

••METGROUP

# NAVIGATING A SUSTAINABLE FUTURE TOGETHER

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TCFD Report 2023

## About This Report

This report marks MET Group's inaugural disclosure aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. It aims to provide transparency on how MET Group identifies, assesses, and manages the financial impact relating to climate-related risks and opportunities. By publishing this report, MET Group indicates its commitment to focus on a transition to low carbon emission economy.

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# Purpose of the Report

**This report aims to provide transparency into how MET Group identifies, assesses, and manages climate-related risks and opportunities.** By sharing data on sustainable business practices and alignment with EU climate goals, MET Group offers stakeholders a clear view of how it addresses future challenges and positions itself to capture long-term opportunities, underscoring its commitment to a proactive approach to climate change.

The TCFD framework enables MET Group to systematically disclose the impacts of physical risks, such as extreme weather events, and transition risks arising from the shift to a low-carbon economy on its finances and operations, thereby fostering trust and strengthening engagement with stakeholders.

# Scope and Boundaries

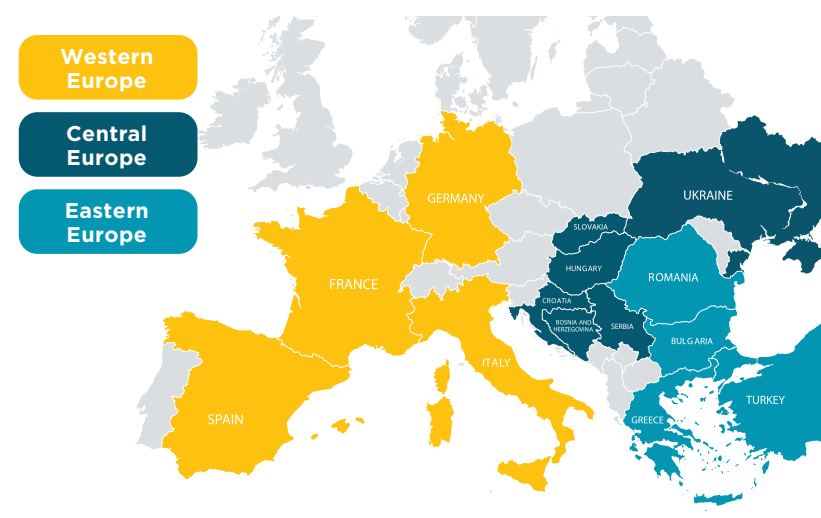
Our inaugural TCFD report covers the reporting period of 2023. Unless otherwise specified, all references in this report relate to MET Group and its two segments: Sales and Trading Segment (including the following regional divisions: Western Europe, Central Europe and Eastern Europe) and the Asset Segment (including the Flexibility Asset and Green Asset divisions). The ultimate parent company of all MET Group operating entities is MET Holding AG (METHO).

MET Sales and Trading Holding AG serves as the parent company for all operating companies within the Trading & Wholesale and European Sales divisions. MET International AG (METI) manages and optimizes MET Group's positions across all geographical

regions, value chains and commodities (including natural gas, electricity and EU Allowances) in an integrated manner.

In accordance with the International Energy Agency (IEA), we primarily provide medium-term outlooks (to 2030) for energy production and demand.

## Current presence of the European Sales division



# Methodology

**Our report follows the guidelines set forth by the TCFD, categorising risks into two main types: transition risks and physical risks.**

A scenario analysis is included to assess resilience across various climate futures, focusing on two scenarios from the International Energy Agency (IEA) outlook: STEPS (Stated Policies Scenario) and APS (Announced Pledges Scenario). Projections are based on IEA’s 2023 outlook, using projections for 2030 (medium term) and 2050 (long term). Impacts of different scenarios are categorized into four levels—insignificant (less than 5% impact), low (5%–15% impact), medium (15%–30% impact), and high (more than 30% impact)—based on potential impacts on Gross Margin across business units and the anticipated pace of the energy transition.

In our approach, stakeholder engagement is essential to ensuring that our climate impact assessment remains transparent, data-driven, and aligned with our core sustainability values. In our assessment, we paid particular attention to two stakeholder groups. One is our financing counterparties and the other is our customers.

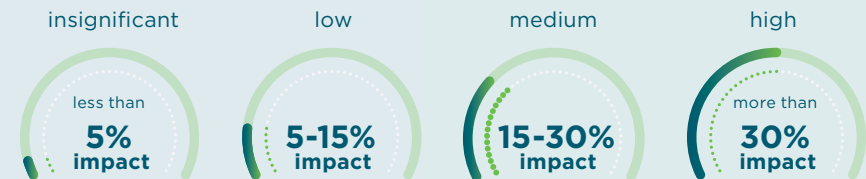
MET Group is committed to transparency in its climate-related disclosures. We have provided clear, detailed information on our carbon intensity for the 2030 horizon. By openly sharing these figures, we enable stakeholders to assess our current emissions footprint and track our progress in managing our emissions profile.

Our climate assessment relies on verifiable and quantifiable metrics in line with industry standards and the latest scientific knowledge.

MET Group discloses key metrics to manage climate-related risks and opportunities, including Scope 1, Scope 2, and Scope 3 GHG emissions. We use carbon intensity as our primary metric to measure our emission performance. Carbon intensity is expressed as tonnes of CO<sub>2</sub> equivalent per MWh or tCO<sub>2</sub>e/MWh. All figures reported have been reviewed for accuracy and consistency by a third party to provide stakeholders with the confidence that MET Group’s climate initiatives are built on a solid foundation and accountability.

## Impact assessed on gross margin

Impacts of different scenarios are categorised into four levels



SECTION 1

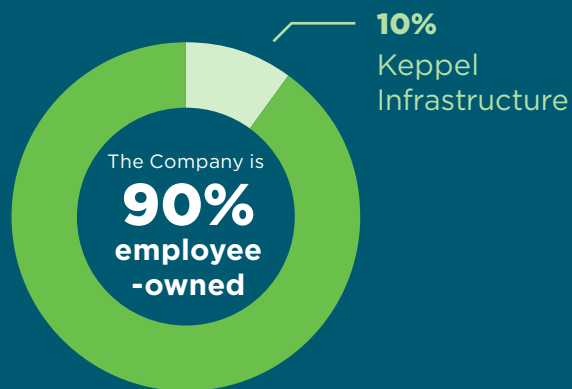
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## Who We Are

MET Group is an integrated European energy company, headquartered in Switzerland, with operations spanning natural gas and power-related activities. As a key player in Europe’s evolving energy market, MET Group focuses on multi-commodity wholesale, trading, and sales, as well as energy infrastructure and industrial assets. The company is 90% employee-owned, with the remaining 10% held by Keppel Infrastructure, a wholly owned subsidiary of Keppel Corporation, listed on the Singapore Exchange.



At our core we are an Energy Transition company. Our mission is to **become a leading market player in the European energy sector by driving innovation and accelerating the energy transition to a lower carbon emission economy.**

## What We Do

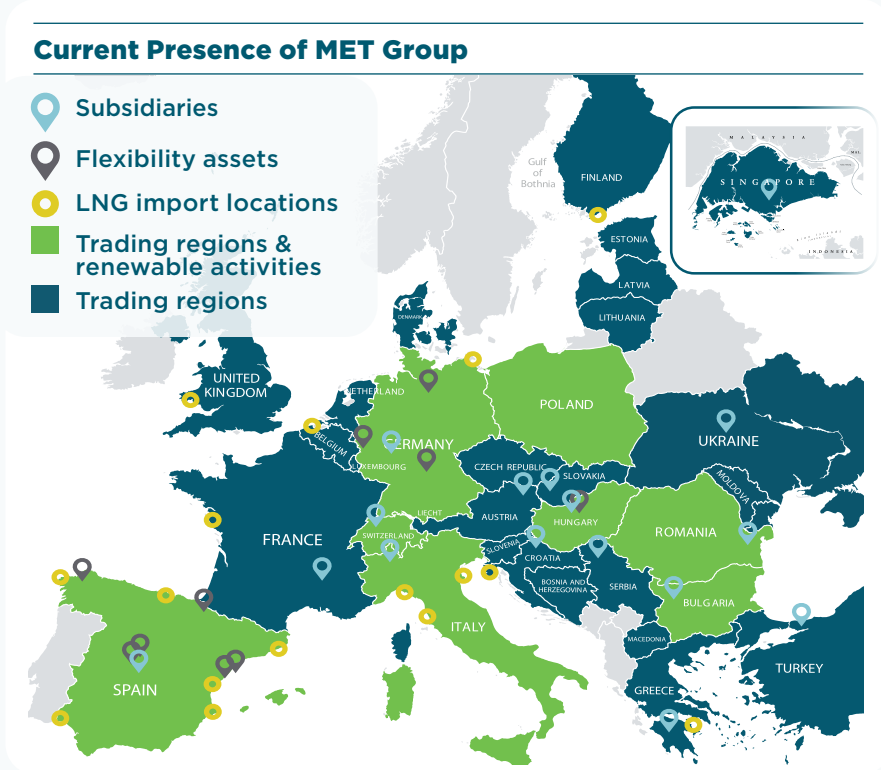
**MET Group acts as a market intermediary and risk manager as well as energy and flexibility solution provider to our customers. Our core activities include wholesale and end-user sales of natural gas and electricity, trading of natural gas, LNG, electricity, carbon emission credits, and operation of power generation and energy storage assets. We own and operate both green (renewable) and flexible (conventional) energy assets.** Through our **Green Assets division**, we develop, build, and operate wind and solar power plants across Europe, driving decarbonisation and expanding our renewable energy portfolio. **Flexibility Assets** are clearly an essential part of MET Group’s integrated strategy to support the energy transition via the management of renewable generation intermittency. We build, operate and own assets in the areas of **combined-cycle gas turbine (CCGT)** and combined heat and power or cogeneration (CHP) plants, battery storage, gas storage, and LNG shipping.

We believe that natural gas, as a transition fuel, will remain indispensable in the European energy mix for the foreseeable future alongside renewable generation and other baseload assets.

# Our Presence

**MET Group is represented in 15 countries:** Austria, Bulgaria, Croatia, France, Germany, Hungary, Italy, Romania, Serbia, Singapore, Slovakia, Spain, Switzerland, Turkey and Ukraine. We are active in 30 national gas markets and 39 international trading hubs. Founded in 2023, MET Asia is extending the Group’s presence into Asia, aiming to globalise the Group’s LNG portfolio and expand its asset base across the Asia-Pacific region.

In 2023, MET Group reported consolidated revenue of EUR 24.5 billion, with total traded natural gas volumes reaching 88 billion cubic meters (BCM) and electricity volumes totalling 68 TWh.



The Group’s business model is supported by strong financial backing, having built robust relationships with a diversified pool of international banks.



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Officer and Chief Financial  
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# A Message from Our Group Chief Executive Officer and Chief Financial Officer

At MET Group, we believe that the green transition and decarbonisation of the energy system represent some of the most urgent societal challenges of our time. These challenges are part of a broader energy trilemma—balancing the need for sustainability with energy security and affordability. We understand that achieving a greener future requires not only expanding renewable energy generation but also making significant investments in the infrastructure to manage the intermittency of these sources, and to resolve the energy trilemma. MET Group fully endorses the Paris Agreement and the European Commission’s ‘Fit for 55’ proposal for limiting global climate change.

**MET Group is actively contributing to lowering the carbon intensity of the European energy consumption.** Over the past two years, we allocated 70% of our total capex to green generation projects, resulting in a substantial year-on-year increase in green energy output of 72% last year. MET Group now operates over 403 MW of green generation capacity across three countries. As a result, our carbon emission intensity has decreased by 31 gCO<sub>2</sub>e/MWh (0,031 tCO<sub>2</sub>e/MWh) or 9% in 2023.



As a holistic energy transition company we understand that renewable generation intermittency requires flexible generation to ensure grid stability. To this end, we own gas thermal assets

providing grid support and peaker capacity in Hungary and Spain. We are also expanding battery storage capacity in Hungary and France, and operate gas storage facilities in Germany to support power and heat generation while enhancing European energy security.

Our sustainability approach is anchored in robust corporate governance and risk management practices. With the introduction of the climate scenario analysis in 2024 based on 2023 data MET Group further formalized its approach to financial impact analysis of risks arising from both regulatory and physical climate change risks.

This TCFD report marks a pivotal moment in our journey as an energy transition company. It highlights our commitment to report on our contribution to delivering the European energy transition. Our investments in green and flexibility projects, our trading and sales activities all aim at supporting the decarbonisation of European energy consumers reliably and affordably.

*Together,  
we are building  
a greener,  
more sustainable  
energy future.*



**Benjamin Lakatos**  
Chairman and CEO



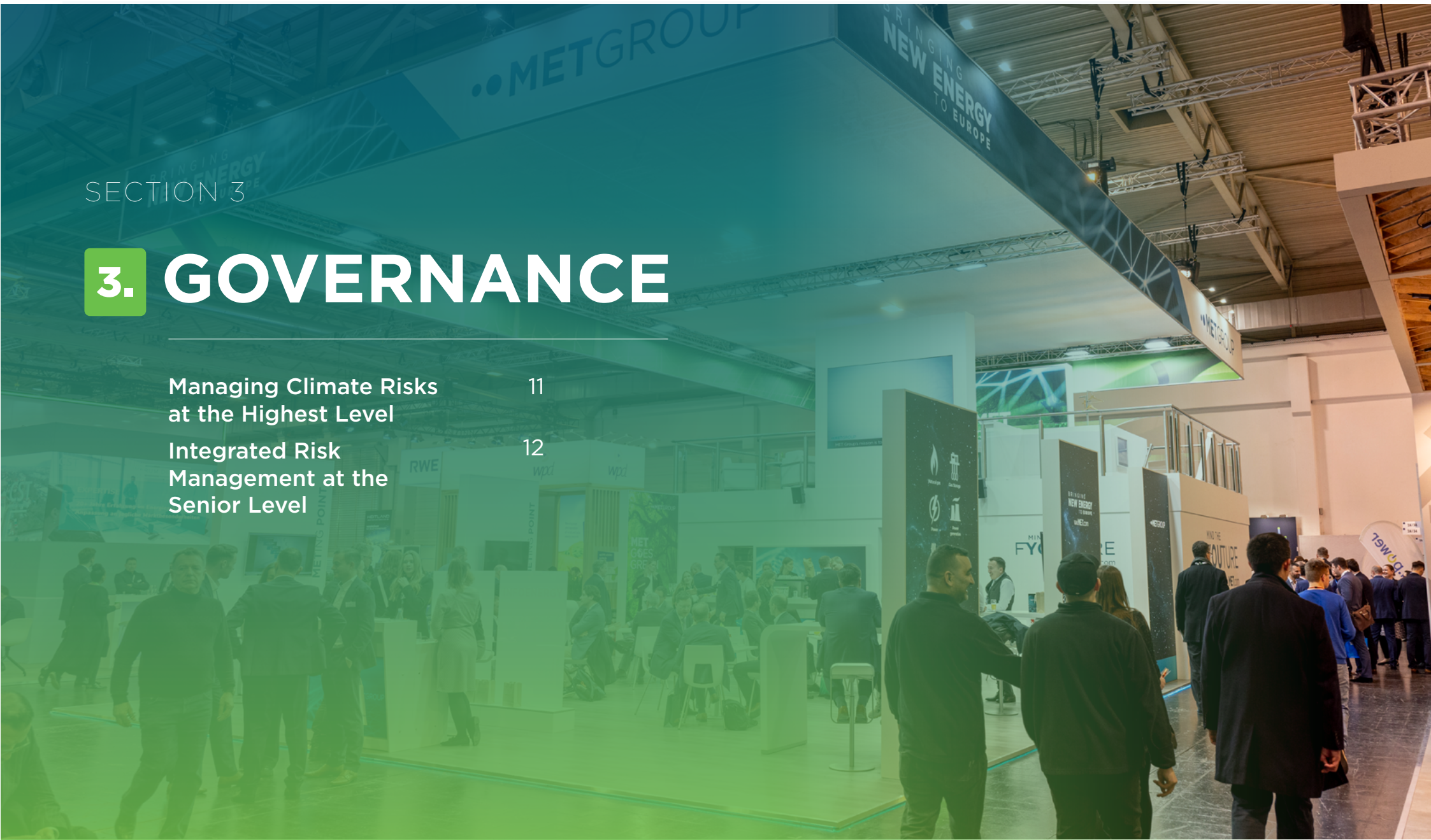
**Sven Kirch**  
CFO

SECTION 3

# 3. GOVERNANCE

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# Managing Climate Risks at the Highest Level

**At MET Group, we are committed to integrity and accountability, while fostering a strong sustainability mindset.** Our management structure promotes transparency and facilitates coherent decision-making throughout the organisation.

The Board of Directors (BoD) of MET Holding AG defines the Group’s strategic direction and supervises its operations in line with the MET’s corporate governance framework. The BoD ensures the Group’s long-term goals are met, while maintaining accountability across all divisions. The BoD integrates climate-related issues into the Group’s strategy. It also monitors compliance with the applicable climate-related reporting frameworks.

To support its supervisory function, the BoD established the Audit and Risk Committee (ARC). The ARC oversees accounting, financial controls, risk management, internal audits, compliance and health

and safety matters. It is tasked with reviewing the Group’s exposure to climate-related risks. It also plays a central role by overseeing the Group’s ESG approach and ensuring compliance with related regulations.

In late 2024, MET appointed a Head of Sustainability to manage ESG issues, including climate-related risks and opportunities, and monitor MET Group’s sustainability performance. Going forward, the Head of Sustainability will lead reporting MET’s ESG performance to the ARC and ultimately the BoD. The Head of Sustainability will work closely with the Sales and Trading segment as well as, the Flexibility Asset and Green Asset divisions, communicating key insights and strategies to both Board and segment/division leaders.

## BOARD OF DIRECTORS

- ✔ Sets the strategy and associated objectives
- ✔ Holds the ultimate responsibility over strategy and reporting issues
- ✔ Ensures that the strategy, including ESG, is in accordance with the corporate purpose



## AUDIT AND RISK COMMITTEE

- ✔ Oversees risk management, including climate risk
- ✔ Examines the adequacy of insurance coverage of risks (including climate risk)



## HEAD OF SUSTAINABILITY

- ✔ Responsible for the reporting of all relevant, applicable, or material ESG issues, including risks and opportunities

## DIVISIONAL RESPONSIBILITY

- ✔ Climate-related responsibilities are the responsibility of the local CEOs and are coordinated at Divisional level.

# Integrated Risk Management at the Senior Level

**MET Group's approach to risk management is grounded in its corporate governance principles.** The Executive Board (EB) of MET Holding AG holds ultimate responsibility for the operational management of the Group. The EB focuses on critical matters related to risk management across all divisions, supported by detailed reporting from different areas of the business. In addition to regular EB meetings, senior management, including EB members, Heads of Divisions, Desk Heads, Profit Center Owners,

and functional heads such as Treasury, M&A, Legal, Assurance, and Controlling, meet bi-weekly to discuss key commercial, operational, financial, and business developments. The local CEOs of MET Group's subsidiaries are responsible for managing the day-to-day business. As part of this role, overseeing climate-related regulation, business risks and opportunities is a core leadership aspect.



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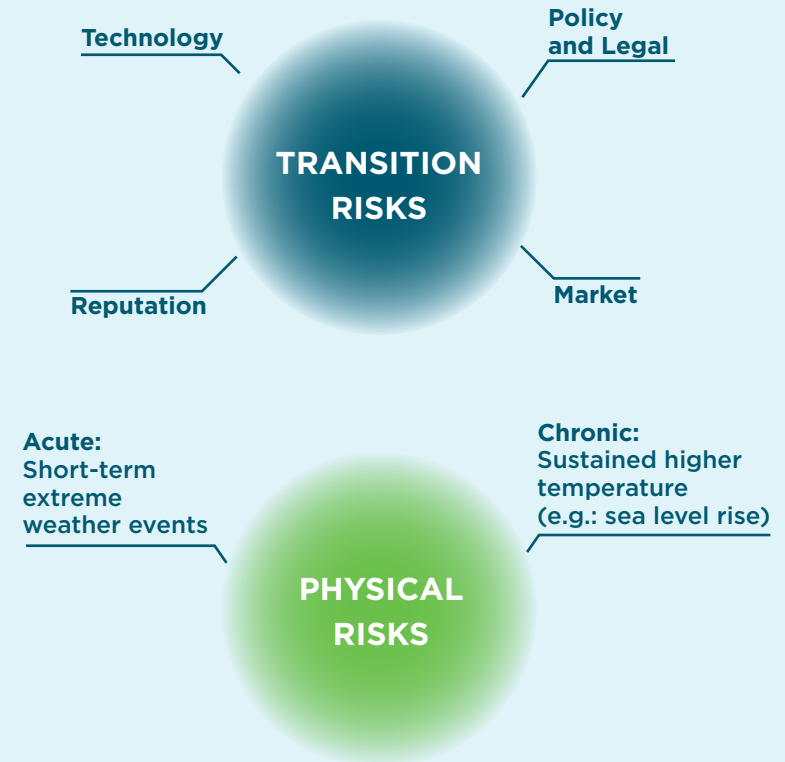


# Carbon Emission Intensity Impact

In support of our mission to become a leading player in the European energy sector, we are preparing the company to manage and mitigate both physical risks – such as those related to extreme weather events – and transition risks arising from evolving policies, technologies, markets, and a changing societal attitude towards greenhouse gas emissions.

As outlined, we recognise that flexibility assets – those that can quickly respond to fluctuations in energy demand or supply – are essential in an energy system shifting towards intermittent green energy. Natural gas, as a transition fuel with significantly lower carbon emissions relative to coal or oil thermal generation assets, will continue to play a critical role in the global and European energy mix for decades to come. MET Group views natural gas as the most immediate, efficient, and cost-effective solution to lower carbon emissions in primary energy use.

## MET'S CLIMATE-RELATED TRANSITION RISKS



# Diversified Portfolio to Manage Risks and Opportunities in the Short and Medium Term

Our climate scenario analysis for the medium term (2030) and long term (2050) is based on two scenarios developed by the International Energy Agency: The Stated Policies Scenario (STEPS) and the Announced Pledges Scenario (APS), representing different transition pathways, noting that our 2050 assessment is qualitative given the inherent projection uncertainties in long run views.

The STEPS is designed to provide a sense of the prevailing direction of energy system progression, based on a detailed review of the current policy landscape. It provides a more granular, sector-by-sector evaluation of the policies that have been put in place to reach stated goals and other energy-related objectives, taking into account not only of existing policies and measures but also those that are under development. The STEPS provides a slower

transition benchmark relative to the APS, by assuming that governments will not reach all announced goals. Similarly to the APS, the STEPS is not designed to achieve a particular outcome.

The APS, illustrates the extent to which announced ambitions and targets can deliver the emissions reductions needed to achieve net zero emissions by 2050. It includes all recent major national announcements including longer-term carbon neutrality pledges, regardless of whether these announcements have been anchored in legislation. APS envisions a future where global warming is limited to 1.5°C to 2°C.

## Impact of STEPS and APS Scenarios on 2030 Time Horizons by Business Division

Segment / Business division	STEPS- Slower Transition Scenario				APS - Faster Transition Scenario			
	Not Significant (below 5%)	Low Impact (5-15%)	Medium Impact (15-30%)	High Impact (30%-)	Not Significant (below 5%)	Low Impact (5-15%)	Medium Impact (15-30%)	High Impact (30%-)
Sales and Trading Segment	○				○			
Flexibility Asset Division	○						●	
Green Asset Division			●					●

○ not significant impact on Gross Margin (below 5%)

● positive impact on Gross Margin

● negative impact on Gross Margin

**Resilience in the traditional trading and wholesale business**

MET Group has a long history of gas and power trading and wholesaling activity. Under the **faster transition scenario (APS)**, this business foresees a decline in gas consumption. In turn, our LNG strategy will become less Europe-centric and more global. Our storage positions would contract and margins would erode based on market overcapacity. Cross-border capacity rights will equally become less valuable, while on the other hand trading flows may increase leading to higher trading profitability. Contrarily on the power side, the APS will lead to significant growth in electricity demand. In this scenario, MET Group’s strategy would adapt by shifting to power faster than currently projected under STEPS. Other MET value chains will equally likely grow faster, including battery and intra-day trading alongside the sale of structured products. We forecast a lower decline in volatility for both gas and power in this faster transition scenario.

**FASTER TRANSITION SCENARIO (APS)**

SIGNIFICANT DECLINE IN **GAS CONSUMPTION**
 MET'S STRATEGY WILL BE **MORE POWER BASED**

**SLOWER TRANSITION SCENARIO (STEPS)**

**GAS DEMAND** WILL LIKELY INCREASE IN THE NEXT 10 YEARS
 **POWER DEMAND** WILL CONTINUE TO INCREASE

In the **slower transition scenario (STEPS)**, volatility will remain higher which typically supports the profitability of our trading and wholesale activities. **Gas demand could be supported by greater coal to gas switching. Power demand, as in the faster transition scenario, will continue to increase and present significant upside potential for MET Group.** In both scenarios, technological innovations such as direct consumer power sourcing (i.e.: excluding the intermediary) or a return to alternative energy sources (e.g.: nuclear) present the biggest risks to MET Group’s business model.

**Focus on end customers**

We believe our power sales capabilities and our focus on growing our power generation portfolio will position MET Group competitively in any transition economy. We project improved gross margins and increased electricity consumption to generate positive effects in both the short and long term.

**Integration of flexibility and green asset into our strategy**



**MET Group is investing into flexible, dispatchable assets (such as batteries)** and developing power balancing platforms across our local markets to support the challenges the green energy transition places on network system stability and reliability.

While investments in renewable energy can positively impact carbon emissions, challenges to profitability arise from market saturation, supply chain disruptions, and rising balancing costs due to grid imbalances. Given the slow development of advanced grid infrastructure to support increased renewable energy penetration, opportunities exist for MET Group through its flexibility asset investments.



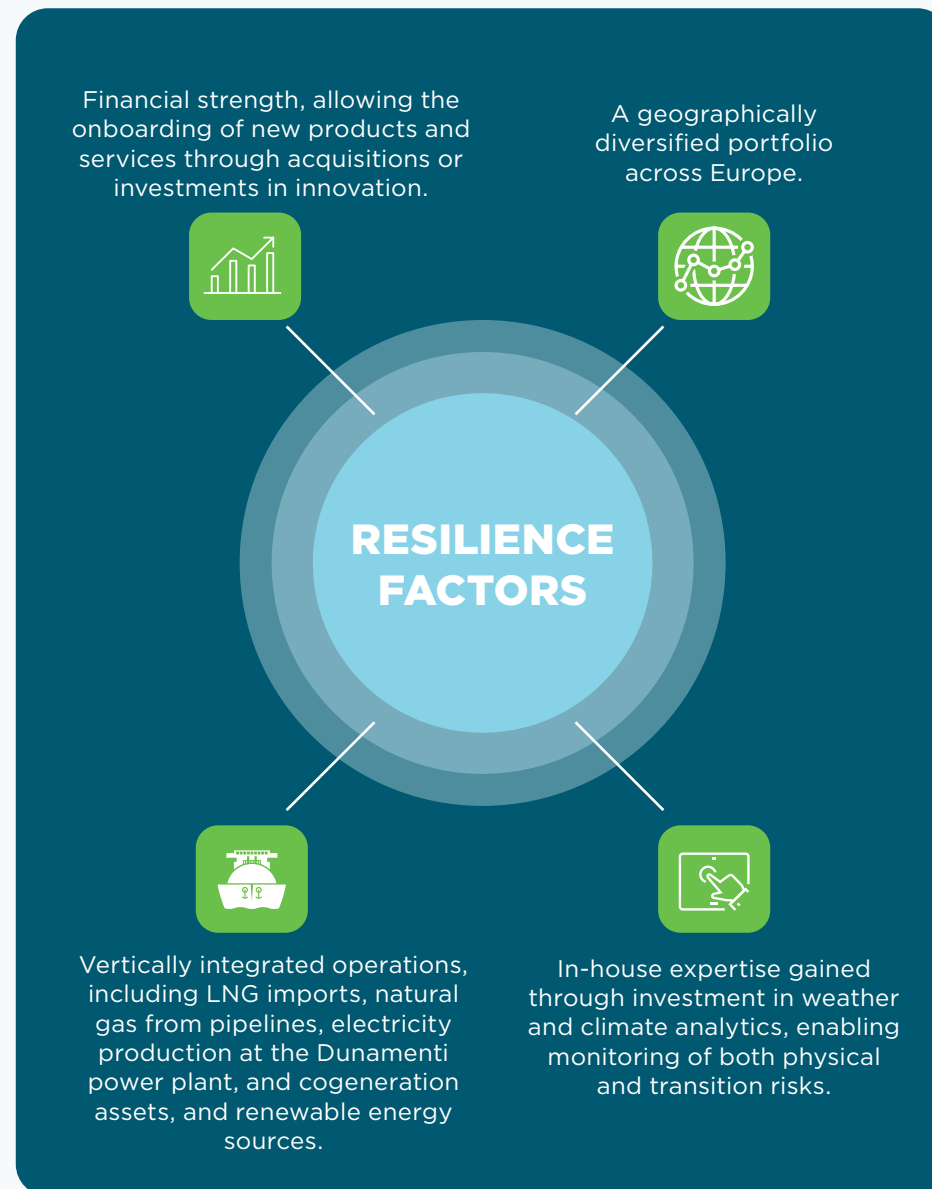
In the slower transition STEPS scenario, the impact of rising renewable energy capacity on flexible assets is expected to be positive in medium term, as legacy natural gas assets continue to play a critical role as a transition fuel for “shoulder” load power generation and balancing capacity alongside batteries. In the faster APS scenario, this is anticipated to be more significant and occur more rapidly.

## Innovation to Boost Resilience

Innovation is central to MET Group’s strategy, enabling the company to continuously develop new products and services that respond to evolving market opportunities and risks. **Our Flexible Assets Division** is focusing on technological readiness to adopt other clean energy solutions, positioning our Group to benefit from these innovations as they become economically viable.

Key examples of this innovation include the **Electrode Boiler Power-to-Heat project at the Dunamenti Power Plant**, which converts surplus renewable energy into heat and investments in battery storage solutions (BESS) at scale. Additionally, MET Group leverages advanced algorithms in power generation to optimise efficiency and manage renewable energy intermittency.

**MET Group’s strategic framework, featuring robust risk management, asset diversification across natural gas, LNG, renewables, and storage, cross-commodity optimisation, and targeted investments in innovative products and services, ensures sustained resilience and adaptability in a dynamic market.**



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# Enhancing Resilience and Competitiveness

**Risk management is a core pillar of MET Group’s overall strategy.**

Risks arise from changes in the business environment, driven by climate change and evolving regulations. They affect our business through new market trends, regulatory and financial requirements, policy shifts (transition risks) and extreme weather events (physical risks). On the other hand, these same factors present opportunities for us.

As our operations expand with new assets, a growing customer base, and activities in more countries our total emissions could rise. This trend may be influenced by the nature of local energy mixes; for example, entering the Polish market, which relies heavily on coal, or investing in additional gas-fired power plants could increase both absolute and intensity emissions. Investments in LNG ships would shift a portion of the emissions from indirect (Scope 3) to direct (Scope 1). Overall, however, we maintain that these market entries enable the energy transition. By giving customers access to structured energy products enabling their asset transition or supporting the switch to gas as a transition fuel, these investments also support our approach to help decarbonise the European economy.

**MET Group strives to have a net positive impact on CO<sub>2</sub> intensity**

**We believe in the longer-term, energy will be predominantly generated from renewable sources.** However, to accelerate the growth of renewable energy natural gas is essential as a transition fuel. It produces about **50-60% less CO<sub>2</sub> than coal and about 30% less than oil, making it a cleaner alternative.**

In our ESG approach we apply various risk management initiatives to assess the impacts of climate-related risks including trends in natural gas production and consumption, evolving EU directives, and geopolitical changes. We also evaluate the implications of growing demand for LNG, renewable energy, and other emerging opportunities.



 <p><b>NATURAL GAS</b> IS ESSENTIAL AS A TRANSITION FUEL</p>		<p><b>50-60%</b> <b>LESS CO<sub>2</sub></b> THAN COAL</p>	<p><b>30%</b> <b>LESS CO<sub>2</sub></b> THAN OIL</p>

Potential Impact of Risk Factors: Business Response and Opportunities

	Risk type	Impact	Business Response	Opportunities
TRANSITION RISK	<b>Policy and Legal</b>	Unfavourable regulatory changes disrupting or increasing the cost of commodity flows and/ or imposing higher compliance cost for energy suppliers and traders.	Continuous monitoring of policy developments and active consideration of policy scenarios in economic decision making with clearly defined downside backstops, all embedded in adaptable strategies under each scenario.	✔ Supportive legislation will increase flows in the core commodities, support continued investment in green generation assets as well as growing our nascent energy efficiency product lines and services.
	<b>Technology</b>	Advances in technology may impact the power generation supply stack as well as storage assets and thereby negatively impact the marginality of existing assets.	Continuous technology monitoring. Our asset investment strategies only consider Green, Battery Energy Storage System (BESS), efficient thermal generational assets and asset which are assessed to fully amortize prior to any disruptive technology being available at scale and/ or assessed as having high resilience based on their position in local supply and storage stacks.	✔ Significant investment opportunities to become available across generation and storage technologies to deploy our capital, including new and adjacent growth vectors to our existing businesses and assets, such as hybridization of PV assets (BESS as add-on).
	<b>Market</b>	Market disruptions and increased volatility due to renewable intermittency, including increased generation/ grid exposure to weather patterns which will ultimately also directly impact customers.	Trading and investment opportunities across MET's core commodities in support of grid balancing and risk products to customers to manage increased price volatility.	✔ Market volatility supports trading margins and provides opportunities to expand our product range including bundling of services which leverage our energy solutions business line and investment in European anchor positions (cross border-capacities, regas capacities).
PHYSICAL RISK	<b>Acute Physical</b>	Extreme and unpredictable weather events which may impact renewable generation assets as well as commodity flows e.g. by increasing insurance and shipping costs.	Continued investment in weather and climate analytics, targeted approach to asset insurance and market aligned pricing and risk management for commodity and increasing resilience of infrastructure.	✔ Advanced risk management around the cost of supply flows, flexibility and price volatility across cost components and asset positions.
	<b>Chronic Physical</b>	Changing generation and demand profiles, requiring increased balancing capacity and further market-based mechanism to manage new/ incremental price volatility and supply risk for our customers.	Continuous monitoring and analysis of energy infrastructure requirements and shifts in supply/ demands balances driven by investments and/ or changes in customer profiles and behaviours.	✔ Investment in hybrid systems, storage/ grid balancing solutions to address supply induced volatility; creation of new products and markets segments to support related commercial risk management.

# Risk Management Processes

Overall, MET Group follows a robust risk management philosophy anchored in its strong corporate governance and decision-making processes. All Group Risk and Finance Management functions are located in Baar, Switzerland, reporting to the Group CFO. Risks are managed through internal controls, centralised reporting, and regular reviews, in line with industry standards.

MET Group’s climate assessment process, known as “CLIMET,” was launched in 2024 using 2023 data. The objective is to evaluate climate-related risks and opportunities systematically and assess the resilience of the Group in relation to the impact of climate change. Through this ongoing assessment, MET Group is committed to staying proactive and adaptive as the regulatory landscape and climate trends evolve.



Our approach to identifying climate risks is designed as a bottom-up approach with a top-down control review.

1. **In the bottom-up approach,** each Division is required to annually update their assessments of climate-change risks and opportunities. This involves evaluating both physical and transition risks and rating their material impact on the Division’s activities.
  
2. **In the top-down approach,** the materiality of climate-related risks is assessed for MET Group overall, and the following factors are considered:
  - Keeping up to date with the latest scientific findings and projections on climate change.
  - Monitoring developments in energy transition progress and updates on Nationally Determined Contribution (NDC) plans globally.
  - Reviewing climate projections from professional organisations such as the International Energy Agency (IEA).

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# Metrics

We track our progress using several key metrics:

1. Absolute carbon emissions

2. Carbon intensity

3. Growth in green power generation

4. The development of future green projects

To ensure consistency, we measure our absolute greenhouse gas (GHG) emissions in CO<sub>2</sub>e by converting all GHGs into CO<sub>2</sub> equivalent units. In addition, recognising our primary objective to expand our gas and power end-customer portfolio and potentially conventional gas assets footprint in support of the larger energy transition, our absolute emissions alone do not capture how our emissions per unit of energy produce evolve.

To provide a clearer picture of our sustainability efforts, in line with other energy players, we focus on carbon intensity as a critical metric. This measure includes all direct emissions (Scope 1) and indirect emissions from purchased electricity (Scope 2), calculated against our total power generation in MWh. It encompasses the output from both our flexibility assets and green assets, showcasing our ambition to expand renewable power generation while steadily reducing greenhouse gas emissions per unit of energy produced in each market we operate in.

We are also emphasizing our substantial growth in green power generation over the years.

Lastly, MET Group is actively developing its project portfolio of renewable energy opportunities across its core markets.



# Direct and Indirect Emissions

The metrics below showcase the evolution of our Scope 1, 2, and 3 absolute emissions, as defined by the GHG Protocol Corporate Accounting and Reporting Standard.

## Scope 1 emission

Direct emissions from sources owned or controlled by the company

## Scope 2 emission

Indirect emissions from the generation of purchased electricity, steam, gas consumed by the company.

## Scope 3 emission

Indirect emissions from the company's value chain.

Note:

*MET Group expresses its greenhouse gas emissions in CO<sub>2</sub> equivalent (CO<sub>2</sub>e) measure, as other than CO<sub>2</sub> gases are converted into CO<sub>2</sub> equivalent unit*

For MET Group, the most relevant categories in Scope 3 emissions are the following:

### 3.1 Purchased goods and services

Extraction, production, and transportation of goods and services purchased.

*Examples:* Upstream emissions of gas and LNG to be sold.

### 3.3 Fuel and energy related activities

Upstream emissions of purchased fuels and upstream emissions of purchased electricity in the generation of electricity/steam/heating/cooling.

### 3.4 Transportation and distribution (not separately calculated included in 3.1 for MET)

The transportation and distribution activities in MET Group's value chain involve both upstream and downstream logistics. This includes transport in vehicles and facilities owned or controlled by MET Group, as well as transportation of purchased products and energy, both by MET Group and its suppliers. It also covers the production and transport of vehicles, solar panels, and wind turbines that MET Group acquires, along with third-party transportation services used for logistics and distribution between facilities not controlled by MET Group.

### 3.6 Business travel

### 3.11 Use of sold product

End use of goods and services sold by the reporting company in the reporting year.



### MET Group's GHG inventory in 2023

Metric	MET Emissions	Operational boundaries and data points	GHG emission in tCO <sub>2</sub> e
Scope 1 emission	<ul style="list-style-type: none"> <li>Dunamenti, COGEN turbines and boilers</li> <li>Engines</li> <li>Leased company cars</li> </ul>	<ul style="list-style-type: none"> <li>Purchased natural gas volumes</li> <li>Owned and leased vehicles</li> <li>Diffusive emissions (German gas storage)</li> </ul>	591k
Scope 2 emission	<ul style="list-style-type: none"> <li>Purchased electricity office lighting</li> <li>Steam, gas used for office heating</li> </ul>	<ul style="list-style-type: none"> <li>Purchased electricity and steam volumes</li> </ul>	
Scope 3 emission	<ul style="list-style-type: none"> <li>EU Sales entities sold gas and power volumes (emissions of MET Group's customer base)</li> <li>Upstream and transportation emission of LNG vessels</li> <li>Business travel</li> </ul>	<ul style="list-style-type: none"> <li>Sold volumes of natural gas and power</li> <li>Number of LNG vessels</li> <li>Dollar cost of travel</li> </ul>	11, 408k

### Evolution of our GHG inventory between 2022 and 2023

Our latest emissions profile is summarised in the table below displaying change in Scope 1, 2, 3 emissions:

Estimated Scope 1, 2, 3 GHG Emissions (Million Tons CO<sub>2</sub>e)



Our total greenhouse gas emissions were 12.0 million tons of CO<sub>2</sub>e in 2022 and 10.0 million tons in 2023, with around 0.6 million tons of CO<sub>2</sub>e attributable to the direct (Scope 1) emissions from our transition assets. The majority of our indirect emissions (Scope 3) stem from the combustion of natural gas sold to end-users through our sales subsidiaries. This underscores that MET Group's overall emissions profile is significantly shaped by indirect emissions occurring across its upstream and downstream value chains.

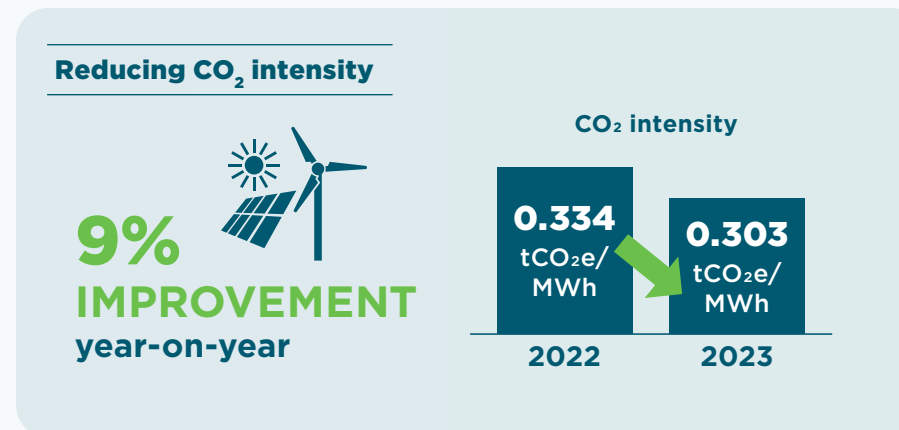
In accordance with the requirements of the GHG Protocol Corporate Accounting and Reporting Standard, MET Group has incorporated the CO<sub>2</sub> emissions from its Flexibility and Green Asset Divisions, as well as its Sales and Trading activities, into its reporting.

**MET Group CO<sub>2</sub>e Emissions (Million Tons) by Business Division:**  
2022-2023

	2022					2023				
	Sales and Trading Segment	Flexibility Asset Division	Green Asset Division	Holding	Total	Sales and Trading Segment	Flexibility Asset Division	Green Asset Division	Holding	Total
<b>Scope 1</b>	0	590,670	44	0	<b>590,714</b>	0	571,301	37	0	<b>571,338</b>
<b>Scope 2</b>	81	5,407	68	2	<b>5,558</b>	64	4,424	495	59	<b>5,042</b>
<b>Scope 3</b>	11,298,570	104,174	7	162	<b>11,402,913</b>	9,361,234	95,583	151	112	<b>9,457,080</b>
<b>Total</b>	<b>11,298,651</b>	<b>700,251</b>	<b>119</b>	<b>164</b>	<b>11,999,185</b>	<b>9,361,298</b>	<b>671,308</b>	<b>683</b>	<b>171</b>	<b>10,033,460</b>

## Emission Intensity

MET Group’s dedication to sustainability is reflected in our tangible achievements in reducing CO<sub>2</sub> intensity. In 2023, MET Group achieved a CO<sub>2</sub> intensity (measured based on total Scope 1 and 2 emissions over total produced electricity) of 0.303 tCO<sub>2</sub>e/MWh—down from 0.334 tCO<sub>2</sub>e/MWh in 2022—through the generation of renewable energy and optimised asset management, representing a 9% improvement year-on-year.



# Green Power Generation

The progress in reducing carbon intensity can be primarily attributed to a more than 70% increase in green power generation.

This increase reflects our focused capital expenditure in recent years: 70% on renewable energy and 20% on flexibility assets, with no investments in high-emission assets such as coal. Our green project pipeline has increased significantly over time in line with our ambition to increase our green generation capacity further:

## Total Green Energy Production

**72% INCREASE**  
in green power generation

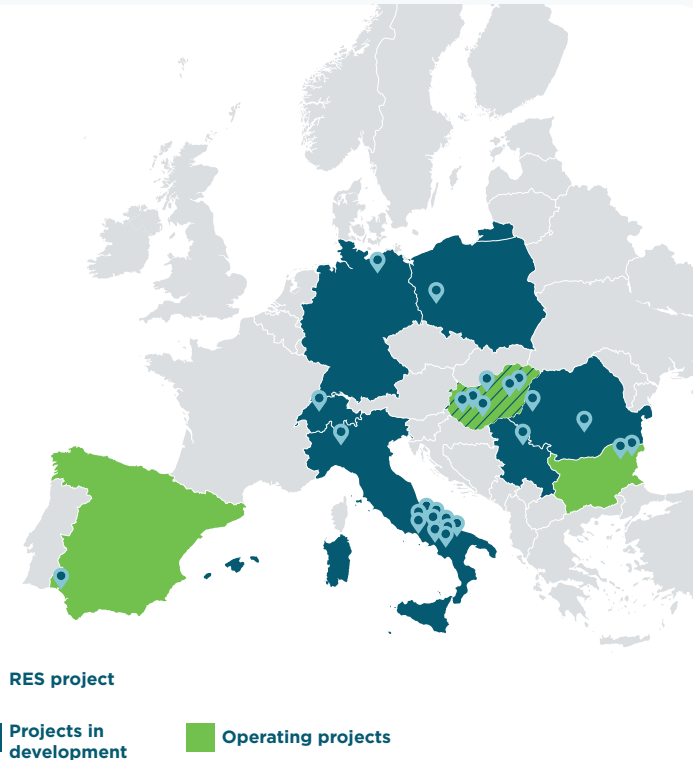
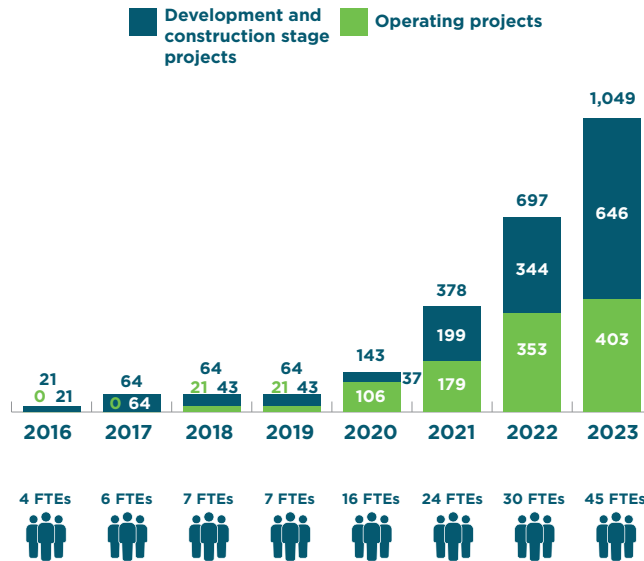
**308.3**  
GWh

2022

**530.3**  
GWh

2023

## Evolution of Green Assets Division Portfolio (MW)



APPENDIX

# TCFD OVERVIEW

About the Task Force  
on Climate-related  
Financial Disclosures  
(TCFD)

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Appendix

# About the Task Force on Climate-related Financial Disclosures (TCFD)

The **Task Force on Climate-related Financial Disclosures (TCFD)**, established by the Financial Stability Board, was created to enhance climate-related reporting and enable more informed investment, credit, and insurance decisions. It was developed in order to avoid disruptions in the financial markets due to investors underestimating the impact of climate-related risks and opportunities on the financials of companies. TCFD recommendations enable stakeholders (in particular financial investors) to better understand an entity’s financial exposure to climate-related risks and opportunities and ensure organisation’s proactively manage and disclose these risks.

The TCFD framework, now widely adopted across sectors and jurisdictions, centres on four key areas: governance, strategy, risk management, and metrics. MET Group adopted TCFD recommendations to communicate with its stakeholders on the financial impact of the climate-related risks and opportunities.

Concurrent with the release of its 2023 status report on October 12, 2023, the TCFD has fulfilled its remit. The Financial Stability Board has asked the IFRS Foundation to take over the monitoring of the progress of companies’ climate-related disclosures. MET Group will follow the developments of climate-related risks and opportunities reporting and will adjust its practice accordingly.

## Core Elements of Recommended Climate-Related Financial Disclosures



**Governance:**

The organisation’s governance around climate-related risks and opportunities

**Strategy:**

The actual and potential impacts of climate-related risks and opportunities on the organisation’s business strategy and financial planning

**Risk management:**

The processes used by organisation to identify, assess, and manage climate-related risks

**Metrics & Targets:**

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

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