target Setting" subchapter.



SOCIETY

5.

- EMPLOYMENT PRACTICES.
 - OCCUPATIONAL HEALTH AND SAFETY.
 - LOCAL COMMUNITIES.
 - ECONOMIC IMPACTS.
-



5.1 Employment practices

MATERIAL TOPIC: EMPLOYMENT PRACTICES.
MATERIAL TOPIC: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.

GRI 3-3



Our Approach in

DESFA's employees preserve a vital role in the implementation of its operations and achievement of high performance. With regard to all employees and contractors, the Company strongly supports diversity and equal opportunities, respects human rights, provides benefits, and adopts policies and measures that apply to all its activities and stakeholders.

POSITIVE IMPACTS

ACTUAL:

- Creation of direct and indirect jobs, the recruitment of employees from the local community.
- Technical capacity building training program leading to professional qualifications for DESFA's employees.

POTENTIAL:

- DESFA's planned Technical Training Center that will provide technical training services in relation to the operation and maintenance of the natural gas transmission system.
- Planned implementation of an employee performance evaluation process.
- Increase of women's labor force participation.



NEGATIVE IMPACTS

POTENTIAL:

- By lack of utilization of human resources from the local community and potential inability to create direct and indirect jobs due to cancellation or delays in DESFA's development plan.
- Inefficiencies of the process to evaluate the outcome of training and educational programs.

**5.1
Employment
practices**

GRI 2-23

In particular, DESFA is committed to implementing all national and international regulations aimed at protecting human rights in the workplace. The Company promotes equal opportunities in terms of recruitment, remuneration and professional development, irrespective of age, ethnicity, nationality, religion, gender, disability, sexual orientation, political affiliation, economic status or other status. Thus, DESFA creates a respectful and non-discriminatory working environment where different ideas, views and beliefs are protected.

DESFA promotes and supports diversity in the workplace, valuing employees' differences and inviting them to bring to the workplace their own views, experiences and interactions, thereby participating and realizing their potential as well as maximizing their contribution to the organization's goals.

In accordance with the Violence & Harassment in the Workplace Policy, DESFA is committed to an inclusive working environment, where all employees are treated with dignity and respect, with practices that

enable a diverse range of people to work together effectively. In this context, the Company has zero tolerance for any behavior or action that may violate these principles, even indirectly, and specifically prohibits any form of harassment or intimidation.

GRI 402-1

DESFA recognizes the value of management and employee relationships, which should be based on mutual trust, respect, understanding, honesty and open communication.

To maintain timely and smooth communication among its members, the Company sets approximately four weeks as the minimum notice period that employees and their representatives are typically informed prior to the implementation of significant operational changes that could substantially affect them. The notice period for consultation and negotiation is not clearly defined, it is rather based on current business practice, and is approximately three months.

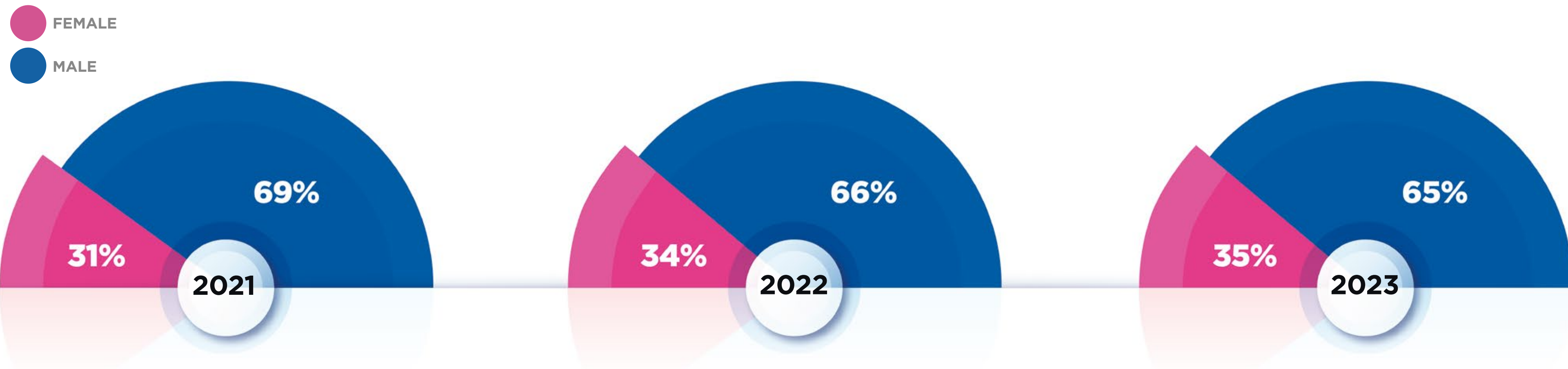


Chart 5:
Gender breakdown

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

**5.1
Employment
practices**

HUMAN RESOURCES

GRI 2-7, GRI 2-8, GRI 2-30
ATHEX ESG C-S2, ATHEX ESG C-S7

In 2023, DESFA's workforce amounted to 593 permanent and full-time employees with a gender breakdown of 387 men and 206 women calculated using the headcount method as at 31.12.2023. There was a 5,33% increase in the workforce compared to 2022 due to the operational needs of the Company.

Furthermore, the third-party personnel amounted to 497, the sum of the full-time employees who are permanent during the year (security and cleaning staff and permanent workers of contractors such as gardeners and workers on disinfections).

Temporary workers of the collaborating contractors whose number varies on a monthly basis according to the operational needs of DESFA and are calculated as an average headcount per month.

The geographical location of DESFA's employees covers the whole of Greece, with staff based in Spathovouni, Patima, Ampelia, Nea Messimvria, Sidirokastro, Revithoussa, Kipi, Vistonida, Ptolemaida and Athens. Contracts of all employees comply with the legal framework of the Greek state, and 89,54% of the employees are covered by the Corporate Collective Agreement, which is more extensive than the National Collective Agreement. The rest of the employees are covered by individual agreements.

DESFA monitors and records the total number of its employees by gender (female, male), by type of contract (permanent or temporary employees) and by type of employment (full-time, part-time, freelancers) on an annual basis.

ATHEX ESG C-S3

In 2023, 31% of managerial positions were held by female employees, with a continuous increase from 2021. The Company proves in action that equal opportunities are being offered to employees based on their values regardless of differentiation aspects.



Chart 6:
DESFA Employees and third-party personnel

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

5.1 Employment practices

GRI 401-1
ATHEX ESG C-S4

DESFA also records hires and turnover indicators (voluntary and non-voluntary) for Greece. During the reporting period, DESFA hired 58 employees, and 30 employees left the Company, 10 of them voluntarily, while 20 employees retired. The new employee hires rate was 9,78% and the employee turnover rate was 5,06%.

GRI 401-2

DESFA considers its employees to be an important factor in its success, retaining working flexibility and the expansion of the voluntary remote working schedule for its people (when applicable). Within 2022, DESFA conducted an employee satisfaction survey to understand their needs in a better way and identify areas for improvement. According to the survey, the employee engagement rate is 69%. The Company then proceeded to plan and implement actions in the areas identified for improvement, introducing work flexibility through the continuation of remote working and new training programs. Currently, the Company is planning to repeat the satisfaction survey within 2024.

DESFA provides a range of benefits to its employees in Greece, such as:

- › Health care services.
- › Flexible working.
- › Private health insurance.
- › Pension plan.
- › Monthly Food vouchers.
- › Kindergarten and summer camp allowances.
- › School and student transportation allowances.
- › Christmas and Easter vouchers.
- › Studies allowance.
- › Yearly health check-up.
- › Tolls and public transportation cards.
- › Marriage and childbirth allowances.

GRI 401-3

DESFA meets its parental leave obligations by providing leave in accordance with legal requirements. In 2023, all 18 employees eligible for parental leave took it, with a 100% return to work and retention rate.

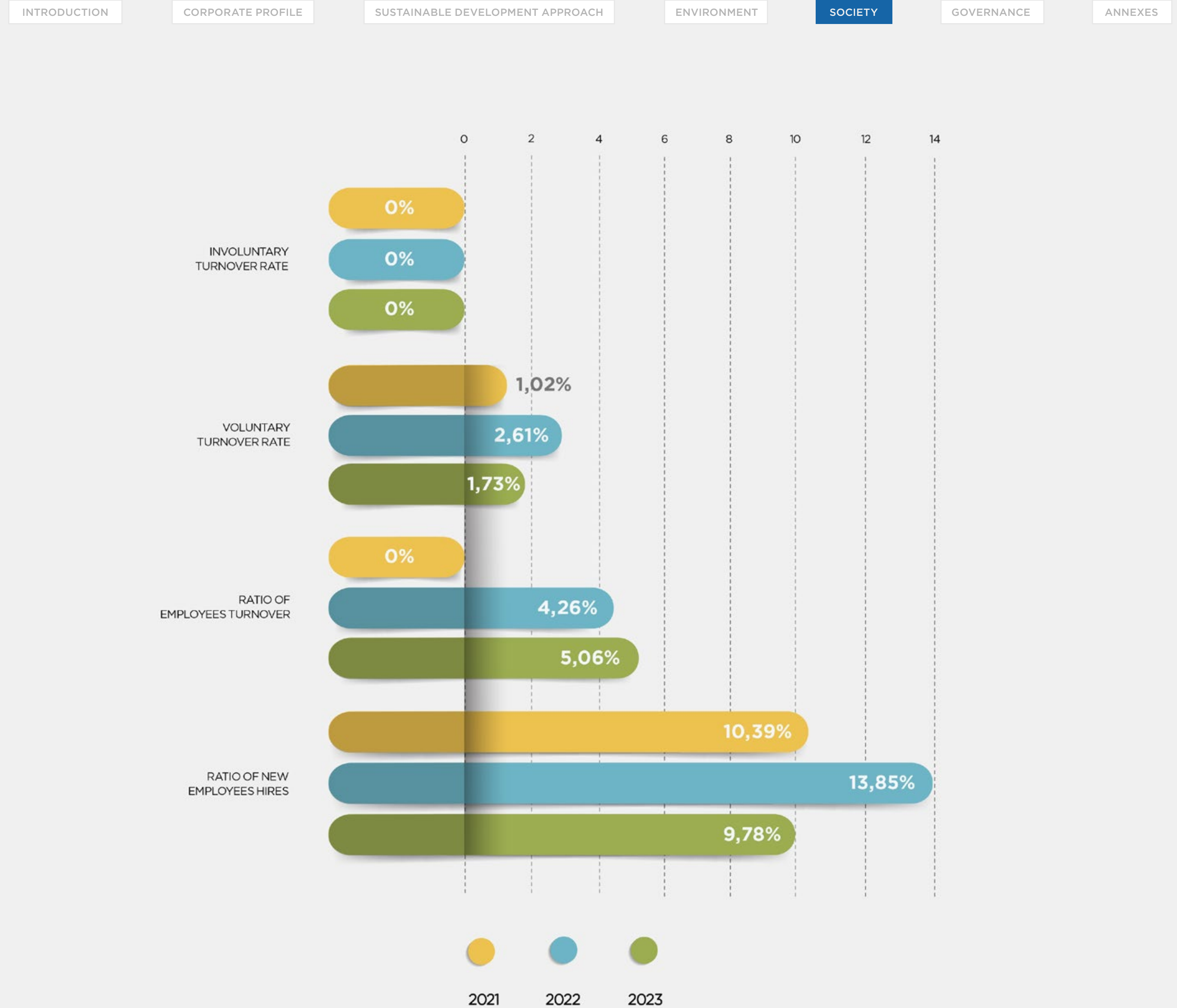


Chart 7:
Ratio of employees hires and turnover

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

**5.1
Employment
practices**

GRI 404-2

TRAINING AND EDUCATION

The Training & Development function across the Company conducts business and technical training based on identified business needs. During the reporting period, DESFA provided dedicated training regarding several topics which indicatively can be found below:

Work-related Skills:

- › BLOCKCHAIN Applications in Legal Practice
- › Internal Control Systems Recording Tools
- › ISO 37001:2016 (anti-bribery) and its contribution to the effective organization of the Internal Audit System
- › Effective Assurance concepts (Coordination and Effective Assurance Mapping)
- › Customs Procedures for Imports, Exports and Intra-Community Trade
- › Windows & MS Office (Excel I, II, Powerpoint adv., Word adv., Power BI for Business users, Teams, Onedrive, Sharepoint, Abby FineReader)
- › DP-180" Advanced Querying Data with Microsoft TRansact-SQL
- › GDPR essentials: data protection in everyday work
- › Ethics in the workplace: what you can do about it
- › ISO 27001 Information Security
- › Cybersecurity awareness
- › HSSEQ Fundamental - Safe in the Office
- › Finance for Non-Financials
- › Project Management Principles
- › Business English
- › Vendor Invoice Management (VIM)

Business Skills (industry-specialized skills):

- › EU Gas Network Codes
- › Energy Law
- › Corporate Responsibility in Action 2023
- › Corrosion Under Insulation
- › Certified Energy - Gas Negotiators Seminar
- › Global GRI Standards, Certified Training Course
- › Occupational Health & Safety

- › Internal Audit in the new ESG framework
- › European Certified Sustainability (ESG) Practitioner Program, Leadership Edition 2023, Digital Version
- › Participation in various Energy related Conferences and forums (2nd Annual Biogas Forum, Small Scale LNG, LNG Shipping & Terminals, Sustainable Chemical and Environmental Engineering Methane Mitigation Europe & OGMP 2.0 implementation, etc.)

Managerial skills:

- › Goal Setting, Feedback & Performance Management
- › Leader as a coach-How to develop your team
- › Leading Team Dynamics
- › Leading in Crisis
- › Design thinking
- › Managing and hiring with a DEI mindset
- › Change Management: THE CHANGEMASTERS SIMULATION
- › Risk Management - Decision-making under risk

Soft skills:

- › Time Management & Personal Effectiveness
- › Presentation Skills
- › Outperforming in Hybrid Environment
- › Effective Communication Collaboration & Teamwork
- › Negotiation Skills
- › Diversity, Equity & Inclusion at Work

Within the reporting period, DESFA employees were certified with the below professional certifications:

- › Intrusive Liquids/Level II method
- › Basic Radiation Safety (BRS) according to EN ISO 9712/PCN
- › Training of Safety Technicians (For Employees at AEI - TEI level) - Category A

- › Sustainability and Climate Risk Certificate
- › HEnEx Energy Traders Certification - Gas (ETCg)
- › Training & Certification in Ultrasonic Weld Inspection Level II
- › MT AND PT Methods (Magnetic Particles and Penetrating Liquids) Level II
- › ISO 45001:2018 - Internal Health & Safety Inspector at Work
- › ISO 14001:2015 - Internal Inspector of Environmental Management Systems
- › ISO 9001:2015 - Internal Inspector of Quality Management T Systems
- › ISO 27001:2022 Inspector /Chief Inspector of Information Security Management Systems
- › COSO ERM Certificate

TECHNICAL TRAINING AND R&D CENTER

The Technical Training and R&D Center in Nea Messimvria outside Thessaloniki is the first in-house Training Center in the Balkan area and is strategically located at the epicenter of southeastern European gas markets and designed to accommodate Transmission and Distribution System Operators in Greece and abroad.

The Training Center can be used as an R&D facility to test equipment for the maximum percentage of hydrogen which can safely be injected into the gas network. Also, the role of the center is first and foremost to enhance the competency management of technical personnel of DESFA and secondarily to provide technical training to third party personnel, such as gas industry professionals in Greece and abroad through courses in the following areas:

- › QHSE issues for the gas industry.
- › Pipeline Transmission system.
- › The Liquified Natural Gas system.
- › Dispatching operation.
- › Gas Technology.
- › Regulatory framework.

**5.1
Employment
practices**

The above trainings can be offered through a simulation environment, hands-on training, training on equipment and on-the-job training based on the needs and characteristics. In this context, DESFA is able to provide continuing vocational services, analyzing training needs and designing tailor-made training for its clients.

Having a long-term and high level of specialization and know-how in the natural gas industry the Company is offering training services through its certified trainers and in collaboration with external partners, when necessary, on:

- › Metrology.
- › Anti-corrosion and lightning protection of pipelines.
- › Development, operation and maintenance of natural gas facilities.
- › Workplace safety.
- › Fire prevention & treatment.

The Technical Training Center aims to provide accredited certification. Already, one module (Cathodic Protection) is certified as KEDIVIM (Lifelong Training Center Accreditation) by the International Hellenic University.

Once the facility construction will be completed, DESFA will also proceed to its certification as a Vocational Center by the EOPPEP. Following that, the process of accreditation of trainers and training material will be initiated.



Figure 5: **Training pillars**

**5.1
Employment
practices**

GRI 404-1
ATHEX ESG C-S5

Within the reporting period, employees of DESFA participated in trainings of 20.494 hours with an average of 36,7 training hours for male employees and 30,6 for female employees, presenting an increase in comparison with 2022, by 144% (8.398 training hours) due to a new training curriculum that offers a variety of trainings.

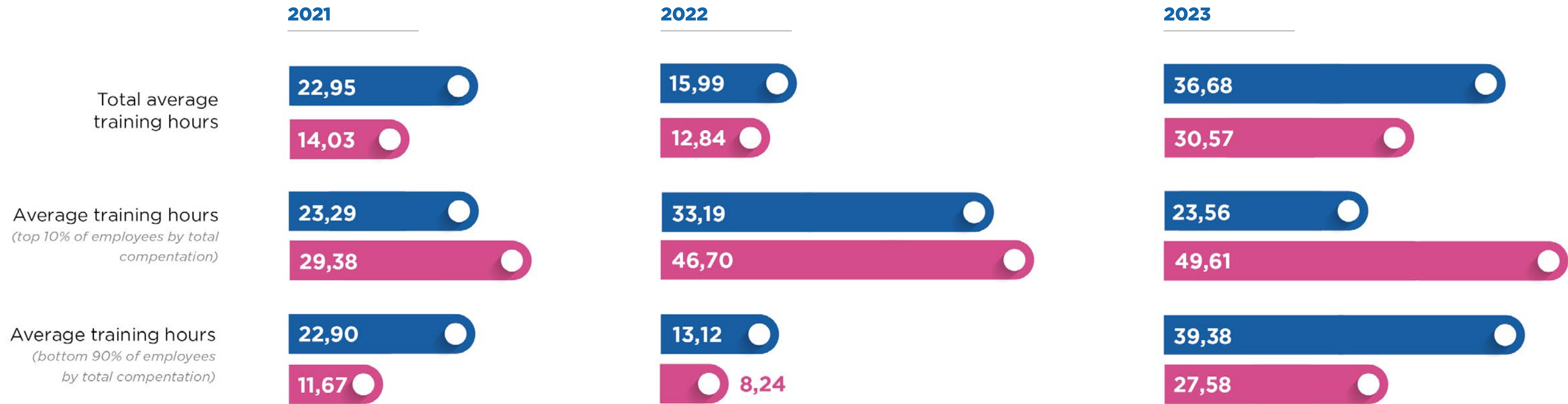


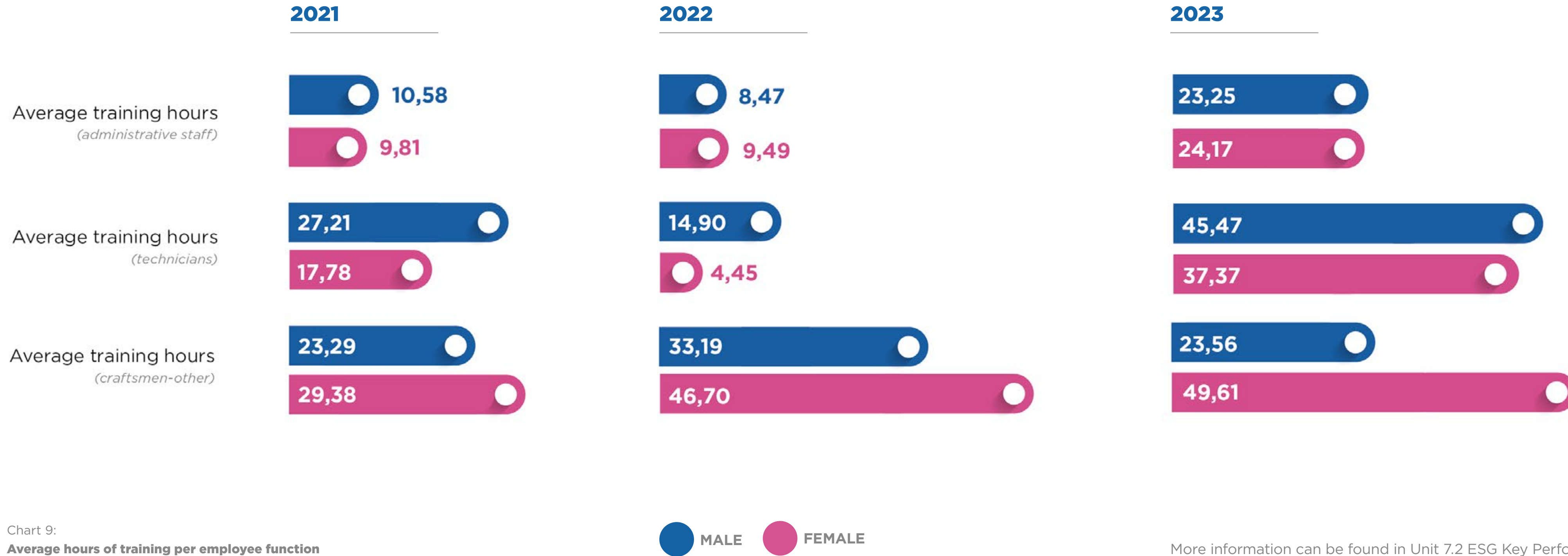
Chart 8:
Average hours of training per employee category

● MALE ● FEMALE

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

**5.1
Employment
practices**

GRI 404-1
ATHEX ESG C-S5



More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

RESPONSIBLE PROCUREMENT

ATHEX ESG C-S8

In the general terms of the contracts, DESFA invites its vendors to accept clauses that ensure compliance with all the relevant labor laws and employment practices applicable to their personnel, such as occupational health and safety, welfare, child and forced or compulsory labor, immigration and emigration, as well as DESFA's Code of Ethics. Moreover, almost all of DESFA's contracts have provisions for analogous provisions to be applied to subcontractors. For 2023 no incidents were reported by Contract Managers whose responsibilities include the provision of feedback on the Contractor's/Vendor's performance.

**5.1
Employment
practices**

DESFA is developing a Vendor Qualification Procedure, which will be effective from 2024 onwards, while in 2023 the Company conducted the Pilot Project qualifying selected vendors testing the whole process. Upon the completion and application of the procedure, DESFA will be in a position to better screen its value chain and ensure that existing and potential vendors are compliant with the corporate high standards that DESFA follows.

IN THE SAMPLE OF VENDORS WHO WERE SCREENED DURING THE REPORTING PERIOD OF 2023:



NO CASES OF VENDORS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE SOCIAL IMPACTS WERE IDENTIFIED.



NO SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE SOCIAL IMPACTS WERE IDENTIFIED IN THE SUPPLY CHAIN



NO SUPPLIERS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE SOCIAL IMPACTS WERE IDENTIFIED WITH WHOM IMPROVEMENTS OR RELATIONSHIPS WERE AGREED AS A RESULT OF THE ASSESSMENT.



5.2 Occupational health & safety

MATERIAL TOPIC: OCCUPATIONAL HEALTH AND SAFETY

MATERIAL TOPIC: ASSET INTEGRITY AND CRITICAL INCIDENT MANAGEMENT

GRI 3-3



Our Approach in

Based on its corporate policies and in line with the Code of Ethics, DESFA considers people's health and safety (H&S), environmental protection, public safety and quality of services as priority objectives for its sustainable development.

Ensuring occupational Health and Safety is a high priority for DESFA, which implements a wide range of measures to provide H&S services to employees, over and above the legal requirements including, among other measures for local community members' safety, systematic training of all employees in Health and Safety issues.

POSITIVE IMPACTS

ACTUAL:

- Implementation of an occupational health and safety management system according to best industry practice.
- Systematic training of all employees on Health and Safety issues.

POTENTIAL:

- Implementation of the planned Vendor Qualification process that will incorporate suppliers and subcontractors' assessment on ESG (Environmental, Social, Governance) issues, including health and safety.



NEGATIVE IMPACTS

POTENTIAL:

- Health and safety incidents of employees or local community members which may occur, despite the established strict processes.

5.2 Occupational health & safety

MANAGEMENT OF OCCUPATIONAL HEALTH & SAFETY

GRI 403-1

The Company is committed to safeguard occupational health and safety (H&S) by adopting and continuously improving a Quality, Health & Safety and Environmental Management System (QHSE). The system’s Policy, the commitment of the Top Management, is publicly available on the corporate website and communicated to all stakeholders, in order to guarantee transparency and collaboration.

The implementation of the System is a display of our effort to manage all H&S issues relative to DESFA operations.

The Occupational H&S System has been developed according to ISO 45001 standard, certified by an independent third party accordingly. It covers all facilities, activities and employees. In particular, the scope of the system is the management, operation and maintenance of NNGS and liquefied natural gas facilities. Also, it covers the management of NNGS construction and the support of facilities and infrastructure, the management of E.U. co-funded projects and additional services relevant and non-relevant to the natural gas sector.

GRI 403-7

Furthermore, the Occupational H&S System includes, except the employees, the involved contractors and subcontractors. DESFA, in addition to the legislative framework, requires its contractors to have a certified occupational H&S management system according to ISO 45001. They are also required to submit an H&S plan which shall be approved by the Company prior to the commencement of activities.

HAZARDS AND RISKS

GRI 403-2

The identification of work-related hazards and the related controls are being performed at least annually and ad-hoc when there are specific reasons to do so as indicatively, new controls available, accidents and training.

All activities related to the National Natural Gas System (NNGS) are carried out under a permit-to-work system, including a two-step risk assessment. The first step is the inclusion of risks in the PTW system, where the issuing authority, considering the activity, the facility and the conditions. The second step is a small meeting called “tool-box-talk”, with all personnel before the start of an activity. During this talk, the risks are being presented, participants agree to the measures or suggest any additional actions and sign the relevant form.

The H&S risk assessment has been developed and is implemented to identify risks and hazards, including the quantification of probability and severity to determine those risks posing the highest danger. It is reviewed periodically and ad-hoc, considering changes in legislation, activities, and the overall HS performance. The risk assessment constitutes an input of the systems review performed twice a year. During the review, actions to improve performance are decided and their effectiveness is assessed.

In addition, employees are encouraged to report H&S issues as a means to reduce incidents and accidents, increase awareness, and enhance the H&S Culture of the Company, using one of the following methods:

- › Written report.
- › E-mail.
- › Anonymous HSE grievance boxes.
- › HSSQE committees.
- › Meeting with Safety Technician / Occupational Physician.
- › Incident / Accident Report.

NETWORK INSPECTION

GRI 306-3

EM-MD-540a.1, EM-MD-540a.2, EM-MD-540a.4

DESFA implements a preventive maintenance program of its equipment and applies a series of management systems to integrate a culture of safety and emergency preparedness throughout the value chain and project lifecycles. Specifically, corporate management includes emergency procedures, ISO compliance with relevant standards, personnel training & safety drills as also annual internal & external auditing by independent auditors.

The inspection procedure includes patrolling activities per month, both in the pipeline and the above-ground installations. The pipeline installations (under-ground) are also inspected with In-Line Inspection according to international standards for geometric measurement, pipeline mapping, metal loss, crack or other anomaly detection during ILI tools’ passage through National Natural Gas Transmission Network.

The In-Line Inspection target is to conclude a full inspection of each onshore section of the system every 10 years, therefore, each year the percentage of the inspected pipeline differs. The acceptable limits are determined through the comparative evaluation between TSOs.

In 2023, the planned In-Line Inspection was successfully completed and included the part of the entire network in the percentage of 24%, as well as the comparison of the features found with the ones from the previous inspection and the relative risk assessment.

Furthermore, DESFA defines incidents of significant spills as the release of natural gas caused by a failure in the pipeline system. Within the reporting year, no gas release occurred across the network.

5.2 Occupational health & safety

OCCUPATIONAL H&S PROVISIONS FOR EMPLOYEES

GRI 403-3, GRI 403-6

The certified Health & Safety Management System implemented in DESFA includes several functions that contribute to the identification and elimination of hazards and minimization of risks to the health of workers, indicatively including:

- › Risk Assessment: Health factors are assessed and incorporated in DESFA's risk assessment. Additionally, this assessment is reviewed regularly and updated if needed (e.g., during the recent pandemic).
- › First-aid Stations: All facilities have a fully equipped first-aid station, monitored by the relevant occupational physician and in accordance with the recognized risks. During 2023 fully automatic defibrillators were placed in each facility.
- › Training: Approximately 100 employees have been trained in First Aid and CPR, staffing the first-aid teams of our facilities.
- › Occupational Physicians: Facilities are monitored by dedicated physicians on a monthly basis. Part of their duty includes the issuance of fit-to-work certificates.
- › Personal Protective Equipment (PPEs): All workers, based on their field, are provided with the necessary personal protective equipment.
- › The HSSEQ Division has established and maintains communication lines with all employees.
- › Company Commitment: As stated in the Company QHSE Policy, the health and safety of our workers is our number one priority.

Moreover, the Company provides health insurance, including the employee's family members, which covers almost all diagnostic costs, including an annual check-up during paid working hours. Furthermore, several health promotion programs are offered on a regular basis, including:

- › Psychological support line.
- › Health support line.
- › Back to the office exercise.
- › Myosceletical assessment.

EMPLOYEE'S CONSULTATION AND COMPETENCY ON H&S

GRI 403-4, GRI 403-5

In each facility, a Health and Safety committee is formed, consisting of elected employees, and with the responsibilities that are presented by relevant legislation. The committee's recommendations are presented quarterly to the head of each facility, during a dedicated meeting.

Furthermore, DESFA gives particular importance to adequate competency on H&S issues. A dedicated Competence Management System is in-place, detecting and organizing the required competencies including the theoretical and practical training, the retraining period, the assessment and the reassessment period.

Employees are then grouped based on their function and capacity level and training schedule is planned to be executed. Trainings are carried out during paid hours and are mandatory for relevant employees.

The content of the trainings is being configured according to the demands and needs of the divisions including subject-oriented trainings, such as:

- › First aid.
- › Emergency plan.
- › Safe driving.
- › Proper use of Personal Protective Equipment.
- › Fire safety & Fire protection in ATEX zones (workplaces and equipment used in explosive atmospheres).
- › Use of handheld tools.
- › Isolation procedures.
- › Working at heights.

After the training, three assessment cycles are performed. The first is the exams right after the training. The second one takes place three months after the training and is performed by the workers' line manager. The third cycle is carried out by an HSE expert 6 to 9 months after the training. The second and third assessments consist of interviews and documentation assessments with structured questionnaires and all training records are documented.

5.2 Occupational health & safety

RECORDABLE H&S INCIDENTS

GRI 403-8, GRI 403-9, GRI 403-10
ATHEX ESG SS-S6

During the reporting period, 9 recordable work-related injuries were reported, with zero cases involving third party personnel whose work and/or workplace is controlled by the organization.

The rate of recordable work-related injuries for employees amounted to 13,04, the accident severity rate was 11,59 and the accident frequency rate was 13,04. The same rates were zero for contractors, as no injuries occurred and therefore no sick leave was required. In addition, 100% of employees and third-party personnel were covered by a health and safety management system that is internally and externally audited.

The risk assessment carried out by DESFA has identified potential negative health impacts for both its own employees and third-party personnel. The risks are minimal and relate only to ergonomic issues. Measures have been taken, including training, awareness campaigns and appropriate equipment. There were no fatalities or cases of work-related ill health during the reporting period.

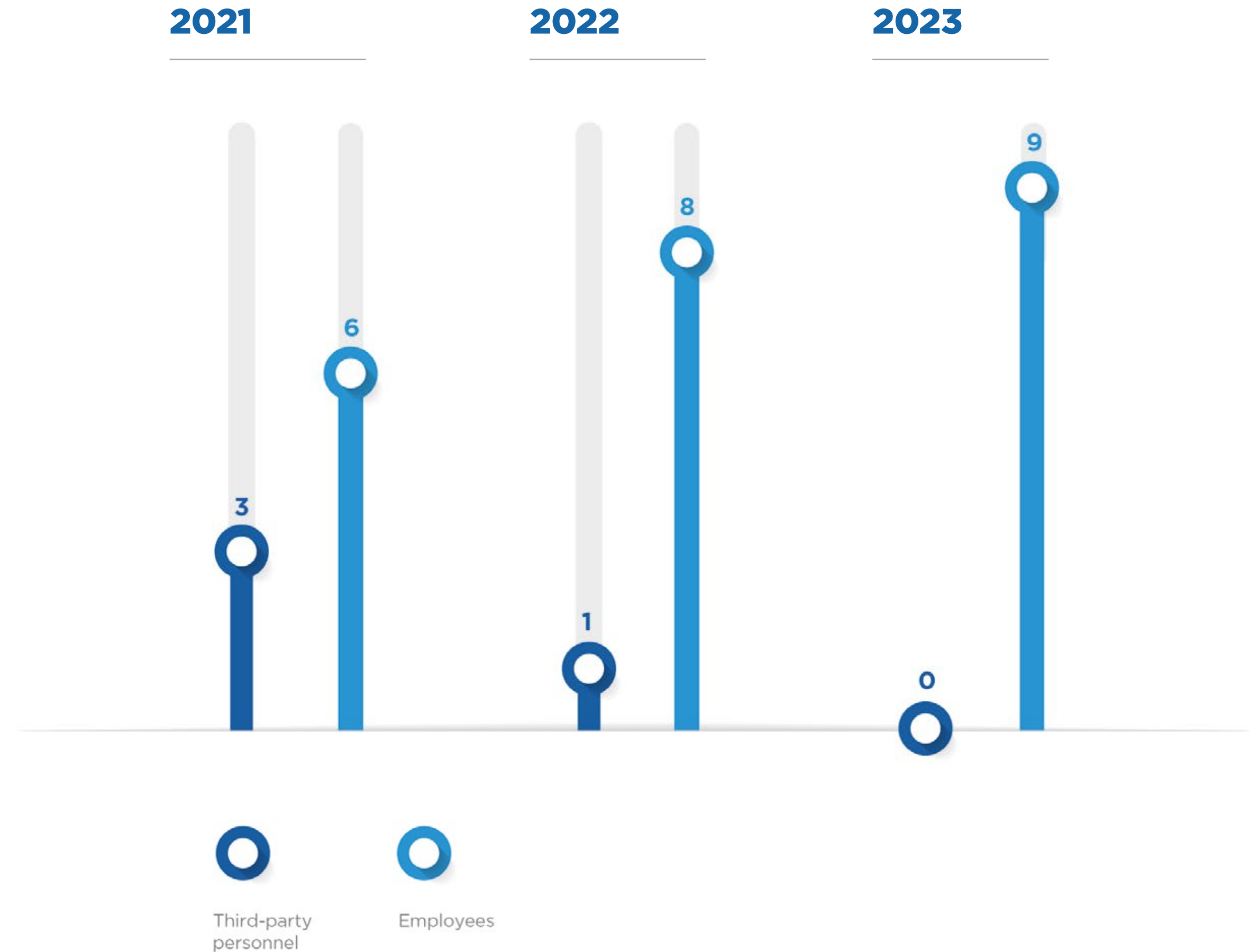


Chart 10:
Work-related injuries

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

5.2 Occupational health & safety

GRI 403-9

ATHEX ESG SS-S6

Note:
In 2023, DESFA changed the coefficient from 200.000 workhours to 1.000.000 workhours for the calculation of "Rate of recordable work-related injuries", "accident severity rate" and "accident frequency rate" and therefore the rate cannot be compared with previous years.

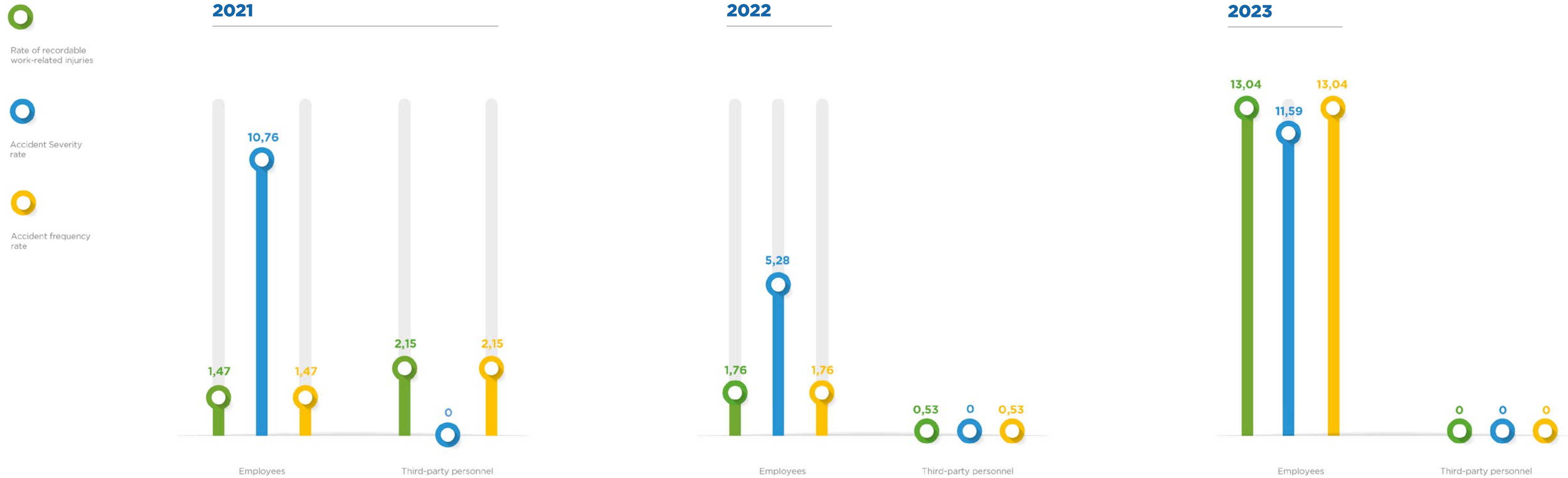


Chart 11:
Health & Safety rates

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

5.3 Local communities

MATERIAL TOPIC: LOCAL COMMUNITIES
MATERIAL TOPIC: LAND RIGHTS

GRI 3-3



Our Approach in

DESFA commits itself to promote projects that further promote growth and prosperity, with a focus on local communities and vulnerable population groups, as well as on the development of the broader area, where DESFA performs its activities and develops its plans, securing energy supply of business customers and local communities.

In this context, the Company maintains open channels of communication about its actions with the local communities in which it conducts its operation, and provides substantial support by actively supporting their cultural, intellectual and social development, through actions that promote education, environmental protection, cultural and socio-economic development.

The Company's social activity is in line with its vision and attention to sustainable development, therefore it encourages, supports, and promotes non-profit activities that demonstrate its commitment to meeting the needs of the communities in which it operates, such as improving local infrastructure, mainly road networks, along the transmission's system route. Particularly, the Company engages in high-level meetings (with elected representatives of local communities affected or potentially affected by its operations)²³ on an ad-hoc basis to identify key issues that may need to be addressed during construction and operation, and opportunities to support local development plans. In addition, disclosure of its new project development is made through official channels based on mandatory (legal) procedures, including consultation and disclosure requirements with specific stakeholders.

Note:
²³ Details on DESFA's approach to identifying stakeholders and engaging with them are provided in Unit 3.3 Stakeholder engagement.

POSITIVE IMPACTS

ACTUAL:

- Established processes for the protection of cultural heritage during construction works and the respective collaboration with local Ephorates of Antiquities to enhance all archaeological finds.
- Securing energy supply to cover electricity and other needs (heating and cooling) of business customers and local communities, the improvement of local infrastructure along the transmission system route.

POTENTIAL:

- Excavation and preservation works of any cultural heritage findings.
- Development and implementation of a stakeholders' engagement plan and a grievance mechanism for third-party (including local communities) grievances.



NEGATIVE IMPACTS

ACTUAL:

- Lack of an established and approved Company's management mechanism to register and manage local community concerns (grievance mechanism).

POTENTIAL:

- Incidents regarding construction, operation and maintenance in areas of historical, cultural and archaeological importance.
- Damage in public or private property (crops, land, roads, etc.) during construction, operation, maintenance and repair works, despite the established strict processes.

5.3
Local communities

Moreover, The Company implements a series of sponsorship, donations and volunteering events to affect in a positive way, local communities (as described in below sub-unit "Environmental & Social Initiatives"). DESFA also pays special attention to vulnerable groups, depending on the project-specific location and social characteristics at the time of project development. In Greece, vulnerable groups mainly include seasonal workers and people affected by disasters (e.g., fire or earthquake) that may only affect them during construction. During project development, DESFA's approach includes a desktop assessment of the presence of vulnerable groups along the project footprint and/or collaboration with the relevant regional authorities. If vulnerable groups are identified, meetings are held with key informants and/or representatives (pre-construction phase), while face-to-face meetings may also be conducted (usually during construction). During operation, no material interaction takes place.

DESFA also focuses on proper land use in which the pipeline network and the operating facilities are located. The pipeline is an underground structure with minor restrictions in its Right of Way which has no negative impacts on the communities, as it does not modify the existing land uses of the areas crossed by it, nor has any air, noise, water or ground pollution, and visual impacts. Also, in case of damage to public or private property (crops, land, roads, irrigation channels) takes place during construction and/ or maintenance works, this is fully compensated and/ or reinstated.

Furthermore, some restrictions are defined by national legislation, these include cultivation of deep-rooted crops within the 8m wide Pipeline Safety Strip (4m on each side of the pipeline axis) and buildings construction

within the 40m wide Pipeline Protection Strip (20m on each side of the pipeline axis).

Regarding cultural heritage, for major pipeline projects (e.g. West Macedonia Pipeline) a Memorandum of Cooperation (MoC) with the competent Ephorates of Antiquities is signed. This MoC defines the exact procedures for excavation monitoring and chance findings rescue actions that will ensure preservation of cultural heritage resources. It also states that DESFA will bear the cost of these actions.

LOCAL COMMUNITY ENGAGEMENT

GRI 413-1

DESFA commits to building strong, trustworthy and good faith neighboring relationships, with the local communities where it operates, recognizing that effective stakeholder engagement and public consultation is a cornerstone of successful Project development and smooth relationships with local communities. Therefore, the Company is committed to engage with stakeholders throughout any Project lifecycle.

Specifically, DESFA already engages directly with stakeholders' statutory representatives, indicatively Mayors, Heads of Local Communities, and Regional Councils, and also with individuals through DESFA's site representative or indirectly through DESFA's Contractors. In 2023, DESFA continued to cover 100% of its operations with implemented local community engagement methods, including indicatively the below:

- › Consultation during basic design and the preparation of Environmental and Social Impact Assessment (ESIA) and Public Disclosure of the results of the ESIA's. This approach allows early identification of critical issues and concerns that local communities may have, expressed through their official representatives (elected head of communities, local administration organizations, etc.). These issues are addressed in the project development.
- › Environmental and Social impact assessments and ongoing monitoring and public disclosure. Apart from statutory requirements, DESFA applies international standards in projects with high impacts' potential or risk, e.g., voluntary consultation discussions and meetings.
- › Stakeholder engagement actions based on stakeholder mapping (see Unit 3.3 Stakeholder engagement).
- › Broad-based public participation processes taking into consideration that include vulnerable groups and cultural characteristics of local communities (as discussed in the previous section). Contractor's grievance mechanism to cover all construction works. All third-party companies performing construction works for DESFA are required to apply a Grievance Mechanism on site, reporting to DESFA grievances and concerns expressed by local communities.
- › Site representative during all construction works. A DESFA's representative ensuring proper implementation of all Contractors' requirements (regarding not only technical aspects of construction works, but also Environmental and Social management issues) is located at the construction site (offices).

5.3 Local communities

Stakeholder Engagement Framework

Further, DESFA is developing a Stakeholder Engagement Framework, which shall be applicable to all new projects and operations development. This will put in place a strategic document describing stakeholder engagement actions some of which already take place in a less systematic and formal way. It should be taken into account, that the level of engagement depends on each new project’s characteristics and regional particularities. The following key guiding principles are applicable:

- › To be open and transparent with stakeholders.
- › To be accountable for any potential impacts associated with DESFA’s activities.
- › To have a relationship with stakeholders that is based on trust and mutual commitment for productive dialogue.
- › To respect stakeholders’ interests, opinions and expectations, ensuring equal and appropriate cultural participation.
- › To cooperate with stakeholders to find mutually agreed solutions.
- › To engage with stakeholders in such a way that they feel they are treated fairly, and their issues and concerns are based on human rights equality.
- › To be inclusive and proactively anticipate, identify and include all stakeholders.

Based on this Stakeholder Engagement Framework, DESFA will develop projects’ specific Stakeholder Engagement Plans (SEP). Each SEP will be describing the relevant actions for the specific local communities and stakeholders related to a specific project, in order to identify the most appropriate means of engagement in terms of communities cultural and ethical requirements and also project development timeline.

Note:
24) The remaining grievances (14 out of 126) were resolved in late February 2024.

Grievance mechanism

GRI 2-25
GRI SECTOR STANDARD REF. NO. 11.15.4

DESFA establishes a grievance mechanism for each new project. During the reporting year, 126 grievances from the West Macedonia pipeline project were recorded regarding access, irrigation, additional land, compensation/orphan land, restoration and loss of crop issues. 88,88% of received grievances, resolved²⁴ and documented and the remaining issues are in the process of being resolved within the next one to two months.

Furthermore, in order to deal with local community inquiries, the development of a formal companywide grievance mechanism process is being prepared in DESFA, estimated to be tested within 2025/2026. This process will include specific roles, responsibilities, timelines for response, remediation and closure mechanisms. In principle, a cloud-based Stakeholder Engagement Database shall be designed, allowing a dedicated Team to plan, perform, manage and monitor the overall dialogue, and escalate as necessary stakeholder-related issues (complementary to the Grievance Mechanism currently being developed).

Moreover, local communities have raised some concerns about the LNG truck loading activities that started in Q4 2023. LNG trucks started to commute between the Revithoussa LNG Terminal and the national road network, passing through the Perama Megaridos area and the existing port facility there.

It is emphasized that the LNG truck loading service supports the small-scale LNG market, in line with national and European objectives and programs.

In particular, the local community was initially opposed to LNG trucks using the local road network and raised safety concerns. DESFA has fully documented, through comprehensive studies, that LNG truck traffic on the existing road network is 100% safe and in compliance with the relevant legislation, providing examples from other European countries that have been implementing this service for many years now. More importantly, the local community has been able to see for themselves the state-of-the-art technology used by the LNG trucks during the first few relevant cargoes, while only a few representatives have actually visited the LNG terminal to witness the strict safety considerations and procedures that DESFA adheres to.

Finally, improvements have been made to the local infrastructure to address any remaining concerns of the local community, while supporting local development. Following all of the above activities by DESFA, the truck loading service continues without any opposition or action from the local community.

5.3
Local communities

LAND USE

GRI 413-2
GRI SECTOR STANDARD REF. NO. 11.16.2

DESFA respects local communities by incorporating its activities in a smooth way into local communities. An essential part of this effort is the appropriate use of land. Facilities' footprint is carefully selected to avoid sensitive land uses as, indicatively, tree crops or areas of commercial value. Where unavoidable impacts or restrictions are imposed, DESFA follows the legal framework to indemnify landowners, aiming to proceed transparently and fairly. The location of any network or facility development is carefully selected, following a Quantitative Risk Assessment, which defines the distance from any building of special interest, minimizing safety concerns of local communities. As a result of this approach, no DESFA operation has resulted in involuntary resettlement.

Although not prohibited by law, DESFA's policy is to avoid protected areas for its projects and operations. More specifically, in the Interconnection pipeline Greece - North Macedonia (Greek part Nea Mesimvria - Idomeni) or Branch of Patra, the pipeline does not cross any protected area; nevertheless, DESFA carried out Appropriate Assessments for the Natura2000 sites in the broader area. In addition, the environmental and social baseline of the island of Revithoussa focuses among others on topography and geology, and cultural heritage, including the identification of archaeological sites and constraints, as well as the Vourkari protected area, although at a significant distance from Revithoussa. The West Macedonia pipeline, currently under construction, was carefully designed to maximize distance from residential areas and settlements and minimize negative impacts on local land uses.

Furthermore, no vulnerable or isolated groups were affected by the projects or operations of DESFA. Community infrastructure, activities and services have not been affected due to the careful design of all DESFA's operations. The geographical footprint ensures limited (if any) interaction with schools, hospitals and other community buildings that have a central role in community cohesion and services. In addition, the use of local natural resources use has been limited, with no impact on resource scarcity.

Areas, where permanent facilities, including major stations (e.g., stations for

metering, regulating or compressing purposes) and also smaller installations (e.g., line valve or scraper stations) are constructed are purchased, with no impact on existing land uses. There is limited impact on agricultural activity and income, which is compensated, while temporary nuisances include noise and traffic deviations. Specifically, regarding DESFA's pipeline network, limited impacts to land uses are imposed during construction and operation. During construction, all works takes place within a predetermined Working Strip, which width depends on the pipeline's diameter and the existing land cover/use, for instance, the working strip is reduced in environmentally sensitive areas or tree-crops.

This working strip imposes temporary restrictions mostly on agricultural practices, for as long as the construction works take place in the specific location (mainly crop loss and movement nuisance). The duration of construction works in a specific front depends on the morphology of the area but is usually limited (indicatively up to 3 months). During operation, for safety reasons, the relevant legislation provides for two main zones: an 8m wide zone (4m on each side of the axis) in which the cultivation of deep-rooted species is prohibited, and a 40m wide zone (20m on each side of the axis) in which no building is allowed.

All other uses are allowed (e.g., annual crops, vineyards, greenhouses, movement, grazing, etc.) and any restrictions are compensated on the basis of national legislation and/or ad hoc agreements. A third 400m wide zone (200m on either side of the axis) is provided for in the relevant legislation where no restrictions are imposed, but spatial development programs should take into account the presence of the DESFA network and reach mutual agreement on safety requirements.

In general, DESFA applies a preventative approach (based on timely consultation with local stakeholders during project design and environmental permitting), in order to minimize impacts to local communities, land and resources rights for all its new projects, whilst developing a Stakeholder Engagement Framework and a Grievance Mechanism to improve communication with local communities.

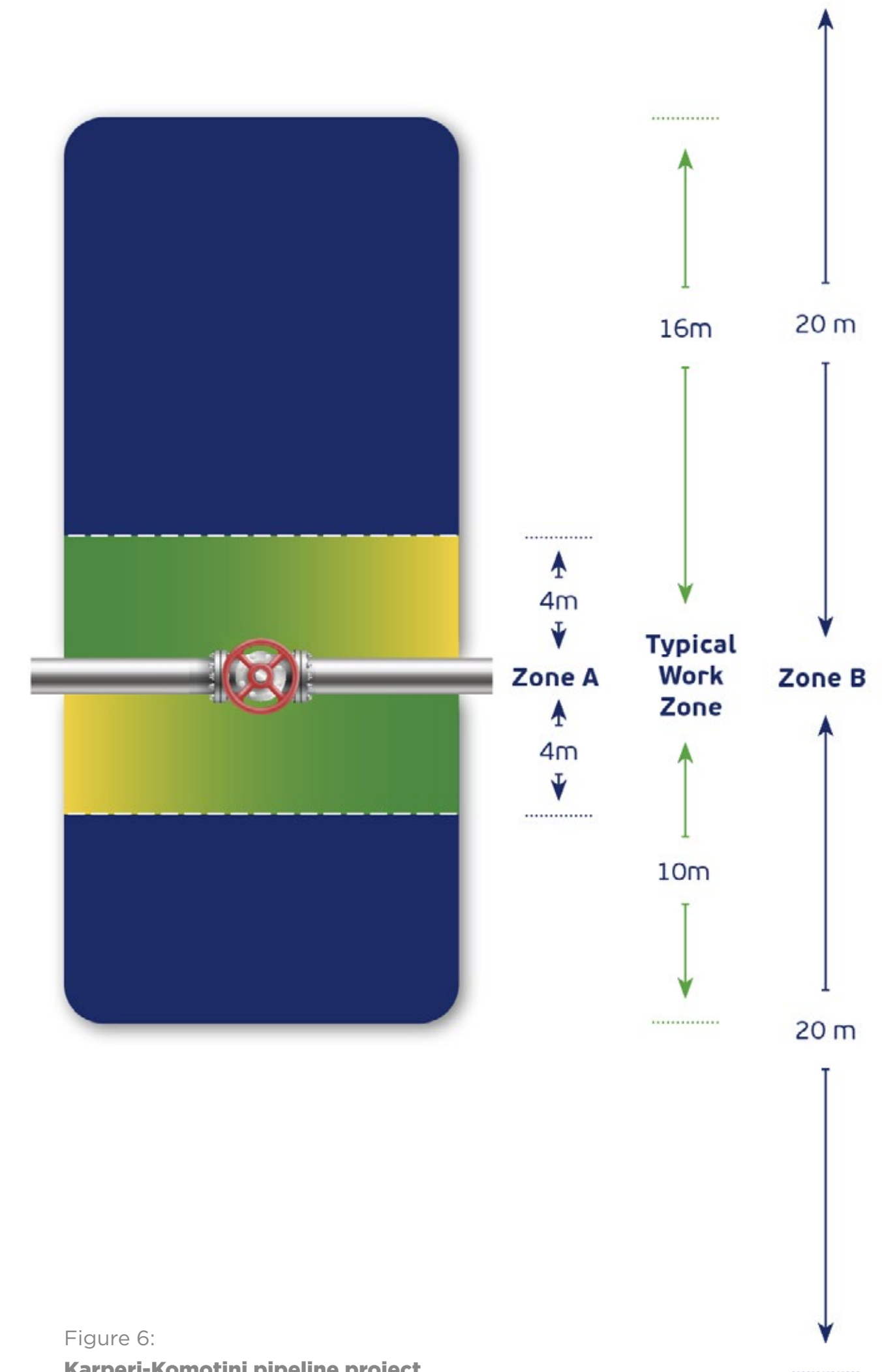


Figure 6:
Karperi-Komotini pipeline project

5.3
Local communities











ENVIRONMENTAL & SOCIAL INITIATIVES

DESFA continued to implement a number of initiatives through sponsorship, donations and volunteering to positively impact the local communities with which it works, to actively contribute to the fight against climate change and to provide equal opportunities for all, fully aligned with the ESG strategy, the Company’s Sustainability Policy, vision and values, as well as the principles of the corporate sponsorship and donations procedure.

For another year, DESFA's efforts focused on initiatives related to the protection of the environment and biodiversity, social care and inclusion, food poverty, the enhancement of its relationships with local communities and the active engagement in joint actions. In 2023, DESFA also carried out reskilling and skills development programs in various areas of interest, while responding to various crisis emergencies.

Volunteering also played a very active role in corporate initiatives during the year, further strengthening the corporate culture and mindset, giving DESFA the opportunity to offer its skills and personal time to take part in meaningful actions that have a great impact on the lives of fellow citizens in need, as well as protecting the environment.



INTRODUCTION	CORPORATE PROFILE	SUSTAINABLE DEVELOPMENT APPROACH	ENVIRONMENT	SOCIETY	GOVERNANCE	ANNEXES
						
10th Rally Greece Offroad		Hellenic Federation of Volunteer Wild Protection & Fire Fighting Organizations		Thriassio General Hospital in Elefsina.		
	Panhellenic Association of Women with Breast Cancer "Alma Zois"		Cerebral Palsy Greece/ Open Door			
						
Megara Volunteer Group		ActionAid		Wise Greece		
	Symplefsi		Naturist and Mountaineering Association of Sidirokastro (FOSS)			

5.3
Local communities

Environment 

DESFA, together with the environmental NGO We4All, carried out five beach clean-ups in the areas of Megara, Xanthi, Alexandroupolis, Corinth and Volos and a stream clean-up in Thessaloniki during 2023. The Company also carried out two tree plantings in Athens (in the mountains of Ymittos and Ntrafi in Penteli), one in Thessaloniki in the Kalochori area and one in Serres, planting a total of 2,000 trees that will produce 234.000 kg of O₂ and absorb 44,000 kg of CO₂. Another part of DESFA's year-long collaboration with We4All was the organization of five environmental seminars in the primary schools of Pefki, Melissa and Elefsina and in the special schools of Agios Dimitrios and Acharnes, attended by a total of 119 children, raising awareness on environmental protection and best practices in recycling.

Furthermore, in 2023 DESFA extended its support to the organization of the 10th Rally Greece Offroad in the area of Argos Orestiko in West Macedonia, promoting local communities and economies. At the same time, DESFA, in collaboration with the local authorities, continued last year's initiative to open and maintain mountain routes on Mount Vitsi. The aim was to improve access to the mountain for both the public and forestry professionals, to contribute to the local economy by increasing alternative tourism activities, and to support local communities while raising environmental awareness in the area.

In the firm belief that, corporate activity produces the best results when carried out in a robust social environment, DESFA went one step further and supported the Hellenic Federation of Volunteer Wild Protection & Fire Fighting Organizations and the Megara Volunteer Group by purchasing personal protective equipment and distributing the firefighting equipment to the 20 member associations of the Federation

throughout Greece. Through this initiative, the Company has contributed to the ongoing fight against forest fires by providing the necessary equipment to those who are at the forefront of the fight against extreme weather events mostly attributed to climate change.

Finally, DESFA supported the work of the Iliopouli Animal Welfare Shelter Association, in collaboration with the Human Recourse Department, aiming to increase awareness for stray animals and provide some first aid materials for their needs.

Society
Health 

One of the most important and complex projects of 2023 in the social care sector was the renovation of the Surgical Care Unit of the Thriassio General Hospital in Elefsina. DESFA, using its human capital and expertise, in collaboration with the medical, nursing and technical services of the hospital and the contractors, contributed to the replacement of the clinic's floors, covering an area of 800 square meters, as well as to the replacement of the lighting with LED technology, the renewal of the wall coatings and the installation of handrails around the perimeter, in accordance with the most modern hospital standards. By renovating the hospital's clinic, DESFA has contributed to improving the quality of medical services and the level of care provided to in-patients, reaffirming its commitment to supporting both the local communities in which it operates and society as a whole.

For another year, DESFA supported the expedition of the NGO +plefsi to eight small and remote Aegean islands (Sikinos, Donousa, Arkious, Leipsoi, Agathonisi, Thymena, Fournoi, Ikaria) by providing a modern triplex cardiac ultrasound machine to support the provision of medical services in these remote areas. The Company also supported the work of the NGO "With Diabetes as a Guide" to raise awareness of diabetes through open days, events throughout Greece, lectures and the provision of diagnostic tests to the general public, performed by doctors and specialized medical staff, and covered part of the cost of providing the diagnostic tests.

DESFA contributed to the Panhellenic Association of Women with Breast Cancer "Alma Zois" being one of the sponsors of the running event that took place in Zappeio at the beginning of October. This is one of the most popular breast cancer awareness races in Europe and the largest sporting event with a social purpose in Greece, with more than fifty 50 employees taking part, either running or walking.

Children and people with disabilities 

DESFA supported the work of Cerebral Palsy Greece/Open Door by providing special mattresses for the Temporary Accommodation Home of Open Door and by building and decorating the garden of the sheltered home "ARIADNE" in Agios Dimitrios. Also, in collaboration with the Human Resources Department and through the Christmas Bazaar organized in its premises, DESFA supported Amimoni, with the aim of contributing to their work for children and adults with visual impairments and other disabilities.

5.3
Local communities

[Food poverty](#) 

For the third year in a row, DESFA continues its collaboration with the NGO "The Love Van", holding a series of 14 sessions to prepare meals for distribution to the homeless in the center of Athens. With the aim of increasing the impact of The Love Van's work, DESFA also covered the cost of repairs and technical adaptations to the van, which is used to deliver food throughout Athens. In the same direction, the Company has also provided food in the form of supermarket vouchers to four social groceries in the areas of Nea Messimvria, Nea Chalkidona, Salamina and Aspropyrgos.

[Education](#) 

DESFA awarded two full scholarships to the top students of the MSc in "Energy: Strategy, Law & Economics" at the International and European Studies Department of the International, Business and Economics Schools of the University of Piraeus, as part of the existing cooperation of agreement between the two parties, in alignment with its corporate values to promote excellence, in every aspect of DESFA's operations and to develop the leaders of the future energy market.

True to its belief to invest in sustainability and innovation, DESFA donated to the Educational Innovation Pole of the Western Macedonia Region five portable three-dimensional 3D scanners, consumables and accessories, all necessary for the development of educational activities, as well as 30 training kits for the development of environmental measurements of the atmosphere, which will be distributed to five subdivisions in the West Macedonia Region, providing the opportunity for students in the area to participate in these educational activities that promote the principles of sustainable development in education.

As part of its ongoing commitment to strengthening its links with local communities, DESFA supported the 10th Kindergarten in Elefsina and the 29th Kindergarten in Serres with educational technology equipment such as interactive boards and laptops, and the Apalos Primary School in Alexandroupolis with oil for the school's heating needs.

[Sports](#) 

Furthermore, the company also sponsored Paralympic athlete Stelios Malakopoulos for the third time by purchasing a set of artificial limbs for the athlete to enable him to participate in international competitions in his category.

In addition, DESFA supported the organization of the 6th Port of Megara - Nea Peramos Road Race, which took place in May, in collaboration with the Municipality of Megara, with the aim of improving the physical well-being of people in the area and increasing their contact with nature, as the routes passed through the recognized and protected wetland of Vourkari in Megara.

DESFA also supported the Naturist and Mountaineering Association of Sidirokastro (FOSS) with the organization of the half marathon in the area of Sidirokastro and the participation of our own colleagues in the race which took place through the beautiful mountain scenery of Sidirokastro.

[Emergency crisis relief](#) 

When it comes to natural disasters and wildfires, DESFA recognizes the importance of responding immediately and providing relief to its fellow citizens in need. Working closely with local stakeholders and in the aftermath of the wildfires in Alexandroupolis, DESFA, with the support of its people at the Kipi Border and Metering Station, provided 200 meals and protective equipment to the first responders of the local fire brigade. The Company also provided supermarket vouchers for basic needs to families affected by the fires in the area.

In response to yet another natural disaster, DESFA has teamed up with the United Nations High Commissioner for Refugees (UNHCR) in Greece for another year to raise funds and support the organization's work with people affected by the earthquakes in Turkey and Syria. The financial contribution made by the Company's employees was over-doubled by the company, raising a substantial amount of money to help refugees in these two areas.

5.3 Local communities

Employability

DESFA contributes to the achievement of the United Nations Sustainable Development Goal #SDG17 "Partnerships for the Goals" by supporting NGOs and organizations in adopting international standards, sharing knowledge and technology, and promoting a common vision for a better world. The partnership with organizations contributes to interdisciplinary and transnational cooperation in all areas compatible with sustainable development, promoting social inclusion and equal opportunities for all.

In particular, DESFA has partnered with ActionAid to design and implement two 'Job Readiness' programs in Athens & Thessaloniki, supporting vulnerable men and women to develop skills and gain equal opportunities to obtain and retain employment. The programs ran in 2023 and through this collaboration more than 87 people and 10 local businesses in the two cities have benefited.

In collaboration with the NGO Wise Greece, DESFA has designed two programs that will run for 12 months in a hybrid format (online and physical) in the area of West Macedonia (Kozani, Grevena, Kastoria, Ptolemaida, Florina), targeting local communities. The first one is the design and implementation of an Employability and Entrepreneurship program for adults, while the second one is the design and implementation of a program for students (high schools) that will provide them with employability and entrepreneurial skills in a fun and engaging way. The program is still underway and is expected to be completed by 2024.

To promote the values of excellence, leadership and integrity, DESFA supported the Hellenic Olympic Committee's Dual Career Program. This is a program that aims at the professional placement of Olympic athletes at the end of their athletic career through a holistic approach and special test assessments, helping them to make the most of their best qualities. Launched in 2023, the program is still ongoing and will be completed in 2024.

Volunteering

We are particularly proud that last year, many of colleagues offered their time with joy, their abilities and skills and contributed to voluntary actions to meet the basic needs of our fellow human beings, who live in unfavorable conditions, but also for the protection of the environment and climate change mitigation.

Volunteering - whether individual or group action - is an essential element of civil society and enables DESFA to give back to the community in whatever way it can. For the Company too, volunteering and employee participation in sustainable development and social solidarity activities is an important part of its overall contribution to society and the environment, as well as being an integral part of its corporate culture.

DESFA is particularly proud that during the past year many of its employees have willingly given their time, skills and abilities to participate in voluntary activities to meet the basic needs of people living in unfavorable conditions, but also to protect the environment and fight climate change.

In order to further strengthen its corporate culture, DESFA has introduced 16 hours of voluntary work per year. In this way, DESFA employees will be able to choose and participate in the activity that interests them the most, thus experiencing the joy of giving and closing the circle of volunteerism.

During 2023, a number of voluntary activities were organized. Ten environmental actions were carried out all over Greece, including four tree plantings, five beach clean-ups and one stream clean-up, involving 340 volunteers, who gave a total of 710 voluntary hours and managed to collect around 120 big bags of rubbish and tires.

There were also 13 volunteer meal preparation sessions, with 195 volunteers taking part, donating 404 volunteer hours and cooking 2.748 portions of food. In addition, in the largest sporting event with a social purpose in Greece, 68 volunteers gave 136 volunteer hours to run, walk and celebrate 15 years of Alma Zois, spreading the message of breast cancer prevention in a race in the heart of Athens.

In addition, DESFA's Human Resources Department, with 5 volunteers, together with the staff of the Technical Training Centre of Nea Messimvria, actively participated in Actionaid's Job Readiness Program, dedicating over 25 hours in total, conducting mock interviews and mentoring sessions for the beneficiaries of the program, using DESFA's human capital and expertise for a good cause.

Finally, 6 volunteers took part in the torch-lighting ceremony of Special Olympics Hellas in June 2023, offering their services in various areas such as ushering, registration and interpreting, highlighting volunteerism and cooperation as the highest values among colleagues. All of the above initiatives resulted in 1.341 hours of volunteering throughout the year, offered wholeheartedly by a total of 614 volunteers.

5.4 Economic impacts

GRI 3-3



Our Approach in

DESFA creates direct and indirect economic value for its stakeholders through its business activities, contributing to the economy, employment and society. At a national level, DESFA offers jobs and provides income, generates tax revenue and builds relationships with customers, contractors, tenants, suppliers and business partners throughout its value chain. In this context, the Company does not only generate but also distributes economic value, creating a positive footprint both in the Greek economy and the local communities around its operating projects. The Company aims to support employment on a local scale, enhancing their economies. During operations, every effort is made to ensure that people from nearby towns and villages are notified of hiring opportunities and are considered for hiring on a non-discriminatory basis.

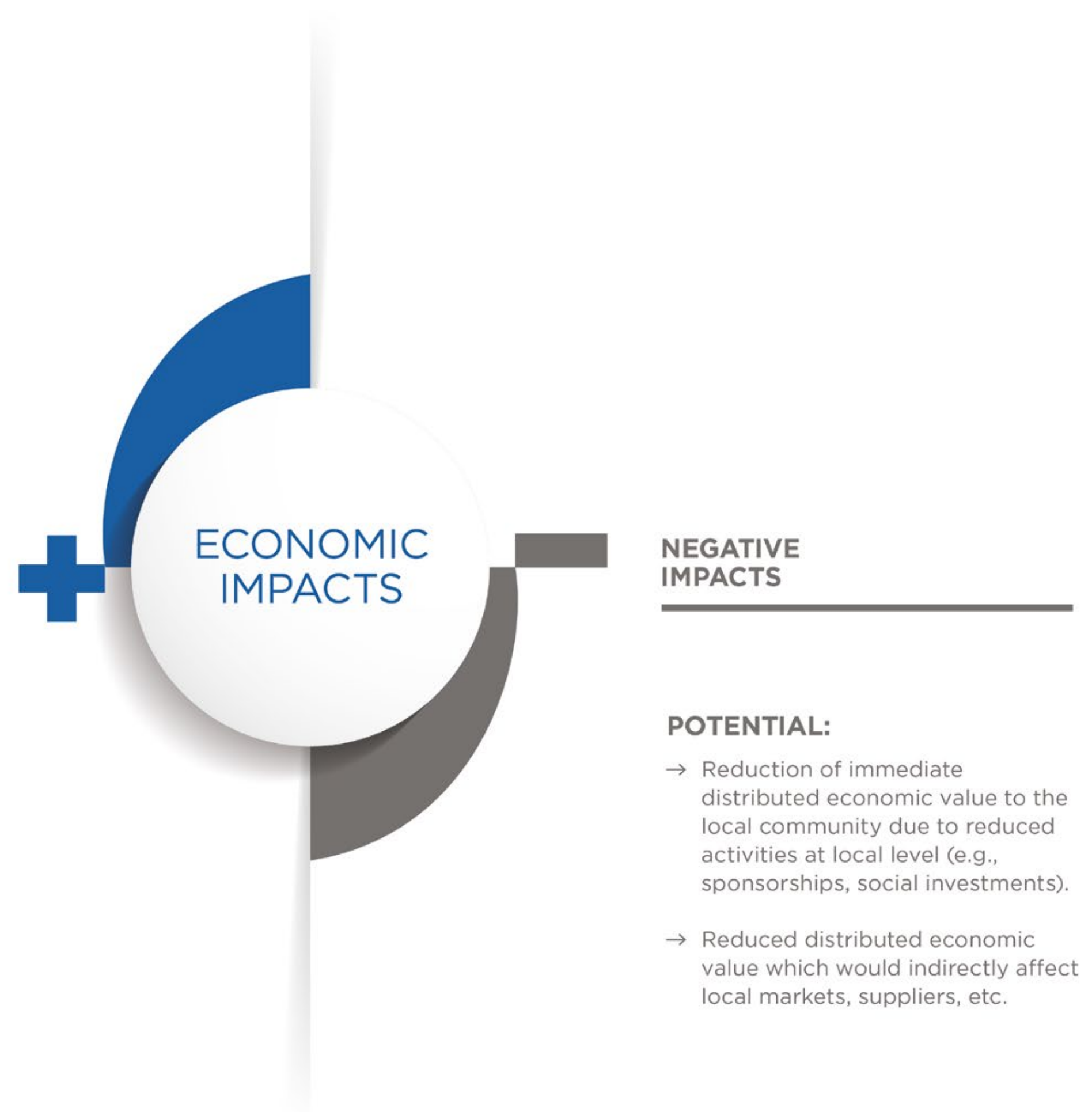
POSITIVE IMPACTS

ACTUAL:

- Through the timely payment of taxes, salaries, payments to partners and suppliers, land compensations to landowners.
- Indirect impacts created in local markets by employees, contractors and suppliers, from securing energy supply to cover the energy needs of business customers and local communities.

POTENTIAL:

- Increase of direct financial flows to stakeholders (e.g., increase of salaries, employee benefits, etc.).
- Creation of new jobs in the supply chain.



NEGATIVE IMPACTS

POTENTIAL:

- Reduction of immediate distributed economic value to the local community due to reduced activities at local level (e.g., sponsorships, social investments).
- Reduced distributed economic value which would indirectly affect local markets, suppliers, etc.

5.4 Economic impacts

ECONOMIC IMPACTS ON LOCAL LEVEL

GRI 202-2, GRI 203-1

GRI 201-1

During the reporting period, DESFA had EUR 573.157 thousand in turnover, while the corporate revenues amounted to EUR 597.935 thousand (including other operating and interest income), in which the distributed value within the reporting period amounted to EUR 386.713 thousand²⁵. DESFA's construction and operation in Greece, has a positive impact on local communities' investments and services, since the existing use of land is not affected by the pipelines and the operation of the installations. Moreover, there is no disturbance in the air, noise, water, ground, and also no disturbance in the communities' activities and work patterns. As a result, the construction and operation of the Company's investments have minor negative impact on local communities and even smaller negative

impact on the local economy. During construction, contractors are encouraged to ensure that the rules, procedures and qualification and evaluation criteria they apply to appoint their personnel and procure goods, do not exclude or discriminate against people and businesses from the local communities and to purchase goods from local shops and companies. During operations, every effort is made to ensure that people from nearby towns and villages are notified of hiring opportunities and are considered for hiring on a non-discriminatory basis. The case of Revithoussa is highlighted, where approximately 48% of employees come from Megara and neighboring areas. Also, 16% of the senior management at significant locations of operation are hired from the local community.



Note:
25) The chart of Direct distributed economic value is depicting P&L figures (e.g. invoices & provisions) and not cash movements for the period. The P&L figures translate to Cash movements with a lag of 1-2 months.

Chart 12:
Direct distributed economic value (thousand EUR)

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

5.4 Economic impacts

GRI 204-1

In 2023, the total spending of DESFA in its supply chain amounted to EUR 225.505 thousand, decreased compared to 2022 by 42,00%, as the procurement contracts for major multi-year projects have been signed within 2022.

In this context the Company enhances local economies in Greece, when feasible, spending 59,03% of the 2023 procurement budget with suppliers in Central Greece, Peloponnese, Thessaly, Macedonia and Thrace, where there is purchase requisition/demand from the Company's facilities. Thus, the Company is demonstrating its commitment to supporting the Greek economy and the prosperity of local areas with the aim of maintaining a value chain that creates multiple positive impacts where it operates.

- NATIONAL SUPPLIERS
- INTERNATIONAL SUPPLIERS

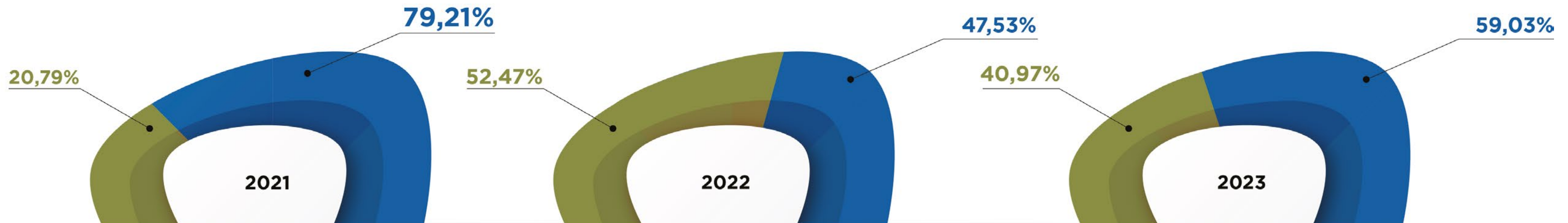


Chart 13:
Proportion of spending on local suppliers

More information can be found in Unit 7.2 ESG Key Performance Indicators (KPIs).

FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT

GRI 201-4

DESFA recognizes its role in the Greek economy, complies with its obligations to the Greek State regarding tax payments, insurance payments and retains transparent and smooth relationships with public institutions.

DESFA receives grants from the co-funding of projects under the EU's operational programs. DESFA's project management approach has been fully accepted by the Greek state authorities of co-funding programs, enabling DESFA to receive over EUR 100 million from the EU's programs in the last decade.

DESFA has been certified by an external Auditor with the certification of Management Adequacy of effective and efficient management of the co-financed projects, as required by the Greek legislation. This certification is checked and renewed periodically.

DESFA received EUR 5,97 million in investment grants under the Partnership Agreement (PA) 2014-2020 co-funding program. The amount, was mainly used for the implementation of the following projects (investments):

- › Compressor Station in Ampelia.
- › Upgrade of Compressor Station in Nea Messimvria.

GOVERNANCE

6.

- CORPORATE GOVERNANCE.
- BUSINESS CONDUCT.
- SYSTEM INTEGRITY AND BUSINESS CONTINUITY. 



6.1 Corporate governance

GRI 2-12, GRI 2-13

The Corporate Governance Code of the Company was developed as a self-regulatory tool based on Greek and international best practices and sets out a framework which, although not legally mandatory, promotes continuity, consistency, and effectiveness in the way the Company’s Board of Directors functions.

The following chart illustrates the organizational structure of DESFA:

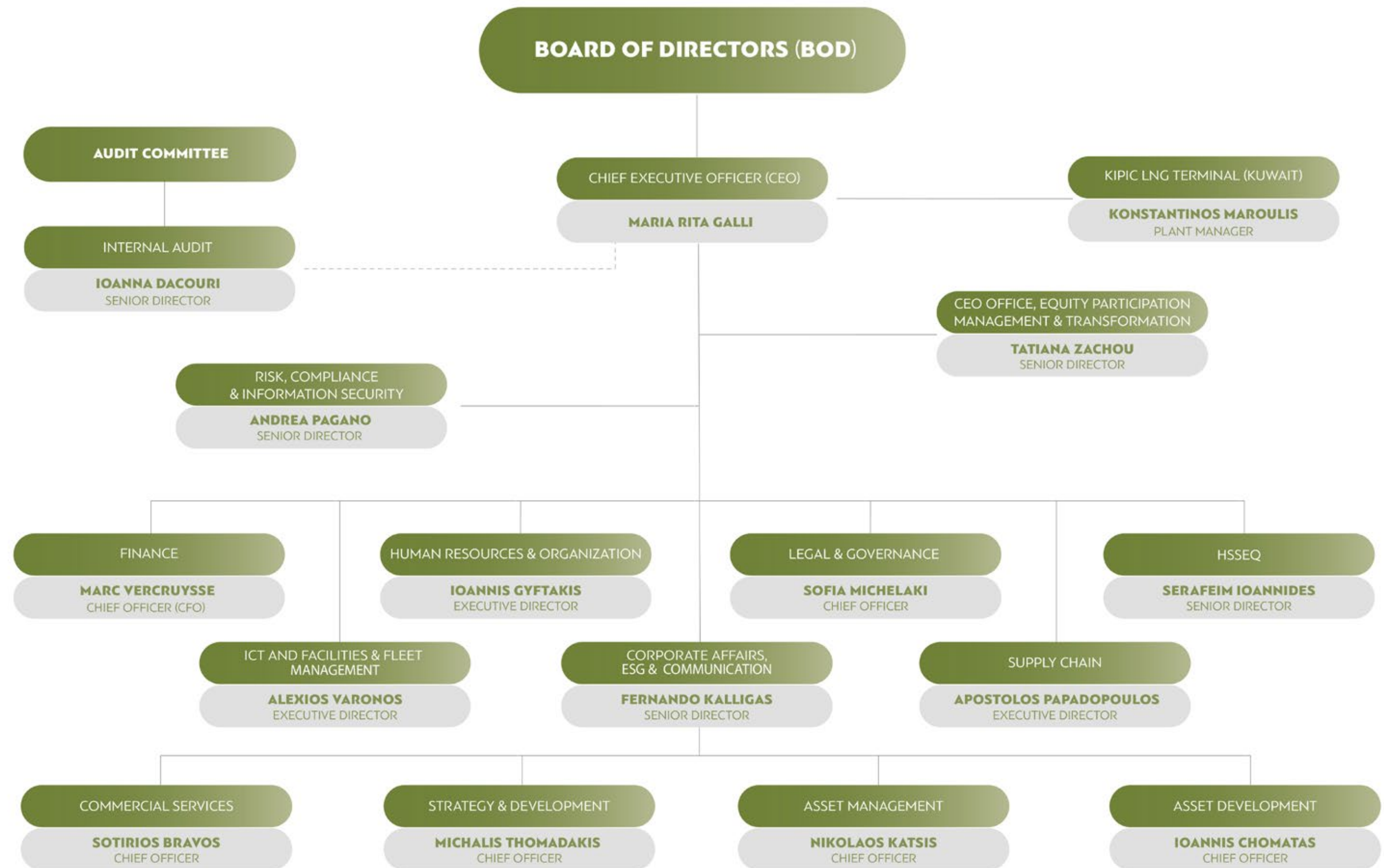


Figure 7:
Organizational Chart

**6.1
Corporate
governance**

BOARD OF DIRECTORS

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-17
ATHEX ESG C-G1

The Members of the BoD are appointed as per the provisions of the Articles of Association on the basis of the current allocation of voting rights among the Shareholders. Furthermore, compliance with the criteria set out in Art.9(d) of Directive 2009/73/EC is a prerequisite for the appointment of the BoD Members of DESFA.

DESFA’s BoD members are regularly updated for sustainability related issues. It is noted that competence in ESG issues is not currently included in the selection criteria for BoD Members.

The current BoD consists of 100% non-executive members (18,20% not appointed by any of the Shareholders as per the provisions of the Articles of Association), with a gender breakdown of 81,80% of male and 18,20% of female, with tenure from June 2022 until June 2025.

The BoD Members are as follows:

- › Mr. Kosmadakis Konstantinos, Chairman.
- › Mr. De Waele Ben, Vice Chairman.
- › Mr. Carlos Rodenas de la Vega, Member.
- › Ms. Bellagamba Marta, Member.
- › Mr. Molisani Sergio, Member.
- › Mr. Branca Salvatore, Member.
- › Ms. Anna Mantakou, Member.
- › Mr. Matteo Caserotti²⁶ Member.
- › Mr. Tsakiris Theodoros, Member.
- › Mr. Tambourlos Panagiotis, Member.
- › Mr. Kritikos Eleftherios, Member.

Note:

26) Mr. Matteo Caserotti was appointed as a member of the BoD on 20 September 2023, succeeding Mr. Ugo Venier.

MANAGEMENT TEAM

The Management team is responsible for the day-to-day and operational management of the Company. The Management team also makes investment proposals to the BoD within the framework of the Company’s strategy and articles of association.

- › Ms. Maria Rita Galli, Chief Executive Officer (CEO).
- › Mr. Marc Vercruysse, Chief Financial Officer (CFO).
- › Mr. Ioannis Gyftakis, Human Resources & Organization Executive Director.
- › Ms. Sophia Michelaki, Chief Legal & Governance Officer.
- › Mr. Nikos Katsis, Chief Asset Management Officer.
- › Mr. Michael Thomadakis, Chief Strategy & Development Officer.
- › Mr. Sotirios Bravos, Chief Commercial Services Officer.
- › Mr. Ioannis Chomatas, Chief Asset Development Officer.
- › Mr. Alex Varonos, ICT and Facilities & Fleet Management Executive Director.
- › Mr. Fernando Kalligas, Corporate Affairs, ESG & Communication Senior Director.
- › Mr. Serafeim Ioannides, HSSEQ Senior Director.
- › Mr. Apostolos Papadopoulos, Supply Chain Executive Director.
- › Mr. Konstantinos Maroulis, KIPIC LNG Terminal (Kuwait) Plant Manager.
- › Ms. Ioanna (Giovanna) Dacouri, Internal Audit Senior Director.
- › Ms. Tatiana Zachou, CEO Office, Equity Participation & Transformation Senior Director.
- › Mr. Andrea Pagano, Risk, Compliance & Information Security Senior Director.

BOARD COMMITTEES

The Board Committees have an advisory role. All Members of the Board Committees have a non-executive role.

The Board Committees are chaired, respectively, by the two Members of the Board that are not appointed by any of the Shareholders, as per the provisions of the Articles of Association. Currently, those members who have been appointed as “chairpersons” of the respective committee are Mr. Tambourlos Panagiotis for the Audit Committee and Ms. Mantakou Anna for the Nomination and Remuneration Committee.

Audit Committee

The Audit Committee has a consulting role and is responsible for:

- › The review of the financial statements of the Company prior to their approval by the BoD, taking into account the views of the external auditor, and taking, if required, advice so as to ensure that the principles and policies applied are in accordance with the requirements of the law and the International Financial Reporting Standards (IFRS).
- › The consultation with the external auditors (and, if such exist, with internal auditors) as to the extent and terms of their assignment.
- › The submission of recommendations to the BoD regarding the appointment of external auditors and the amount of their fees.
- › The monitoring of all services assigned to the external auditor in order to evaluate the external auditor’s independence.
- › The reception and submission of recommendations, at least once a year, on the internal control and risk management procedures set up by the Management of the Company to ensure that key risks are identified, managed and communicated in accordance with the framework approved by the BoD.
- › The review and submission of recommendations to the BoD regarding the annual internal audit program of the Company.
- › The review, discussion and submission of recommendations to the BoD regarding the audit reports drafted by the Company’s internal audit services.

**6.1
Corporate
governance**

The Committee consists of the following members, as presented below:

- › Mr. Panagiotis Tampourlos, Chairman.
- › Mr. Carlos Rodenas de la Vega, Member.
- › Ms. Marta Bellagamba, Member.
- › Mr. Eleftherios Kritikos, Member.

NOMINATION AND REMUNERATION COMMITTEE

GRI 2-10

The Nomination & Remuneration Committee has a consulting role and is responsible for:

- › The Presentation and submission of recommendations to the BoD and setting of the minimum criteria for the selection of the Members of the Board of Directors and the senior executives of the Company.
- › The submission of recommendations to the BoD on the remuneration and benefits policy for BoD members and senior executives of the Company.
- › The submission of recommendations to the BoD on an annual basis, regarding the corporate performance targets for the coming year and the performance bonus of the CEO based on the extent to which the targets for the previous year have been achieved.
- › The annual submission of recommendations to the BoD, regarding the overall budget for salary increases and bonuses for the Company’s senior executives.

The Nominations and Remuneration Committee consists of the following members:

- › Ms. Anna Mantakou, Chairperson.
- › Mr. Theodoros Tsakiris, Member.
- › Mr. Ben De Waele, Member.
- › Mr. Matteo Caserotti, Member.

CONFLICT OF INTERESTS

GRI 2-15

DESFA acknowledges and respects the right of its people to engage in investments, business activities, and other activities beyond those conducted in DESFA’s interest, provided these activities are permitted by law and are compatible with their obligations to DESFA.

In this context, DESFA employees should promptly disclose any potential conflict of interest between their personal and family economic activities and their duties within the Company. They should also avoid any situation that might create difficulty in making impartial decisions in DESFA’s best interest, in line with the principles and content of the Code of Ethics and the Anti-Corruption Policy.

REMUNERATION POLICIES AND PROCESS

GRI 2-19, GRI 2-20

The methodology for determining the remuneration of the BoD Members is approved by the General Assembly of the Shareholders on annual basis further to the proposal of the BoD based on the respective recommendation of the Nomination & Remuneration Committee.

The Nomination and Remuneration Committee recommends to the Board the remuneration and benefits policy, for the BoD members and the Company’s senior executives. In case external support or benchmark analysis is required, support may be sought.

The current remuneration and benefits policy, for Senior Executives, includes a fixed and variable part of remuneration and benefits in accordance with the best national and EU standards and benchmarks. The policy has been approved by the BoD further to the recommendation of the Remuneration Committee. The corporate targets are recommended each year by the Nomination & Remuneration Committee to the BoD consistent with the business strategy and the long-term sustainability goals of the Company.

The variable remuneration paid to the Senior Executives is directly linked to the level of achievement of corporate and individual targets. Corporate targets are aligned with the Company’s strategy and business objectives and include specific ESG objectives.

6.2 Business conduct

MATERIAL TOPIC: BUSINESS CONDUCT
MATERIAL TOPIC: PRIVACY

GRI 3-3



DESFA integrates ethical and reputational dimensions into its business decisions and activities, recognizing them as fundamental to effective management and sustainable growth. Ethical behavior is crucial for maintaining the engagement of employees, shareholders, business partners and other stakeholders, as well as the communities adjacent to the Company's operations.

The Company has adopted and implements a Code of Ethics, an Anti-Corruption Policy, and a Whistleblowing Policy, all of which have been approved by the BoD and communicated to employees, business partners, and third parties with whom DESFA has transactions.

Moreover, DESFA addresses privacy risk by implementing appropriate information security measures to prevent risks of destruction, loss, unauthorized access, and to protect confidential information and personal data.

POSITIVE IMPACTS

ACTUAL:

- Adoption and implementation of the Policy against Violence and Harassment in the workplace, the training of employees regarding the Code of Ethics and Whistleblowing policy.
- Highly regulated framework under which the Company operates, the public consultation of the 10-year Development Plan, the Anti-Corruption and Whistleblowing Policies, the Corporate Governance Code and the Code of Ethics and Sponsorship and Donations Procedure.
- Data Protection Policy, the relevant approved procedures, and the GDPR training conducted for employees.

POTENTIAL:

- Planned Vendor Qualification process that will incorporate suppliers' and subcontractors' assessment of ESG issues.



NEGATIVE IMPACTS

POTENTIAL:

- Human rights violations involving DESFA's employees or subcontractors, despite the established strict processes.
- Failure of employees and subcontractors to follow DESFA's established policies and procedures.
- Breach of physical or information security.

6.2 Business conduct

CODE OF ETHICS

GRI 2-23, GRI 2-24
ATHEX ESG C-G5

DESFA’s Code of Ethics is a manual that highlights the common principles and rules of action of the employees, seeks to uphold the interests of the Company for the benefit of customers, shareholders, employees and all other stakeholders, and describes the Company’s commitment to carry out its activities in accordance with its values and in compliance with the applicable European and Greek regulatory framework.

The Code of Ethics covers the following areas:

- › Human rights.
- › Health and Safety.
- › Environmental protection.
- › Alcohol & drug abuse and smoking ban.
- › Protection of information & communication.
- › Prohibition of donations to political parties.
- › Conflict of interest.
- › Bribery and corruption.
- › Sponsorship and donations.
- › Relations with stakeholders.

DESFA is committed to maintaining and strengthening a governance system in accordance with the applicable legislation, international best practices, procedural rules, guidelines, and the Company’s established policies and procedures, where the BoD and the Management Team setting the tone at the top, fostering a culture of integrity, transparency, professionalism and the pursuit of continuous improvement. This commitment is essential to addressing the challenges the Company faces in achieving sustainable development. Similarly, all DESFA employees are required to perform their duties in accordance with internal procedures and to consistently act in an honest, fair, integral, and respectful manner.

Within this framework, the Ethics Committee advises the BoD on updates or amendments to the Code of Ethics, requests checks by Internal Audit on the effectiveness of the Code and decides on reports submitted under the Whistleblowing Policy.

The Code of Ethics is available on website: <https://www.desfa.gr>

ANTI-CORRUPTION AND TRANSPARENCY

GRI 2-23

DESFA is committed to promote ethical principles in all operational contexts, to implement effective measures to prevent any form of corrupt behavior in its interactions with both public and private entities, negotiations, supply chain, recruitment, sponsorship and to comply with anti-corruption laws (national legislation and international conventions ratified by Greek law) with explicit reference to the best international practices, including the FCPA and the UK Bribery Act.

Anti-Corruption Policy 

GRI 2-24, GRI 205-1, GRI 205-2, GRI 205-3

DESFA’s Anti-Corruption Policy draws inspiration from the principles of integrity, transparency, fairness and professionalism already mentioned in the Code of Ethics and forms part of the implemented Internal Control and Risk Management System.

The Policy makes a clear distinction between acceptable and prohibited behavior in sensitive areas, such as relations with the public administration, procurement, business partnerships, entertainment expenses and gifts, selection of personnel, etc. and identifies the risk areas and measures to be applied in order to combat corruption,

highlighting the roles, responsibilities, and principles to be observed in the overall framework of corporate affairs to fight corruption.

In addition, the Anti-Corruption Policy aims to raise awareness and strengthen the proactive involvement of DESFA employees in preventing, addressing, and reporting potential violations of anti-corruption regulations.

In this context, all Board members, employees and external partners were informed of the Anti-Corruption Policy and procedures during the reporting period. In addition, training on the Code of Ethics and the Anti-Corruption Policy was provided to all Board members and top management, while middle management and employees received training which covered 70% of the workforce.

DESFA does not currently provide training to business partners, suppliers and customers. However, the Company ensures that almost all stakeholders are aware of the policy, which is uploaded on the Company’s website, and DESFA requires compliance with the policy as part of the contract terms.

In addition, from 2019, anti-corruption and business ethics have been identified and monitored as a Company-wide risk in the Enterprise Risk Assessment (ERA). Subsequently, based on the results of the first Anti-Corruption Risk Assessment in 2021, where all Company operations were assessed, the Company developed and approved the "Anti-Corruption Model", which outlines specific controls to be implemented for each of the 16 identified sensitive activities of the Company that are more exposed to corruption risk.

6.2 Business conduct

ANTI-CORRUPTION AND TRANSPARENCY

The Anticorruption Model, which began to be implemented during the reporting period, aims to effectively mitigate corruption risks. In this context and taking into consideration the importance of due diligence in business relationships, the utilization of “Know Your Counterparty” (KYC) questionnaires for third party compliance was activated during 2023 in critical pillars such as vendors under evaluation for the Vendors List, business partners, beneficiaries of sponsorships/donations and during the recruitment process.

Moreover, a third-party gift monitoring and reporting process was developed and implemented to document and monitor all gifts received by DESFA employees in the course of their duties. Eventually, as a reflection of DESFA's anti-corruption efforts, the Company was certified according to ISO 37001:2016 standard for anti-bribery management systems in December 2023.

During the reporting period, there were no incidents where employees were dismissed or disciplined for corruption, nor were there any incidents where contracts with business partners were terminated or not renewed due to corruption-related violations. In addition, there were no public legal proceedings related to corruption brought against the organization or its employees during the reporting period, and no outcomes of such proceedings.

GRI SECTOR STANDARD REF. NO. 11.20.5

DESFA also aims to maintain a transparent contractual framework by using standard framework agreements for all the users of the NNGS approved by the Regulatory Authority for Energy, Waste and Water (RAEWW).

These standard agreements for regulated services have standardized content for all customers and are publicly available on the corporate website (Standard Framework Agreement for Transmission, Standard LNG Facility Usage Agreement and TLS Framework Agreement).

Public institutions and payments



GRI 415-1

DESFA encourages a continuous dialogue with public institutions and regulators based on the principles of transparency, proper conduct, and fair cooperation, while respecting the legal and regulatory framework. In the context of its activities, DESFA prohibits any form of unofficial payment to public administration bodies, private entities, or intermediaries for the purpose of accelerating, encouraging, or facilitating their activities.

Furthermore, no corporate contribution of any kind, whether direct or indirect, may be made to political parties, movements, committees, or political organizations, including their representatives and candidates, even if they are related to activities carried out abroad and/or associated with foreign parties.

The Anti-corruption Policy encompasses adequate accounting controls, that facilitate the following:

- › The preparation of financial statements in accordance with accounting principles, which are reviewed by the Audit Committee.
- › An independent statutory audit process by external auditors.
- › Correct accounting of all Company's assets.
- › Access to the accounting records of the Company's assets only with the authorization of management.
- › Comparison of the values of the Company's assets in the balance sheet with the actual values recorded.

Compliance with laws and regulations



GRI 2-27, GRI 206-1
ATHEX ESG A-G2, ATHEX ESG SS-S4

Compliance plays a key role in the development of DESFA's Internal Control System, including tasks such as monitoring and supporting responsible functions, communication and training to ensure that DESFA's employees comply with the policies and procedures developed and implemented throughout the Company, as well as with applicable laws and regulations.

As DESFA firmly believes that ethical business conduct is essential for sustainable growth, one of the key roles of compliance is to promote a culture of business ethics, integrating ethical and reputational considerations into all business decisions and activities.

In 2023, there were no incidents of non-compliance with laws and regulations and therefore no fines or non-monetary sanctions were imposed.

6.2 Business conduct

WHISTLEBLOWING POLICY

GRI 2-26
ATHEX ESG SS-G1

A critical pillar in fostering an ethical culture at DESFA is its comprehensive Whistleblowing Policy, which is easily accessible on the corporate website. This policy governs the process for receiving, analyzing, and handling reports submitted by both employees and third parties, whether identified or anonymous and includes measures to ensure the integrity of investigations, confidentiality and the protection of whistleblowers from retaliation.

The Whistleblowing Policy includes actions or omissions that violate the Code of Ethics, the Anti-corruption Policy, or other corporate policies and procedures. It also covers any breaches of the Internal Control and Risk Management System or seriously improper conduct such as criminal offenses committed in the course of professional duties.

Within the reporting period, all BoD members, employees and business partners were notified and informed about the Whistleblowing Policy of the Company. In addition, training sessions on the Whistleblowing Policy were conducted reaching over 70% of the employees.

Communication Channels



GRI 2-16

DESFA encourages its employees to use the internal reporting channels to deal with whistleblowing reports effectively, diligently and within a reasonable timeframe. To facilitate this, DESFA has established several easily accessible reporting channels:

- › Electronically via e-mail to a specific address.
- › Verbally via a telephone hotline.
- › In writing via a dedicated post box.

During the reporting period, DESFA received three reports. The main issues reported concerned alleged behavior contrary to the Code of Ethics. The reports were processed by the Internal Audit Division and, upon the decision of the competent Ethics Committee, two were formally filed, while one was under assessment.

Investigation process



According to the Policy, an investigation process is to be conducted by Internal Audit and the decision is to be made by the Company's Ethics Committee, with regular reporting to the Audit Committee.

Upon receipt of a report from the whistleblowing channels, Internal Audit informs the Ethics Committee and conducts the preliminary investigation to determine whether the report is "verifiable" and "within scope".

If the preliminary result leads to further investigation, as decided by the Ethics Committee, Internal Audit will conduct all investigations to ensure that it will be possible to identify, analyze and evaluate all elements that may confirm whether the reported events are well-founded, and finally make the appropriate recommendations to the Ethics Committee.

PERSONAL DATA PROTECTION

GRI 418-1
ATHEX ESG C-G6

DESFA processes personal data in a lawful and fair manner, collecting and storing only the data necessary for specific, explicit and lawful purposes and keeping it no longer than necessary for the purposes for which it was collected. The permanent Data Protection Policy is in line with Regulation (EU) 2016/679, its transposition into Greek legislation (L. 4624/2019) and relevant data protection guidelines and good practices.

The above Data Protection Policy is supported by a number of related procedures, guidelines and other resources (registers, tools), such as:

- › Data Protection Impact Assessment Procedure.
- › Data Subject Request Management Procedure.

- › Consent Management Procedure.
- › Data Breach Management Procedure.
- › Data Protection by Design and by Default Operating Instructions.

In 2023, the Company conducted a GDPR training for employees and moved towards the operationalizing of the framework already in place. Based on the principles of Privacy by Design and by Default, the Data Minimization and Data Deletion Operating Instructions were approved and launched, and Data Processing Agreements (DPAs) were expanded and signed with the vast majority of data processors.

Within the reporting period of 2023, there were zero incidents in which the Company identified and reported a leak of personal data. Moreover, during the reporting period the Company did not receive any substantiated complaints concerning breaches of customer privacy.

CONFIDENTIAL INFORMATION

DESFA safeguards confidential and classified information, regardless of the manner and reason that such information has become known to the Company, and does not disclose it outside the Company, unless with the appropriate mitigating measures.

In particular, regarding commercially sensitive information, DESFA must protect the confidentiality of commercially sensitive information provided by NNGS Users, in the context of the Energy law 4001/2011 and their contractual relationship. To that end, specific confidentiality clauses are included in all business contracts and confidentiality obligations are specifically highlighted in the Company's Code of Ethics and Internal Labor Regulation, to which all employees are subject.

6.3 Systems integrity and business continuity

During 2023, DESFA continued to apply the emergency plan established by the RAEWW²⁷. The purpose of this plan was to define the responsibilities, obligations and actions to be taken in order to effectively address the supply disruption or the exceptionally high demand for gas, which has led to a significant deterioration of supply in the Greek natural gas market. Another reason for this plan was to define the information obligations, as well as the procedures and measures to be followed for several crisis levels.

Furthermore, the plan is implemented upon occurrence of crisis situations, applied to disruptions and operational constraints of the NNGS which affect or could affect the smooth operation of the market and/or security of gas supply. A crisis may be caused by either extrinsic or intrinsic risks, such as technical problems in the infrastructure of the NNGS, upstream and downstream interconnected systems, sabotage, vandalism, theft, reduced or interrupted gas supply, unexpected high demand, civil disorder, war, terrorism and natural disasters.

The Emergency Plan contains the measures to be taken by DESFA to remove or mitigate the impact of a potential gas supply disruption and shall:

- › Build upon the three crisis levels: Early Warning, Alert and Emergency.
- › Define the role and responsibilities of System Operators, RAEWW, Competent Authorities and Natural Gas market participants at each crisis level.
- › Ensure that Natural Gas undertakings and Major Natural Gas Customers are given sufficient opportunity to respond at each crisis level.
- › Identify the measures to be taken to mitigate the potential impact of a gas supply disruption.
- › Establish detailed procedures and measures to be followed for each crisis level.

Note:

²⁷) The emergency plan was established upon DESFA's proposal in accordance with the Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply, as in force, and in accordance with the provisions of Law 4001/2011 and Chapter 10 of the NNGS Network Code.

- › Define procedures for the implementation of non-market-based measures, ensuring that non-market-based measures are only used when market-based mechanisms alone can no longer ensure supply, in particular to protected customers.
- › Describe in detail the reporting obligations imposed on Natural Gas undertakings at alert and emergency levels.
- › Describe the mechanisms in place in case that assistance is required from the European Union and its Member States.

Additionally, in May 2023, it was decided that DESFA would modify its organizational structure, to ensure a correct subdivision of roles and responsibilities in the area of Information and Cybersecurity, by creating a new structure, the "Information Security and Business Continuity Department" in the "Risk, Compliance & Information Security (RCIS)" division.

The main goal of the Information Security and Business Continuity Department is to:

- › Design, develop and maintain the governance framework, necessary for the Information Security and Business Continuity Management Systems.
- › Monitor compliance with the obligations deriving from European and national regulations on Information Security in coordination with the competent corporate functions, as well as oversee relations with the relevant local, national and international Public Authorities.
- › Perform risk assessments and information security intelligence activities to identify potential threats and relevant countermeasures.
- › Disseminate information and promote culture and awareness regarding Information Security & Business Continuity.

ANNEXES

7.

- ABOUT THIS REPORT.
 - ESG KEY PERFORMANCE INDICATORS (KPs).
 - GRI CONTENT TABLE.
 - ATEX ESG GUIDE CONTENT TABLE.
 - SASB CONTENT TABLE OIL & GAS - MIDSTREAM
 - TCFD RECOMMENDATIONS TABLE.
 - IDENTIFIED IMPACTS.
 - GLOSSARY
-



7.1

About this report

GRI 2-2, GRI 2-3, GRI 2-5
 ATHEX ESG A-G5

This is DESFA's ESG Report for 2023 based on international standards for non-financial reporting, presenting information regarding the management approach and the performance on material sustainability topics relevant to DESFA business activities in Greece (which constitutes the significant location of operations) during the period of 01.01.2023-31.12.2023, aligned with its financial reporting period.

The Report aims to inform stakeholders of the impacts that DESFA creates or may create on the environment, people, and the economy, as well as to form a basis for comparing the performance of DESFA in sustainability matters for the coming years.

The scope of this report is limited to DESFA activities and does not include information for any other affiliated Company. It has been prepared in accordance with the GRI Standards 2021²⁸ and GRI 11 Oil and Gas Sector 2021, the updated Athens Stock Exchange ESG Reporting Guide 2022 and the SASB Standard «Oil and Gas - Midstream 2018».

The report also partly covers the TCFD recommendations on climate related financial disclosures and presents the impacts of the Company in

the context of the Sustainable Development Goals of the United Nations (UN SDGs).

DESFA has not proceeded with external assurance for the content of this report. However, it considers the possibility of receiving external assurance in future reports.

DESFA considers that the opinion of each reader on the content of the ESG Report is essential for constructive dialogue as well as corporate growth. For this purpose, you can send your comments and/or any queries to the following contact details:

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Coordinating Division:

- › Corporate Affairs, ESG & Communication.

Participating Divisions:

- › Asset Development.
- › Asset Management.
- › Commercial Services.
- › Finance.
- › HSSEQ.
- › Human Resources & Organization.
- › ICT and Facilities & Fleet Management.
- › Legal Affairs & Governance.
- › Risks, Compliance & Information Security.
- › Strategy & Development.
- › Supply Chain.

Note:

DESFA has reported in accordance with the GRI Standards for the period 01.01.2023-31.12.2023

7.2 ESG key performance indicators (KPIs)

The below tables display the quantitative indicators of GRI Standards 2021, ESG ATHEX GUIDE 2022 and SASB Standard «Oil and Gas Midstream 2018», presenting the corporate performance per material topic. The data covers the period 2021-2023 where the data are available (N/A indicating unavailability of required information) and applicable.

SASB STANDARD «OIL AND GAS - MIDSTREAM 2018» - ACTIVITY METRICS

SASB STANDARD «OIL AND GAS MIDSTREAM 2018»	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
EM-MD-000.A	Total metric ton-kilometers of natural gas	Metric ton (t) kilometers	1.125,88	504,77	588,1
	Total metric ton-kilometers of crude oil	Metric ton (t) kilometers	Not applicable	Not applicable	Not applicable
	Total metric ton-kilometers of refined petroleum products transported, by mode of transport	Metric ton (t) kilometers	Not applicable	Not applicable	Not applicable

7.2
ESG key performance indicators (KPIs)

MATERIAL TOPIC: CARBON FOOTPRINT

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
ENERGY CONSUMPTION WITHIN THE ORGANIZATION¹					
GRI 302-1	Fuel consumption within the organization from renewable sources	MJ	0	0	0
GRI 302-1	Fuel consumption (other than vehicles fleet) within the organization from non-renewable sources ²	MJ	687.941.518,46	198.877.294,99	384.366.091,31
GRI 302-1	Electricity purchased and consumed, not produced from renewable sources ^{3,4}	MJ	117.517.634,93	187.801.848,00	162.025.241,32
GRI 302-1	Electricity consumption within the organization from renewable energy sources – with guarantees of origin	MJ	0	0	0
GRI 302-1	Electricity sold	MJ	13.864.000,00	81.691,20	430.826,40
GRI 302-1	Energy consumption within the organization (in MJ)	MJ	791.595.153,39	386.597.451,79	545.960.506,23
ENERGY CONSUMPTION BREAKDOWN					
	Diesel ⁵	MJ	12.188.607,28	10.266.268,37	9.425.478,11
	Petrol ⁵	MJ	1.358.077,54	3.919.881,59	4.489.931,81
	LPG	MJ	0	0	0
	Natural Gas ⁶	MJ	674.393.735,41	184.691.145,03	370.450.657,83
	Electricity	MJ	117.517.634,93	187.801.848,00	162.025.241,32
	CNG	MJ	0	0	23,56
ENERGY CONSUMPTION AND PRODUCTION					
ATHEX ESG C-E3	Total amount of energy consumed (MWh)	MWh	219.887,56	107.388,00	151.656,00
ATHEX ESG C-E3	Proportion of electricity consumed	%	14,85	48,58	29,68
ATHEX ESG C-E3	Proportion of energy consumed from renewable sources	%	0	0	0
ATHEX ESG C-E3	Total amount of energy produced	MWh	23.991,44	1.359,40	1.085,49
ATHEX ESG C-E3	Total amount of energy produced	MWh	23.991,44	1.359,40	

Notes:

1) These values are calculated based on DEFRA (2021 & 2022) emission factors.

2) As per GRI 302-1 indicator requires, DESFA only reports energy consumed, therefore the natural gas that led to fugitive emissions, meaning that was not consumed as fuel, is not included in the energy consumption calculation but continues to be included for the greenhouse gas emissions calculation.

3) Electricity consumption within the organization, with and without guarantees of origin, excludes consumption of leased buildings.

4) During 2021 and 2022, a CHP unit providing electricity to the LNG terminal was underperforming due to maintenance. In 2023 the CHP unit did not operate as it was decided to be only on a stand-by mode and so the energy consumption was not affected.

5) The consumption of diesel is referred to heating needs of corporate facilities, stationery and diesel generators for emergency conditions. The decrease of diesel consumption is due to the lower operational profile of stationary equipment and diesel vehicles. The increased consumption of petrol is due to the increased operational profile of gasoline vehicles.

6) In 2021 DESFA used the LHV (Low Heating Value) for Natural Gas which during 2022 has been replaced by the respective HHV (High Heating Value). In 2023, the increase of natural gas consumption is due to higher operational profile of Compressor station and Flare in LNG Terminal. In 2023, the consumption of natural gas was increased due to the higher operational profile of Compressor station and Flare in LNG Terminal.



7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: CARBON FOOTPRINT

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
ATHEX ESG C-E3	Total energy produced form renewable sources	MWh	0	0	0
ATHEX ESG C-E3	Total energy produced form non-renewable sources	MWh	23.991,44	1.359,40	1.085,49
ATHEX ESG C-E3	Non-renewable energy produced	MWh (Electricity)	11.449,13	1.339,03	773,29
		MWh (Heating Power)	12.542,31	20,38	312,20
ATHEX ESG C-E3	Proportion of energy consumed from renewables	%	0	0	0
ATHEX ESG C-E3	Proportion of energy produced from renewables	%	0	0	0
ENERGY INTENSITY RATIO FOR THE ORGANIZATION					
GRI 302-3	Energy intensity ratio for the organization ⁷	MJ/Nm ³	0,13	0,07	0,12
DIRECT (SCOPE 1) GHG EMISSIONS²					
ATHEX ESG C-E1 / GRI 305-1 EM-MD-110a.1	Direct (Scope 1) GHG emissions ⁸	t CO ₂ e	42.114,12	18.553,46	26.383,24
EM-MD-110a.1	Percentage Methane	%	17,40	44,72	25,95
EM-MD-110a.1	Percentage covered under emissions-limiting regulations	%	77,80 ¹⁴	43,75	66,32
ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS					
ATHEX ESG / C-E2 GRI 305-2	Location-based emissions ⁹	t CO ₂ e	18.416,31	19.637,49	16.728,21
	Market-based emissions ⁹	t CO ₂ e	15.285,78	21.522,10	18.194,08
	Which gases were included in the calculation of the indirect emissions		CO ₂ , CH ₄	CO ₂ , CH ₄	CO ₂ , CH ₄

Notes:

(7) Calculation of energy intensity ratio includes the amount of the total consumed energy within the organization (including fuels, electricity and heating) in MJ per Nm³ of transferred natural gas.

(8) The increase of Scope 1 emissions is due to the higher operational profile of Compressor station and Flare in LNG Terminal.

(9) The increase of Scope 2 market-based emissions is due to changes in the operational profile of the company and the decrease of the emission factor from the energy mix of suppliers.



7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: CARBON FOOTPRINT

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
ENERGY INDIRECT (SCOPE 3) GHG EMISSIONS					
GRI 305-3	Other indirect (Scope 3) GHG emissions ¹⁰	t CO ₂ e	16.007,39	58.819,49	116.943,80
ENERGY INDIRECT (SCOPE 3) GHG EMISSIONS BREAKDOWN					
UPSTREAM¹⁰					
ATHEX ESG A-E1	Purchased goods and services	tCO ₂ e	2.432,59	20.296,22	16.540,34
ATHEX ESG A-E1	Capital goods	tCO ₂ e	560,00	24.446,39	94.531,35
ATHEX ESG A-E1	Fuel-and energy-related activities	tCO ₂ e	12.146,92	13.025,62	4.166,89
ATHEX ESG A-E1	Upstream transportation and distribution	tCO ₂ e	266,05	319,42	409,97
ATHEX ESG A-E1	Waste generated in operations	tCO ₂ e	1,16	1,13	1,32
ATHEX ESG A-E1	Business travel	tCO ₂ e	112,42	149,83	175,96
ATHEX ESG A-E1	Employee commuting	tCO ₂ e	448,89	494,82	557,76
DOWNSTREAM¹¹					
ATHEX ESG A-E1	Investments	tCO ₂ e	40,38	86,06	560,20
ATHEX ESG C-E1	GHG emissions intensity ratio (Scope 1)	grCO ₂ e / Nm ³	6,89	3,48	5,68
ATHEX ESG C-E2	GHG emissions intensity ratio (Scope 2 location-based)	grCO ₂ e / Nm ³	3,02	3,68	3,60
	GHG emissions intensity ratio (Scope 2 market-based)	grCO ₂ e / Nm ³	2,50	4,03	3,60
GRI 305-4	GHG emissions (sum of Scope 1 and Scope 2 location-based emissions) intensity ratio	grCO ₂ e / Nm ³	2,62	11,02	25,19
GRI 305-4	GHG emissions (sum of Scope 1 and Scope 2 market-based emissions) intensity ratio ¹²	grCO ₂ e / Nm ³	9,91	7,51	9,29

Notes:

(10) The increase of Scope 3 emissions is due to higher purchase order amount compared to 2022, since DESFA proceeded to grid expansion, new pipelines, compressors and metering Stations (construction and materials).

(11) New major Projects such as the rental of FSU at the LNG terminal, the construction and procurement of compressors [boil-off gas (BOG) compressor station BOG, TAP Booster and compressor station at Ampelia], the construction of new metering stations, the installation of new pipelines and the construction of a truck loading unit at the LNG terminal. accounted for a significant increase of Scope 3 emissions for 2023.

(12) Calculation of emissions intensity ratio includes the amount of Scope 1, Scope 2 market based and Scope 3 emissions in grams of CO₂ equivalent per Nm³ of transferred natural gas.



7.2
ESG key performance
indicators (KPIs)

CARBON FOOTPRINT GRI 2-4

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
GRI 305-4	GHG emissions (sum of Scope 1, Scope 2 location-based and Scope 3 emissions) intensity ratio	grCO ₂ e / Nm ³	9,40	7,51	9,60
GRI 305-4	GHG emissions (sum of Scope 1, Scope 2 market-based and Scope 3 emissions) intensity ratio	grCO ₂ e / Nm ³	12,53	18,17	34,48
GRI 305-4	GHG emissions intensity ratio (Scope 3)	grCO ₂ e / Nm ³	12,02	18,53	34,79
GRI 305-5²	Reduction of GHG emissions ^{1,13}	tCO ₂ e	3.451,14 (increase)	17.324,33	3.328,02

Note:

(13) The calculation of the change in GHG emissions includes Scope 1 and Scope 2 market-based emissions for 2021 and 2022 and Scope 2 market-based emissions for 2023, including CO₂ and CH₄, with 2021 as the baseline year as the Company has the relevant data to report from then.

MATERIAL TOPIC: EMPLOYMENT PRACTICES

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
EMPLOYEES					
GRI 2-7	Number of employees	#	510	563	593
	Number of male employees	#	352	371	387
	Number of female employees	#	158	192	206
	Number of permanent employees	#	510	563	593
	Number of temporary employees	#	0	0	0
	Number of full-time employees	#	510	563	593
	Number of part-time employees	#	0	0	0
GRI 2-8	Total number of workers who are not employees and whose work is controlled by the organization (full-time employees)	#	105	105	102
	Total number of workers who are not employees and whose work is controlled by the organization (average construction contractor personnel per month)	#	101	167	395



7.2
ESG key performance indicators (KPIs)

MATERIAL TOPIC: EMPLOYMENT PRACTICES

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2021		2022		2023	
ATHEX ESG C-S2	Percentage of female workers	%	31		34		35	
ATHEX ESG C-S3	Percentage of female employees in top 10% of employees by total compensation	%	29		30		31	
AVERAGE HOURS OF TRAINING PER EMPLOYEE			Male	Female	Male	Female	Male	Female
GRI 404-1	Average training hours per year per employee	h	23,0	14,0	16,0	12,8	36,7 ¹	30,6 ¹
GRI 404-1 / ATHEX ESG C-S5	Employees in the top 10% of employees by total compensation	h	23,3	29,4	33,2	46,7	23,6 ²	49,6
	Employees in the bottom 90% of employees by total compensation	h	22,9	11,7	13,1	8,2	39,4	27,6
GRI 404-1	Administrative staff	h	10,6	9,8	8,5	9,5	23,3	24,2
	Technicians	h	27,2	17,8	14,9	4,5	45,5 ³	37,4 ³
	Craftsmen - other	h	23,3	29,4	33,2	46,7	23,6	49,6

Notes:

- (1) The difference in administration is created by the launch of the DESFA training Curriculum in early 2023 (which was not in place in 2022) and which offers more and varied trainings in which employees participate.
- (2) In 2022, DESFA had an extensive team leadership program for the N-1 level (N-1 is part of the "top 10% of employees by total compensation"), which is mainly made up of male employees. This program did not take place in 2023. In 2022, DESFA also had some N-1 & N-2 level participation in GasTech (for gas technologies), which was also a one-off.
- (3) In 2023, the number of technicians hired was increased and the new employees participated on a training plan on all relevant issues. In addition, new training courses have been added in relation to the new obligations arising in the technical area, which have been completed by all technicians (e.g., Emergency Response Plan training).

GRI STANDARDS 2021 ATHEX ESG GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2023 ¹					
			TOTAL	FEMALE	MALE	<30 years old	30-50 years old	>50 years old
GRI 401-1	Number of new employee hires	#	58	22	36	10	40	8
	Ratio of new employee hires	%	23	20	25	53	13	3
	Number of employee turnover	#	30	9	21	2	9	19
	Ratio of employee turnover	%	7	3	9	11	3	7
ATHEX ESG C-S4	Voluntary turnover rate	%	1,73	N/A	N/A	N/A	N/A	N/A
	Involuntary turnover rate	%	0	N/A	N/A	N/A	N/A	N/A



7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: EMPLOYMENT PRACTICES

GRI STANDARDS 2021 ATHEX ESG GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2022					
			TOTAL	FEMALE	MALE	<30 years old	30-50 years old	>50 years old
GRI 401-1	Number of new employee hires	#	78	42	36	5	53	20
	Ratio of new employee hires	%	14	22	10	36	18	8
	Number of employee turnover	#	24	6	18	2	11	11
	Ratio of employee turnover	%	4	3	5	14	4	4
ATHEX ESG C-S4	Voluntary turnover rate	%	2,61	N/A	N/A	N/A	N/A	N/A
	Involuntary turnover rate	%	0	N/A	N/A	N/A	N/A	N/A

GRI STANDARDS 2021 ATHEX ESG GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021					
			TOTAL	FEMALE	MALE	<30 years old	30-50 years old	>50 years old
GRI 401-1	Number of new employee hires	#	53	24	29	10	38	5
	Ratio of new employee hires	%	10	15	8	50	14	2
	Number of employee turnover ²	#	5	N/A	N/A	N/A	N/A	N/A
	Ratio of employee turnover	%	1	N/A	N/A	N/A	N/A	N/A
ATHEX ESG C-S4	Voluntary turnover rate	%	1,02	N/A	N/A	N/A	N/A	N/A
	Involuntary turnover rate	%	0	N/A	N/A	N/A	N/A	N/A

Notes:

(1) The "Other" and "Not Disclosed" percentages are zero for all categories for the years 2021-2023.

(2) Due to technical constraint of human resources data basis, DESFA was unable to provide data regarding employees' turnover per gender for the year 2021.

7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: EMPLOYMENT PRACTICES GRI 2-4¹

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2023				
			TOTAL	FEMALE	MALE	Other	Not Disclosed
GRI 401-3	Total number of employees that were entitled to parental leave	#	18	16	2	0	0
	Total number of employees that took parental leave	#	18	16	2	0	0
	Total number of employees that returned to work after parental leave ended	#	17	15 ⁴	2	0	0
	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	#	16	14	2	0	0
	Total number of employees due to return to work after taking parental leave	#	17	15	2	0	0
	Return to work rate (%)	%	100	100	100	0	0
	Retention rate (%)	%	100	100	100	0	0

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2022				
			TOTAL	FEMALE	MALE	Other	Not Disclosed
GRI 401-3	Total number of employees that were entitled to parental leave	#	20	18	2	0	0
	Total number of employees that took parental leave	#	20	18	2	0	0
	Total number of employees that returned to work after parental leave ended	#	16	14 ²	2	0	0
	Total number of employees due to return to work after taking parental leave	#	16	14	2	0	0
	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	#	14	14	2	0	0
	Return to work rate (%)	%	100	100	100	0	0
	Retention rate (%)	%	100	100	100	0	0

7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: EMPLOYMENT PRACTICES GRI 2-4¹

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2021				
			TOTAL	FEMALE	MALE	Other	Not Disclosed
GRI 401-3	Total number of employees that were entitled to parental leave	#	15	13	2	0	0
	Total number of employees that took parental leave	#	15	13	2	0	0
	Total number of employees that returned to work after parental leave ended	#	14	12 ²	2	0	0
	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	#	N/A	N/A	N/A	N/A	N/A
	Total number of employees due to return to work after taking parental leave	#	14	12	2	0	0
	Return to work rate (%)	%	100	100	100	0	0
	Retention rate (%)	%	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The calculation methodology of return to work rate and retention rate changed and DESFA proceeded to re-calculate them in 2021-2023 period.
- (2) The one woman who did not return in 2021, she returned within 2022.
- (3) The four women who did not return in 2021, they returned within 2023.
- (4) The one woman who has not returned within 2023, she will be returning during 2024.

7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: OCCUPATIONAL HEALTH & SAFETY GRI 2-4

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM¹					
GRI 403-8	Employees and workers who are not employees but whose work and / or workplace is controlled by the organization	#	775	835	1.090
GRI 403-8	Number and percentage of all employees and workers who are not employees but whose work and / or workplace is controlled by the organization, who are covered by a health and safety management system	#	775	835	1.090
		%	100	100	100
GRI 403-8	Number and percentage of all employees and workers who are not employees but whose work and / or workplace are controlled by the organization, who are covered by a health and safety system that has been internally audited	#	775	835	1.090
		%	100	100	100
GRI 403-8	Number and percentage of all employees and workers who are not employees but whose work and / or workplace is controlled by the organization, who are covered by a health and safety system that has been audited by an external body	#	775	835	1.090
		%	100	100	100
WORK-RELATED INJURIES / HEALTH & SAFETY PERFORMANCE					
EMPLOYEES					
GRI 403-9	Number of hours worked	#	815.055	908.834	689.960
GRI 403-9 / ATHEX ESG SS-S6	Number of fatalities as a result of work-related injury	#	0	0	0
GRI 403-9	Rate of fatalities as a result of work-related injury	%	0	0	0
GRI 403-10	The number of fatalities as a result of work-related ill health	#	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Number of high-consequence work-related injuries (excluding fatalities)	#	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Rate of high-consequence work-related injuries (excluding fatalities)	%	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Number of recordable work-related injuries ²	#	6	8	9
GRI 403-9 / ATHEX ESG SS-S6	Rate of recordable work-related injuries ³	%	1,47	1,76	13,04
GRI 403-9 / ATHEX ESG SS-S6	Accident severity rate ⁴	%	53,79	26,41	11,59
GRI 403-10	The number of cases of recordable work-related ill health	#	0	0	0



7.2
ESG key performance indicators (KPIs)

GRI 403-9
ATHEX ESG SS-S6

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
WORKERS WHO ARE NOT EMPLOYEES BUT WHOSE WORK AND / OR WORKPLACE IS CONTROLLED BY THE ORGANIZATION					
GRI 403-9	Number of hours worked	#	278.452	379.632	846.266
GRI 403-9 / ATHEX ESG SS-S6	Number of fatalities as a result of work-related injury	#	0	0	0
GRI 403-9	Rate of fatalities as a result of work-related injury	%	0	0	0
GRI 403-10	The number of fatalities as a result of work-related ill health;	#	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Number of high-consequence work-related injuries (excluding fatalities)	#	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Rate of high-consequence work-related injuries (excluding fatalities)	%	0	0	0
GRI 403-9 / ATHEX ESG SS-S6	Number of recordable work-related injuries ²	#	3	1	0
GRI 403-9 / ATHEX ESG SS-S6	Rate of recordable work-related injuries ³	%	2,15	0,53	0
GRI 403-9 / ATHEX ESG SS-S6	Accident severity rate ³	%	0	0	0
GRI 403-10	The number of cases of recordable work-related ill health	#	0	0	0
NUMBER OF REPORTABLE PIPELINE INCIDENTS, PERCENTAGE SIGNIFICANT					
EM-MD-540a.1	Reportable pipeline incidents	#	0	1	0
		%	0	100	0
PERCENTAGE OF (1) NATURAL GAS AND (2) HAZARDOUS LIQUID PIPELINES INSPECTED					
EM-MD-540a.2	Natural gas network inspected	%	28,4	0	24 ⁵
	Hazardous liquid pipelines inspected	%	N/A	N/A	N/A

Notes:

(1) In ESG Report 2022, was inadvertently stated that employees and workers covered by an occupational health and safety management system amounted to 775 instead of 835.

(2) For 2022 minor injuries resulting from slips and trips.

(3) For 2023, Indicators are calculated at a rate of 1.000.000 ([total number of recordable work-related injuries or number of working days lost due to work-related accidents / total number of working hours of all employees per year] x 1.000.000). In previous years the Company used the coefficient of 200.000 workhours.

(4) Accident severity rate based on terminology of the ESG Disclosure Guide 2022 of the Athens Stock Exchange.

(5) For 2023, DESFA inspected 305 km of the Main Pipeline route that equals to the 60% of the Main Pipeline route (main pipeline route equals to 512km) and to the 24% of the entire pipeline route (entire pipeline route equals 1.465,2 km).

**7.2
ESG key performance
indicators (KPIs)**

MATERIAL TOPIC: ECONOMIC IMPACTS

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED¹					
DIRECT ECONOMIC VALUE GENERATED					
GRI 201-1	Revenues	thousand EUR	214.639	323.350	597.935 ²
ECONOMIC VALUE DISTRIBUTED					
GRI 201-1	Operating Costs	thousand EUR	55.538	134.920	306.541
	Employee wages and benefits		25.782	27.870	32.316
	Payments to providers of capital		6.887	6.748	7.679
	Payments to government		11.044	16.052	39.826
	Community investments		329	325	351
	Total economic value distributed		99.580	185.915	386.713
FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT					
GRI 201-4	Direct economic value generated	thousand EUR	214.639	323.350	597.935
	Economic value distributed		99.580	185.915	386.713
	Total retained value		115.059	137.435	211.222
FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT					
GRI 201-4	Investment Grants	thousand EUR	627	7.396	5.966
PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY					
GRI 202-2	Proportion of senior management hired from the local community ^{3,4}	%	15	15	16

Notes:

(1) The table above depicts P&L figures (e.g., invoices & provisions) and not cash movements for the period. The P&L figures translate to Cash movements with a lag of 1-2 months.

(2) Total revenues of reporting period 2023 amounted to 597.935 thousand EUR including the turnover (EUR 573.157 thousand) plus other operating income & interest income. The increase in 2023 revenues is mainly related to DESFA's regulated services (large amounts of auction premia in 2023 and some higher capacity bookings and tariffs compared to 2022), as well as to revenues from profit neutral operations (result of the realization of the Security of Supply actions of the 2022 Preventing Action Plan (PAP) and the higher costs for Balancing Gas (prices and quantities).

(3) DESFA defines senior management as the N-2 organizational roles of the Company and above, according to the respective divisional size and scope and the business geographical definition of local by the base locations of our Company such as Revithoussa, Patima, New Messimvria, Sidirokastro and the surrounding areas.

(4) DESFA's geographical definition refers to Greece and more specifically, Central Greece, Peloponnese, Thessaly, Macedonia and Thrace. All network locations are considered as significant since they constitute distinctive organizational areas regarding the corporate operation.

7.2
ESG key performance
indicators (KPIs)

MATERIAL TOPIC: ECONOMIC IMPACTS GRI 2-4

GRI STANDARDS 2021	ESG PERFORMANCE INDICATORS	2021		2022		2023	
		VALUE OF PERIOD PURCHASES THOUSAND EUR	VALUE OF PERIOD PURCHASES (%)	VALUE OF PERIOD PURCHASES THOUSAND EUR	VALUE OF PERIOD PURCHASES (%)	VALUE OF PERIOD PURCHASES THOUSAND EUR	VALUE OF PERIOD PURCHASES (%)
PROPORTION OF SPENDING ON LOCAL SUPPLIERS							
GRI 204-1	NATIONAL SUPPLIERS	73.844.921,89	79,21%	184.772.006,66	47,53%	133.115.783,71	59,03%
	Central Greece	73.527.028,24	88,95%	183.363.225,57	93,51%	132.393.371,65	85,84%
	Peloponnese	1.096,00	0,24%	0	0,00%	1.169,35	0,05%
	Macedonia	138.462,65	2,88%	1.336.631,88	2,99%	515.028,82	1,67%
	Thessaly	43.972,27	1,90%	33.664,94	0,06%	73.736,28	0,87%
	Thrace	134.362,73	4,47%	38.484,27	0,04%	132.477,61	0,45%
	INTERNATIONAL SUPPLIERS	19.381.852,13	20,79%	203.997.339,61	52,47%	92.389.395,52	40,97%
	Central Greece	9.135.586,34	11,05%	12.720.846,61	6,49%	21.843.077,27	14,16%
	Peloponnese	446.909,47	99,76%	1.895.853,36	100,00%	2.568.631,14	99,95%
	Macedonia	4.661.083,25	97,12%	43.404.094,09	97,01%	30.253.607,55	98,33%
	Thessaly	2.267.534,64	98,10%	57.806.786,30	99,94%	8.391.242,95	99,13%
	Thrace	2.870.738,43	95,53%	88.169.759,25	99,96%	29.332.836,61	99,55%
	TOTAL	93.226.774,02	100,00%	388.769.346,27	100,00%	225.505.179,23	100,00%
	Central Greece	82.662.614,58	100,00%	196.084.072,18	100,00%	154.236.448,92	100,00%
	Peloponnese	448.005,47	100,00%	1.895.853,36	100,00%	2.569.800,49	100,00%
	Macedonia	4.799.545,90	100,00%	44.740.725,97	100,00%	30.768.636,37	100,00%
	Thessaly	2.311.506,91	100,00%	57.840.451,24	100,00%	8.464.979,23	100,00%
Thrace	3.005.101,16	100,00%	88.208.243,52	100,00%	29.465.314,22	100,00%	

Note:

In the ESG Report 2022 was inadvertently stated that value of period purchases in thousand EUR instead of EUR. DESFA's geographical definition of local refers to regions of Greece and more specifically, Central Greece, Peloponnese, Thessaly, Macedonia and Thrace and it is closely related to the Facilities of the Purchase Requisition/Demand. Therefore, DESFA considers local suppliers as those who are based within the demand regions and as non-local suppliers as those who are based outside the demand regions, e.g. other suppliers from the domestic market (Greece) as also suppliers from abroad (international).

**7.2
ESG key performance
indicators (KPIs)**

MATERIAL TOPIC: BUSINESS CONDUCT

GRI STANDARDS 2021 ESG ATHEX GUIDE 2022	ESG PERFORMANCE INDICATORS	UNIT	2021	2022	2023
GRI 2-27	Total number of fines for instances of non-compliance with laws and regulations ¹	#	1	0	0
	Monetary value of fines for instances of non-compliance with laws and regulations ¹	EUR	1.100.585,98	0	0
GRI 205-3	Confirmed incidents of corruption	#	0	0	0
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	#	0	0	0
ATHEX ESG A-G2	Total amount of monetary losses as a result of court proceedings associated with charges of bribery or corruption	EUR	0	0	0
	Total amount of monetary losses as a result of court proceedings associated with charges of anti-competitive practices	EUR	0	0	0
ATHEX ESG SS-S4	Labor law violations	EUR	265.500	0	0

Note:

(1) The fine was imposed in 2012 and paid in 2021 but the relevant court decision is not final yet.

7.3 GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES							
GRI 2: General Disclosures 2021	2-1 Organisational details	2. Corporate Profile 2.1 Mission, vision and values	10	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organisation's sustainability reporting	7. Annexes 7.1 About this report	89				
	2-3 Reporting period, frequency and contact point	7. Annexes 7.1 About this report	89				
	2-4 Restatements of information	1. Introduction 1.2 DESFA at a glance	7				
		2. Corporate Profile 2.2 Activities, value chain and business relationships	20				
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	92,94,97,98,99,102				
	2-5 External assurance	7. Annexes 7.1 About this report	89				
	2-6 Activities, value chain and other business relationships	2. Corporate Profile 2.2 Activities, value chain and business relationships	14-19				
	2-7 Employees	5. Society 5.1 Employment practices	56				
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	94				
	2-8 Workers who are not employees	5. Society 5.1 Employment practices	56				
7. Annexes 7.2 ESG Key Performance Indicators (KPIs)		94					
2-9 Governance structure and composition	6. Governance 6.1 Corporate governance	81					
2-10 Nomination and selection of the highest governance body	6. Governance 6.1 Corporate governance	81,82	2-10b	Not applicable	The Members of the BoD are appointed as per the provisions of the Articles of Association on the basis of the current allocation of voting rights among the Shareholders.		
2-11 Chair of the highest governance body	6. Governance 6.1 Corporate governance	81					



7.3
GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	3. Sustainable development approach 3.1 Strategy	30				
		6. Governance 6.1 Corporate governance	80				
	2-13 Delegation of responsibility for managing impacts	3. Sustainable development approach 3.1 Strategy	30				
		6. Governance 6.1 Corporate governance	80				
	2-14 Role of the highest governance body in sustainability reporting	3. Sustainable development approach 3.4 Materiality analysis	36				
	2-15 Conflicts of interest	6. Governance 6.1 Corporate governance	82				
	2-16 Communication of critical concerns	6. Governance 6.2 Business conduct	86				
	2-17 Collective knowledge of the highest governance body	6. Governance 6.1 Corporate governance	81				
	2-18 Evaluation of the performance of the highest governance body			2-18 a, 2-18b, 2-18c	Not applicable	Evaluating the performance of the BoD in overseeing the management of the Company's impacts on the economy, environment, and people, is not foreseen at the moment.	
	2-19 Remuneration policies	6. Governance 6.1 Corporate governance	82				
	2-20 Process to determine remuneration	6. Governance 6.1 Corporate governance	82	2-20 b	Confidentiality constraints		
2-21 Annual total compensation ratio			2-21 a, 2-21 b, 2-21 c	Confidentiality constraints	DESFA considers the required information confidential due to competition reasons and its employee's security.		
2-22 Statement on sustainable development strategy	1. Introduction 1.1 CEO message	4-6					

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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES							
GRI 2: General Disclosures 2021	2-23 Policy commitments	5. Society 5.1 Employment practices	55				
		6. Governance 6.2 Business conduct	84				
	2-24 Embedding policy commitments	6. Governance 6.2 Business conduct	84				
	2-25 Processes to remediate negative impacts	5. Society 5.3 Local Communities	70				
	2-26 Mechanisms for seeking advice and raising concerns	6. Governance 6.2 Business conduct	86				
	2-27 Compliance with laws and regulations	6. Governance 6.2 Business conduct	85				
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	103				
	2-28 Membership associations	3. Sustainable development approach 3.2 Memberships and awards	31				
2-29 Approach to stakeholder engagement	3. Sustainable development approach 3.3 Stakeholder engagement	33-35					
2-30 Collective bargaining agreements	5. Society 5.1 Employment practices	56					

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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3. Sustainable development approach 3.4 Materiality analysis	36-37	<i>A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.</i>			
	3-2 List of material topics	3. Sustainable development approach 3.4 Materiality analysis	38				
ENVIRONMENT							
Climate adaptation, resilience, and transition/Innovation							
GRI 3: Material Topics 2021	3-3 Management of material topics	4. Environment 4.1 Climate adaptation, resilience and transition	40-44				11.2.1
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	4. Environment 4.1 Climate adaptation, resilience and transition	41,42				No reference
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	4. Environment 4.2 Carbon footprint	48				11.2.3
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	94				
Additional sector disclosure	Describe the organization's approach to public policy development and lobbying on climate change	4. Environment 4.1 Climate adaptation, resilience and transition	41,42				11.2.4




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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Carbon Footprint							
GRI 3: Material Topics 2021	3-3 Management of material topics	4. Environment 4.2 Carbon footprint	45-52				11.1.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	51 91				11.1.2
	302-2 Energy consumption outside of the organization			302-2a, 302-2b, 302-2c	Information unavailable/incomplete	DESFA uses the upstream and downstream categories and activities from the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard' for identifying relevant energy consumption outside of the organization. "Fuel and energy-related activities (other than fugitives)" category which constitutes 3,56% of Scope 3 emissions, is already included in GRI 302-1 (apart from fugitive emissions which are excluded from the scope). "Purchased goods and services", "Capital goods" and "Investments" constitute 94,46% of Scope 3 emissions and cannot be converted into "energy consumption outside the organization" due to the methodology used to calculate the emissions which is based on spent report. "Upstream transportation and distribution", "business travel" and "employee commuted" are not reported under GRI 302-2 as they constitute 0,98% of the Scope 3 emissions and are deemed insignificant by the Company to proceed with the calculation.	11.1.3
	302-3 Energy intensity	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	52 92				11.1.4

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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Carbon Footprint							
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	46-48 92				11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	46-48 92				11.1.6
	305-3 Other indirect (Scope 3) GHG emissions	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	46-49 93				11.1.7
	305-4 GHG emissions intensity	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	49 93-94				11.1.8

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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
 SOCIETY							
Employment practices							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.1 Employment practices	54-62				11.10.1
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	57 95-96				11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5. Society 5.1 Employment practices	57				11.10.3
	401-3 Parental leave	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	57 97-98				11.10.4
	GRI 402: Labor / Management Relations 2016	402-1 Minimum notice periods regarding operational changes	5. Society 5.1 Employment practices	55			
GRI 404: Training & Education 2016	404-1 Average hours of training per year per employee	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	60-61 95				11.10.6
	404-2 Programs for upgrading employee skills and transition assistance programs	5. Society 5.1 Employment practices	58				11.10.7
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria			414-1a	Information unavailable/incomplete	DESFA has not yet developed a supplier qualification process. The supplier qualification process will be implemented in 2023 for pilot Vendors and will be approved and into force in 2024.	11.10.8
	414-2 Negative social impacts in the supply chain and actions taken			414-2a, 414-2b, 414-2c, 414-2d, 414-2e			11.10.9



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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Freedom of association and collective bargaining							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.1 Employment practices	54				11.13.1
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			407-1a, 407-1b	Information unavailable/ incomplete	DESFA has not proceeded with screening regarding Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	11.13.2
Occupational health and safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.2 Occupational health and safety	63-65				11.9.1
GRI 403: Occupational Health & Safety 2018	403-1 Occupational health and safety management system	5. Society 5.2 Occupational health and safety	64				11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	5. Society 5.2 Occupational health and safety	64				11.9.3
	403-3 Occupational health services	5. Society 5.2 Occupational health and safety	65				11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	5. Society 5.2 Occupational health and safety	65				11.9.5
	403-5 Worker training on occupational health and safety	5. Society 5.2 Occupational health and safety	65				11.9.6
	403-6 Promotion of worker health	5. Society 5.2 Occupational health and safety	65				11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5. Society 5.2 Occupational health and safety	64				11.9.8
	403-8 Workers covered by an occupational health and safety management system	5. Society 5.2 Occupational health and safety 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	66 99				11.9.9



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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
GRI 403: Occupational Health & Safety 2018	403-9 Work-related injuries	5. Society 5.2 Occupational health and safety	66-67				11.9.10
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	99-100				
	403-10 Work-related ill health	5. Society 5.2 Occupational health and safety	66				11.9.11
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	99-100				
Asset Integrity and critical incident management							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.2 Occupational health and safety	63				11.8.1
GRI 306: Effluents and Waste 2016	306-3 Significant spills	5. Society 5.2 Occupational health and safety	64				11.8.2
Additional sector disclosures	Total number of Tier 1 and Tier 2 process safety events				Not applicable	DESFA has not developed Tier 1 and Tier 2 process safety events since has not activities like exploration, development, production, closure and rehabilitation, refining, and processing.	11.8.3
	Training facilities for companies with oil sands mining operations				Not applicable	DESFA has not oil sands mining operations.	11.8.4
Local communities							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.3 Local communities	68-70, 72-75				11.15.1
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	5. Society 5.3 Local communities	69				11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	5. Society 5.3 Local communities	71				11.15.3
Additional sector disclosures	Report the number and type of grievances from local communities identified	5. Society 5.3 Local communities	70				11.15.4




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GRI content table

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Land rights							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.3 Local communities	68,71				11.16.1
Additional sector disclosures	List the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing	5. Society 5.3 Local communities	71				11.16.2
Economic impacts							
GRI 3: Material Topics 2021	3-3 Management of material topics	5. Society 5.4 Economic impacts	76				11.14.1
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	5. Society 5.4 Economic impacts	77				11.14.2
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	101				
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	5. Society 5.4 Economic impacts	77				11.14.3
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	101				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	5. Society 5.4 Economic impacts	77				11.14.4
	203-2 Significant indirect economic impacts			203-2a, 203-2b	Information unavailable/incomplete	DESFA did not record in a systematic way the significant indirect positive or negative economic impacts, data have been requested by the Contractor of the West Macedonia Pipeline but are not yet provided. DESFA aims to include the requirements of the indicator in the next reporting period.	11.14.5
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	5. Society 5.4 Economic impacts	78				11.14.6
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	102				





**7.3
GRI content table**

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORT REFERENCE	PAGE	OMISSION			GRI SECTOR STANDARD REF. NO .
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
 GOVERNANCE							
Business conduct¹⁴							
GRI 3: Material Topics 2021	3-3 Management of material topics	6.Governance 6.2 Business conduct	83-86				11.19.1 11.20.1 11.21.1 11.22.1
GRI 201: Anti- corruption 2016	201-4 Financial assistance received from government	5. Society 5.4 Economic impacts	78				11.21.3
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	101				
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	6.Governance 6.2 Business conduct	84-85				11.20.2
	Communication and training about anti-corruption policies and procedures	6.Governance 6.2 Business conduct		205-2 b, 205-2 c, 205-2 d, 205-2 e	Information unavailable/incomplete	DESFA did not record the number and percentage of employees, partners and governance members to whom the company's corruption policies and procedures have been communicated, broken down by employee category, partner's type and region, as also the number of employees who have received training on anti-corruption, broken down by employee category and region. DESFA aims to include the index requirements in the next reporting period.	11.20.3
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	84-85				11.20.4
	205-3 Confirmed incidents of corruption and actions taken	6.Governance 6.2 Business conduct	84-85				
Additional sector disclosures	Describe the approach to contract transparency	6.Governance 6.2 Business conduct	85				11.20.5
	List the organization's beneficial owners						11.20.6
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	6.Governance 6.2 Business conduct	85				11.19.2
Additional sector disclosure	Oil and gas purchased from the state				Not applicable	DESFA did not purchase natural gas from the Greek state.	11.21.8
GRI 415: Public Policy 2016	415-1 Political contributions	6.Governance 6.2 Business conduct					11.22.2
Privacy							
GRI 3: Material Topics 2021	3-3 Management of material topics	6.Governance 6.2 Business conduct	83,86				No reference
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.Governance 6.2 Business conduct	86				No reference
		7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	103				

7.3
GRI content table

TOPICS IN THE GRI 11 OIL & GAS SECTOR 2021 THAT ARE NOT MATERIAL FOR THE ORGANIZATION	
TOPIC	EXPLANATION
11.3 Air emissions	All relevant information regarding the corporate emissions of DESFA are included under the “Carbon Footprint” topic.
11.4 Biodiversity	In a length of 1.465,2 km of the NNGS pipeline and the above-ground and underground installations, the percentage of land owned, leased, and operated within areas of protected conservation status or endangered species habitat is 12%. Therefore, it is not considered a material topic for reporting purposes.
11.5 Waste	A new materiality analysis will be conducted in Q4 2024, where DESFA will reassess the significance of its impacts on waste.
11.6 Water and effluents	The water discharges of the Company are minor, and the related withdrawal and consumption of water was not considered material topic for reporting purposes.
11.7 Closure and rehabilitation	The business of the Company does not include closure and rehabilitation of operational sites, therefore the respective impacts on the environment, local communities and workers were considered not applicable.
11.11 Non-discrimination and equal opportunity	DESFA applies a Code of Ethics and a Whistleblowing Policy that contributes essentially to safeguarding the provision of equal opportunities and the prevention of discrimination incidents and did not face any relevant incidents. Therefore the “Non-discrimination and equal opportunity” topic was not considered material for reporting purposes.
11.12 Forced labor and modern slavery	The country where DESFA operates has a strict regulated framework and applies clauses that ensure vendor’s compliance with all the relevant labor laws.
11.17 Rights of indigenous peoples	There are no indigenous people in Greece.
11.18 Conflict and security	The operation of DESFA neither triggered or intensified any types of conflicts, especially since DESFA does not operate in countries characterized by political and social instability.
11.21 Payments to governments	The topic was identified as material for the economic performance-relevant indicators, GRI 201-1 (11.21.2) and GRI 201-4 (11.21.3), but not for the tax-relevant indicators, GRI 207-1 – 207-4 (11.21.4 – 11.21.7), since the Company is not operating in a developing country or a country with tax benefits where there is increased risk for tax avoidance, evasion and information asymmetry.

7.4 ATHEX ESG guide content table

ESG CLASSIFICATION	ID	METRIC TITLE	REPORT REFERENCE	PAGE	NOTES	
CORE METRICS						
 ENVIRONMENTAL	C-E1	Scope 1 emissions	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators	49 92-93		
	C-E2	Scope 2 emissions	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators	49 92-93		
	C-E3	Energy consumption and production	4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators	51 91-92		
 SOCIAL	C-S1	Stakeholder engagement	3. Sustainable development approach 3.3 Stakeholder engagement	33-35		
	C-S2	Female employees	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators	56 95		
	C-S3	Female employees in management positions	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators	56 95		
	C-S4	Employee turnover	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators	57 95-96		
	C-S5	Employee training	5. Society 5.1 Employment practices 7. Annexes 7.2 ESG Key Performance Indicators	60-61 95		
	C-S6	Human rights policy				DESFA does not have a stand-alone human rights policy.
	C-S7	Collective bargaining agreements	5. Society 5.1 Employment practices	56		
	C-S8	Supplier assessment	5. Society 5.1 Employment practices	61		DESFA is developing a Vendor Qualification Procedure, which will be effective from 2024 onwards, while in 2023 the Company conducted the Pilot Project qualifying selected vendors testing the whole process.



7.4
ATHEX ESG
guide content table

ESG CLASSIFICATION	ID	METRIC TITLE	REPORT REFERENCE	PAGE	NOTES
ADVANCED METRICS					
 GOVERNANCE	C-G1	Board composition	6. Governance 6.1 Corporate governance	81	The ESG related qualifications of the board members are not available
	C-G2	Sustainability oversight	3. Sustainable development approach 3.1 Strategy	30	
	C-G3	Materiality	3. Sustainable development approach 3.4 Materiality analysis	36-37	
	C-G4	Sustainability policy	3. Sustainable development approach 3.1 Strategy	22	
	C-G5	Business ethics policy	6. Governance 6.2 Business conduct	84	
	C-G6	Data security policy	6. Governance 6.2 Business conduct	86	
ADVANCED METRICS					
 ENVIRONMENTAL	A-E1	Scope 3 emissions	4. Environment 4.2 Carbon footprint	46-49	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	93	
	A-E2	Climate change risks and opportunities	4. Environment 4.1 Climate adaptation, resilience & transition	43	
	 GOVERNANCE	A-G1	Business model	2. Corporate Profile 2.2 Activities, value chain and business relationships	20
A-G2		Business ethics violations	6. Governance 6.2 Business conduct	85	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	103	
A-G3		ESG targets	3. Sustainable development approach 3.1 Strategy	23-29	
A-G5	External assurance	7. Annexes 7.1 About this report	89		
SECTOR SPECIFIC METRICS					
 ENVIRONMENTAL	SS-E1	Emission strategy	4. Environment 4.2 Carbon footprint	50	
 SOCIAL	SS-S4	Labour law violations	6. Governance 6.2 Business conduct	85	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	103	
	SS-S6	Health & Safety performance	5. Society 5.2 Occupational health and safety	66	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	99-100	
 GOVERNANCE	SS-G1	Whistleblowing Policy	6. Governance 6.2 Business conduct	86	

7.5 SASB content table-Oil & Gas-Midstream

TOPIC	CODE	ACCOUNTING METRIC	REPORT REFERENCE	PAGE	NOTES
	EM-MD-000.A	Total metric ton-kilometers of natural gas	1. Introduction 1.2 DESFA at a glance	8	
		Total metric ton-kilometers of crude oil	-		Not applicable
		Total metric ton-kilometers of refined petroleum products transported, by mode of transport	-		Not applicable
Greenhouse Gas Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	4. Environment 4.2 Carbon footprint	46-48	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	92	
	EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	4. Environment 4.2 Carbon footprint	46-48,52	
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	4. Environment 4.1 Climate adaptation, resilience and transition	41	
Operational Safety, Emergency Preparedness & Response	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	5. Society 5.2 Occupational health and safety	64	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	100	
	EM-MD-540a.2	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	5. Society 5.2 Occupational health and safety	64	
			7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	100	
EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	5. Society 5.2 Occupational health and safety	64		

7.6 TCFD recommendations table

AREAS	RECOMMENDATIONS	REPORT REFERENCE	PAGE		
Governance	Describe the board's oversight of climate-related risks and opportunities	4. Environment 4.1 Climate adaptation, resilience and transition	43		
	Describe management's role in assessing and managing climate-related risks and opportunities				
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term				
	Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning				
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario				
Risk management	Describe the organization's processes for identifying and assessing climate-related risks				
	Describe the organization's processes for managing climate-related risks				
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management				
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process			4. Environment 4.2 Carbon footprint	46-49
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks				7. Annexes 7.2 ESG Key Performance Indicators (KPIs)
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	3. Sustainable development approach 3.1 Strategy 4. Environment 4.2 Carbon footprint 7. Annexes 7.2 ESG Key Performance Indicators (KPIs)	23-25 46-49,51-52 92-93		

7.7 Identified impacts

POSITIVE IMPACTS

#	IMPACTS	DESCRIPTION
1	Addressing climate change	Contribution of the natural gas transmission system in the energy transition to sources with reduced carbon footprint, the commitment to reduce fugitive emissions (20% by 2025), and actions within the decarbonization action plan.
2	Improving air quality	Monitoring of the CO ₂ emissions (European Trading System related) on a monthly basis, the implementation of dust suppressant measures in construction sites and utilization of biomethane or hydrogen in the fuel mix.
3	Protection of water resources	Online measurement system to monitor the temperature and PH of sea water discharged by the plant of Revithousa and utilization of grey water and rainwater for non-potable uses (irrigation, firefighting, etc.) in all DESFA's facilities.
4	Preservation of natural reserves of raw materials	Waste management practices that promote recycling over disposal and the use of materials with higher levels of recycled content.
5	Protection and restoration of biodiversity and ecosystems	Optimization of the transmission system's route in order to avoid crossing through areas of high biodiversity value (i.e., Natura).
6	Soil protection	Monitoring and proper handling of waste produced and the implementation of single use plastics reduction policy and the enhance of the company's waste management system in order to achieve zero waste.
7	Contribution to employment	Creation of direct and indirect jobs, the recruitment of employees from the local community and from DESFA's planned Technical Training Center that will provide technical training services in relation to the operation and maintenance of the natural gas transmission system.
8	Contribution to the development of employees	Technical capacity building training program leading to professional qualifications for DESFA's employees, and the planned implementation of an employee performance evaluation process.

Note: Potential ways that can create positive impacts are displayed in bold.

7.7
Identified impacts

#	IMPACTS	DESCRIPTION
9	Contribution to the development of knowledge and technology	Participation in hydrogen and biomethane projects, from the digitalization of the whole transmission system's maintenance and repair process, and the planned further data digitalization.
10	Protection and promotion of physical and mental health and wellbeing	Implementation of an occupational health and safety management system according to best industry practice, and the implementation of the planned Vendor Qualification process that will incorporate suppliers and subcontractors assessment on ESG (Environmental, Social, Governance), issues (including health and safety).
11	Protection of human rights, diversity and equal opportunities for all	Adoption and implementation of the Policy against harassment and violence in the workplace, the training of employees regarding the Code of Ethics and Whistleblowing policy and from the planned Vendor Qualification process that will incorporate suppliers and subcontractors assessment on ESG issues and from the increase of women's participation in the workforce.
12	Ensuring protection of personal data	Data Protection Policy, the relevant approved procedures, and the GDPR trainings conducted to employees.
13	Preservation and promotion of cultural heritage	Established processes for the protection of cultural heritage during construction works and the respective collaboration with local Ephorates of Antiquities, and excavation and preservation works of any cultural heritage findings.
14	Active contribution to the creation of resilient, sustainable, and safe cities and communities	Securing energy supply to cover electricity and other needs (heating and cooling) of business customers and local communities, the improvement of local infrastructure along the transmission's system route and development and implementation of a stakeholders engagement plan and a grievance mechanism for third party (including local communities) grievances.
15	Creating direct economic value	Through the timely payment of taxes, salaries, payments to partners and suppliers, land compensations to landowners and the increase of direct financial flows to stakeholders (e.g., increase of salaries, employee benefits, etc.).
16	Creating indirect economic value	Indirect impacts created in local markets by employees, contractors and suppliers, from securing energy supply to cover the energy needs of business customers and local communities, and the creation of new jobs in the supply chain.
17	Ensuring regulatory compliance and business ethics	Highly regulated framework under which the company operates, the open consultation of the 10-year Development Plan, the Anti-Corruption and Whistleblowing Policies, the Corporate Governance Code and the Code of Ethics, the sponsorship and donations procedure and the planned Vendor Qualification process that will incorporate suppliers and subcontractors assessment on ESG issues.

Note: Potential ways that can create positive impacts are displayed in bold font.

7.7
Identified impacts

NEGATIVE IMPACTS

#	IMPACTS	DESCRIPTION
1	Impact on climate change	Direct and indirect emissions of greenhouse gases (GHG) relevant to DESFA's current operation and also the planned development projects.
2	Air pollution	Air emissions released during production and processing, e.g., flaring, fuel combustion for electricity generation and transportation of employees, supplies and products and fugitive emissions.
3	Reduce of water resources	Water consumption for potable and non-potable uses.
4	Pollution of water resources	Transfer of pollutants to the water bodies in case of improper management of wastewater and solid waste.
5	Reduce of natural reserves of raw materials	Use of materials (e.g., plastic, metal, chemicals) derived from non-renewable raw materials.
6	Disruption of biodiversity and ecosystems	Impacts on biodiversity from noise, air emissions, odors and, dust, etc., created by the operation of facilities and from activities such as land clearance, construction activities, access roads and transportation of equipment and materials.
7	Soil pollution	Waste not diverted from landfill, (including excavation, construction and demolition waste), effluent waste and air emissions that return to the soil through i.e. rain and for example in case of an accident.
8	Low or non-contribution to employment	Lack of utilization of human resources from the local community and potential inability to create direct and indirect jobs due to cancellation or delays in DESFA's development plan.
9	Reduced contribution to capacity building and development of employees	Inefficiencies of the process to evaluate the outcome of training and educational programs.

Note: Potential ways that can create positive impacts are displayed in bold font.

7.7
Identified impacts

#	IMPACTS	DESCRIPTION
10	Reduced contribution to the development of knowledge and technology	Delays in the implementation of the company’s digital transformation plan.
11	Reduced contribution to the protection of occupational physical, mental health and well-being	Health and safety incidents of employees or local community members which may occur despite the established strict processes.
12	Reduced contribution to the protection of human rights and the guarantee of equal opportunities	Human rights violations involving DESFA’s employees or subcontractors, despite the established strict processes.
13	Leakage of personal data	Breach of physical or information security.
14	Reduced contribution to the creation of sustainable and safe cities and communities	Lack of an established and approved by the company’s management mechanism to register and manage local community concerns (grievance mechanism) and damage in public or private property (crops, land, roads, etc.) during construction, operation, maintenance and repair works, despite the established strict processes.
15	Potential devaluation of cultural heritage	Incidents regarding construction, operation and maintenance in areas of historical, cultural and archaeological importance.
16	Reduced direct economic value	Reduction of immediate distributed economic value to the local community due to reduced activities at local level (e.g., sponsorships, social investments).
17	Reduced indirect economic value	Reduced distributed economic value which would indirectly affect local markets, suppliers, etc.
18	Lack of regulatory compliance	Failure of employees and subcontractors to follow DESFA’s established policies and procedure.

Note: Potential ways that can create positive impacts are displayed in bold font.

7.8 Glossary

ARA: Anticorruption Risk Assessment
 ATHEX: Athens Exchange Group
 BIP: Biomethane Industrial Partnership
 BoD: Board of Directors
 BOG: Boil-off gases
 CapEx: Capital expenditure
 CBA: Cost-benefit analysis
 CCS: Carbon capture and storage
 CCUS: Carbon Capture, Utilization and Storage
 CEE: Central-East and South-East Europe
 CEO: Chief Executive Officer
 CERTH: Centre for Research and Technology Hellas
 CFO: Chief Financial Officer
 CHP: Cogeneration Unit
 CNG: Compressed Natural Gas
 CRI: Corporate Responsibility Index
 CSR: Corporate Social Responsibility
 CSO: Chief Security Officer
 DEFRA: UK Department for Environment, Food and Rural Affairs
 DESFA: National Natural Gas System Operator
 DPAs: Data Processing Agreements
 DSO: Distribution System Operators
 EC: European Council
 EHB: European Hydrogen Backbone
 EMS: Environmental Management System
 ENTSOG: European Network of Transmission System Operators for Gas
 ERA: Enterprise Risk Assessment
 ERA: Enterprise Risk Assessment
 ERM: Enterprise Risk Management
 ESG: Environment, Society, Governance
 ESIA: Environmental Social Impact Assessment
 ESIA: Environmental and Social Impacts Assessment
 ETCg: Energy Traders Certification - Gas
 ETS: Emission Targeting System
 ETS: European Trading System
 EU: European Union
 FCPA: Foreign Corrupt Practices Act

FID: Final Investment Decision
 FSRU: Floating Storage Regasification Unit
 FSU: Floating Storage Unit
 FTS: System of Fixed Communication
 GDPR: General Data Protection Regulation
 GGC: Global Gas Centre
 GHG: Greenhouse gases
 GIE: Gas Infrastructure Europe
 GRI: Global Reporting Initiative
 H&S: Health & Safety
 HAEE: Hellenic Association for Energy Economics
 HCC: Hellenic Competition Committee
 HEnEx: Hellenic Energy Exchange
 HGG: Hellenic Government Gazzette
 HHV: High Heating Value
 HSE: Health, Safety, Environment
 HSSEQ: Health & Safety, Security, Environment and Quality
 ICT: Information and Communications Technology
 IENE: Institute of Energy for South-East Europe
 IFRS: International Financial Reporting Standards
 ISO: International Organization for Standardization
 IT: Information Technology
 KEDIVIM: Center for Training & Lifelong Learning
 KPIs: Key Performance Indicators
 LDAR: Leak Detection and Repair
 LHV: Low Heating Value
 LNG: Liquefied Natural Gas
 LPG: Liquefied Petroleum Gas
 LTI: Lost Time Incident
 M/R: Metering Regulating
 MEE: Ministry of Environment and Energy
 MJ: Megajoules
 MoC: Memorandum of Cooperation
 NCRs: Non-Conformance Report
 NGVA: Natural & Biogas Vehicle Association
 NIR Greece: National Inventory Reports
 NNGS: National Natural Gas System

O&M: Operations & Maintenance
 OGMP: Oil & Gas Methane Partnership 2.0
 ORV: Open Rack Vaporizer
 PA: Partnership Agreement
 PCI: Projects of Common Interest
 PHEVs: Plug-in hybrid electric vehicles
 PMI: Projects of Mutual Interest
 PPE: Personal Protective Equipment
 QHSE: Quality, Health & Safety and Environmental
 RAEWW: Regulatory Authority for Energy, Waste and Water
 RCIS: Risk, Compliance and Information Security
 SASB: Sustainability Accounting Standards Board
 SCV: Submerged Combustion Vaporizer
 SEP: Stakeholder Engagement Plan
 SEV: Hellenic Federation of Enterprises
 SIGTTO: Society of International Gas Tankers & Technical Operators Ltd
 SMS: Short Message Service
 TAP: Trans Adriatic Pipeline
 TCFD: Task Force on Climate-related Financial Disclosures
 TSO: Transmission System Operator
 TYDP: Ten-Year Development Plan
 UN SDGs: United Nations Sustainable Development Goals of the United Nations
 UNHCR: United Nations High Commissioner for Refugees
 VIM: Vendor Invoice Management
 VTP: Virtual Trading Point
 WFM: Work Force Management



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