

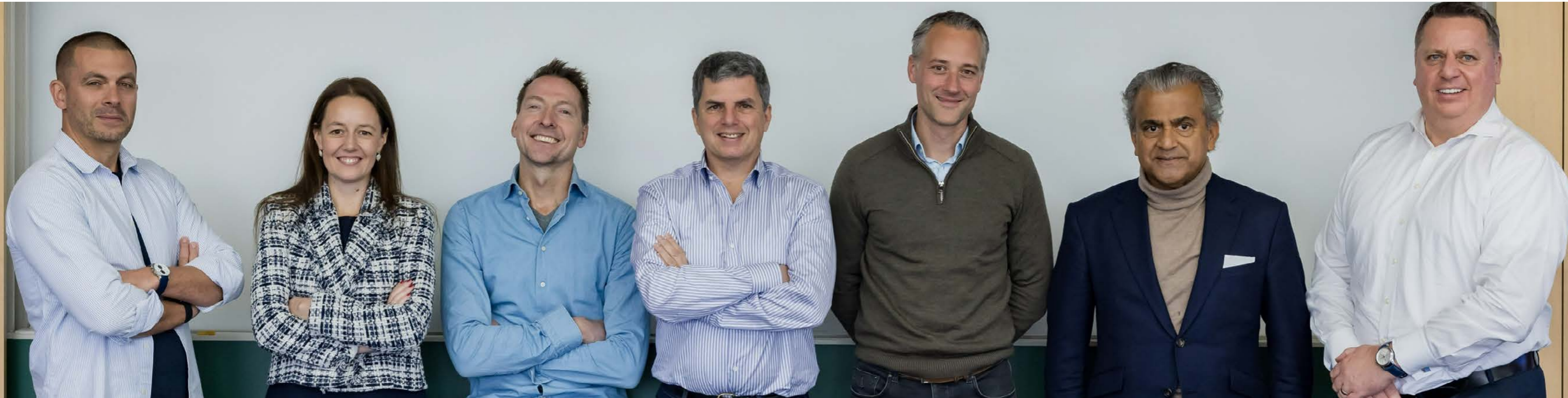
# Accelerating the energy transition

January 2025



# An entrepreneurial and highly experienced team

Deep experience with leading energy businesses



**Georges Menane**  
EVP and CFO

- 20 years of experience
- Previously CFO at ADNOC Refining

**Ernestina Benedetto**  
EVP Strategy & Transformation

- 15 years of experience
- Previously heading VARO's M&A group

**Theo Pannekeet**  
EVP New Energies & Innovation

- 25 years of experience
- Previously Product Trading Director

**Gilles Vollin**  
EVP Integration & Capability

- 30 years of experience
- Founding member of VARO Energy

**Rick Klop**  
EVP and COO, Markets and Commercial

- 20 years of experience
- Previously CFO

**Dev Sanyal**  
CEO

- 32 years of experience
- Previously at bp plc, with 10 years on Group EXCO

**Julian Stoll**  
EVP COO

- 32 years of experience
- Previously EVP at Phillips 66

# Backed by world-leading shareholders

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

THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

66.67%

shareholding

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

VARO 

 Vitol

33.33%

shareholding

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





Our purpose

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

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Our vision

We will be the energy transition partner of choice.

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Our mission

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



# Our values

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

## Embrace challenge

We are open to new ideas to challenge our thinking

We turn challenges into opportunities

We are eager to learn and grow

## Aim high

We are entrepreneurial with a shared purpose

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

We strive for success and overcome adversity

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



## Drive pace

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

We are restless with the status quo

We make rapid progress because of the foundations we have built

## Solve together

We take collective responsibility for the safety of all

We build diverse teams to unlock our full potential

We invest in strong partnerships & know-how



# Our strategy

# Changing environment creates new opportunities



# Our customers need support to transform

## Energy security

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

 **REUTERS**

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

**FINANCIAL TIMES**

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

**Bloomberg**

## Energy transition

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

**NET ZERO**  
by 2050 across the EU

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

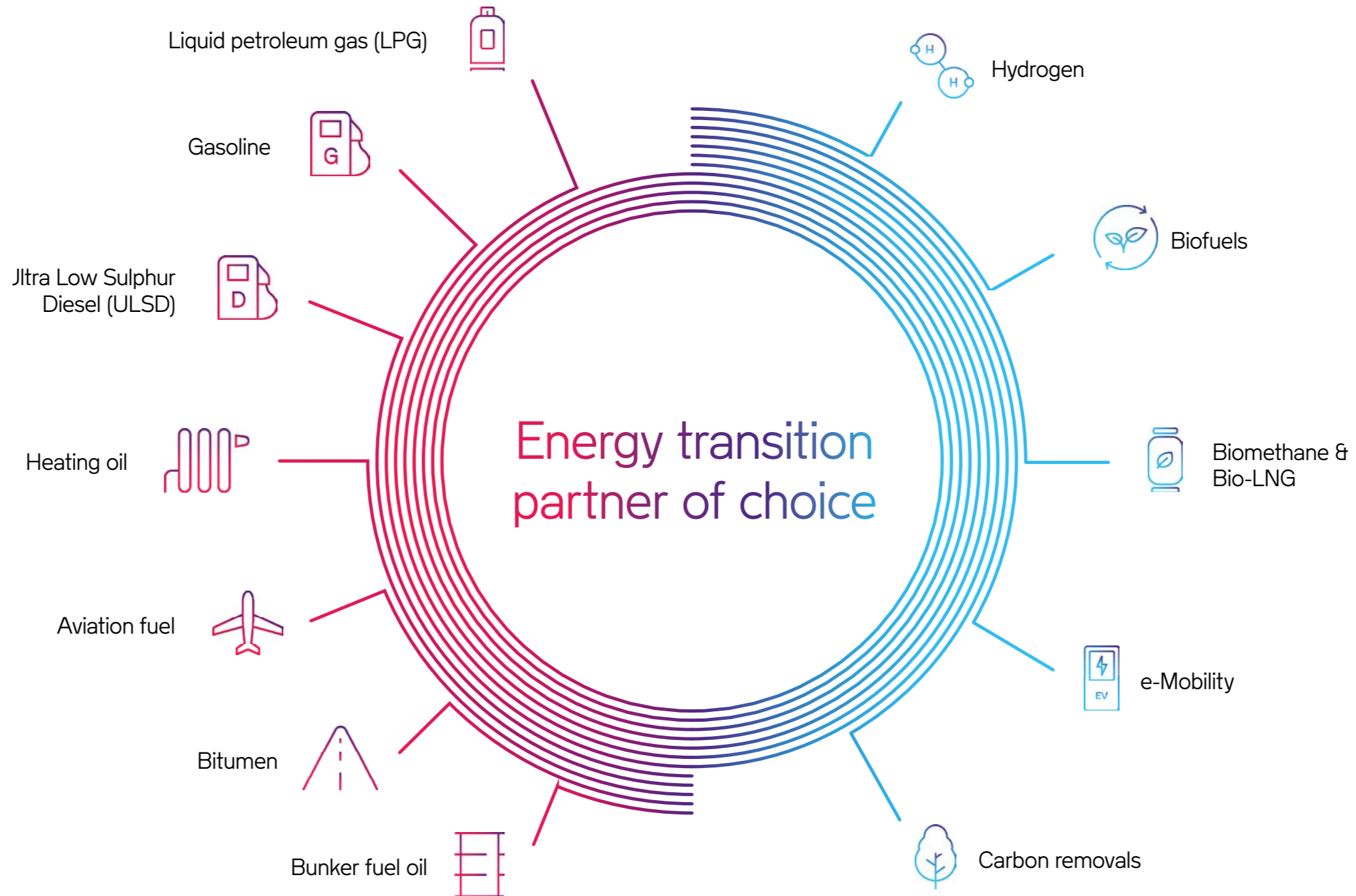


# ONE VARO twin engine strategy

**Conventional Energies**

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Ensuring the energy security for today

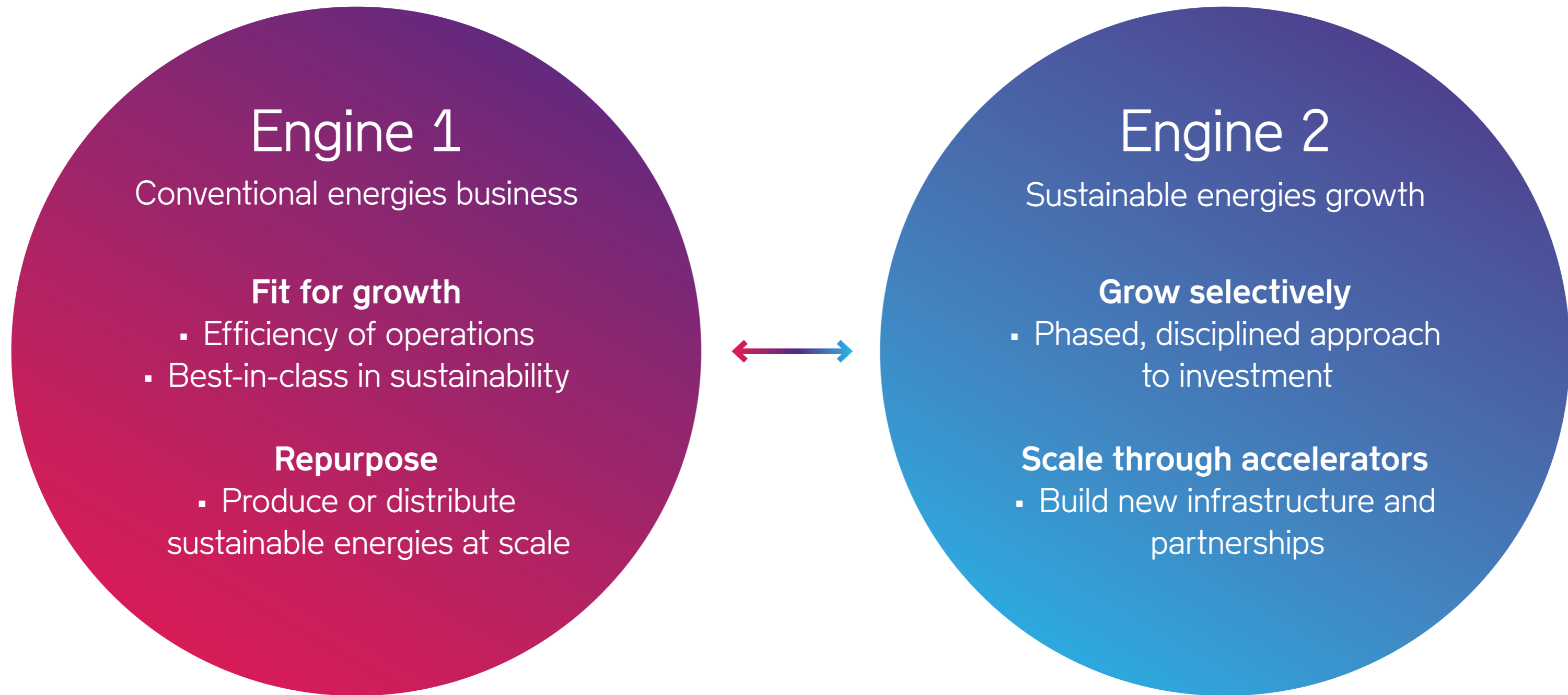


**Sustainable Energies**

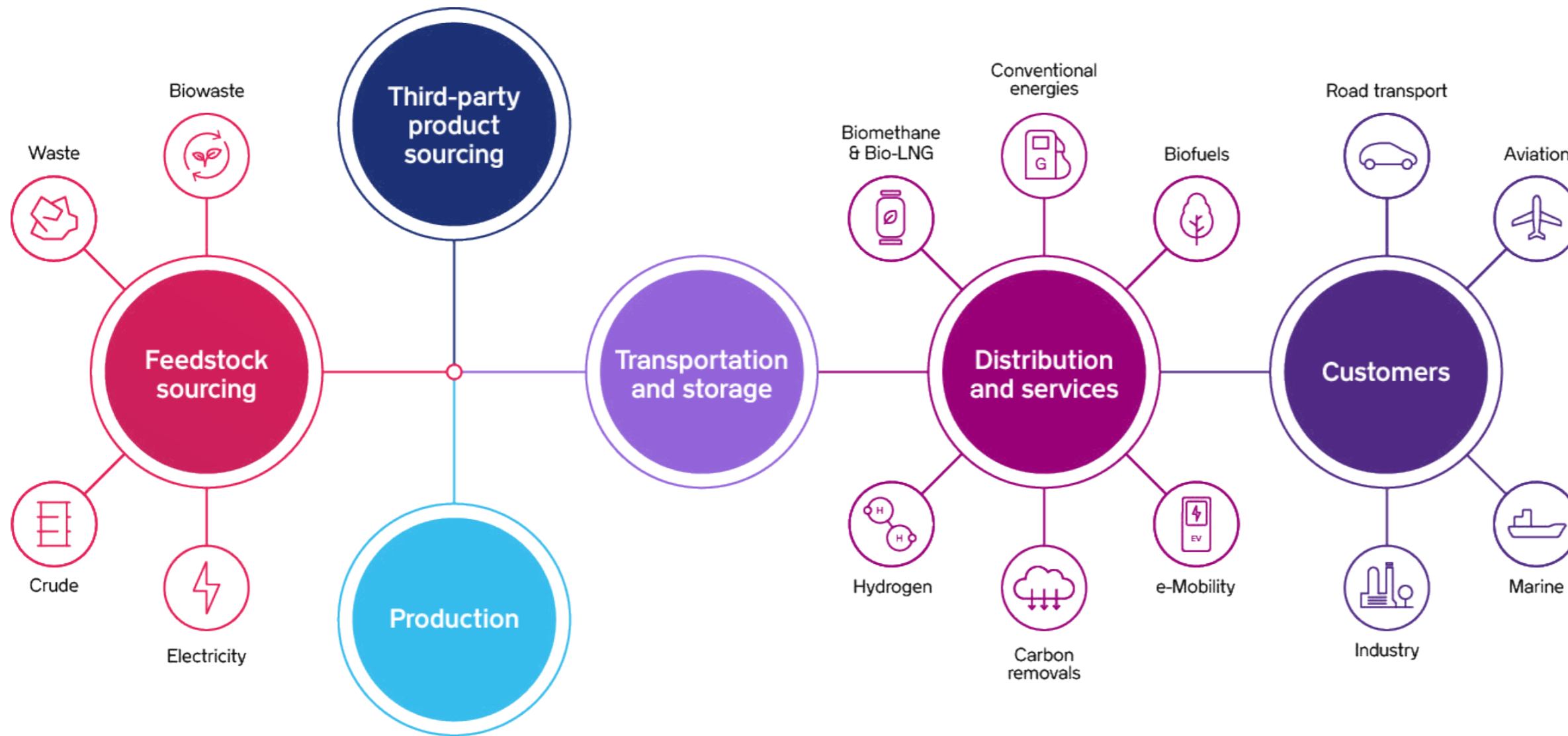
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Accelerating the energy transition for tomorrow

# Engine 1 accelerates Engine 2 growth



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



How does VARO generate value?

Transformation premium between feedstock and products produced

Trading optimisation via physical and paper markets access

Margin on marketing of our solutions





# VARO's unique approach

Tailored customer approach

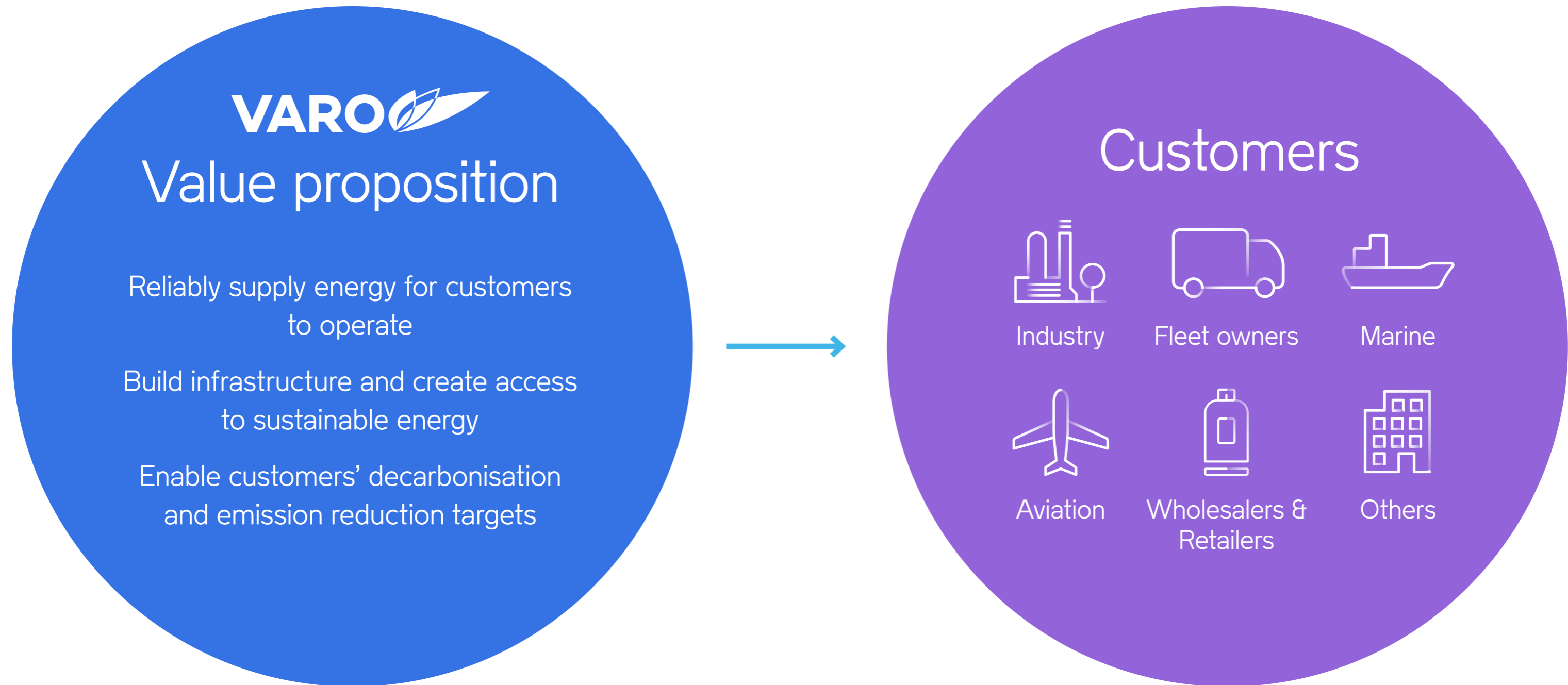
Optimisation & exposure management

Business innovation

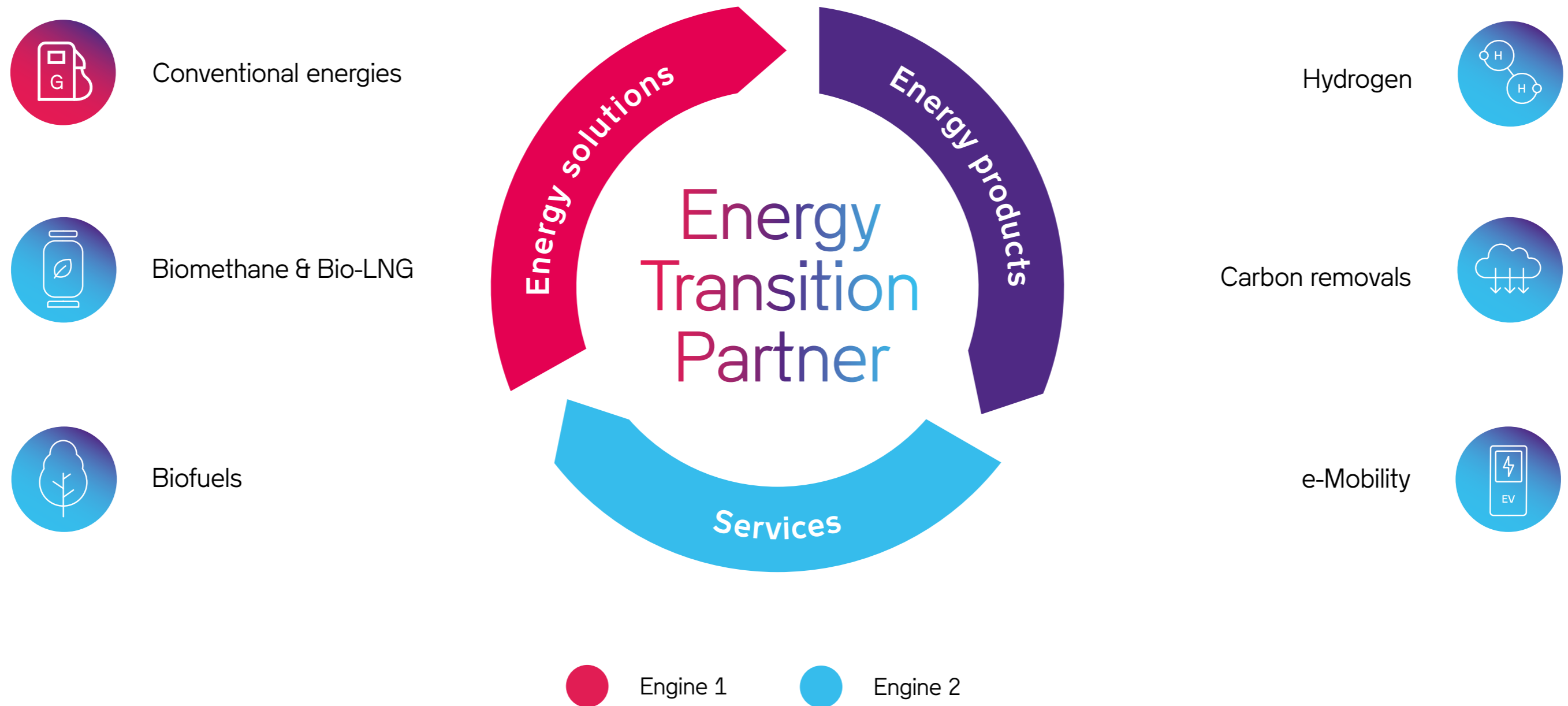
Operational excellence

Strategic infrastructure

# What does this mean for our customers?



# An integrated portfolio of energy solutions to meet customers' needs





# Providing solutions to our customers through our Customer Lighthouses



Decarbonising Food Retailers



Decarbonising Wholesalers/ Retailers

Working with customers to find solutions for their needs



Decarbonising Process Heat



Decarbonising Business Travel



# A carbon neutral company by 2040



2022

Launch of new ESG strategy including industry leading targets



2030

40% absolute reduction of Scope 1 & Scope 2 emissions

15% Scope 3 carbon intensity reduction



2040

Net Zero

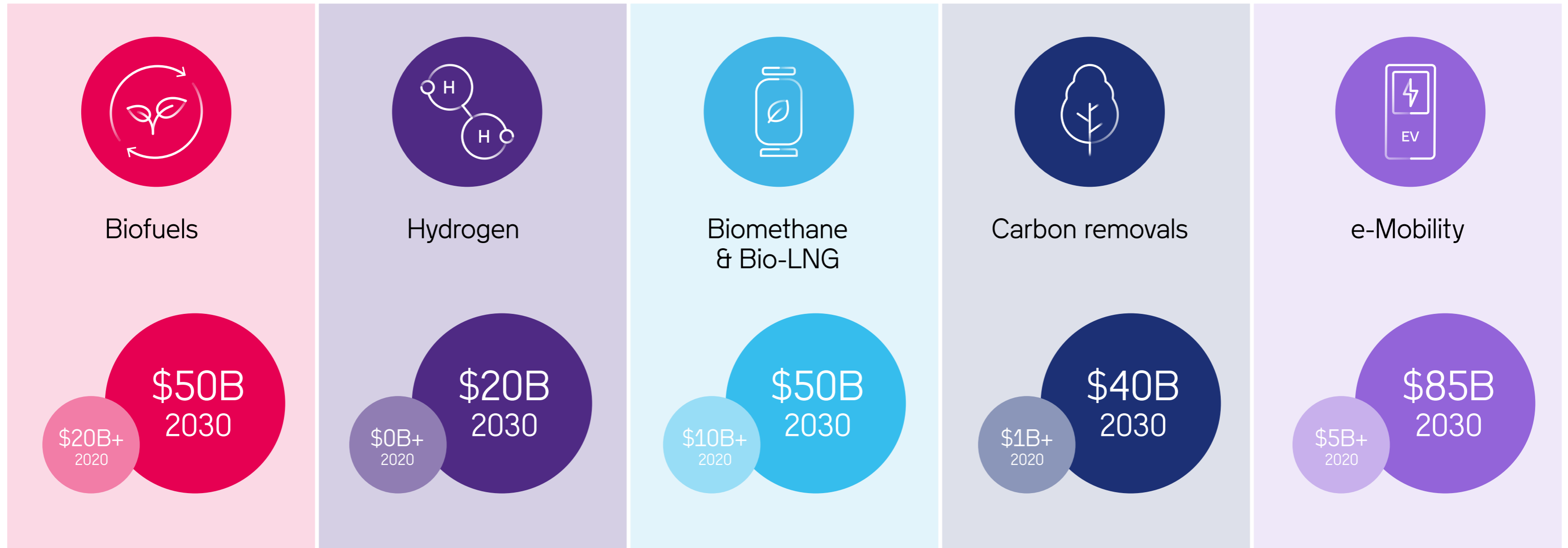


Our sustainable  
energies future

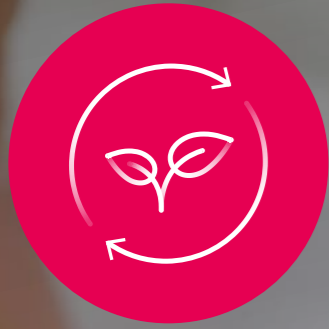
**VARO** 



# New energies business focused on growth sectors



Change in EU market size 2020 to 2030 (revenues)



## Biofuels

An integrated producer of 2G advanced biofuels, including SAF

### The Market

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

### Why VARO

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

### Our scale up plan

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

Our 2026 goals

# 250kt

Operational target

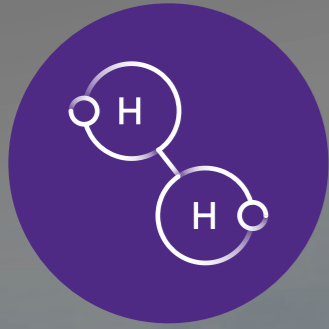
### The value chain

Feedstock sourcing

Production

Transportation & storage

Distribution



# Hydrogen

Leveraging position as significant H<sub>2</sub> consumer to develop H<sub>2</sub> production hubs

## The Market

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

## Why VARO

- Expertise in H<sub>2</sub> handling: significant H<sub>2</sub> consumer / producer in own asset
- Advantaged site locations near industrial hubs
- Leverage regulatory support to build initial capacity in Bayernoil

## Our scale up plan

- Phased approach with initial investment in 125MW electrolyser in Bayernoil
- Future opportunities to expand capacity in green & biogenic H<sub>2</sub>
- Serve industry, heavy transport customers and explore synthetic fuels path

Our 2026 goals

# 125MW

Operational target

## The value chain

Electricity sourcing

Production

Transportation & storage

Distribution







## Biomethane & Bio-LNG

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

### The Market

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

### Why VARO

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

### Our scale up plan

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

Our 2026 goals

~1TWh

Operational target

### The value chain

Feedstock sourcing

Production

Transportation & storage

Distribution





## Carbon removals

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

### The Market

- Demand for voluntary credits is expected to rise to >1 GtCO<sub>2</sub>e per year in 2030 (CAGR of 25-30%)

### Why VARO

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

### Our scale up plan

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

Our 2026 goals

# 15MtCO<sub>2</sub>

Operational target

### The value chain

Nature-based project sourcing

CO<sub>2</sub> ticket production

Services





## e-Mobility

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

### The Market

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

### Why VARO

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

### Our scale up plan

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

Our 2026 goals

# 700k sockets

Operational target

The value chain

Electricity sourcing

Turnkey charger provider

Services



# Leverage our country-strategic assets portfolio

## Bayernoil

**108,000**  
barrels per day  
**51.4%** shareholding

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

## Cressier

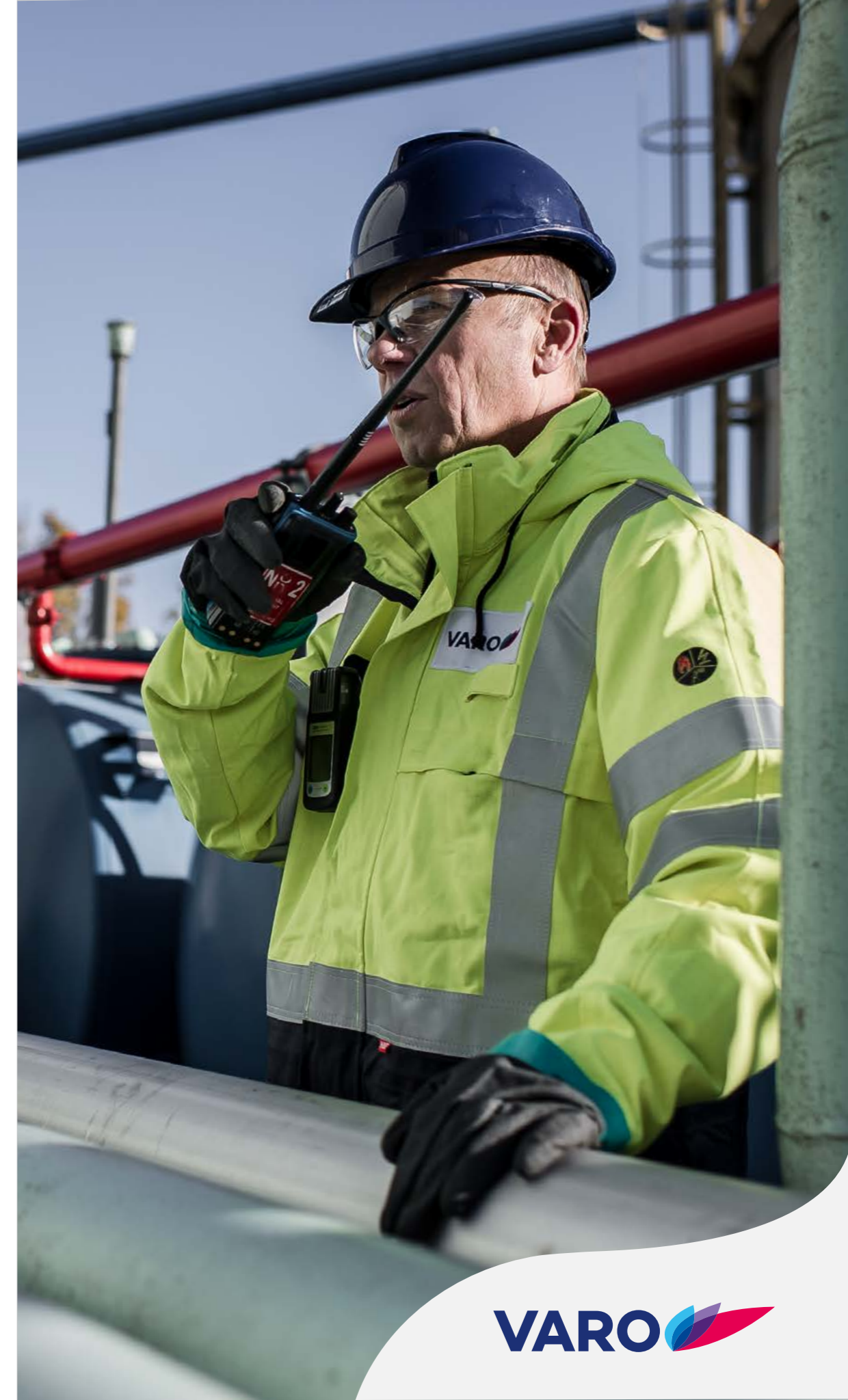
**68,000**  
barrels per day  
**100%** shareholding

**150,000** tonnes of CO<sub>2</sub>  
saving per year, additional  
initiatives to come within  
the next few years

## Bunkering / Terminal network

**Largest** inland  
bunkering network  
in Europe  
**40** storage facilities

**100% biofuel**  
**bunkered** to Unifeeder



# Financial framework

# Ambitious strategy to drive tangible transformation

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

Grow EBITDA  
**>3x**  
by 2026

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



# Strategy underpinned by robust financial framework

A unique platform for growth in the energy transition

## Optimise strong balance sheet

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

## Disciplined capital allocation

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

## Deliver attractive financial performance

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





The energy transition  
partner of choice





Accelerating the energy transition