



MANAGEMENT REPORT OF THE BOARD OF  
DIRECTORS OF SOCIETE ANONYME NAMED

# **“HELLENIC GAS TRANSMISSION SYSTEM OPERATOR S.A.”**

on the Yearly Financial Statements  
of Year 01.01.2024 - 31.12.2024

**23<sup>rd</sup> May 2025**

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# **To the Yearly General Assembly of the Shareholders** (or Shareholders' Assembly)

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Dear Shareholders, we have the honor to submit to you the Yearly Report of the Board of Directors according to the statute and article 150 of L. 4548/2018 and the financial statements of the Company for the year ending 31.12.2024, so as to inform you about the financial performance of the Company and request for your approval.

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# Message to shareholders

*Dear Shareholders and Stakeholders,*

2024 has been a year of extreme geopolitical instability with consequent important impacts on the global energy trends and flows. The presidential elections in the United States have triggered a sharp readjustment of the European policies, with a revised focus on security – including security of energy supplies – and industrial competitiveness which need to coexist and be conjugated with the goal of the energy transition. In these extremely volatile and unpredictable circumstances, Natural Gas has reinforced its role of pillar of energy stability, security, affordability and environmental sustainability.

Domestically we have witnessed a significant increase of gas demand for power generation, mainly driven by electricity exports and periods of low renewables generation, counterbalanced by a slow down of the transit flows due to higher competitiveness of pipeline gas vs. LNG with many cargoes' cancellations in the Revithoussa Terminal. The increased need of dispatchable gas fired power generation has triggered the announcement of new investments in high efficiency modern CCGTs in Greece, which strongly confirms the importance of the ongoing projects for the enhancement of the natural gas grid in the North West and NorthEast of Greece, included in the new c.a. 1.37 billion Ten Year Development Plan (TYDP) 2024-2033 approved by RAEWW in March 2025.

Later in the year the increased gas demand for power generation has supported the return of LNG imports and the entry into operations of the Alexandroupolis FSRU has prompted the recovery of transit flows, which we expect will grow further in the mid-term starting from the Gas Year 25/26. As in 2022, DESFA's gas grid has smoothly accommodated the huge swings in the direction of the flows of natural gas, with no disruptions to the users.

Given the unprecedented market volatility DESFA has effectively collaborated with RAEWW for the revision of the remuneration of the Revithoussa LNG import terminal, introducing an 100% ex-post socialization scheme of the terminal revenues, thus effectively safeguarding the long-term economic viability the country's most strategic gas infrastructure.

Important achievements have been reached by DESFA, both in the execution of the large scale projects to strengthen the natural gas infrastructures in Greece, necessary to guarantee the security of supply of Greece and South-East Europe, as well in our efforts toward implementing innovative gas technologies – such as renewable gases, Hydrogen and

Carbon Capture and Sequestration – that will significantly contribute to the country's energy transition efforts. 2024 has been a record year for DESFA capital investments – reaching an unprecedented level 230.8 million € of capital deployments. Key milestones have been met in the execution of the TYDP, such as the entry into operations of the Amfritriti M/R station, connecting the Alexandroupolis FSRU – participated by DESFA at 20% and operational from October 2024 – to DESFA's grid and of the IP with the ICGB pipeline, thus enhancing Greece export capacity to 5bcm per year. A further achievement has been the entry into operation of the first remote LNG facility in Aspros, and major progress in all the ongoing projects such as West Macedonia pipeline, Ambelia and Komotini compressors stations, all of which will be operational within the current year.

To support the very ambitious capital deployment in the expansion of the network, DESFA has successfully contracted the subscription of a new 810 million € Bond Loan with the four Greek systemic banks with terms including a 15 years tenor and a 1% fixed interest rate 261 million € portion out of the total loan under the Recovery and Resilience Fund scheme, which confirms the long term sustainability of all the new Hydrogen ready investments carried out by DESFA, in line with our long-term strategy to evolve its grid into a multi molecules' transport network in Greece and serving the goals of EU decarbonization.

In 2024 we have worked hard to foster the development of our two key Projects of Common Interest (PCIs), the 540km dedicated Hydrogen backbone connecting Greece to Bulgaria and the integrated CO<sub>2</sub> logistic solution in Greece – in conjunction with Energean's sequestration project in Prinos obtaining in 2024 EU financial support under the CEF funding scheme for the Front End Engineering and Design Phase of the H<sub>2</sub> Backbone, and the STEP Seal for the CO<sub>2</sub> ApolloCO<sub>2</sub> Hub from the Innovation Fund. DESFA role in the future Hydrogen transportation in Greece has been fully acknowledged by the inclusion of the company amongst the founding members of the newly funded ENNOH, the association established under the new Gas and Hydrogen Package of the EU, for the cooperation of the anticipated Hydrogen Network Operators. We will continue bringing forward and maturing both projects in 2025 and to promote the development of the relevant legislative and regulatory framework in Greece. In these very unstable circumstances, 2024 DESFA revenues and profit have normalized to the level foreseen by the applicable Tariff Regulation and

driven by the increase in the Regulated Asset Base constant growth, notwithstanding many exogenous factors.

Finally, we have added another non-regulated service contract to our portfolio including KIPIC, TAP and Nomagas, with the successful award of a contract with Gastrade for the provision of technologically advanced dispatching services through our Patima control center, thus confirming DESFA growing standing as a partner of choice in the development and operation of gas infrastructures.

Our continuous commitment to the Health & Safety of our employees, contractors, subcontractors, and the local communities, as well as our dedication to Environmental, Social, and Governance (ESG) principles, remain a top priority. In 2024, we adopted the Life Saving Rules, further strengthening our safety

culture and promoting responsible environmental practices. In the same year, DESFA proudly received several prestigious international distinctions, including the Environmental Team of the Year at the Environmental Awards 2024 (Greece), three honors at the Health & Safety Awards 2024 (Greece), and the Oil & Gas Gold Award at the ASSP GCC HSE Excellence Awards 2024 (Kuwait).

Furthermore, for a third year, DESFA received the OGMP Gold Standard certification on Methane Emissions, confirming our leading role in emissions reduction and transparent reporting.

Our key priority is to continue along these paths and ensure a safe and sustainable business environment for many years to come.



**Konstantinos Kosmadakis**  
Chairman of the BoD Officer



**Maria Rita Galli**  
Chief executive Officer

# 1. Desfa Profile

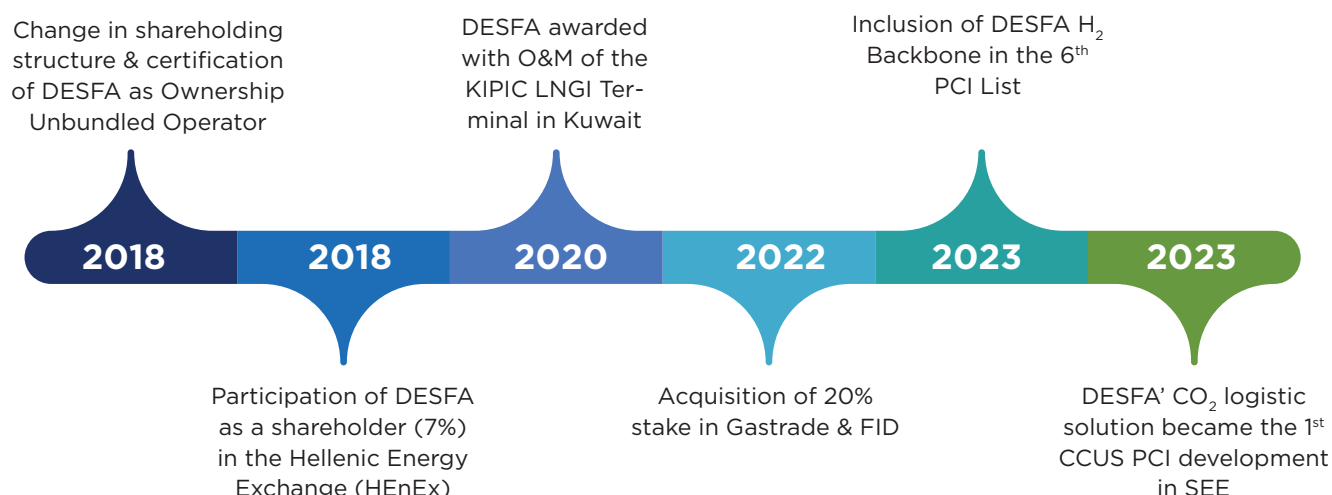
## 1.1 Who we are & our core values

### DESFA counts over 17 years of successful operation

- Established in March 2007, DESFA owns & operates the Greek Natural Gas System (NNGS), which consists of the National Natural Gas Transmission System & the LNG Terminal on the islet of Revithoussa.
- DESFA has been certified as an Ownership Unbundled Operator under the 3<sup>rd</sup> EU Energy Package, following the change in its shareholding structure.
- DESFA operates, maintains & develops the Greek Natural Gas System in a safe, reliable, and economically efficient way, offering:

Regulated Third Party Access services in a transparent and non-discriminatory way

A range of non-regulated services to national & international clients



DESFA pursues its business activity as Greece's natural gas Transmission System Operator (TSO), operating and developing a wide network of modern infrastructure throughout the country with safety, reliability, transparency and innovation, while paving the way for a cleaner, energy-secure future.

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



## DESFA, with its extensive experience and highly skilled staff, is a reliable partner for ongoing international energy projects.

The National Natural Gas System Operator (DESFA) S.A. is responsible for the operation, management, exploitation, and development of the Greek 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.

Contributing decisively to the security of supply and the diversification of supply sources in the wider region, DESFA also facilitates the development of competition in the Greek energy market, while systematically striving for the reduction of greenhouse gas emissions.



- Implements high value-added projects for the upgrade, expansion, and interconnection of the Greek Natural Gas System
- Actively contributes to the smooth energy transition of the country.



- Methodically pursuing its path to net zero, by steadily reducing the environmental impact of its operations.
- DESFA increasingly invests in the development of new technical and operational capabilities to accelerate the transition to a cleaner energy tomorrow, through the development of green, renewable gases, and by ensuring that its system is constantly evolving to enable the new decarbonized energy routes.



- Facilitates the development of competition and effectively integrates new strategic gas infrastructure into its system.
- Ensures access of the Greek and Balkan market to new competitive sources of supply and transforming Greece into an international energy and trading hub.



Aims to develop its service offerings and continue investing in new uses of natural gas, in domestic and international energy projects, while consistently aligning with the strategic direction of the energy transition. Additionally, it seeks to expand its relevant portfolio through equity participations and partnerships.

# DESFA's Vision & Mission



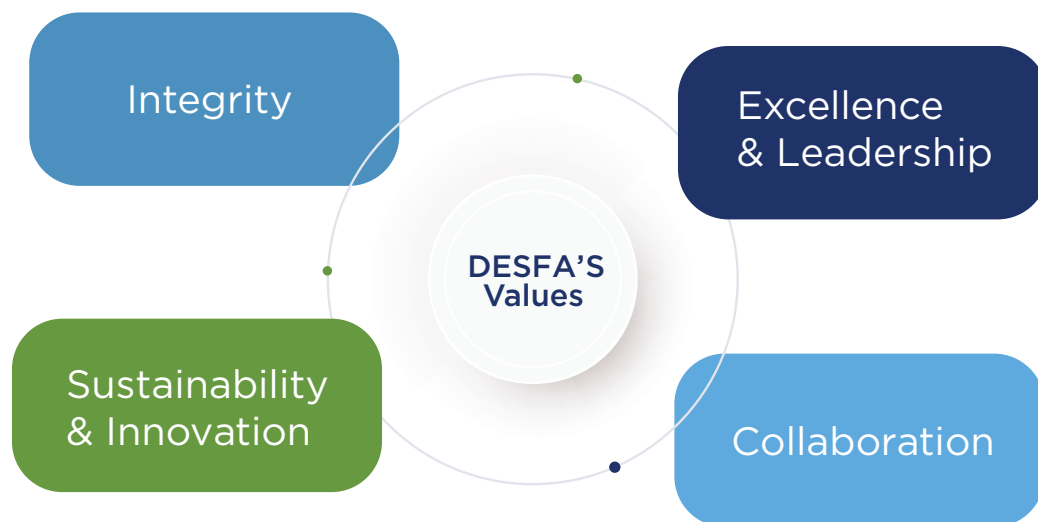
## Vision

- Our vision is to operate and develop a technologically advanced network, which transmits and stores clean, reliable and affordable gaseous energy in a safe and sustainable manner.
- We are leading the transition to the energy of tomorrow, investing in people, innovation, and future-proof infrastructure, facilitating more sustainable energy alternatives, and building our way to a zero-carbon future.
- We are fostering a sustainable business model regarding the environment, society, and corporate governance.

## Mission

- We pursue our business activity as Greece's natural gas Transmission System Operator (TSO) and as a reliable energy partner in Southeast Europe and beyond, operating and developing the Greek Natural Gas System and its interconnections. Our mission is to ensure the proper functioning of the energy supply system, enhancing competitiveness and extroversion and improving the quality of our lives.

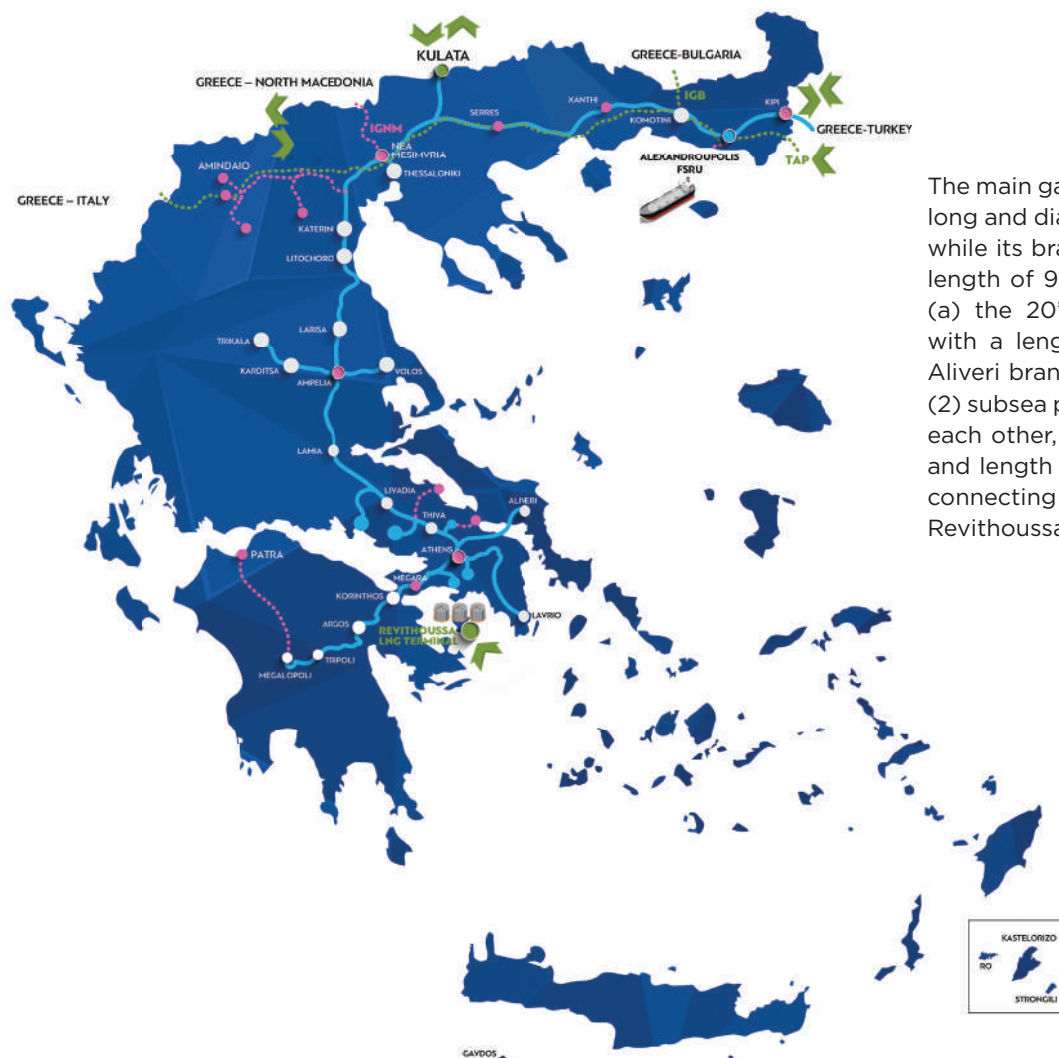
**We operate based on clearly identified values, ensuring that all DESFA Employees are working towards the same goals, supporting the Company's mission, and shaping our corporate culture.**





## 1.2 DESFA network & LNG terminal

### The National Natural Gas Transmission System (NNGTS) consists of:



The main gas pipeline is 512 km long and diameter 36" and 30" while its branches have a total length of 954.16 km, including (a) the 20" offshore pipeline with a length of 14.20 km of Aliveri branch and (b) the two (2) subsea pipelines, backup to each other, diameter 24" each and length 620 m and 630 m, connecting the LNG Station of Revithoussa with the mainland.



**1,466 km**  
High Pressure  
Pipelines



**1**  
FSRU Participation



**1**  
Compression  
Station



**1**  
LNG Storage &  
Regasification Terminal  
Stations in Revithoussa



**4**  
Operation &  
Maintenance  
Centers



**1**  
Truck Loading  
Station



**6**  
Interconnection  
Points



**49**  
Exit Points



**56**  
Metering and/or  
Regulating  
Stations



**2**  
Dispatching  
Centers

# LNG Revithoussa Terminal:

## An important energy asset for Greece

01

The Revithoussa LNG Terminal is located on the islet of Revithoussa, in the gulf of Pachi at Megara, 45 km west of Athens.

02

The Revithoussa LNG Terminal belongs among the 28 LNG terminals that operate today in the wider Mediterranean region and in Europe and the only one in Greece that receives LNG cargoes, temporarily stores and regasifies LNG and supplies the National Natural Gas Transmission System.

03

With a storage capacity of 225,000 m<sup>3</sup> LNG and a regasification capacity of 1250 m<sup>3</sup>/h as a Sustained Maximum Send out Rate, the Terminal is an important energy asset for Greece.

04

Revithoussa Terminal is designed in accordance with the strictest safety standards both for its employees and for the residents of the surrounding areas.

05

The used LNG technology procedures and operations (loading, storage and gasification) are environmentally friendly and strictly compliant with Greek and European legislation.

06

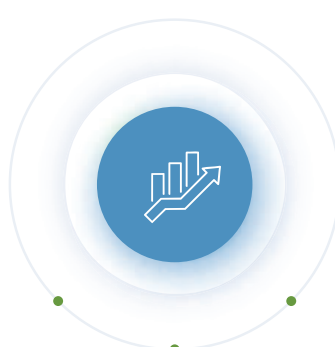
A Truck Loading (TL) Station is also integrated to the LNG terminal since its inauguration in October 2022. LNG TL offers a versatile solution for transporting LNG quantities inland, that can serve industrial consumers, truck-to-ship bunkering, truck-to-vehicle fueling, or supply off-the-grid areas or remote distribution points.

## The Revithoussa LNG Terminal plays a key role:

- in the daily operation of the National Natural Gas System;
- in the opening of the Greek Gas Market since 2010;
- in the security of supply of the Greek gas Market as it was proved in crises of 2009, 2012, and 2016-17 and especially in the current emergency situation (Russian – Ukrainian war);
- in the diversification of supply sources in the whole South-Eastern Europe region, feeding gas to countries with no alternative supply sources.



Strategic



Peak Shaving



Security of Supply

## 1.3 Non-regulated services

Over the past years, income from non-regulated services has been steadily increasing, with a notable 10% growth (vs 2023), in 2024.

Our Service Offerings include:



### Operation & Maintenance

- O&M services to medium and low-pressure systems
- O&M services to LNG & CNG facilities
- Provision of services of corrosion protection (cathodic protection) & lightning protection



### Engineering

- Project management & control services
- Basic & Analytical Engineering in areas of high expertise (e.g LNG Terminal infrastructures) and performance optimization
- Services to EPCs - Provision of specific support
- Consultancy and support to ensure compliance with contractual specifications



### Consulting & Training (leveraging also on the capabilities of our Technical Training and R&D Center)

- Consulting services on:
  - Energy Transition, including Carbon Capture & Storage and Hydrogen Readiness, Regulation
  - OGMP's measurement-based reporting
- Trainings - Design & Delivery

## DESFA's current NRS Key Customers involve:



### Operation & Maintenance of the LNGI terminal Station of Al Zour, Kuwait

DESFA has operated in Kuwait since 2020, when he was awarded the Operation and Maintenance (O&M) of the Al-Zour LNGI Terminal, by Kuwait Integrated Petroleum Industries Company (KIPIC).

## Significant Milestones & Achievements

March 2024



DESFA was honored as the Winner of "6<sup>th</sup> KIPIC HSSE CEO Award"

July 2024



We achieved the significant milestone of reaching **1 Million Safe Man-hours without a single Lost Time Injury.**

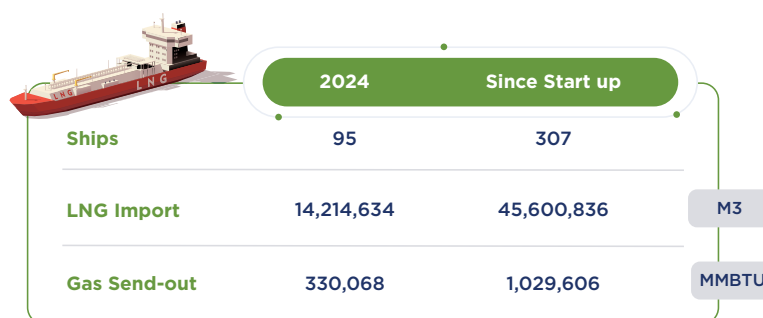
November 2024



- The safe and successful **discharge operation of the 300<sup>th</sup> vessel** took place.
- We received the **Gold Award for HSE Excellence in the category of Oil & Gas from the American Society of Safety Professionals (ASSP)** Kuwait Chapter related to the "ASSP GCC HSE Excellence Award 2024".

Since May 2024, DESFA has entered the 3<sup>rd</sup> O&M Year with its team exceeding 160 employees. The year concluded with outstanding results, reaching an excellent 100% KPI score in the final quarter, while previous quarters also recorded high performance, ranging from 92% to 100%. Other significant milestones involved the Gold Award for HSE Excellence in the category of Oil & Gas and successfully discharging the operation of the 300<sup>th</sup> vessel in November.

## Summary of KIPIC operational performance



## Trans Adriatic Pipeline Maintenance Agreement

DESFA has been maintaining TAP's (Trans Adriatic Pipeline) 550Km onshore High - Pressure Pipeline, which crosses Northern Greece, since 2018. We continue to deliver high-quality services under the Maintenance Agreement for TAP involving Maintenance Services, Alert Response Services, Warehouse and Materials Management, O&M Center Facilities Services and other additional services.

In its 5<sup>th</sup> Operational Year (2024), DESFA achieved full compliance with all Maintenance KPIs, demonstrating its dedication to operational excellence and was honored with an HSE Award for outstanding safety interventions-highlighting the company's unwavering commitment to high standards of performance, reliability, and safety.



## Contract Administration and Supervision of works on construction of the gas interconnection pipeline North Macedonia - Greece, on the territory of N. Macedonia

DESFA provides engineering services for the construction of the North Macedonia part of the Gas Interconnector Greece-North Macedonia (IGNM), a high-pressure gas pipeline (68 km 28") which will be part of the 123 km gas interconnector between N. Macedonia and Greece. DESFA will act as FIDIC Supervision Contractor for the construction of this project of strategic importance and will provide management services related to contract & operational management, technical, administrative, and legal supervision during EPC Contract tendering, assuring a Pipeline fully ready for Hydrogen transportation up to 100%.



## Provision of highly specialized services to Gastrade

DESFA was assigned in 2024 the provision of Physical Dispatching to Gastrade that include inter alia:

- Coordination on flow control issues
- Gas flow management
- Monitoring & remote operation of Coastal Valve Station assets
- Emergency Management, etc.

## 2. Our Governance Structure, Participations & Internal Organization

Desfa's shareholders are Senfluga Energy Infrastructure Holdings S.A. (a consortium formed by Snam S.p.A., Enagás Internacional S.L.U., Fluxys Europe S.A. and DAMCO Energy S.A.) with a 66% stake and the Hellenic Republic with a 34% stake.

### Information relating to the acquisition of shares

No "own shares" were acquired during the year 2024.



### 2.1 Our Participations in other Entities

The Company participates in the shareholding structure of: i. DESFA Solutions Single Member S.A. with a stake of 100%, ii) Gastrade Construction and Technical Natural Gas S.A. with a stake equal to 20%, iii. Hellenic Energy Exchange S.A. with a stake equal to 7% and iv) South Stream Greece Natural Gas Pipeline S.A. (a dormant entity) with a stake equal to 50%.

#### DESFA Solutions

In line with its strategic objectives to enhance business flexibility and expand its Non-regulated Service (NRS) portfolio, DESFA established a wholly owned subsidiary, DESFA Solutions S.A. in December 2024. This new entity serves as the primary vehicle for undertaking NRS contracts.

The incorporation of DESFA Solutions S.A. aligns with regulatory expectations and enables the company to capitalize on new business opportunities outside the regulated framework. The subsidiary operates under a governance structure identical to DESFA's. This strategic move reinforces DESFA's position in the evolving energy landscape, fostering sustainable growth and operational agility.

#### Gastrade

DESFA holds a 20% in Gastrade, the first company operating in Greece to be granted a license for an Independent Natural Gas System.

The Alexandroupolis FSRU Project comprises the FSRU and the permanent infrastructure which connects the FSRU to the Greek National Natural Gas Transmission system. The FSRU is stationed approximately 17.6 km SW of the town of Alexandroupolis in NE Greece, with an LNG storage capacity of

153,500 cubic meters and three regasification units, each with a regasification capacity of 315.000 cubic meters (267 mmscfd) of LNG/hour. The FSRU entered into full operation in October 2024.

#### Hellenic Energy Exchange

DESFA is one of the founding shareholders of HEnEx and holds a 7% share and one seat in the BoD of the Hellenic Energy Exchange (HEnEx), established on June 18, 2018 as a spin off of the former Greek electricity market operator LAGIE.

HEnEx S.A. has been designated by RAEWW as Nominated Electricity Market Operator (NEMO) for the operation of the Day-Ahead and Intraday Electricity Markets. Since '20, following the approval of the Hellenic Capital Market Commission (HCMC), HEnEx S.A. is operating the Energy Financial Market, as Market Operator of the Energy Derivatives Market and since March '22, HEnEx S.A. is also operating the Natural Gas Trading Platform.

#### Branches of the Company

The Company has a branch office at Mitropolit Teodosij Gologanov Street no.7/I-DP 10, Skopje - Center, Republic of North Macedonia established for the purposes of executing its contract with Nomagas.



## 2.2 Corporate bodies

Our Corporate bodies are composed by the following members:

### Board of Directors (BoD):

- Konstantinos Kosmadakis: Chairman of the BoD
- Peter Robert R. Verhaeghe: Vice Chairman<sup>1</sup>
- Marta Bellagamba: Member
- Salvatore Branca: Member
- Anna Mantakou: Member
- Panagiotis Tambourlos: Member
- Carlos Ródenas de la Vega: Member
- Theodoros Tsakiris: Member
- Eleftherios Kritikos: Member
- Matteo Caserotti: Member
- Sergio Molisani: Member

### Audit Committee:

- Panagiotis Tampourlos, Chairman
- Carlos Ródenas de la Vega
- Marta Bellagamba
- Eleftherios Kritikos

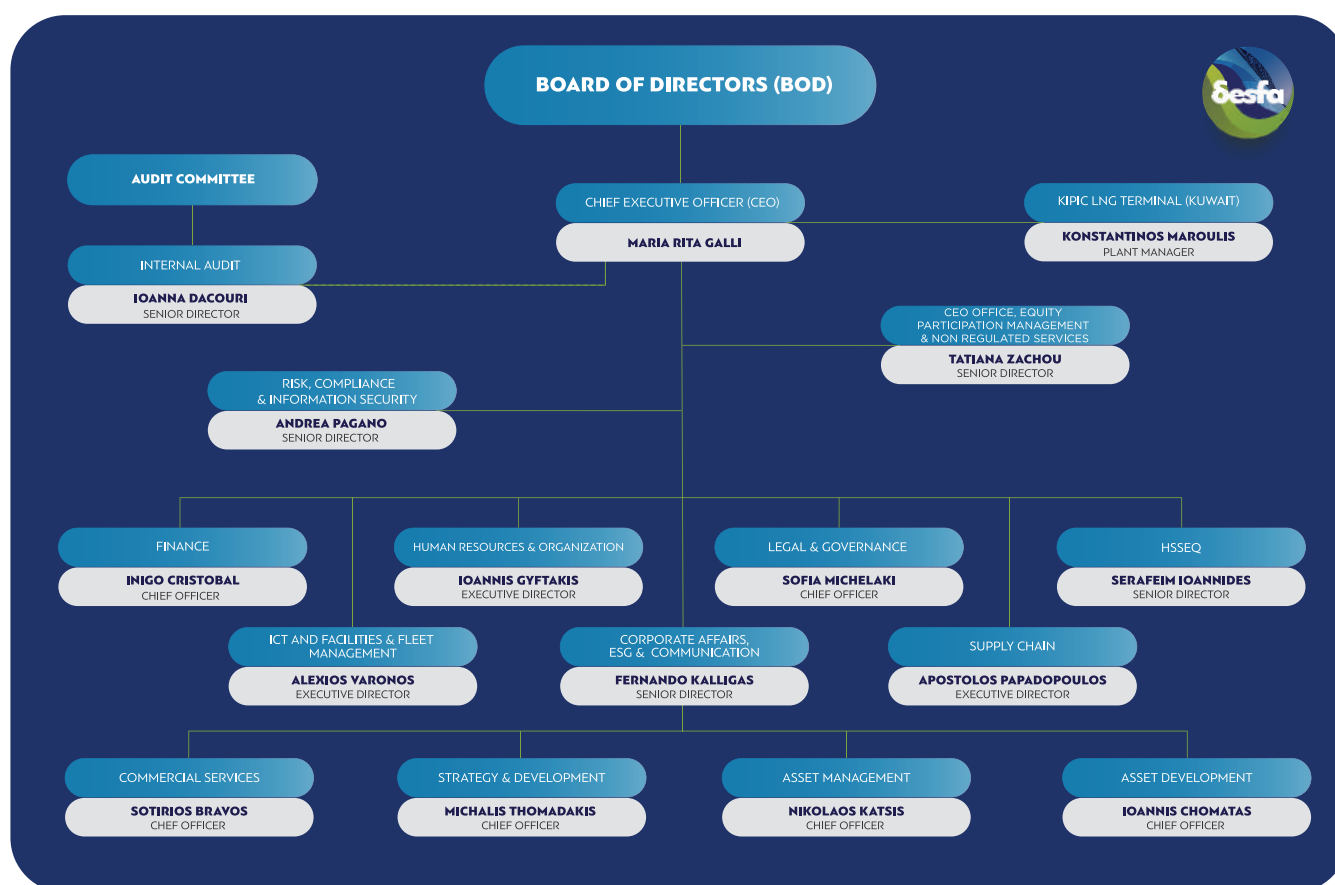
### Nominations and Remuneration Committee:

- Anna Mantakou, Chairperson
- Theodoros Tsakiris
- Peter Robert R. Verhaeghe
- Matteo Caserotti

The term of office of the Board of Directors is until 01/06/2025.

## 2.3 Management team

The Management team (as of 31.12.2024) is responsible for the day-to-day and operational management of the Company.



<sup>1</sup> It is noted that on 29/11/2024, Mr. Peter Robert R. Verhaeghe was appointed as Member of the Board of Directors and Member of the Nomination and Remuneration Committee, in replacement of the resigned Member Ben De Waele



## 2.4 Internal Control, Risk Management and Cyber Resilience System

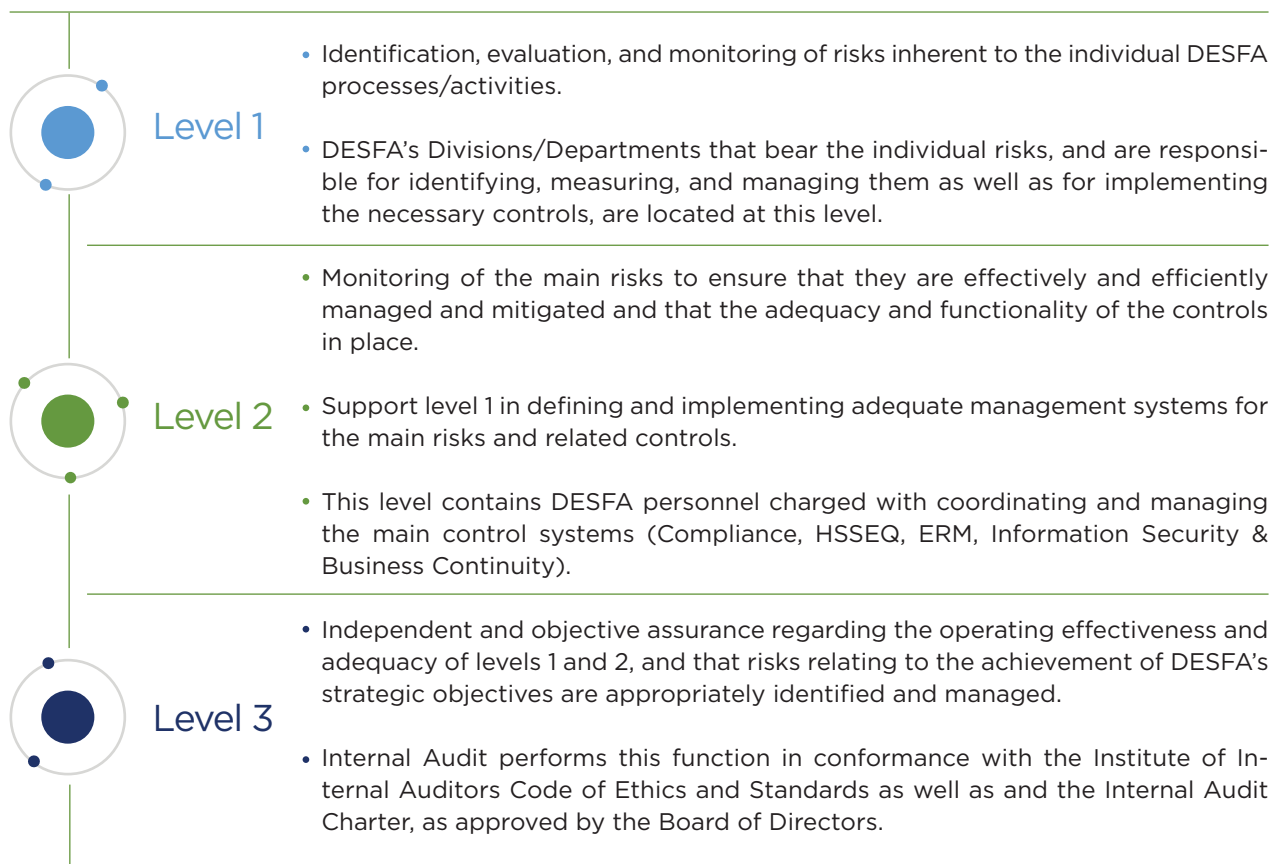
### DESFA Internal Control, Risk Management & Cyber Resilience System

DESFA has built an Internal Control, Risk Management & Cyber Resilience System based on the concept of the “3 lines of defense/control” (including but not limited to assurance providers such as Risk, Compliance and Information Security Division, Internal Audit Division, HSSEQ Division).

The System is structured internally in three (3) control levels, to ensure that risks are identified, evaluated, monitored, and mitigated in a proper manner, as illustrated in the graph below.



### Internal Control Levels



During 2024 RCIS, HSSEQ and Internal Audit Divisions continued their collaboration aimed to coordinate the respective assurance activities, to provide overall simplification and avoidance of duplication in favor of the internal stakeholders. The coordination of internal assurance providers, which was launched early in the year aimed to better monitor controls and corrective actions at the business functions and to attain maximum coverage of the related risks.

As far as the Risk, Compliance and Information Security activities are concerned, 2024 marked a year of significant achievements, as depicted in the following graph, contributing to the maturity of the overall System:

## Internal Control, Risk Management & Cyber Resilience System

### ENTERPRISE RISK MANAGEMENT

- DESFA's ERM follows international standards such as the COSO – ERM Framework and ISO 31000:2018.
- Risks are identified, evaluated and assessed periodically and their evolution is monitored via specific KRIs.
- Desfa Risk Committee identifies and approves the “risk response”, via the setting of specific mitigation actions to be implemented by the Risk Owners and checked by the ERM department.
- ERM strategies were further aligned with insurance policies to enhance risk coverage, Enterprise Risk Register was updated to reflect alignment with ESG targets and Strategic Objectives.

### BUSINESS ETHICS & COMPLIANCE

- DESFA follows a risk-based Anticorruption Model, with a set of controls per Sensitive Activity and Division, certified with Anti-Bribery ISO 37001:2016 in 2023.



- Operations in 2024 included an update of the Anticorruption Risk Assessment, enhancement of continuous monitoring (including KPIs) and data analysis (third party screening), as well as structured internal reviews (as per ISO 37001).
- Awareness was intensified, as induction training (to new recruits) and new means (monitor material) was added to annual training and periodical awareness campaigns.
- On the data protection front, DPO audits were performed to high-risk Divisions and personal data documentation moved to online environment (OneTrust platform), while Privacy by Design principles were applied in a number of business operations.

### CYBER POSTURE & RESILIENCE

- DESFA has been certified with ISO 27001 (Information Security) & ISO 22301 (Business Continuity), following a risk – based approach.



- Relevant operations include: enhanced Identity & Access Management system, updated Disaster Recovery Plan, Phishing Campaigns, Penetration Tests, ISO internal audits, and Threat Intelligence activities.
- Cybersecurity Awareness and Training Campaign conducted for all DESFA personnel, with dedicated sessions for IT-OT personnel and management.
- Adoption of a “security by design” approach for all new digital systems and in the context of OT/IT convergence.
- Enhancement of our Business Continuity Management System (incl. Risk Assessment, Business Impact Analysis, Business Continuity Plans, “table-top” exercise).
- Ongoing policy and procedure updates to reflect evolving cyber threat landscapes and regulatory requirements.

### 3. Financial Performance

#### Key figures & Analysis



DESFA's Operating Profit for 2024 decreased by €73 million compared to 2023:

- Revenue dropped by €252 million, mainly due to:

1. Despite the fact that actual Regulated Revenues of year 2024 (excluding Auction Premia) are in line with the approved level of Required Revenue of 2024, there is a significant decrease compared to Actual Regulated Revenues of year 2023 by more than €76 million which is attributed to the following: lower overall capacity bookings (especially for exports), revised tariffs compared to 2023, and reduced amounts of auction premia after the normalization of Bulgaria supply. Additionally the 2024 revenues have been affected by the delay of COD of Alexandroupolis FSRU

2. the implementation of the 2022 Preventive Action Plan under the Security of Supply Activity which included exceptional measures for the winter of 2022-2023 such as the Underground Storage in neighboring countries during 2023;

3. Lower revenues from recovery of LNG operational gas costs due to reduced needs in 2024 compared to 2023, as well as decreased income from Balancing Gas activities, which were subject to high prices and volumes in 2023.

On the other hand, Other Income increased by €6 million in 2024 mainly due to extraordinary revenues from compensations for damages related to natural disasters, as well as favorable court rulings.

- Cost of Sales decreased in 2024 compared to 2023 due to the items 2. and 3. stated above under Revenue. This decrease was partially offset by increasing costs (including one-off items) related to employee resources, related to ICT driven by greater digitalization needs and related to increased Depreciation due to a larger asset base.
- The overall decrease of the Operating profit is as expected and results from the above items out of which the auction premia have the highest weight, while most of the other items (revenues and costs of sale) have a profit-neutral character.

Statement Of Comprehensive Income		
Amounts in thousand €	1/1/2024-31/12/2024	1/1/2023-31/12/2023
Revenue	321.076	573.157
Cost of Sales	(198.026)	(371.046)
<b>Gross Profit</b>	<b>123.050</b>	<b>202.111</b>
Other Income	25.564	19.728
	<b>148.614</b>	<b>221.838</b>
Administrative Expenses	(23.062)	(24.087)
Distribution Expenses	(1.238)	(1.209)
Other Expenses	(3.226)	(2.740)
Amortization of Fixed Asset Grants	11.158	11.150
<b>Operating Profit</b>	<b>132.247</b>	<b>204.953</b>
Finance Costs – Net	(3.760)	(3.424)
<b>Profit Before Income Tax</b>	<b>128.486</b>	<b>201.529</b>
Income Tax Expense	(28.418)	(44.742)
<b>Profit for the Year</b>	<b>100.069</b>	<b>156.788</b>
<b>Other Comprehensive Income</b>		
Profits/Losses from Cash flow Hedging	(2.856)	(12.291)
Actuarial (loss)/profit on Retirement Benefit Obligations	(399)	89
Deferred Tax relating to these Items	716	2.684
<b>Other Comprehensive (loss)/income for the year, Net of Tax</b>	<b>(2.539)</b>	<b>(9.517)</b>
<b>Total Comprehensive Income for the Year</b>	<b>97.529</b>	<b>147.270</b>

Balance Sheet		
Amounts in thousand €	31/12/2024	31/12/2023
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Tangible Assets	1.502.104	1.321.558
Intangible Assets	19.872	20.802
Investments in Associates	19.798	18.528
Financial Assets at Fair Value through Profit or Loss	350	350
Other Non-Current Assets	59.525	67.325
Financial Assets at Amortised Cost	11.320	8.320
Financial Assets at Fair Value through Other Comprehensive Income	951	3.464
<b>Total Non-Current Assets</b>	<b>1.613.920</b>	<b>1.440.347</b>
<b>Current Assets</b>		
Inventories	22.287	24.109
Trade and Other Receivables	119.755	144.743
Cash and Cash Equivalents	117.977	179.313
Assets Classified as Held for Sale	7.306	0
<b>Total Current Assets</b>	<b>267.325</b>	<b>348.165</b>
<b>TOTAL ASSETS</b>	<b>1.881.245</b>	<b>1.788.511</b>

Balance Sheet		
Amounts in thousand €	31/12/2024	31/12/2023
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	491.265	491.265
Reserves	53.102	50.319
Retained Earnings	363.852	369.106
<b>Total Equity</b>	<b>908.219</b>	<b>910.690</b>
<b>Non-current Liabilities</b>		
Employee Benefit Obligations	3.364	3.287
Borrowings	467.080	365.809
Lease Liabilities	27.354	8.677
Provisions	1.969	1.918
State Grants	208.656	210.245
Other Non-Current Liabilities	163	155
Interest Rate SWAP Liability	6.935	5.943
Deferred Tax Liabilities	44.175	39.607
<b>Total Non-Current Liabilities</b>	<b>759.697</b>	<b>635.641</b>
<b>Current Liabilities</b>		
Trade and Other Payables	145.849	150.267
Borrowings	49.056	44.662
Lease Liabilities	1.380	1.757
State Grants	10.860	11.048
Current Income Tax Liabilities	4.030	31.710
Other Taxes Payable	2.154	2.735
<b>Total Current Liabilities</b>	<b>213.329</b>	<b>242.179</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1.881.245</b>	<b>1.788.511</b>



## Key Balance Sheet developments include:

1. An increase in non-current assets, primarily due to higher Tangible Assets, attributed to historically high level of capital deployment in the context of the TYDP implementation followed by an additional subordinated bond loan provided to Gastrade.
2. A decrease in Current Assets, mainly due to a reduction in Trade and Other Receivables, primarily related to Security of Supply ("SOS") charges, which are to be recovered over the 2024-2027 period through an extra Levy (based on RAEWW's decisions 888/22 & E-221/23, E-81/23). There was also a decrease in advance payments to suppliers, which reflect the progression of the ongoing investment plan; a reduction in Inventories due to lower Natural Gas prices; and a decline in Cash (mainly due to the alignment between CapEx spending and loan drawdowns).
3. An increase in Non-Current Liabilities, due to new loan drawdowns related to new 810 mil Bond Programme and the current European Investment Bank (EIB) 25 mil credit facility, as well as - increased Lease Liabilities following the signing of the long-term headquarters building contract.
4. A decrease in Current Liabilities, due to a reduction in Trade Payables, reflecting lower outstanding network user cash guarantees at the end of 2024, along with a decrease in Current Income Tax Liabilities.

## The corresponding key financial ratios are as follows:

Ratios		2024	2023
<b>Gearing Ratio</b>	= (Total debt) / (Total debt + total equity)	36,24%	31,10%
<b>Return on Equity</b>	= (Profit After Tax) / (Total Equity)	11,02%	17,22%
<b>Return on Assets</b>	= (Profit After Tax) / (Total Assets)	5,32%	8,77%
<b>Liquidity ratio</b>	=(Current Assets) / (Current liabilities)	1,25	1,44

## 4. Our strategy

### 4.1 Strategic priorities

DESFA operates within the framework of both Greek and European regulations, providing commercial and technical services for the efficient operation and development of the Greek energy market. DESFA's vision remains strengthening Greece's role as a key energy gateway in the East Mediterranean and South Eastern Europe (SEE), while promoting a progressively decarbonized economy.

Natural gas continues to play an important role in this transition, offering flexibility, diversification and stability to an energy system with a growing share of renewable energy sources, at a national level and with strong need for replacement of coal from the energy mix in the wider SEE region, despite the fact that, over time, natural gas is expected to be gradually supplemented or even replaced by low-carbon and renewable gases such as Biomethane and Hydrogen. In addition, DESFA further advances the energy transition agenda through investments in CCS (Carbon, Capture and Storage) technology, leveraging on its experience in gas infrastructure development and operation, including ability to handle cryogenic gases at an extensive basis.

The company is also utilizing its expertise by providing non-regulated services to third parties. Through all these efforts, DESFA ensures the long-term financial stability of the company while prioritizing cost efficiency, health and safety, process safety, network integrity and operational effectiveness.

In fact, DESFA's strategy for 2024, focused on the below priorities:

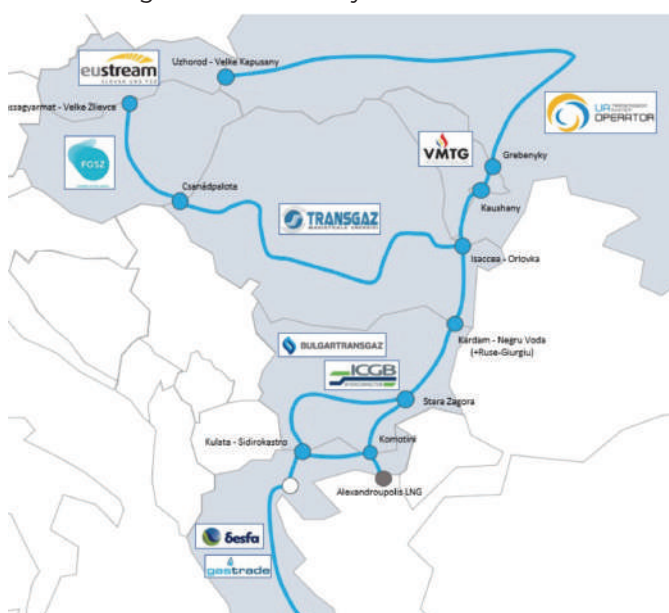
- **Strengthen NNGS Capacity and Sustainability:** Building on the implementation of the approved NNGS Development Plan for 2023-2032, DESFA is advancing key projects to reinforce the existing network, expand natural gas usage into new areas and create additional entry and exit capacities. Under the 2024-2033 Development Plan, which includes approximately €1,34billion of investments in new projects, the goal is to:

- extend and strengthen the Greek Gas Network,
- enhance the security of supply and integrating new entry points,
- deliver natural gas in new regions
- enable the progressive phasing out of coal in power generation and of other polluting fuels in the industrial and residential & commercial services and
- rapidly increase the import and export capacity to neighboring countries

- The above help consolidate Greece's role as a key import gate for natural gas and LNG in SEE, ensuring diversification of supply sources and security of supply for the entire region.

Among the new projects supporting the above goals are the **Amyntaio-Komnina hydrogen pipeline and the pilot H2 injection facility at the Technical Training Center in N. Mesimvria**, which promote the early introduction of Hydrogen into the NNGS and pave the way for the future transportation of renewable gases. Additionally, new infrastructures are being designed and constructed with specifications that will enable the transportation of pure hydrogen through the new pipelines in the future, in alignment with Greece's and the EU's long-term decarbonization strategies while ensuring the sustainability of DESFA's infrastructure.

- **Active participation in the Vertical Corridor, an initiative led by DESFA alongside other TSOs from Southern and Eastern Europe,** aimed at upgrading transmission systems, addressing bottlenecks and ultimately increasing gas throughout Greece to the SEE/CEE region. In July 2023, the Vertical Corridor Gas System Operators (GSOs)-DESFA, Gastrade, ICGB, Bulgartransgaz, Transgaz, FGSZ, Eustream, Vestmoldtransgaz and the Gas Transmission System Operator of Ukraine (GTSOU)- launched an incremental capacity process, in line with the provisions of Regulation (EU) 2017/459.



During the non-binding phase of this process, market participants expressed strong interest in booking capacity along the Vertical Corridor route from South to North, which formed the basis for defining the proposed projects and the capacity levels offered during the binding phase. The GSOs developed the respective project proposals one year ahead of the typical Incremental Capacity Process CAM NC schedule. However, during the binding phase, which took place in early July 2024, market participants appeared reluctant to book long-term capacity along the Vertical Corridor route due to the prevailing high regional market volatility. As a result, the binding requests were insufficient to meet the positive economic test criteria. Regardless of the outcome of the incremental capacity process, DESFA and other GSOs have made Final Investment Decisions (FIDs) for some of the necessary investments along the Vertical Corridor, thus increasing the capacity of their systems, especially in the South-to-North direction. However, this increase on its own is not sufficient to address the potential supply gap in the region. Consequently, the Vertical Corridor members continue their efforts to develop the projects required to ensure uninterrupted gas supply to their national and regional markets, while also facilitating the smooth transition to a carbon-free era.

- The **binding phase of the Market Test for the expansion of the Greek Natural Gas System was launched**, giving interested parties the opportunity to submit binding expressions of interest for future capacity bookings, including at new supply points and Interconnection Points. The process was fully coordinated with the Vertical Corridor initiative, allowing for the alignment of capacity expansion at Greece's Northern Interconnection Points with neighboring TSOs and the potential inclusion of new entry points (i.e. FSRUs) within the same framework. However, current market volatility and geopolitical uncertainty have hindered the conclusion of long-term binding commitments and thus the continuation of the procedure at this stage. In parallel, DESFA, TAP and Snam Rete Gas, are currently drafting the Project Proposal for the binding phase of the Market Test related to the expansion of the TAP pipeline, as part of the 2023-2025 incremental capacity cycle under CAM MC. For DESFA, this includes a potential capacity expansion at the Nea Messimvria Interconnection Point.

- **Further development of the Small-Scale LNG (ssLNG) market in Greece**, through the (under development) construction of a new ssLNG jetty in Revithoussa for reloading small vessels. ssLNG applications will enable natural gas to reach new markets, such as the maritime sector and off-the-grid users, thereby contributing to the decarbonization of hard-to-abate sectors.

- **Further expansion of the regulated services**, through the development of new services and products or the modification of existing ones (e.g. the virtual liquefaction service at the Revithoussa terminal, the option to purchase offsetting gas through the natural gas Trading Platform, and the simplification of the LNG scheduling at Revithoussa through auctions), creating new business opportunities for NNGS users.

- **Supporting the development of the hydrogen market in Greece and the EU**, through the formation of a coherent and robust Hydrogen (H<sub>2</sub>) Roadmap to guide long-term strategy towards the 2050 decarbonization goals. This includes the completion of a non-binding Call of Interest to assess the domestic and international hydrogen market in collaboration with the Bulgarian TSO. DESFA's efforts also focus on advancing the Greek backbone and Southeastern European hydrogen Corridor projects (H<sub>2</sub>DRIA and SEEHyC), modernizing and retrofitting the existing transportation network to become hydrogen-ready through the construction of new H<sub>2</sub>-ready pipelines and the SmartSwitch project. Additionally, DESFA is participating in EU organizations such as ENNOH and is actively engaged with authorities of neighboring EU countries to enhance Greece's role as a key supplier of green hydrogen to the EU.

In September 2024, DESFA, in collaboration with BULGARTRANGAZ, launched a **Call of Interest for Non-Binding Requests for the H<sub>2</sub> Market in Greece and Bulgaria**. The initiative aimed to gather valuable insights from industry stakeholders and market participants to help shape the future hydrogen market and foster collaborative efforts.

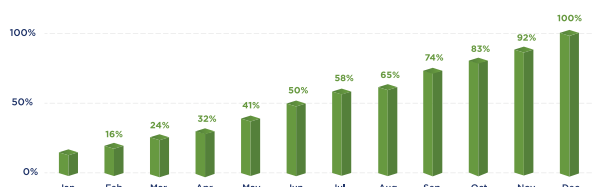
During this Call, 17 companies submitted a total of 33 potential projects in Greece. According to the projections received, Hydrogen production in Greece is expected to reach 72.084 MWh/D by 2035, while Consumption will total 32.157 MWh/D, positioning Greece as a potential exporter. Throughout this process, DESFA has actively engaged with industry players, encouraging participation, to better evaluate the hydrogen market potential in both countries by hosting a Virtual Workshop and setting up various meetings with interested parties.

- **Developing the CC(U)S value chain in Greece**, with DESFA playing a crucial role in the mid-stream segment. This initiative provides significant leverage for the decarbonization of the Greek industry, in line with the new NECP targets through the initiation of its APOLLOCO<sub>2</sub> project (as further explained in Section 6.2 below) while at the same time taking all necessary actions to accelerate the **development of the biomethane sector** in Greece, with close monitoring of the relevant regulatory and market developments.

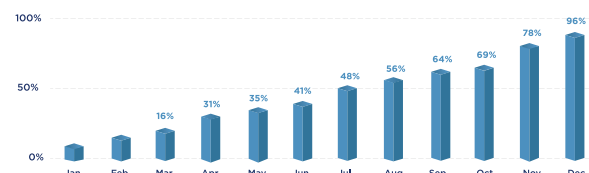
# 5. Operational & Commercial Performance

## 5.1 Our operational performance

DESFA aims to provide high-level operation and maintenance services for the National Natural Gas System, ensuring uninterrupted and orderly gas supply to consumers, as well as the safety of people and facilities, by adhering to a strict preventive maintenance schedule, as shown in the graphs below:



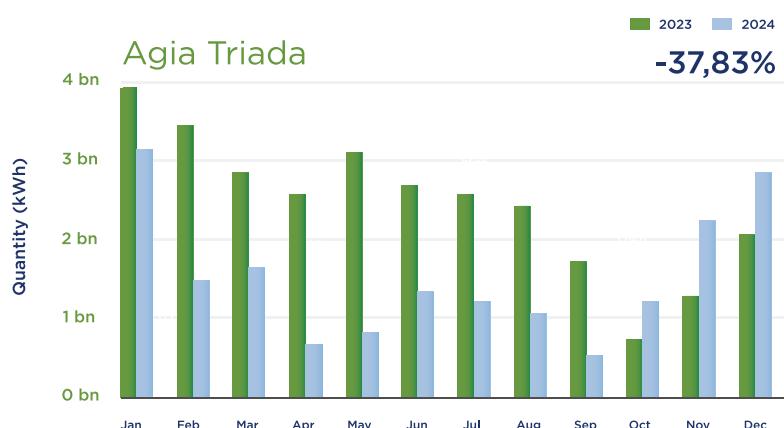
2024 Preventive Maintenance Progress of TRANSNET



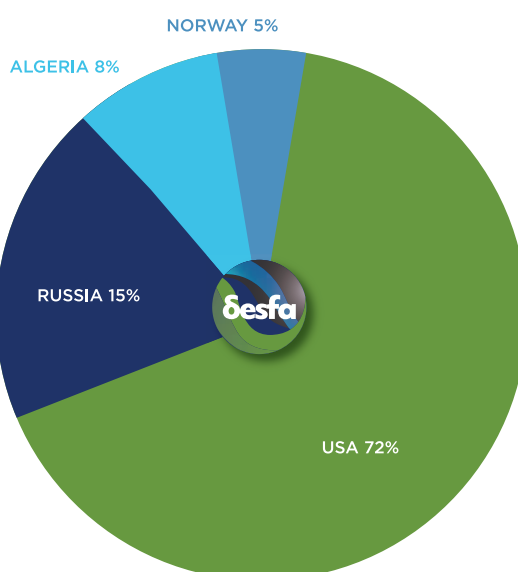
2024 Preventive Maintenance Progress of LNG

The LNG Terminal's regasification availability and delivery capacity at all Entry Points remained uninterrupted throughout 2024, achieving 100% performance in the relevant KPIs.

In fact, in 2024, 27 cargoes were unloaded at the Revithoussa Terminal, adhering to the highest safety and technical standards. This represents a 34% decrease from the 41 cargoes unloaded in 2023 and an almost 38% decrease in physical deliveries at the Agia Triada Entry Point compared to 2023, as shown in the graph:

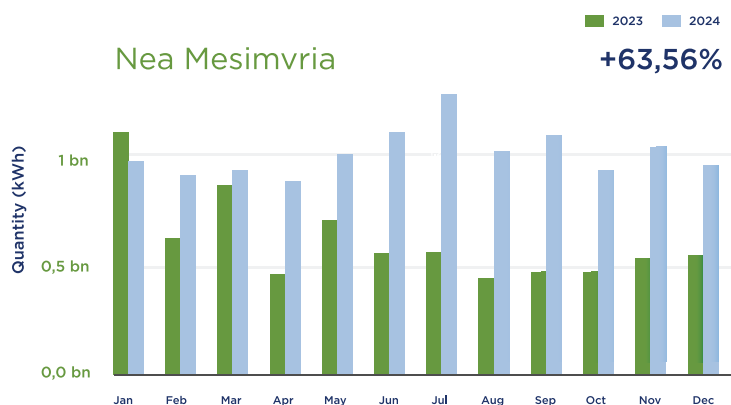


This change reflects Shippers' decision to manage differently their supply portfolio. The following graph illustrates the share of LNG cargoes by country of origin for the reference year, highlighting the diversification of supply alongside the sources of pipeline gas:



LNG cargoes per origin

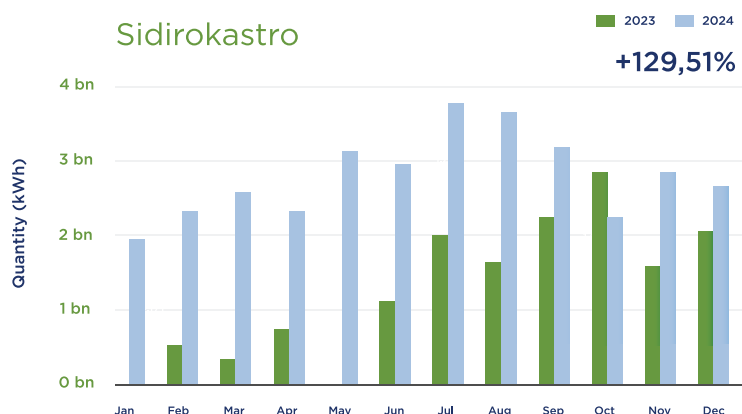
The Nea Mesimvria Entry Point, connecting the NNGTS with TAP, continues to play a key role in security of supply, as evidenced by the increasing physical deliveries of gas from TAP to the NNGTS:



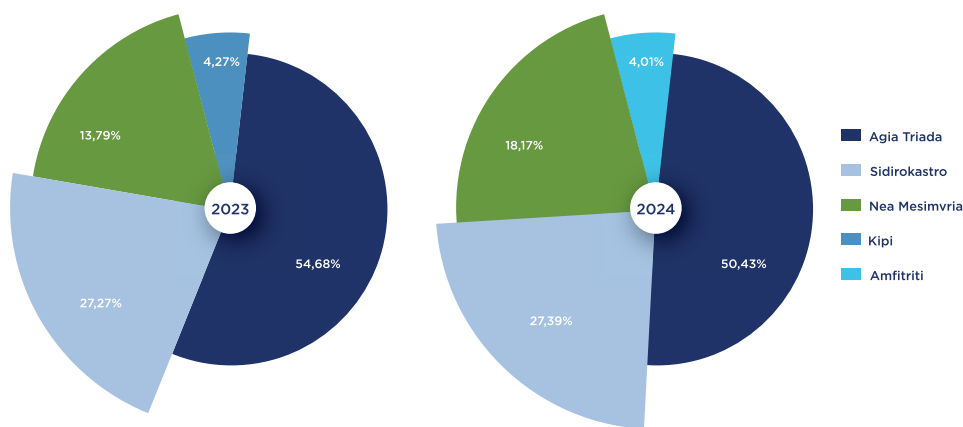
Physical deliveries at the Kipi Entry Point have decreased to zero throughout 2024, whereas the Amfitriti Entry Point, connecting NNGTS with FSRU Alexandroupolis, began operations in October 2024 and delivered the following physical quantities:



Sidirokastro has delivered the largest share of total gas with physical deliveries increasing by 129%:



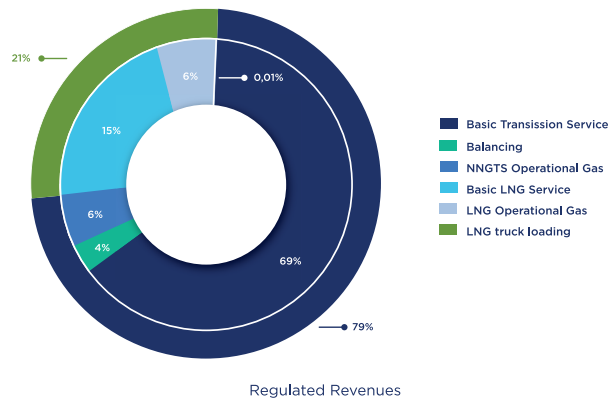
The changes in physical deliveries per entry point between the two years are summarized in the following graph:



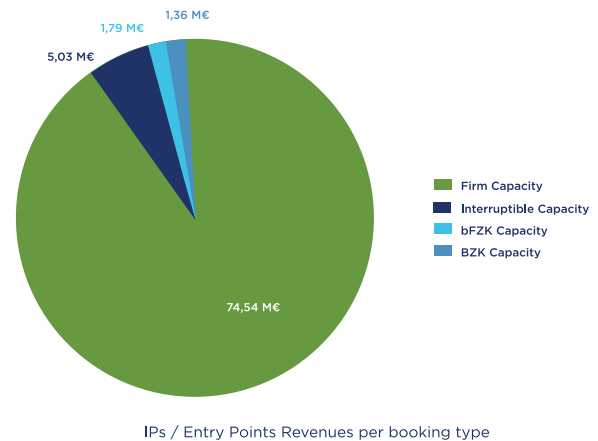
Physical Deliveries at Network Entry Points

## 5.2 Commercial Overview

Following the above, revenues from providing access to the NNGTS account for 79% of the total regulated revenues, with the remaining 21% generated by providing access to the LNG facility, including LNG truck loading (i.e. 325 truck loading slots were booked, resulting in revenue of €211K). The following graph presents the consolidated revenues for 2024, categorized into six charge types, offering an overview of their contribution to the total revenue.



The following chart shows the revenues generated at the NNGTS Entry/ Interconnection points, categorized by booking type (firm, interruptible, conditional - bFZK, and route - BZK), offering insight into the revenue distribution across different capacity products<sup>2</sup>.



An overview of the quantities allocated<sup>3</sup> at NNGTS Entries & Exits in 2024 is presented in the graph below.



### <sup>2</sup> Definitions:

**Firm Capacity:** Natural Gas Transmission Capacity contractually guaranteed as uninterruptible by the TSO in accordance with the applicable regulatory framework.

**Interruptible Capacity:** Natural Gas Transmission Capacity that may be interrupted by the TSO under the conditions specified in the regulatory framework.

**bFZK:** (Conditionally Firm Freely Allocable Entry Capacity). Natural Gas Transmission Capacity that is offered as a firm capacity, to ensure compliance with the operational technical restrictions of the NNGTS. This capacity is freely allocable and accessible at VTP. However, access to the VTP is subject to predefined operational technical conditions. If these conditions are not met, capacity might be interrupted.

**BZK:** (Restricted Allocable Capacity). Natural Gas Transmission Capacity offered from a dedicated Entry Point to a pre-defined Exit Point (Coupled Points). Does not include access to the VTP.

<sup>3</sup> Note: Allocated quantities refer to commercial data that may differ from physical flows for points used for both imports and exports.



The 2024 commercial outlook can be therefore summarized as follows:

- **Domestic Demand increased by approx. 30% compared to 2023**, mainly driven by higher consumption in power production and industrial sectors.
- **Exports to Bulgaria marked a significant decrease of 83% compared to 2023**, as Bulgaria received more pipeline gas from Turkey due to price competitiveness. However, exports to Bulgaria resumed in Q4 2024, following the start of commercial operations of the FSRU Alexandroupolis.
- **Pipeline Imports increased overall**, due to a significant rise in imports through Bulgaria.
- **LNG imports also reduced by 38% compared to 2023**, reflecting the shift towards pipeline imports due to price competitiveness of pipeline gas vs. LNG in 2024. It is important to note, however, that LNG still accounted for 26% of total imports in 2024.
- **DESFA's User Base grew by approx. 12% compared to 2023**, adding from both the domestic and foreign market. This increase was distributed across i) Natural Gas Transmission (87 users), ii) TheLNG Facility (67 users), and iii) Truck Loading service (10 users).

The table below summarizes key data regarding trades that took place at the Virtual Trading Point in 2024, including both Over-the-Counter (OTC) transactions between shippers and anonymous trades on the Natural Gas Trading Platform:

VTP Trade Data 2024 [TWh]	
<b>Total Market Volume (Imports to the NNGTS)</b>	69,25
<b>OTC (Bilateral) Trades at the VTP</b>	42,75
<b>Trades at the Trading Platform</b>	5,05
<b>Total VTP Trades</b>	47,8
<b>Churn Ratio (VTP Trades / Market Volume)</b>	69%

## Auctioned Capacity

**In 2024, the following products were auctioned for transmission capacity:**

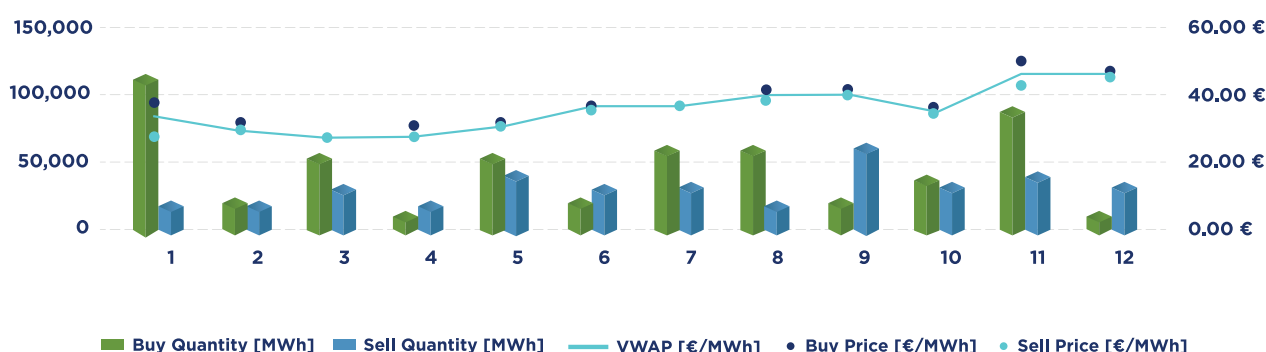
- Firm capacity at Kulata / Sidirokastro IP from BG to GR and from GR to BG for GY 2024/2025 to GY 2038/2039.
- Firm capacity at Nea Mesimvria IP from TAP to DESFA for GY 2024/2025 to GY 2038/2039.
- Firm capacity at Kipi IP from TR to GR in competition with Amfitriti. This capacity will be used and charged from the start of operation of Komotini CS and Ampelia CS, whichever occurs last.
- bFZK capacity at Amfitriti Entry Point (connection point with FSRU Alexandroupoli) for GY 2024/2025 in competition with Kipi IP. This capacity will be upgraded to firm as of the start of operation of Komotini CS and Ampelia CS, whichever occurs last.
- BZK capacity from Amfitriti Entry Point to Komotini (DESFA/ICGB) IP for GY 2024/2025 up to 2029/2029.
- BZK capacity from the Amfitriti Entry Point to Kulata / Sidirokastro IP for GY 2024/2025.

For LNG capacity auctions were held for the years 2025 – 2039, with capacity booked up to and including 2032.

## DESFA Balancing Activity on the Trading Platform

In 2024, DESFA executed a total of 850.5 GWh of trades on the Trading Platform for balancing the NNGTS, with a total value of 28.7 million Euro. 58% of these trades represented purchases of natural gas (to compensate for shippers' short imbalance positions) and the remaining 42% were sales of natural gas (to compensate for shippers' long imbalance positions). Additionally, a significant level of price efficiency was achieved, as the deviations of DESFA's trades from the market weighted average price were, on average, less than 2% - well below the applicable marginal price adjustment of 10%. The breakdown of the monthly balancing gas quantities purchased / sold by DESFA, along with the respective average monthly price of these transactions, is shown in the following chart:

**2024 Monthly Balancing Gas Quantities  
VS Buy/Sell Prices & Weighted Average Market Price**



## 5.3 Customer Care & Satisfaction: Enhancing Customer Experience

At the heart of our company's growth and sustainability strategy is a commitment to Customer Care and Satisfaction. Each year, we implement a series of proactive and responsive actions aimed at not only meeting but exceeding our customers' expectations. This approach fosters customer engagement and long-term loyalty, while ensuring that our practices align with ESG principles.

The following outlines the actions we take each year to enhance Customer satisfaction and services provision, focusing on:

- Customer Feedback Survey and Report:** We have developed a comprehensive Customer Satisfaction process, incorporating customized questionnaires specifically designed to assess satisfaction levels, address concerns and identify areas for improvement among both Users, Non-Transmission and Additional LNG Services Customers. This survey provides the input for the Annual Customer Feedback Report, which provides a detailed overview of KPIs that align with our ESG objectives, addressing customer concerns, providing suggestions for improvement and gauging interest in potential new services. In 2024, **the customer response rate to satisfaction surveys was 88%, with a Customer satisfaction rate of 92%.**
- Annual One-to-One Meetings with Customers:** These personalized meetings offer an opportunity for direct engagement with our customers. They ensure that each customer's individual feedback is heard and provide insights into their short-, medium-, and long-term goals and challenges. Additionally, they serve as a platform to inform customers about the latest company developments.

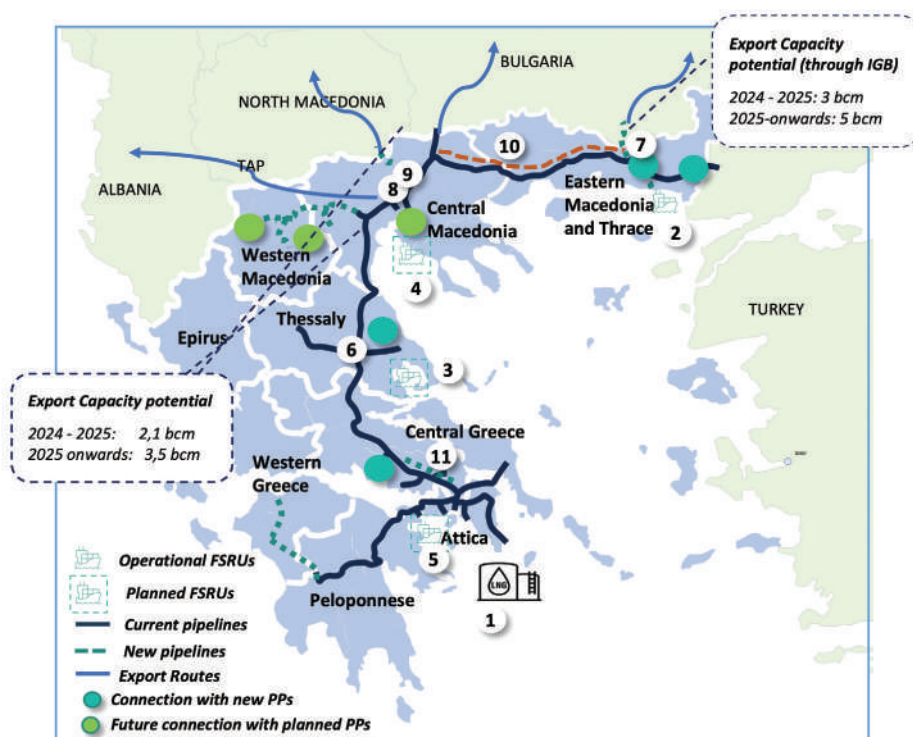
This initiative aligns with our KPIs related to Customer Communications, ensuring consistent and effective communication. **In 2024, we conducted One-to-One Meetings with 85% of our active users.**

- **Annual Shippers Day and Informative Events:** These events are designed to keep our customers informed about new projects, recent developments, market tests and new services. They feature presentations, Q&A sessions and networking opportunities, providing a platform for customers to engage with the company directly and stay well-informed.

In 2024, we hosted five events, including our Annual Shippers Day, -two hybrid, one physical and two virtual- addressing key topics such as the Market Test for the Expansion of the NNGS, the Vertical Corridor Initiative, the Call of interest for the H2 Market in Greece and Bulgaria, as along with updates on new services and developments. These events successfully engaged our customers, TSOs, and a broad range of key stakeholders from Greece and beyond.

## 5.4 Our network responds to market challenges

**DESFA aims at serving regional markets in line with Repower EU targets and Greece role as gateway to SEE**



### As-is status (end 24- beg 25)

- Revithoussa & Alexandroupolis LNG Terminals (1,2)
- **Total Firm Import capacity: 12,3bcm.**
- 2 connections to Bulgaria: **Export capacity: 2,1bcm firm capacity at Sidirokastro + 3bcm route capacity to IGB**
- 2 FSRUs under assessment [in Volos (3) and Thessaloniki (4)] and Dioryga FSRU (5) still in pre-FID status

### Short-term (25-26)

- **CS Ampelia (6) and CS Komotini (7) planned COD Q3 25:**
  - firm export capacity: 3,5 bcm (from NNGTS to all IPs)
  - up to 5bcm to IGB so **total export capacity from NNGTS may reach 8,5 bcm in 2026**
- From early 2026, Nea Messimvria booster compressor (8), will enable **physical gas flows of up to 3 bcm towards TAP** (to Italy, Albania and Bulgaria via IGB)
- **Greece - North Macedonia interconnection (9) is planned in 2026;** initial capacity ca. 1bcm

### Mid-term (27-onwards)

- Duplication of HP branch Karperi - Komotini (10) **providing firm capacity from VTP to IGB up to 2bcm** & increasing the capacity available from FSRU Alexandroupolis to the Greek gas market and exports to the West (TAP, North Macedonia and Sidirokastro)
- Duplication of HP branch Patima - Livadia (11), **allowing firm capacity to Dioryga FSRU, subject to FID of the FSRU**

In September 2024, DESFA released the draft Development Plan 2024-2033 for public consultation. Following this, DESFA submitted its proposal to RAEWW in November 2024. The proposed new TYDP includes already-approved strategic projects aimed at debottlenecking the NNGTS, expanding the network, and extending the natural gas market to areas currently lacking gas infrastructure.

Additionally, the plan introduces new projects focused on the development of the hydrogen market in Greece. Notably, all new pipeline and M/R pro-

jects are designed to be 100% hydrogen-ready, in line with the request from RAEWW.

Specifically, one of the most important new projects of the Plan is the **Amyntaio-Komnina** pipeline (€13 million). The project involves the construction of a 100% H2 8" pipeline of approximately 9 km in length, from Amyntaio to Komnina. The pipeline will facilitate the injection of green hydrogen produced in Amyntaio into the West Macedonia HPP, where it will be blended with natural gas to supply a CHP district heating unit.



## The following projects were successfully completed within 2024:

### • FSRU Alexandroupolis (Metering Station) – A Landmark Achievement in Energy Security:

The successful completion of the Metering / Regulating Station and its connection with the NNGS marks a major milestone in Greece's energy landscape. With the mechanical certificate issued in early 2024 and commercial operations commencing on October 1<sup>st</sup>, 2024, Greece's first-ever FSRU is now fully operational. This groundbreaking project not only strengthens the country's energy independence and enhances supply security but also reassures stakeholders, positioning Greece as a key energy hub for the broader region.

• **Korinthos M/R City Gate Station (Metering Station) - Growth – Expansion:** The successful completion of the Korinthos M/R City Gate Station in December 2024 marks a significant step forward in the region's energy infrastructure. This facility, designed to supply natural gas to the wider Korinthos area, boasts an initial capacity of 10,000 Nm<sup>3</sup>/h, with the provision for expansion to a total of 20,000 Nm<sup>3</sup>/h. This forward-looking approach ensures seamless ac-

commodation of future energy demands, strengthening Greece's commitment to sustainable energy development, while enhancing reliability, efficiency, and long-term energy security for businesses and households in the broader Korinthos area.

• **Temporary Supply of Aspros through ssLNG Installations – The First peripheral ssLNG Station in Greece.** In July 2024, DESFA achieved a landmark milestone with the successful completion of Greece's first-ever peripheral ssLNG station for LNG storage and gasification. This innovative facility ensures a reliable and sustainable energy supply to the local natural gas network, extending energy access to previously unserved areas and users across Central and Western Macedonia. The Aspros ssLNG Installations play a crucial role in bridging the energy gap until the region is connected to the West Macedonia pipeline through a dedicated Metering/Regulating (M/R) station. This achievement highlights DESFA's commitment to expanding energy accessibility, driving sustainability, and supporting regional development through cutting-edge infrastructure.

## At the same time the following projects were in construction phase:

PROJECT CATEGORY	PROJECT DESCRIPTION	MAIN HIGHLIGHTS/BENEFITS
Pipeline	NNGTS Pipeline to West Macedonia	<p>Throughout 2024, pipeline construction progressed across all working sections, with the completion of the installation of the <b>30" main pipeline</b> - marking a significant step toward project delivery.</p> <p>This <b>157 km high-pressure natural gas pipeline</b> is a cornerstone of Greece's <b>post-lignite era</b>, ensuring a <b>smoother energy transition</b> for Central &amp; West Macedonia. The project plays a pivotal role in reducing carbon emissions and supporting national energy goals by providing <b>a readily available, abundant, and cost-effective alternative</b> to traditional fossil fuels.</p> <p>Designed with <b>cutting-edge materials and technology</b>, this pipeline is <b>Greece's first fully hydrogen-ready natural gas infrastructure</b>, capable of transporting hydrogen blends up to <b>100% pure hydrogen</b>. It positions Greece as a leader in <b>the clean energy transformation</b>.</p> <p>By integrating <b>sustainability, innovation, and energy security</b>, DESFA reinforces its commitment to <b>a cleaner, greener, and more resilient energy future</b> for Greece and beyond.</p>
	Pipeline Nea Messimvria – Evzonon/ Gevgelija and Border Station	<p>After completing critical tendering procedures, the project has officially entered the <b>construction phase</b>, marking a significant milestone in regional energy infrastructure development.</p> <p>This strategic interconnection between <b>Greece and North Macedonia</b> will transform North Macedonia's energy landscape by breaking its <b>sole dependence on a single source of gas supplies</b>. Through access to <b>Greece's NNGS, the Revithoussa LNG Terminal, and the TAP pipeline</b>, the project will introduce <b>greater market competition, lower gas prices</b>, and enhanced <b>energy security</b> for North Macedonia.</p> <p>The project will <b>boost the development of the natural gas market and reinforce Greece's position as a key energy hub in Southeast Europe</b> by enabling new market players to enter the region. Additionally, the increased usage of the Greek <b>Natural Gas Transmission System (NGTS)</b> will drive <b>long-term tariff reductions</b>, benefiting consumers and businesses.</p> <p>Designed in alignment with <b>DESFA's decarbonization strategy</b>, the pipeline is <b>fully hydrogen-ready</b> and can transport up to <b>100% pure hydrogen</b>. This forward-thinking approach supports Greece's <b>green transition</b> and aligns with <b>West Macedonia's hydrogen production development plans</b>.</p> <p>With this transformative project, DESFA is not just connecting two countries - it is <b>redefining the energy landscape of Southeast Europe</b>, driving sustainability, affordability, and energy security for the entire region.</p>
	Connection with THERMOILEKTRIKI KOMOTINIS Power Plant to the NNGTS	<p>In 2024, DESFA successfully connected THERMOILEKTRIKI KOMOTINIS to the NNGS, a significant energy project for the whole area and for Greece's energy security. To ensure the timely gas supply to the plant, DESFA implemented a temporary bypass solution, allowing the facility to begin operations without delay. Simultaneously, the final connection infrastructure is being completed.</p> <p>This strategic connection project is <b>pivotal</b> in securing a <b>stable and reliable natural gas supply</b> for the power plant, reinforcing Greece's <b>energy resilience</b> and supporting the country's growing electricity demands.</p>
Compressor Station	Ampelia Compressor Station	<p>The project remained underway in 2024 with the <b>procurement of all major equipment, the successful erection of turbocompressors and the completion of all buildings and antiflood works</b>.</p> <p>The project is <b>set to be completed in 2025</b>, progressively increasing the technical capacity of the NNGS station in southern Greece -the region with the highest natural gas demand nationwide.</p>

PROJECT CATEGORY	PROJECT DESCRIPTION	MAIN HIGHLIGHTS/BENEFITS
Compressor Station	Booster Compressor station	<p>The project will <b>enable full bi-directional flow in the interconnection between NNGS and TAP</b>. At the same time, it will increase the efficiency and effective operation of the NNGS.</p> <p>In <b>2024, the detailed design, major excavation, and foundation works were completed</b>, along with the successful delivery of the turbocompressors to the project site</p>
	Compression Station in Komotini	<p>The project <b>aims to increase the gas pressure in the Kipi-Karperi branch</b> to address the evolving dynamics of the Greek and regional gas markets, including the increased demand stemming from the operation of the IGB pipeline, the FSRU Terminal in Alexandroupolis, and the growing interest in LNG flows from Greece to Southeast Europe.</p> <p>The <b>project will enhance the operational flexibility</b> of the entire NNGTS and ensure gas transportation capacity in both the North-to-South direction and vice versa, reinforcing Greece's role as a regional energy hub.</p> <p><b>The project is currently in the Commissioning &amp; Pre-Commissioning phase</b>, marking a significant milestone in its development.</p>
ssLNG	Temporary supply of Naoussa through ssLNG Installations	<p>DESFA is implementing another peripheral ssLNG station for LNG storage and gasification in the area of Naoussa.</p> <p>All critical materials have been ordered and the building permit has been issued.</p> <p>Following the ssLNG Aspros project, this station will facilitate the penetration of natural gas into new and remote areas of Greece.</p>

### Projects below also entered the maturing phase:

Pipeline	Duplication of Karperi-Komotini HP pipeline	<p><b>This project is a priority for DESFA, as it will enhance the Natural Gas Transmission System (NGTS) by accommodating additional gas flows between the northern and southern regions.</b></p> <p>Furthermore, <b>it will eliminate bottlenecks</b>, providing firm capacity at the new entry and exit points in the north section of the NGTS.</p> <p>It entails the construction of a new 30-inch High-Pressure Pipeline, of approximately 215 kilometres in length. Designed in alignment with DESFA's decarbonization strategy, the pipeline will be fully hydrogen-ready and capable of transporting up to 100% pure hydrogen.</p> <p><b>In 2024, the project reached significant milestones, including the completion of the Basic Engineering Design and the submission of the environmental study for approval from the Ministry.</b></p>
	High-Pressure Pipeline to Patras	<p>The project is currently under environmental approval, and detailed design studies were in progress in 2024.</p> <p>It aims to <b>connect the city of Patras and the VIPE (Industrial Area) to the National Natural Gas System (NNGS)</b>, with plans for future extensions to other cities in the Western Greece Region, thereby expanding the NNGS network.</p> <p>Designed in alignment with DESFA's decarbonization strategy, <b>the pipeline will be fully hydrogen-ready and capable of transporting up to 100% pure hydrogen.</b></p>



## 6. Our commitment to Energy Transition

As Europe pursues its goals of carbon neutrality by 2050, DESFA recognizes the imperative need to promote green gases, particularly hydrogen and biomethane, to reshape Greece's energy landscape, while further strengthening this effort through the study and development of carbon capture and transport technologies and the development and implementation of a Net Zero Plan to achieve carbon neutrality in 2050 and Net Zero emissions in 2050.

At a European level, DESFA constantly monitors the changes in the legislative framework such as the hydrogen and decarbonized gas market package - with the updated EU rules to decarbonize the gas market and create a hydrogen market and the establishment of the European Network of Network Operators for Hydrogen (ENNOH) - and adapts its strategy accordingly.

### 6.1 Green Hydrogen - Hydrogen integration projects

#### Project H2DRIA

##### National Natural Gas System

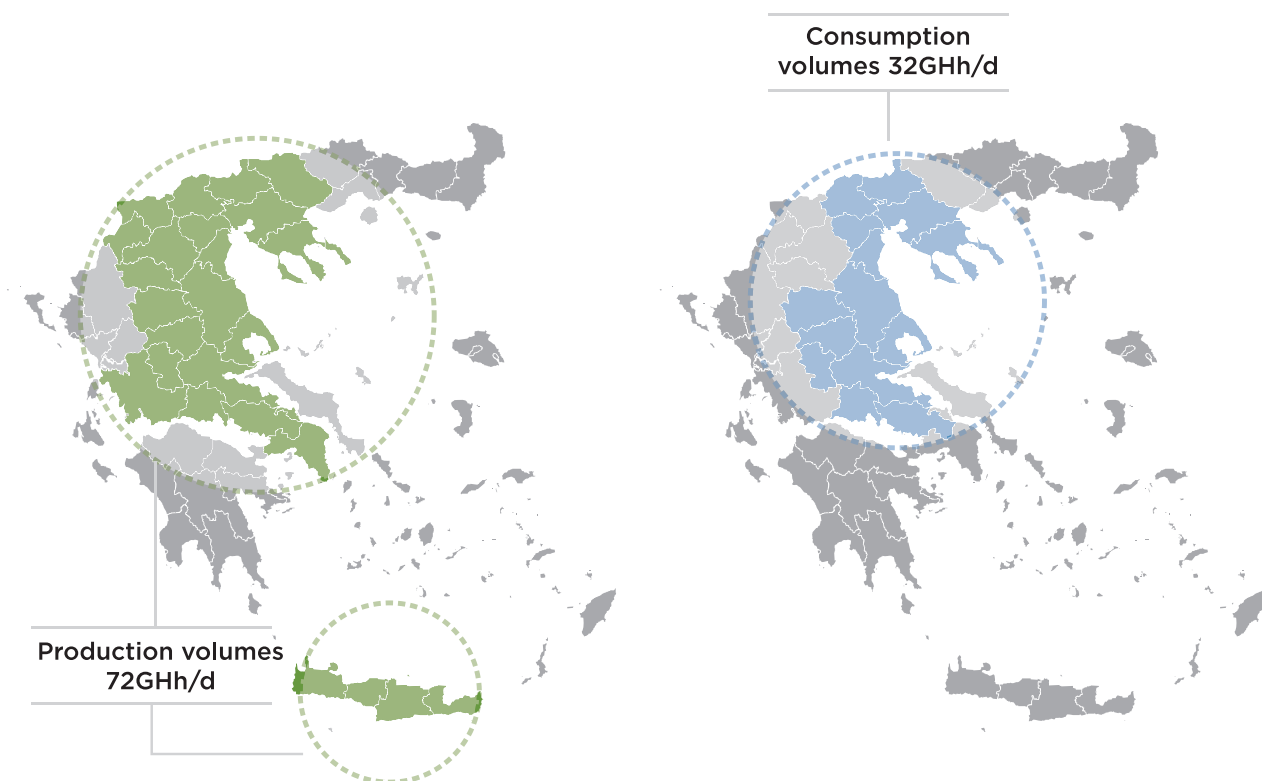


2023 marked an important milestone due to the inclusion of our project "10.3.1 Internal Hydrogen Infrastructure in Greece towards the Bulgarian border" in the 1<sup>st</sup> PCI/ PMI list of the European Commission under corridor Hydrogen interconnections in Central Eastern and Southeastern Europe (HI East). The project is expected to comprise a new 570km long pipeline exclusively for the transport of pure H<sub>2</sub>, with a total budget of ~€1bn. The pipeline is envisaged to start from the Southern part of Greece and will reach the interconnection point of the NNGS with Bulgaria in the area of Sidirokastro, while it will be able to connect with the corresponding Bulgarian PCI, the H<sub>2</sub> pipeline of Bulgartransgaz and the other domestic H<sub>2</sub>-ready branches & pipelines, such as the HPP pipeline in West Macedonia and the new high pressure pipeline Karperi-Komotini, which is under construction.

Within 2024, DESFA resubmitted the H2DRIA project within the framework of the update of the PCI/ PMI list of the European Commission. Further to that, DESFA submitted for inclusion in the new PCI/PMI list an H<sub>2</sub> pipeline connecting the West Macedonia pipeline to an offshore interconnection pipeline to Italy.

In addition, in September 2024, DESFA launched along with Bulgartransgaz a non-binding Call for the Expression of Interest for H<sub>2</sub> assessing the interest of producers, consumers and traders in the development of an H<sub>2</sub> value chain in Greece. The Call for the Expression of Interest was finalized in December 2024, confirming that Greece can act as a H<sub>2</sub> exporter.

More specifically, 17 companies expressed their interest, submitting a total of 34 projects aimed at advancing green hydrogen initiatives in Greece. Of these projects, 26 focus on the production of green hydrogen, 4 are centered on hydrogen consumption across all types, and 5 are related to trading and supply activities. Most production projects are currently at the consideration, pre-feasibility, or feasibility stages, while none of the consumption-related projects have progressed beyond the pre-feasibility stage. Geographically, most production and consumption activities are concentrated in the central and northern mainland of Greece. **As illustrated by the following graphs, by 2035, maximum projected hydrogen production volumes are expected to reach approximately 72 GWh/d, while maximum consumption volumes are estimated close to 32 GWh/d.** This signifies that Greece's export potential for green hydrogen is projected to range between 30 and 40 GWh/d, highlighting the country's potential as a regional leader in green hydrogen.



## Project SmartSwitch



In December 2024, in the context of the European Commission's PCI/ PMI application, DESFA and Bulgartrngaz also submitted the SmartSwitch project, which aims to the smartening of the Greek and Bulgarian gas networks for the integration of renewable gases (blending of hydrogen volumes into the natural gas network up to 10%). **The project aims to improve the effectiveness, efficiency and interoperability of the gas transmission networks in their daily operation with the transmission of gases of different composition.**

In parallel, DESFA continues its active participation in the European Hydrogen Backbone (EHB) initiative, Gas for Climate (GfC), the European Clean Hydrogen Alliance, Transmission and Distribution Roundtable and the Southeastern European hydrogen Corridor (SEEHyC) while being a founding member of ENNOH.

## 6.2 CCS

### DESFA's strategy for CCS envisages the development of a CO<sub>2</sub> hub, a project already included in the Greek NECP with scalable development options

Most integrated assessment models for climate conclude that Energy Efficiency (EE) and green/low carbon energy levers will not be sufficient to meet Paris Climate Agreement goals. Countries and organizations will need to find additional solutions to bridge the gap. Carbon Capture Utilization & Storage (CCUS) solutions are recognized to have a relevant role in driving the transition, complementing hydrogen and other renewable gases economies and enabling a gradual shift from fossil fuels.

Due to an increasing interest in CCUS solutions in Greece, DESFA is exploring possible opportunities of involvement in this new potential business, which has many communalities with the Natural Gas re-gassification, transportation and storage sector. Such solutions will contribute to the achievement of the targets of decarbonization of Greece and the EU. As also highlighted in the Industrial Carbon Management strategy, published by EU in February 2024, Carbon Capture & Storage (CCS) hubs in parallel with a trans-European clustering network are among the most efficient routes to prosper the EU CCS market.

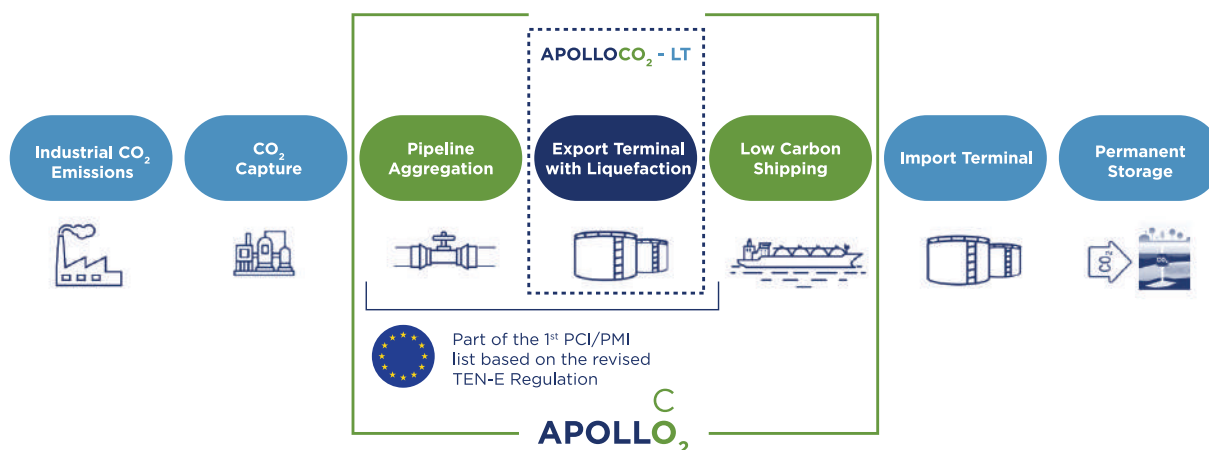
In this framework, DESFA, with its long-standing

experience in the transportation of gases, is aiming at the development of the first CCS hub in SE Europe. At the same time, is continuously assessing the benefits of large-scale aggregation CO<sub>2</sub> projects in Greece by offering an end-to-end solution on the midstream part of the CCS value chain for dispersed emitters in Southern Greece, with the objective to provide a full spectrum of services for the captured CO<sub>2</sub> emissions.

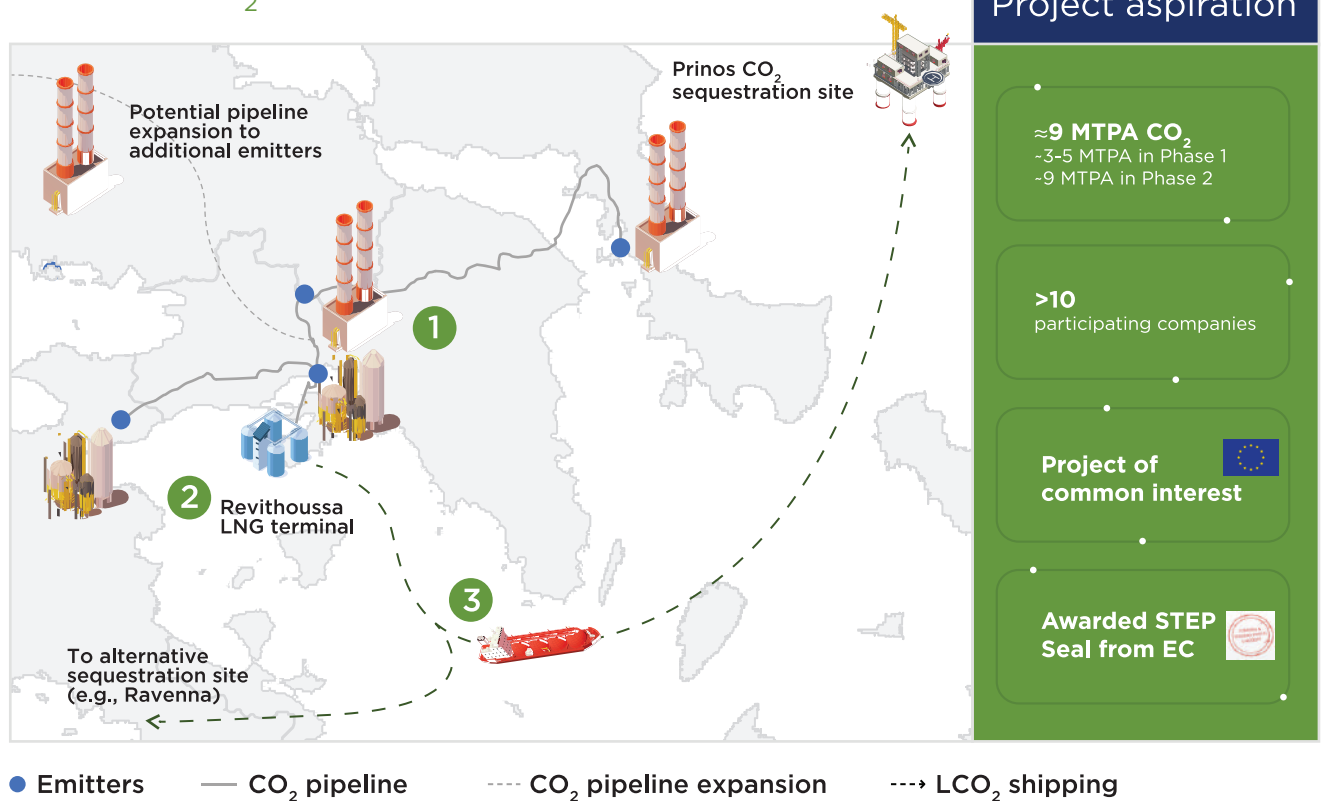
In 2023 and 2024, DESFA completed pre-feasibility and FEED studies for the midstream part of the CCUS value chain.

Namely, DESFA is promoting APOLLOCO<sub>2</sub>, an initiative aiming to establish the first large-scale midstream Carbon Capture and Storage (CCS) project in South-Eastern Europe, aggregating CO<sub>2</sub> from local industrial emitters based in Attica and Central Greece, and transport them via a dedicated pipeline network to a central liquefaction terminal on Revithoussa. From there, the liquefied CO<sub>2</sub> will be shipped using low-pressure technology ships to Prinos (GR), Ravenna (IT), or other permanent storage facilities. The main scope of APOLLOCO<sub>2</sub> is the development of an end-to-end solution within the CCS value chain, comprising of:

- **CO<sub>2</sub> Pipeline Network:** A specialised onshore and offshore infrastructure for CO<sub>2</sub> aggregation and transportation, extending to 215 km and capable of transporting up to 10 million tonnes per annum (Mtpa), will aggregate around 50% of industrial emissions in Attica and Viotia. The feasibility and FEED studies have already been conducted for this first phase, providing a detailed techno-economic assessment to support the pipelines construction, while the respective Environmental Impact Assessment (EIA) study is to be submitted to the relevant authority for approval within second trimester of 2025;
- **Liquefaction Export Terminal:** A central facility on Revithoussa island, receiving the aggregated gaseous CO<sub>2</sub> via the pipeline network, using then the cold power of LNG to liquefy the CO<sub>2</sub>, with an initial capacity of 3 Mtpa operational by 2029, scalable up to 5 Mtpa;
- **Maritime Transportation:** The liquefied CO<sub>2</sub> will be transported via large-scale ships, with capacities of 22,000 - 40,000 cubic meters (cbm) depending on the transportation mode (i.e. port to port, milk run, or shuttle run), using low-pressure technology to designated permanent storage sites.



## APOLLOCO<sub>2</sub> CCS hub schematic



## Details of core value-chain assets

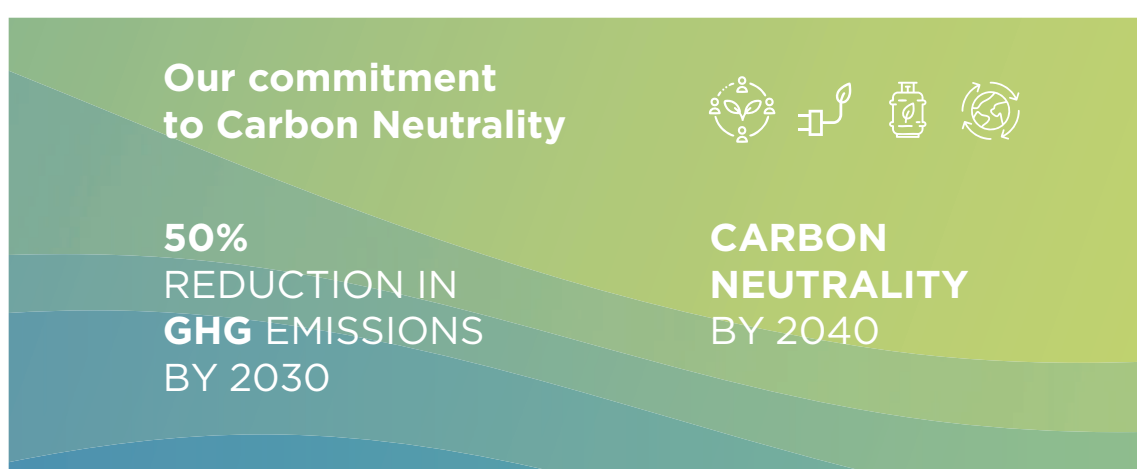


## 6.3 Biomethane

DESFA further pursued its roadmap towards an FID for its Biomethane project, that will be developed in cooperation with strategic partners, along the valuable expertise of DESFA's shareholders. It has started as an endeavor to establish a sustainable and efficient biomethane production facility, designed to test and demonstrate the feasibility and efficiency of biomethane production under real-world conditions.

This initiative not only serves as a model for future large-scale applications but also contributes to waste reduction and the generation of a clean, sustainable energy source. **Important milestones were reached in this direction involving the selection of a suitable plot and the finalization of the archaeological licensing process.**

## 6.4 The Net-Zero path & Carbon footprint



In 2023, DESFA committed to a specific framework for reducing greenhouse gas emissions, aiming for Carbon Neutrality by 2040, with a mid-term goal of a 50% reduction by 2030.

With our main priority being to ensure that our plan is up to the minute, we update it every year, incorporating new annual data, as well as market forecasts, whether in terms of demand, geopolitical factors, decarbonization gas projections, or the development program as outlined in the TYDP. Additionally, we consider trends in the key calculation emission factors. As a result, we updated our Net Zero Masterplan Tool, incorporating all these elements. The results demonstrate that the Net Zero pathway is on track, and our commitment is solid. Moreover, two extreme scenarios from a CO<sub>2</sub> emissions perspective were investigated, in order to be on the safe side.

In 2024, DESFA's GHG emissions (Scope 1 - direct emissions from DESFA's equipment and facilities & Scope 2 indirect emissions from electricity consumption within the company's facilities) were significantly higher compared to the previous five-year average. The primary reason for this increase is the exceptionally low regasification rate, resulting from cargo cancellations which led to:

- A significant rise in flaring due to the inability to shut down the LNG Terminal for a period long enough to facilitate the connection of the BOG compressor.
- Elevated vented emissions from the Compressor Station, as compressor operating hours in 2024 were considerably higher than those recorded in 2023.
- Scope 3 emissions (from the value chain) also increased compared to 2023 mainly due to the expansion of our network.

## 7. Sustainability strategy & Corporate Social Responsibility

DESFA is making significant strides towards a clean energy future by continuously enhancing its infrastructure and minimizing the environmental impact of its operations by integrating decarbonized gases by 2040 and positively affecting local communities.

### Key Pillars

#### Integration of decarbonized gases by 2040



**Hydrogen** readiness, participation in EU research projects & support pyrolysis technology. **H2DRIA project**



Support **Biomethane** production & transportation



Develop and leverage **CCS** technology & participation in EU projects. Establishment of the **Apollo CO2** project.

#### Sustainability in Operations and Communities



Implementing energy efficiency initiatives and carbon reduction programs to **reduce our carbon footprint**, through our **Net Zero Master Plan**.



**Minimizing aring** through advanced technologies and process optimization (e.g., BOG)



**Monitoring and reducing emissions** through implementing LDAR technologies, and innovative projects.



Engaging with **local communities** where we operate to build lasting relationships, create long-term value, and drive them into a zero-carbon future.



The company continued to implement a wide range of initiatives, including sponsorships, donations, and volunteering, to positively impact the local communities where we operate. Our efforts, once again, were focused on initiatives aimed at protecting the environment and biodiversity, promoting social care and inclusion, combating food poverty, and strengthening our relationships with local communities through active engagement in collaborative actions, in line with our sustainability strategy and the company's vision, mission and values.

## Sustainability strategy

Our Sustainability Strategy is closely linked to our company values, business strategy and energy transition goals. We aim to incorporate environmental, social, and governance (ESG) considerations into our daily operations through meaningful initiatives that promote **innovation** and **digitalization**, reduce **emissions**, protect **biodiversity**, and foster **inclusive practices**. This alignment ensures that our ESG efforts are both strategic and focused on the material issues and ESG targets that matter most to us and our stakeholders. We also work intensively to

improve our processes, making it easier to track accurately our progress and be transparent about our ESG activities, while our commitment to innovation helps us find new solutions to environmental challenges.

A key part of our strategy is actively engaging with **local communities** making a positive contribution to society and the environment and creating a long-term value, while we also focus on volunteering that plays a crucial and transformative role in most of our initiatives, greatly enhancing our corporate culture and mindset. These efforts have had a significant impact on the lives of vulnerable individuals and contributed to environmental conservation efforts.

In 2024, DESFA published its ESG Report for the year 2023, showcasing its performance, strategy, and initiatives across ESG areas, in alignment with the United Nations' Sustainable Development Goals (UN SDGs) and following international standards for non-financial reporting (GRI Standards 2021, GRI 11 Oil and Gas Sector 2021, ATHEX ESG Reporting Guide 2022, SASB Standard for Oil and Gas - Midstream 2018, TCFD).

## Corporate Social Responsibility (in numbers)



## 8. Our business model

### 8.1 Our people

By the end of 2024, the Company employed a total of 617 people of various educational backgrounds, representing a wide variety of task-relevant knowledge and skills. Meanwhile, DESFA remained committed in providing equal opportunities to employees regardless of gender, religion, or other aspects. Women represent 35% of the total number of employees, while 34% of the Company's total managerial positions are also covered by women.

DESFA continued investing in its people in 2024 through significant achievements and initiatives, including the introduction of the **New Collective Labor Agreement 2025-2027**, that was agreed with the Union and introduces a more sophisticated, but still clear and simple methodology, while harmonizing the previous working experience that occurred with the inflow of personnel due to DESFA's internalization process that took place over the previous years. The new ECLA tackles several identified areas of improvement such as the harmonization of the benefits area according to the new market reality, as shaped by the current macroeconomic environment.

The successful signoff of the new ECLA, which has a duration of three (3) years, is the outcome of productive discussions with the Union. It is highly significant for the Company, as it highlights the value of Employee Relations for Management as well as the performance-driven culture across the organization towards which the company is directed with the new ECLA.

Moreover, the Company considering the high inflation rates that insisted during 2024 because of the unfavorable and extraordinary economic situation,

following productive discussion with the Union, decided to grant a one-off amount to support the employees during 2024.

Other important milestones involved the target definition for the new Performance Management System for all employees that anticipated the full roll out of a performance management system for all employees in 2025, and the deployment of the annual training plan through the dedicated "DESFA Training Curriculum" platform on our company portal.

### Technical training Centre

DESFA inaugurated the Technical Training and R&D Center (TTC) in Northern Greece in September 2024, aiming to safeguard and hand down the skill set of gas industry experts and contribute to the research and development of new technologies.

The Technical Training Centre provides continuing vocational services complementing, updating and upgrading knowledge, skills and competencies of DESFA's workforce but also third parties' personnel. Strategically located at the epicenter of the Southeastern European gas market, TTC is the first in-house Training center of its kind in the Balkan area. It is designed to accommodate Transmission and Distribution System operators in Greece and abroad.

The center delivers an integrated training experience, combining theoretical education with practical hands-on and on-the-job training in specialized laboratories and simulation environment.

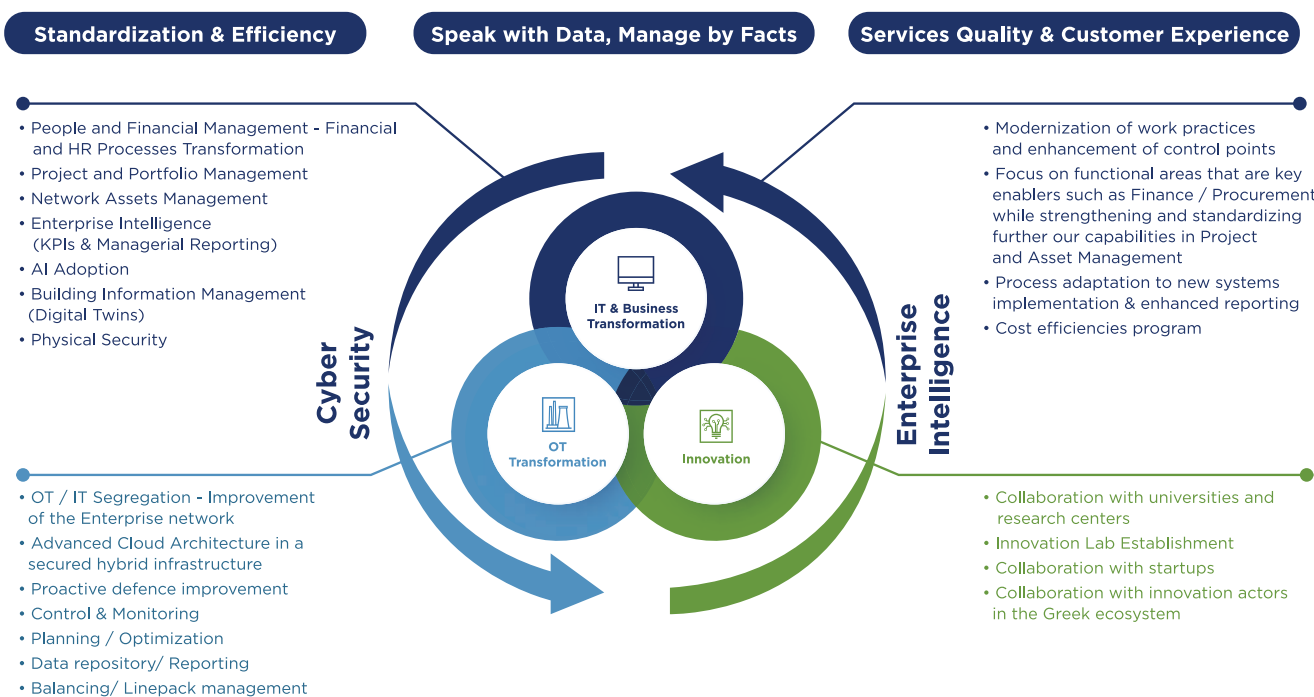


## 8.2 Continuously improving the way we work

DESFA continued investing in modernizing its operating environment through Digital Transformation projects, further supported by process improvements and standardization:

### Digital Transformation

DESFA successfully implements an extensive program of digital transformation that aims to improve Customer Experience, standardize processes and improve efficiency, having technology as a key enabler while transforming DESFA into a Data-driven decision-making organization.



### Indicative projects successfully completed within 2024 include:

- Design and Implementation of Portfolio - Project Management System (SAP EPPM), to support end-to-end monitoring of capital projects, starting from the idea to the completion in conjunction with a robust monitoring framework.
- Development of a new corporate website designed based on the communication strategy of the company.
- Design of the New Human Resources Management System focusing on Central Employee services and Performance - Goals functionalities.
- Implementation of a Health and Safety platform on SpheraCloud including the functionalities of Incidents Management, Actions Management, Audits & Inspections Management and HSE Contractors Management.
- Basic configuration of SDWAN of the first HUB+EDGE environment for 3<sup>rd</sup> parties data center and headquarters.
- Completed implementing the new Commercial Information System, adopting native cloud technologies and security by design / by default methodologies.

### ICT Infrastructure and Security

In 2024, DESFA placed significant emphasis on enhancing security measures against cyber threats and ensure the physical security of critical infrastructure. DESFA proceeded with major enhancements on ICT Infrastructure, including the enhancement of security measures to protect against cyber threats and leveraging in advanced technologies such as cloud computing, cloud environment, aiming to streamline operations, optimize resource utilization, and enhance decision-making processes. At the same time, employees received regular information security training and awareness initiatives took place throughout the year.

## Our key accomplishment of 2024 include:

- Cybersecurity governance & risk management, Obtained ISOs 27001 and 22301.
- Completion of the deployment of an advanced network security monitoring system - Fortinet SIEM (Security Information and Event Management), which provide real-time analysis of security alerts generated by applications and network hardware.
- Performance of Supply chain / vendors' risk management.
- Implementation of Threat Intelligence services' solution, as well as end-point devices' monitoring and threat response.
- Account management and access control.
- Adoption of advanced user authentication methodologies (MFA, PAM).
- Implementation of OT-IT Convergence project on digital governance.

## Business Transformation & ISO Certifications

In addition to the digital transformation plan, DESFA completed in 2024, 32 initiatives spanning across all business functions involving process improvements, standardization, adaptation to new systems and strengthening from a process control point of view.

### Indicative areas involved:

- **Project Management - related processes** from inception to control, including adaptation of business processes to the implementation of SAP EPPM.
- The development of a **process safety and asset integrity management system**. DESFA is evaluating the current Process Safety and Asset Integrity Management System (PSAIMS) to provide a comprehensive approach to managing risks associated with processes and equipment throughout their lifecycle. This PSM & AIM System has been developed using as guideline the 14 elements/requirements of OSHA Standard "CFR 1910.119 Process Safety Management of Highly Hazardous Substances" as well as the basic principles of "ISO 55000 Asset management – Management systems – Requirements".
- Establishment of new practices, supporting processes of **adaptation to new system implementations such as ServiceNow and Success Factors**
- Revision of internal administrative processes including modernization of work practices and enhancing control points where appropriate.

The above initiatives were further complemented by significant ISO certification achievements.

In particular achieving ISO 14064 certification marks a significant milestone in our commitment to sustainability, carbon footprint and energy transparency. This certification aligns seamlessly with the Corporate Sustainability Reporting Directive (CSRD), reinforcing our ability to meet evolving regulatory requirements for non-financial reporting. By adhering to ISO 14064 standards, we enhance the accuracy and credibility of our greenhouse gas (GHG) emissions data, ensuring compliance with CSRD's stringent disclosure obligations. This achievement not only strengthens stakeholder trust but also positions us at the forefront of responsible and transparent environmental management, driving meaningful progress toward a low-carbon future.

Also, DESFA is committed to safeguard critical assets and ensure uninterrupted operations in the face of adversity, by enhancing the organization's resilience against evolving threats and disruptions. In 2024, DESFA continued its actions for providing up to date governance with the industry best practices and enhancing the overall 2nd level of control related to the cyber security and business resilience. In this context DESFA achieved its first Certification related to Information Security (ISO/IEC 27001:2022) and Business Continuity (ISO 22301:2019) in the certification areas of Physical Dispatching and Commercial Services.

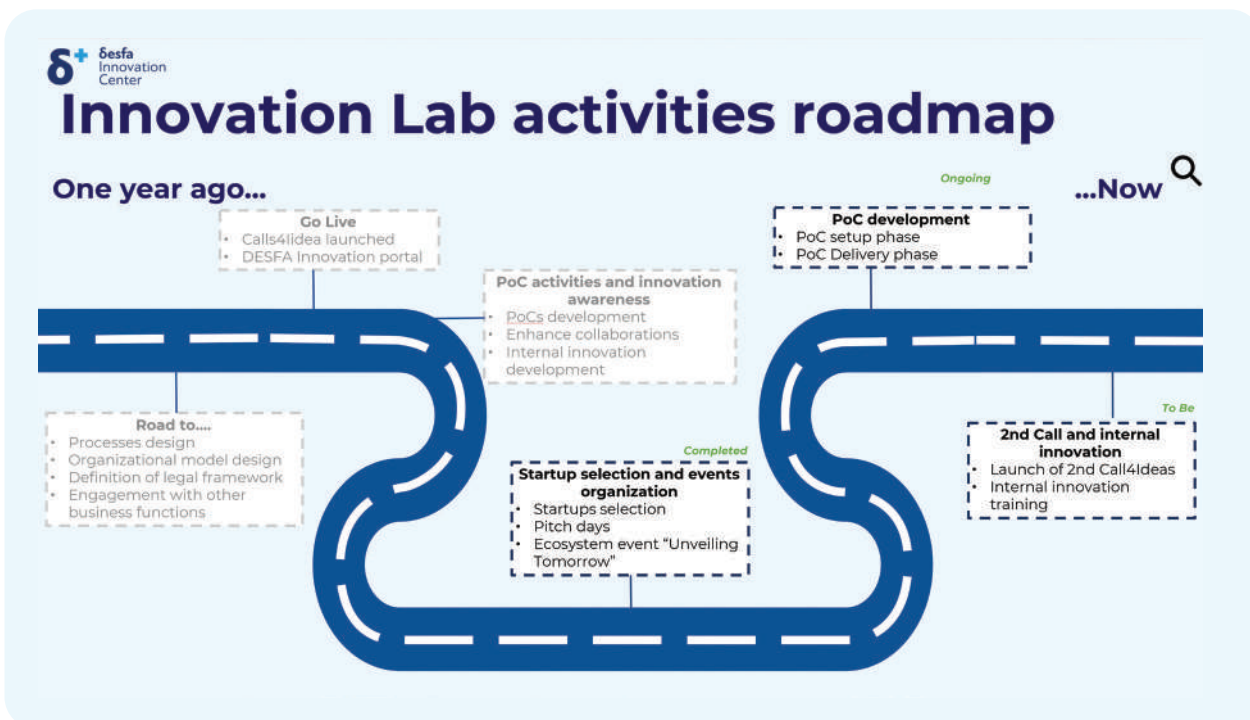
DESFA's ISO Certifications are listed below:





## Innovation Lab

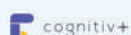
DESFA invests continuously in innovation and the Innovation Lab Working Group carries out the **desfa+** Acceleration Program, an open innovation program that enables the implementation of corporate open Innovation Strategy.



In 2024, Innovation Lab launched through its **desfa+** Innovation Center the first Call4Ideas. The Call4Ideas attracted significant attention, with more than 20 applications submitted across the two designated focus areas: ICT and Facility & Fleet Management (FFM). The selection process was structured to ensure a comprehensive evaluation, involving dedicated Innovation Ambassadors from the departments involved. The Innovation Lab Committee ultimately selected two startups—one for each area—to develop a Proof of Concept (PoC) within a six-month timeframe the one regarding **ICT Business Process Optimization** and the other involving **Smart Building Management**.

## PoCs results

### Main results



- PoC focused on the analysis through AI platform of:
  - **AI Technical Documents**, to extract and analyze information from vast and scanned documentation
  - **AI Contract management**, to search, retrieve, update, and analyze contract information, providing insights to optimize terms and mitigate risks
- A collaboration contributed to address the development of the solution in complete **adherence** with **DESFA's needs**
- Completed **two Proof of Concepts (PoCs)** demonstrating significant potential for AI in document management

### Main results



- The **PoC is currently under development**; the objective is to identify the use of PPE (Personal Protective Equipment) in LNG Facility, Revithoussa and measure floor occupancy in DESFA headquarters using vision sensors and AI technology.
- **Inspections and preliminary analysis** were conducted to understand the designated area and related risks

In addition, DESFA strengthens its position as a forward-thinking organization committed to continuous improvement and collaboration by partnering with the Hellenic Federation of Enterprises (SEV) and delivering a **Business Day Action event**, which aimed to contact startups, research institutions, and established corporations. During the event, startup founders and researchers engaged with executives from DESFA, presenting breakthrough technologies and business models designed to address contemporary industry challenges.

## 8.3 Health, Security, Safety, Environmental and Quality (HSSEQ) framework

At DESFA, we recognize that our success is intrinsically linked to prioritizing Health & Safety, Security, Environment, and Quality (HSSEQ) in every aspect of our operations while our commitment to Zero Accidents and our Net-Zero Masterplan are core values that shape our decisions, actions, and relationships.

In terms of physical security, we protect our assets and infrastructure with cutting-edge technologies and stringent protocols while our Physical Security Control Center ensures vigilant monitoring of key facilities, allowing us to respond proactively to emerging threats and maintain stakeholder trust.

Environmental responsibility is deeply embedded in our corporate philosophy. Acknowledging the finite nature of natural resources, we actively work to reduce our environmental impact by minimizing waste, cutting emissions, managing energy consumption and driving innovation for a more sustainable future.

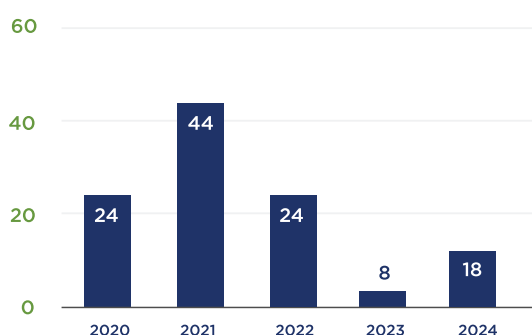
Our commitment extends beyond our own operations, encompassing our entire value chain. We collaborate closely with suppliers, contractors, and partners to uphold shared values, fostering transparency, accountability, and continuous improvement throughout our ecosystem.

### Health & Safety

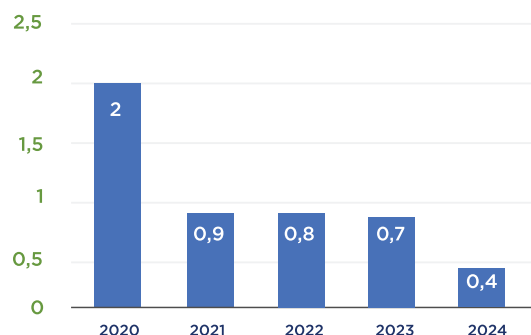
In DESFA Health & Safety are considered in a twofold way: **frequency and severity**. One of the most common KPIs regarding Health & Safety is the frequency index, representing the number of accidents at work per one million person-hours. In 2024 there was one accident (office), categorized as a “slip & trip”, resulting in absence of at least one day, the same as in 2023 and 2022. The increased person-hours recorded for our contractors mainly due to the heavy development activities led to a further decrease in the frequency index, from 0.7 (2023) to 0.4 (2024).

The severity of accidents is monitored by calculating the average number of days lost per accident at work (Severity Rate)<sup>4</sup>.

#### Severity Index



#### Frequency Index



As part of our annual plan we provide continuous awareness activities (more than 51 exercises in 2024) while we delivered a dedicated Health & Safety Day and dedicated trainings regarding First Aid by adding 20 more employees to our Certified First Aid Providers.

### Physical Security

DESFA remains committed to mitigating physical security threats to an acceptable level, ensuring the protection of people, property, and critical assets from malicious actions. Core facilities are monitored through advanced Closed-Circuit Television (CCTV) systems, integrated into the established Physical Security Control Center, operating in full compliance with the General Data Protection Regulation (GDPR).

Amid evolving geopolitical challenges, a tailored threat prioritization framework has been developed to

<sup>4</sup> The variation in the index is expected, as leave duration depends on the severity of the accident and the doctor's discretion.



assess risks effectively, leveraging historical probability assessments and a technology probability matrix. Defensive measures are strategically designed within a defined security perimeter, incorporating high-level system specifications. To enhance security resilience, exclusion criteria for existing solutions have been established to ensure the most effective threat response.

Furthermore, continuous training and competency validation of Physical Security Personnel reinforce the robustness of the security management system. Compliance and effectiveness are systematically monitored through Key Performance Indicators (KPIs), ensuring an adaptive and proactive security approach.

## Environment

For the 13<sup>th</sup> consecutive year, we published the **DESFA Carbon Footprint Report**, presenting the results of direct and indirect greenhouse gas emissions from all our facilities, activities and the value chain, in accordance with the ISO 14064 methodology. We calculated our direct and indirect emissions (Scope 1 & 2) compared to the average of the previous five years.

The same Report also includes the HSE (Health, Safety & Environment) Review, which provides data from the corresponding Certified Management Systems implemented by DESFA (ISO 14001, 14064, 45001, 50001 & 9001), covering the areas of Waste Recycling, Drills, Incidents, Training and Audits.

DESFA has been recognized as **Environmental Team of the Year** with awards in 14 categories at the National Environmental Awards 2024. Our achievements span a range of critical areas, including GHG Emissions Monitoring & Reduction, Energy Intensive Industry, Sustainable Supply Chain, Wastewater Treatment, and EU Green Deal Compliance. This achievement highlights our constant commitment to environmental and sustainability excellence.

Additionally, we issued **DESFA's Energy Management Report**, providing an energy assessment for the past year, presenting key data and insights into the company's energy consumption and performance. It also outlines proposed measures for improving energy performance, while reviewing the progress of ongoing and upcoming energy efficiency projects. Finally, it includes ideas / proposals for future projects that could further enhance the company's energy-saving efforts

DESFA is actively engaged in the **European GHG Emissions Trading System (EU-ETS)**. Throughout 2024, the company:

- Conducted daily monitoring of relevant parameters to calculate CO<sub>2</sub> emissions for each source stream and emission source. Subsequently, DESFA submitted a Verified Emissions Report, a Declaration of Activity Data, and an Improvement Report to the Ministry of Environment and Energy for each installation.
- Successfully underwent Annual Emissions Verification Audits (in January 2024) for the LNG Terminal and the Compressor Unit in Nea Messimvria, conducted by an independent verification body. DESFA maintained its classification in compliance class A within the European Emissions Register.
- Took steps to procure emission allowances to fulfill legislative requirements. The weighted average purchase price of emission allowances stood at €66.71/EUA, 2,51% higher than the average price of the year. To manage price fluctuations, DESFA will continue to perform monthly purchase of emission allowances, ensuring transparency and appropriate allocation of CO<sub>2</sub> costs for users.

## 8.4 Management of business risks

### Market risk factors

#### The evolution of gas demand

The evolution of demand and, therefore, the natural gas volumes transmitted through the DESFA system can be affected both by policy decisions - primarily related to the energy transition - technological developments as well as extraordinary geopolitical events. With respect to domestic natural gas demand, efforts towards energy efficiency - to reach transition targets - and the significant increase in RES installed capacity are expected to considerably affect gas use for power generation, shifting the role of natural gas mainly to providing flexibility, stability and -where needed- dedicated baseload to the power system, both nationally and regionally.

Natural gas and CO<sub>2</sub> price developments along with the penetration of renewable power production sources are among the key factors that affect the evolution of gas demand. During 2024, gas demand for power generation increased by 32% compared to the previous year. As a result, natural gas units in Greece proved to be valuable for providing flexibility to the broader SEE region when RES were underperforming and other power production sources and interconnections in the region were in scarcity or not available.

Nevertheless, the impact of CO<sub>2</sub> prices on gas demand for power generation is expected to decrease in the future, due to the gradual withdrawal of the lignite units in the wider SEE region. Natural gas fired units will thus become the main source of baseload power and an important source of flexibility for the power system of the SEE. However, gas and CO<sub>2</sub> prices may still play a key role in the overall competitiveness of the Greek electricity generation mix compared to that of interconnected countries. This will impact the amount of exports/imports of

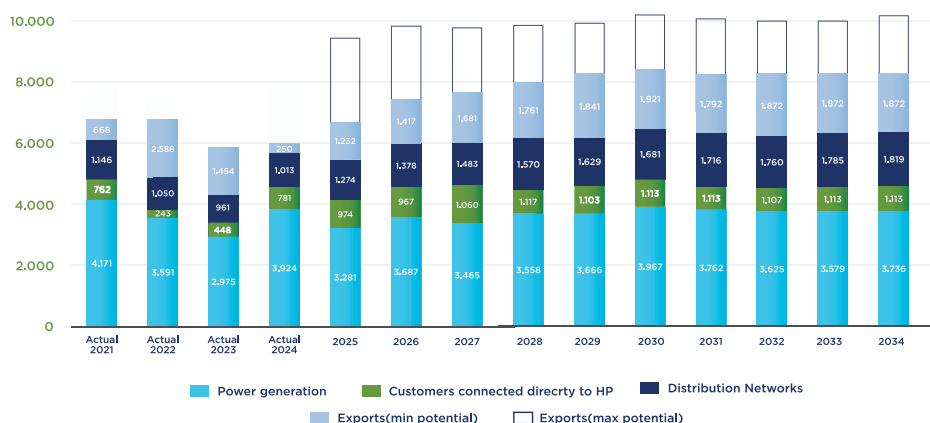
electricity with these countries and, thus, the use of gas as a power generation fuel in Greece. Combined with the low average age of the Greek gas fired units - existing and under construction - the demand for power and the corresponding demand for gas in Greece is anticipated to increase.

The demand from industrial consumers and refineries has recovered as gas prices reduced after the price-shock of 2022, but remains highly price-sensitive. In the power generation sector, natural gas and CO<sub>2</sub> costs affect the competitiveness of gas fueled units in the power mix vs. lignite units.

Regarding transit volumes, during the 2022 crisis Greece emerged as a key transit country for the whole SEE and beyond, through importing and re-exporting LNG. This led to a large increase in the volumes transported through DESFA's system. Nevertheless, in 2024, transit flows were marginal due to a switch in price competitiveness between pipeline gas from the north and LNG imports. The FSRU in Alexandroupolis began operating in November 2024 which increased export volumes in the latter two months of 2024. However, the market size for these quantities is volatile, depending on pricing factors, geopolitical conditions, energy-related policy decisions of neighboring countries, as well as their choices on diversification of gas supply sources.

The following graph presents the yearly projected demand per consumer category as well as the minimum and maximum estimated export potential for Greece. The figures were calculated in the context of the ten-year Demand Forecast Study (DFS) for the 2025-2034 period.

### Yearly gas demand for transmission - base case scenario



**Monthly average TTF prices during the last three years and monthly average natural gas price during 2024 at the Greek VTP**

Nevertheless, despite a consensus on a diminishing role for fossil methane towards 2050, the adopted EU legislative package on the re-organization of the gas market to also accommodate renewable gases (the “Gas and Hydrogen Package”) solidifies the role of gases in the energy mix and presents opportunities for the gas industry. In addition, oil and gas majors have expressed the willingness to explore for gas reservoirs in the Greek territorial waters, which is expected to lead to a new round of exploration for gas in Greece and its possible future exploitation.

To this end, DESFA has set several strategic priorities to mitigate the risks of potential reduction of natural gas demand, retaining the sustainability of its gas infrastructure in the future.

Firstly, DESFA is further developing its natural gas infrastructure, in a market-based way that facilitate the role of Greece as a transportation hub for the

SEE region. It is highlighted that all new pipeline projects included in DESFA's TYDP are constructed to transport up to 100% hydrogen. To this end, DESFA is participating in the Vertical Corridor initiative that aims at opening gas routes for LNG imported in Greece to reach SEE and beyond, with the view to expand its users' basis.

At the same time DESFA is actively pursuing, at national and European level, the development of a renewable gases market -that will progressively substitute fossil methane- and the associated gas infrastructure. This includes, inter alia, the participation in the European Hydrogen Backbone initiative, the development of hydrogen infrastructure and the assumption of the role of the Hydrogen Network Operator in Greece, the development of a biomethane market and the development of the market for Carbon Capture and Storage (please refer to relevant sections above).

## Natural Gas prices

During the first quarter of 2024, European gas prices followed the dropping trend of 2023, before rising towards a peak of 44.85 €/MWh in December. The evolution of the average TTF gas prices for the last three years is presented in the following graph:



*Monthly average TTF prices during the last three year's and monthly average natural gas price during 2024 at the Greek VTP*

The TTF evolution directly affected the average gas import price in Greece as shown in the following graph:

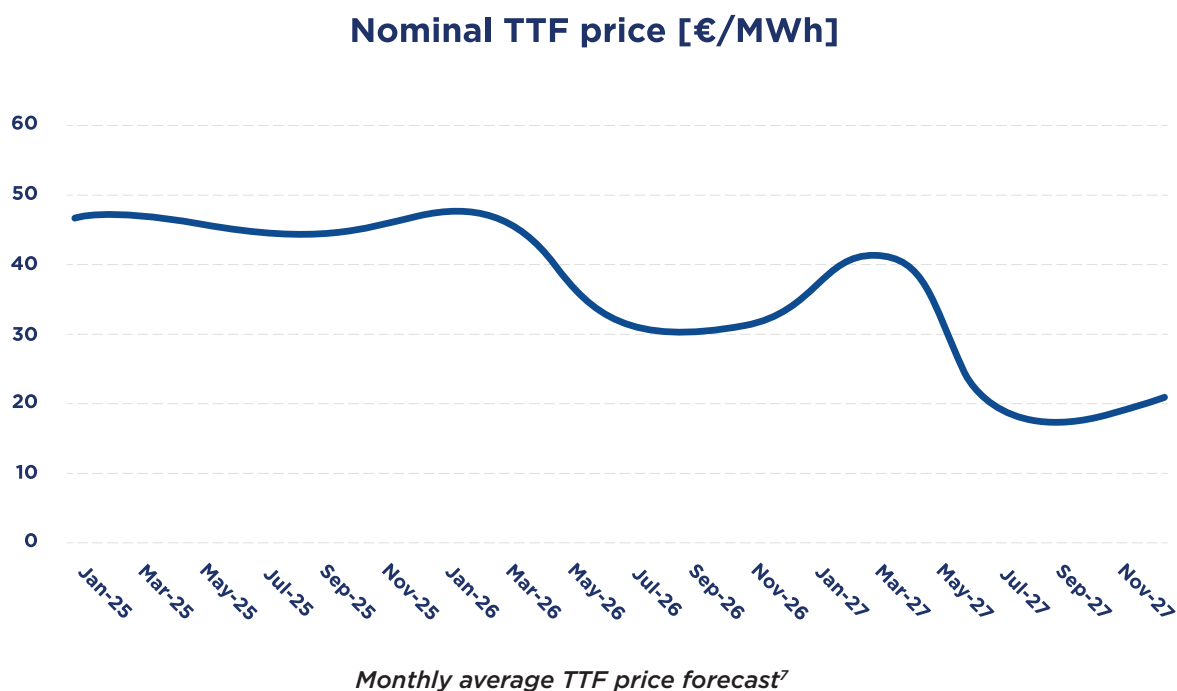


*Monthly average gas import prices in Greece during the last three years compared with monthly TTF average prices for 2023<sup>6</sup>*

<sup>5</sup> Source: <https://www.eex.com/en/market-data/natural-gas>

<sup>6</sup> Source: <https://www.raaey.gr/energeia/en/natural-gas/market/import-prices/>

According to the Gas Short-Term Price Outlook of S&P, gas prices are expected to remain high throughout the coming year. A drop in the average price is foreseen during the 2026-2027 period, with considerable seasonal volatility, as shown in the following graph:



## CO<sub>2</sub> prices

The average annual price of Emissions Allowances for 2024 was €65.1/EUA, a decrease of 22% compared to the average price for 2023 (€83.5/EUA). The EUA price has become closely linked to TTF, making it highly volatile as gas prices react to developments in Ukraine, renewable energy usage, and climate conditions. Other key factors include Eurozone growth, ECB interest rates (lower rates support economic activity and fossil fuel demand), and the first compliance period for shipping. To manage any fluctuations of the price of emission allowances, DESFA will continue to perform monthly purchase of emission allowances, ensuring transparency and appropriate allocation of CO<sub>2</sub> costs for users.

## Risk of the development of Macroeconomic Parameters

### Financial risk

**Interest rate risk:** Interest rate risk arises from interest rate increases in the long-term and short-term variable rate borrowings. On 31.12.2024, long-term borrowings were both on a fixed and a variable rate basis. To mitigate the exposure from the interest risk increase, the Company is either issuing/contracting debt on fixed term basis or using market standard financial instruments, like Interest Rate Swaps (IRS) to mitigate the risk on variable rated debt. On 31.12.2024 the fixed rate part of the Company's total debt portfolio was 74% (384m/516m).

**Foreign exchange risk:** In general, most of the Company's assets and liabilities are denominated in Euros, and almost all transactions of the Company are also performed in Euros. In 2024, the Company did not face any material currency risk. Also, since the

Company is progressively expanding its services outside the EU zone, policies have been developed to monitor the exposure and take mitigating action accordingly.

**Banking risk:** Due to the large number of deposits (€117,98 million as of 31.12.2024), the Company is exposed to counterparty risk (vis-à-vis the financial institutions with which the deposits are held), specifically the risk of an eventual capital deficiency of banks, where the deposits are held. This risk is addressed by spreading deposits to all banking institutions in Greece that have completed their recapitalization and have an acceptable level of financial reliability (i.e. the Greek systemic banks).

**Loan risk:** The debt risk of the Company is low.

<sup>7</sup> Source: S&P European Gas Short-Term Price Outlook, January 2025

The Company's gearing ratio, i.e., the ratio of total loans to the sum of total loans and total equity, on 31.12.2024, was equal to 36,2% (compared to 31,1% in the end of 2023). Furthermore, on October 31st 2024, the Company has contracted an 810 million Euro Bond Programme - containing also a portion of 261 million Euros from the Recovery and Resilience Fund scheme - for the implementation of its CapEx plan.

## Credit risk

The credit risk of the Company is low. The clients' payments are made to the Company on agreed (mainly regulatory imposed) credit terms of the corresponding invoices within the next month.

The Company's payments to suppliers are generally 45 days after the issuance of the respective invoice, except for the gas procurement for balancing and operational purposes, which follow the respective deadlines similar to those that DESFA imposes to its clients. Generally, collection risks on the Company's receivables have been low, except for specific disputed historical invoices, which were disputed by the counterparties and are under legal procedures.

## Liquidity Risk

The liquidity risk is kept at low levels through the availability of sufficient cash and credit limits. To ensure this, there are respective provisions in DESFA's Treasury Policy outlining the principles for maintaining a healthy financial position by actively managing debt and liquidity levels, i.e. ensuring sufficient cash flows to meet obligations when due.

Regarding the handling of the Security of Supply Account, the Company, in cooperation with RAEWW, has introduced the appropriate safeguards to prevent any liquidity risk related to this activity.

## Regulatory risk

In 2023, RAEWW approved the new Tariff Regulation (decision "E-59/2023") applicable for DESFA as well as the decision on the four-year regulatory parameters (decision "E-69/2023") applicable for the 2024-2027 period. The RAEWW decision on key regulatory parameters such as the WACC and OpEx as well as the smooth and slow transition to an incentive-based regime maintain a low regulatory

risk for the company, while incentivizing DESFA to optimize its operational efficiency.

In addition, 2024 marked the first year of implementing the Incentive-Based Regulation. RAEWW approved the regulatory parameters for the Allowed Revenue of the 2024-2027 Regulatory Period and the 2025 Tariffs with Decision E-69/2023 (Gov. Gazette B' 7096/18.12.2023) and E-152/2024, (Gov. Gazette B' 4909/27.08.2024).

The Regulator's decision approved DESFA's proposal to switch from a Capacity Weighted Distance (CWD) to a Postage Stamp Reference Price Methodology, as well as the continuation of the 50% ex-ante socialization of the Revithoussa LNG terminal's Revenue, but only until 2024. For the period 2025-2027, following intensive work and proposal from DESFA in 2024, the Regulator approved a 100% ex-post socialization scheme, under which the recoverable differences of the Revithoussa LNG terminal will be fully socialized to the exit points of the Transmission System.

It is worthy to mention that, through gradual revisions of the Tariff Methodology and Regulation in the recent years, DESFA has managed to convince the Regulator to approve a series of steps which have significantly reduced the regulatory risk stemming from tariffs and market volatility. These include the introduction of a yearly mechanism for the revision of the tariffs within each Regulatory Period, the replacement of the CWD scheme with a postage stamp one and the introduction of an ex-post socialization mechanism which fully covers the exposure of Revithoussa to market instability. Those measures combined, have provided a stabilizing effect both on the tariffs of the NNGTS, but also in the revenues of DESFA.

## Inflation

In 2024, inflation continued to decline in Europe (from the peak of 10% in 2022 to 3,6% in 2024)<sup>8</sup>, and in Greece (from the peak of 9,3% in 2022 to 3% in 2024). This reduction results from a combination of factors such as the tightening of ECB monetary policy and the lower energy and commodity prices. Inflation is expected to decline further in 2025 and 2026, to 2,4% and 2,10% for Greece and to 3,7% and 2,85% for Europe respectively, according to IMF projections.

<sup>8</sup> Source: World Economic Outlook (April 2025) - Inflation rate, average consumer prices.

## 9. 2025 Outlook

The energy crisis has brought the security of supply to the top priorities of the energy market policy, along with sustainability and affordability, and has also highlighted the critical role of gas infrastructure in enhancing the security of supply, also on a cross-border basis. The role of gas, either fossil or renewable, will remain important in the specific environment, where security of supply and sustainable infrastructure will have an equal footing in the route to the full decarbonization of the energy mix.

Within this context, DESFA will need to safeguard the expansion of its core business while ensuring the development of future proof assets which will also serve the market in the energy transition era.

In this context our outlook for 2025 is based on a continuation of our key strategic pillars focusing on:

- Leveraging and strengthening our export potential and enhancing system flexibility to incorporate renewables within the context of Greece/Europe's new energy landscape following the energy crisis driven by the Ukrainian War, by executing an ambitious Capex plan to support the security of supply of South-East Europe, including new interconnections, while in parallel fostering the implementation of the Vertical Corridor to ensure optimal utilization of Greek infrastructures, as well as supporting the growing need of flexibility as per NECP
- Fostering the energy transition, via the decarbonization of DESFA operations, promotion of the role of decarbonized gases in the energy mix with a strong focus on the development of a system capable of transporting Hydrogen both in blended and pure form and play a key role (as per NECP) in the creation of an integrated (CCS) CO<sub>2</sub> capture, transportation, and storage solution for Greece
- The completion of a clear and realizable Net Zero Master Plan as well as the creation of a robust Climate Change Risk based Management system in line with EU Taxonomy addressing direct and current physical risks on our network as well as the (current or future) exposure or vulnerabilities to climate change
- Exploring targeted business development opportunities in the provision of non-regulated services, leveraging on DESFA know-how, capabilities and relationships
- Continuing the implementation of business, digital and cultural transformation and ESG strategy as important enablers of DESFA overall strategy.

### Our Strategic Pillars for the future





## 10. Events occurring after the reporting period

Since January '25 Gastrade has announced that, due to a technical issue, the regasification services at the Alexandroupolis LNG Terminal will not be available until further notice. The cause, impact, remediation, insurance cover and potential financial impact is currently assessed by Gastrade and no material adverse impact is currently known. Following ongoing assessments of the matter, the company will provide updates on any developments. Besides the above there are no other events.

Halandri, 23<sup>rd</sup> May, 2025  
Under the mandate of the BoD

**Konstantinos Kosmadakis**  
Chairman of the BoD

**Panagiotis Tambourlos**  
Member of the BoD

