

# EBN Annual Report 2023

Energy in motion

In 2023, EBN celebrated its 50th anniversary. We celebrated that we have played a central role in the Netherlands' energy supply for 50 years. **In the coming years, we will keep moving to fulfil this role in a changing energy system.** You can read about our efforts and results in our annual report with the theme: **Energy in motion.**

ebn

Energising the transition

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# 1. Foreword

The energy transition is characterised by many different opinions and interests, and during the past year these only seemed to move further apart.

Such polarisation can be seen throughout the whole of society. Social organisations are increasingly making themselves heard and taking a stand on the choices that need to be made with regard to both the energy transition and the energy policy. This is expressed for example in demonstrations, but also in lawsuits and heated discussions and actions at talk show tables. This shows that while the urgency to reduce fossil emissions is widely felt, opinions differ on how, and how quickly this should happen. The collapse of the Dutch government and the subsequent election results, which brought about a significant changes, further exposed the divisions on this issue. This is causing additional uncertainty and increases the risk of slowing down the energy transition. Fortunately, the climate portfolio proved to be uncontroversial.

This increased polarisation is an expression of underlying social desires. The feeling of not being heard or seen is really a need to be allowed (and able) to participate in substantive discussion, while the disempowering notion that nothing is happening is no more than a desire for progress, motion.



*Jan Willem van Hoogstraten*

### **Conflicting interests**

These opposing movements can also be seen within EBN. Over 200 colleagues work every day to realise affordable and reliable energy today as well as the sustainable energy system of tomorrow. As a policy holding of the Dutch Ministry of Economic Affairs and Climate Policy, we must serve these diverse public interests.

We still rely on gas for affordable and reliable energy now and in the coming years. And in our opinion, Dutch gas under our own North Sea is preferable to liquefied gas that has to be imported, because the latter will always be worse for the environment, worse for our independence and worse for our economy. A key principle in this respect is, and will remain, that our production will never exceed domestic demand.

The choices and consideration of these public interests – supply security and affordability today and rapidly increased sustainability for tomorrow – come with dilemmas. All these ‘conflicting interests’ which characterise the energy transition come together at EBN. Nevertheless, we continue to work tirelessly on all the solutions connected to our mission. We do so (along with many other parties) for an affordable, reliable and sustainable energy system in the future. We are shaping this by drawing on the heat transition, carbon storage and transport, the gas transition and energy systems.

### Engaging in substantive dialogue

As a public energy company, we consider it our responsibility to promote informed dialogue about the energy transition and the energy system of today and tomorrow. We do so by means of our infographics (which this year includes one for young people) and substantive meetings and debates. For some years now EBN has partnered with Darel Education to organise Energy Transition masterclasses at secondary schools. These have proved a great success, with 13,000 students already having taken part. Gasunie, Tennet, the Ministry of Economic Affairs and Climate Policy and the port authorities of Amsterdam and Rotterdam have also signed up for 2024. We engage with such initiatives with much pleasure and a great deal of energy. For example, in the past year we once again held our annual energy breakfast, which has increasingly come to mark the start of the energy year. Finally, we organised various

knowledge sessions and, in the run-up to the elections, an election debate in conjunction with Dutch radio station BNR Nieuwsradio. All these initiatives support an informed dialogue in which there is room for each other's opinions and interests, but which is based on correct facts and figures.

### More openness and cooperation

There is also a need for greater transparency in the energy value chain, as was highlighted by the results of the parliamentary inquiry into gas production in Groningen. Several recommendations by the committee of inquiry have direct implications for EBN, one being that we will be even more transparent in terms of how we represent public interests.

We have already acted on this by firmly embedding our public role in our renewed strategy, which we have been implementing since early 2023 and which was discussed at length with the Ministry of Economic Affairs and Climate Policy. Furthermore, we report – for example in this annual report – on how we promote public interests in carrying out our statutory duties.

Another recommendation is for EBN to involve the surrounding community more in any new activities. As a state-owned enterprise, we do everything in cooperation with and through others. The past year has seen us grow considerably as an organisation in terms of number of employees, with an ever further-reaching impact

as a public company. Our colleagues are increasingly well-equipped to maintain contact with the community around them.

### Need for motion

Progress was made in several areas during the past year. A key milestone was the approval of the Porthos CO<sub>2</sub> storage project. In addition, preparations were made for Aramis, a similar CCS project but on an even larger scale. Where emissions cannot be reduced in the short term, it benefits the climate if these can be permanently stored underground. While this is not the ultimate solution, it is crucial to slowing global warming. Without projects like Porthos and Aramis, the Dutch climate goals for 2030 look unattainable.

Another milestone reached in 2023 was the closure of the Groningen gas field. All gas extraction activities ceased as of 6.00 am on 1 October 2023 and the gas tap will be turned off for good on 1 October 2024 latest. To provide security of supply in spite of this, over the past year EBN once again worked to fill up the gas storage facilities; this enables us to ensure that there will be sufficient gas during cold winters. It is one of the public tasks that we perform, and one which is consistent with the increasing call for the government to take the lead in the energy transition.

### Heat transition in motion

The heat transition also requires a leading role by the government. In the Netherlands the demand for heat accounts for 44% of total energy demand. While great progress has been made in terms of green electricity generation, the development of sustainable heat is lagging. This is despite the fact that for example geothermal energy is a very reliable and sustainable source, and one which – unlike the sun and the wind – is always available.

In 2023 we continued the SCAN project to map large parts of the Dutch subsurface and looked at which areas are suitable for extracting geothermal energy. Test drilling is now also being carried out for this purpose. However, a sustainable heat transition will require not just development of the wells but also the establishment of an entire distribution network as well as development of new sales markets. This is no simple matter and requires an integrated approach. The visit by His Majesty King Willem-Alexander to the drilling site in Ouder-Amstel is testimony to the increased public interest in the heat transition.

### Anniversary year 2023

In 2023 we celebrated our 50<sup>th</sup> anniversary. For 50 years EBN has played a key role in the Dutch energy system and during those years we have represented the public interest. Which is why we decided to use this occasion to raise awareness of energy poverty in the Netherlands, for example supporting Energiebank Nederland, a social

initiative aimed at combatting energy poverty among the Dutch population. We ended the year with a profit of EUR 246 million, whereas the figure for the previous year was more than 15 times higher due to exceptionally high gas prices. As we are a policy holding of the Ministry of Economic Affairs and Climate Policy this profit is attributable to the State.

### Outlook

Our motto for 2024 is ‘Doing more together, taking part together’. We will thus be able to invest even more energy in motion so as to really work on building the energy transition. The implementation of Porthos will continue, more scientific drilling for geothermal energy will be undertaken and the world's first offshore electrolyser will be brought into service. All this will be done together with our surrounding community, with the public interest being paramount.

The theme of this annual report is ‘Energy in motion’. We would like to invite you to read on to find out what we have done during the past year to make this happen.

Jan Willem van Hoogstraten

CEO of EBN

# Highlights 2023 - Energy in motion

## Energy transition

Number of participations in geothermal energy projects 



Number of participations in CCS projects 



Number of joint decommissioning campaigns 



'We help to create a sustainable energy system in which the transition takes place as sustainably as possible, and we actively reduce greenhouse gas emissions throughout the entire value chain.'

## Security of supply

Meet the desired gas filling requirement 



Small fields production 100% billion Nm3 TQ 



Unit OPEX in EUR ct/Nm3 GE 



'We stand for the security of the gas supply in the Netherlands, which is based on the premise that all Dutch citizens should have access to energy (even in cold winters).'

## Revenue (€ MLN)

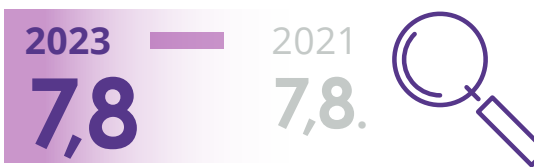


## Net result (€ MLN)



## Public interests

Stakeholder survey Reputation score 



## Safety and environment

Number of occupational accidents in absenteeism



## Good employment practices

Great Place to Work \* 



## Good governance

Sector ranking in the Transparency benchmark \* 



The indicators with a  fall within the scope of the independent auditor's limited assurance report. Additional information on the scope and outcomes of the assessment is included in Chapter 9 'Independent auditor's report'.

\* These indicators are assessed once every two years.

# 2. Our organisation

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## 2.1 About EBN

Energie Beheer Nederland (EBN) is a public company in the energy sector with its headquarters in Utrecht. EBN is committed to a reliable and affordable energy supply for today and a sustainable energy system for the future. We use our expert knowledge, skills and (financial) strength in public-private partnerships to accelerate the development of a sustainable energy system.

The climate crisis, geopolitical developments and a volatile energy market means an extra push is necessary to facilitate the energy transition. The urgency of the energy transition makes EBN's role even more important, not only to (help) make the existing energy infrastructure future-proof and to offer energy security to the Netherlands, but also in activating our connective power to bring the right partners together to achieve the desired acceleration of the transition.

### 50 years of EBN

EBN was 50 years old in 2023. The company was originally founded to search for and extract oil and gas. In 2016, we adjusted our strategy in order to help accelerate the energy transition. It became an important ambition to move from an energy system based on fossil fuels to an energy system based on sustainable sources. In 2023, we continued to clarify our strategy and the impact we want to have within the various value chains, and we more

clearly defined what our role as a connector looks like in the transition to the new energy system.

### EBN and the Dutch State

EBN is a state-owned enterprise (SOE), which means that EBN's shares are 100% owned by the Dutch State. These shares are managed by the Dutch Ministry of Economic Affairs and Climate Policy. SOEs are organisations in which the roles of shareholder and policymaker cannot be separated. EBN has a legal responsibility to represent the interests of the Dutch State in oil and gas extraction in the Dutch subsurface. Last year, we were given two additional legal responsibilities: (i) We became an obligatory partner (20-40%) in every new geothermal project, and (ii) EBN received the green light to take part in the Porthos CO<sub>2</sub> storage project. We also provide information and advice to the Ministry of Economic Affairs and Climate Policy on sections of the energy and climate policy.

With our financial strength, our expert knowledge of the Dutch subsurface and the energy system as a whole, we are a participant in more than two hundred partnerships. Most of these are in gas extraction, but we also participate in geothermal energy and CO<sub>2</sub> storage projects. We have a 40% interest in the majority of our partnerships. In addition, EBN has a 40% interest in GasTerra, a wholesaler of natural gas and green gas. To ensure a secure energy supply in the Netherlands, EBN was assigned to help refill the Bergermeer gas storage facility for the second year in a row.

EBN operates solely in the Netherlands. EBN's main partners are government entities, energy companies, grid operators, the business community and knowledge institutions.

### Vision and mission

Our energy system will change drastically in the coming years. Existing energy chains are becoming more sustainable, new chains are being developed, and the relationship between all those chains is becoming more complex. This is all necessary if we want to achieve the climate goals through the use of sustainable energy sources.

The energy transition will need society's support if it is to be realised. That is why we believe in a fair transition, in which sustainable energy is accessible and affordable to everyone. During the transition process, we must not see the potential of the land, the sea and the subsurface as separate parts, but as a coherent whole. The public interest should therefore set our direction and guide our efforts, which at its core requires the effective cooperation between government, businesses, and social organisations.

Our mission is to move faster towards a sustainable energy system together. EBN will – in the execution of its public duty – use its expert knowledge and connective power to accelerate the implementation of Dutch energy and climate policy with the aim of a sustainable, reliable

and CO<sub>2</sub>-neutral energy system by 2050 at the lowest possible cost to society.

### Our ambition

Our ambition is to be climate neutral by 2040. We will phase out what is harmful to our climate, rebuild what we can, and work towards 100% sustainability. In addition, we will remain committed to ensuring access to energy for everyone.

### Our strategy

In line with the government's ambition to achieve a 60% reduction in CO<sub>2</sub> emissions by 2030, EBN has a 'Fit for 60' strategy. This is based on three key drivers and has been translated into four strategic pillars. The first three pillars concern the domains in which EBN is active: the gas system, the heat supply system, and the CO<sub>2</sub> system, where a transition is already underway. The fourth and central pillar focuses on EBN's efforts to realising an integrated energy system: a sustainable and accessible energy system for everyone. This is how we energise the energy transition.

In 2023, EBN further detailed and refined its strategy based on in-depth discussions on a variety of topics with relevant people from the Ministry of Economic Affairs and Climate Policy. Using the insights from a joint analysis on market developments, each discussion aimed to assess how EBN could best contribute to achieving the policy

goals. These developments are described in section 2.4 'Trends and Developments'.

Other developments also contributed to EBN refining its strategy. The publication of the National Energy System Plan (Nationaal Plan Energiesysteem or NPE) showed a clear need for more ambitious climate goals and an integrated approach to achieving climate goals. Public parties are needed to safeguard public interests during the transition. Furthermore, the European Corporate Sustainability Reporting Directive (CSRD) sets higher standards for corporate social responsibility and transparency. Finally, the recommendations stemming from the parliamentary inquiry Groningen also prompt us to take a closer look at our role and position.

### Our key drivers

The trends and developments in the evolving energy system validate the societal drivers that we, as a public company with a social responsibility, have formulated. They are as follows:

- Move towards a sustainable energy system: We are working to create a CO<sub>2</sub>-neutral, integrated system.
- Energy supply security: Within the transition process, we want to ensure that the system can cope with any uncertainties that arise during the transition.
- Social value creation: In harmony with and in the interest of society as a whole, we want to contribute to a fair transition, in which energy is available and affordable to everyone.

### Our strategic pillars

Our key drivers are the foundation of our strategy. Within our four strategic pillars, we want to further improve our existing activities, develop new activities, and investigate new options. EBN is in the process of formulating long-term goals for each of the strategic pillars to be achieved by 2030.

#### Parliamentary inquiry Groningen

The parliamentary inquiry into the Groningen gas fields has resulted in the cabinet expecting a more prominent role for state-owned enterprises in safeguarding public interests. This is one of the recommendations stemming from the inquiry that directly pertains to EBN. Other recommendations include that the Gasgebouw is decommissioned and that EBN is transparent about how it safeguards the public interest. In addition, EBN is to participate in a national programme for the sustainable use of the subsurface, expand its knowledge, improve data, and monitor mining impacts. Finally, it is recommended to develop a comprehensive safety and risk strategy for subsurface activities.

### System development for the public interest

The energy transition is a complex process and requires an integrated approach. EBN represents the public interest and takes this position in its work towards the development of an integrated, sustainable energy system. When working together with various partners on policymaking, EBN's contribution is based on its specialist knowledge and public interest position with regard to various parts of the energy system. This gives direction to the transition process. The process of policy making is then translated into strategic choices that are made within the EBN organisation. This is the central pillar of our strategy because it connects policy goals with the transition process at the system level. Our societal drivers also come into play in this strategic pillar: we strive for a sustainable, integrated energy system, stand for security of supply in the Netherlands, and work together with partners on the creation of social value.

### A sustainable gas system

Our traditional gas system has kept the Netherlands warm for decades. However, that gas system is undergoing a metamorphosis. The Groningen gas field is closed and extraction from small fields is declining. Although our gas usage will decrease over the coming years, we will still be partly dependent on natural gas. At EBN, we are busy working on the transition of our gas system. We are committed to the safe and responsible extraction of Dutch natural gas, which has a smaller CO<sub>2</sub> impact than

imported gas. We are also working on security of supply by supporting the filling of the Bergermeer gas storage facility. In addition, EBN is contributing to the development of sustainable gas systems that can take over several functions from the current natural gas system.

### A sustainable heat transition

EBN is committed to making heat supply in the Netherlands more sustainable. Because of the knowledge we acquired over the past 50 years on the Dutch subsurface, we can play a leading role in various projects on the development and extraction of geothermal energy. We are working together with various partners and operators, and also conducting research through the SCAN programme (*Seismische Campagne Aardwarmte Nederland* – Seismic Campaign for Geothermal Energy in the Netherlands) to better map the potential for geothermal energy. EBN is also exploring the possibility of a role in collective heat supply systems to better establish a starting position for the application of geothermal energy. Finally, EBN is carrying out studies to see whether residual heat can be temporarily stored underground to make more efficient use of this potential resource.

### Responsible CO<sub>2</sub> storage

By 2030, CO<sub>2</sub> emissions must be 60% lower than in 1990. However, large industrial companies, which use lots of energy for their processes, are not yet able to make a complete transition to sustainable CO<sub>2</sub>-free production methods before 2030. This is mainly because methods

for this are not yet available on a large scale. For the Netherlands to achieve its climate goals and to give companies time to become more sustainable during the energy transition, we need to capture the CO<sub>2</sub> in the air, then transport and store it under the seabed. The remaining use of fossil fuel energy will then have a limited impact on the climate. EBN is contributing to the responsible storage of CO<sub>2</sub> by sharing our expert knowledge and bringing parties together. Our involvement in the CO<sub>2</sub> storage projects Porthos and Aramis are examples of this.

## Societal drivers



### Towards a sustainable energy system

We are working to create a CO<sub>2</sub>-neutral, integrated system.



### Security of energy supply

Within the transition process, we want to ensure that the system can cope with any uncertainties that arise during the transition.



### Social value creation

We want to contribute to a fair transition, together with and on behalf of society as a whole.



## Mission

### Together, faster, towards a sustainable energy system

In line with its public role, Energie Beheer Nederland (EBN) as a binding the force - deploys its **knowledge and expertise** to accelerate the implementation of Dutch energy and climate policy with the aim of achieving a sustainable, reliable and CO<sub>2</sub>-neutral energy system by 2050, at the lowest possible cost to society.

## Strategic pillars

### A sustainable gas system

The transition from the natural gas system to a sustainable gas system

- Utilise natural gas supply
- Gas and hydrogen storage
- Careful dismantling and reuse

### System development for the public interest

Contribution to the realisation of an integrated energy system with a focus on comprehensive social value creation

- North Sea and subsurface vision
- Partnerships with relevant public parties
- Supply security vision
- EBN CO<sub>2</sub> neutral in 204, scope 1, 2, 3

### A sustainable heat transition

The creation of collective and sustainable heat systems

- Geothermal heat
- SCAN
- Heat chain
- Heat storage

### Responsible CO<sub>2</sub> storage

The creation of a CO<sub>2</sub> storage system in order to reduce and eliminate remaining CO<sub>2</sub> emissions as quickly as possible.

- Porthos and Aramis
- Workin towards timely availability of sufficient storage capacity

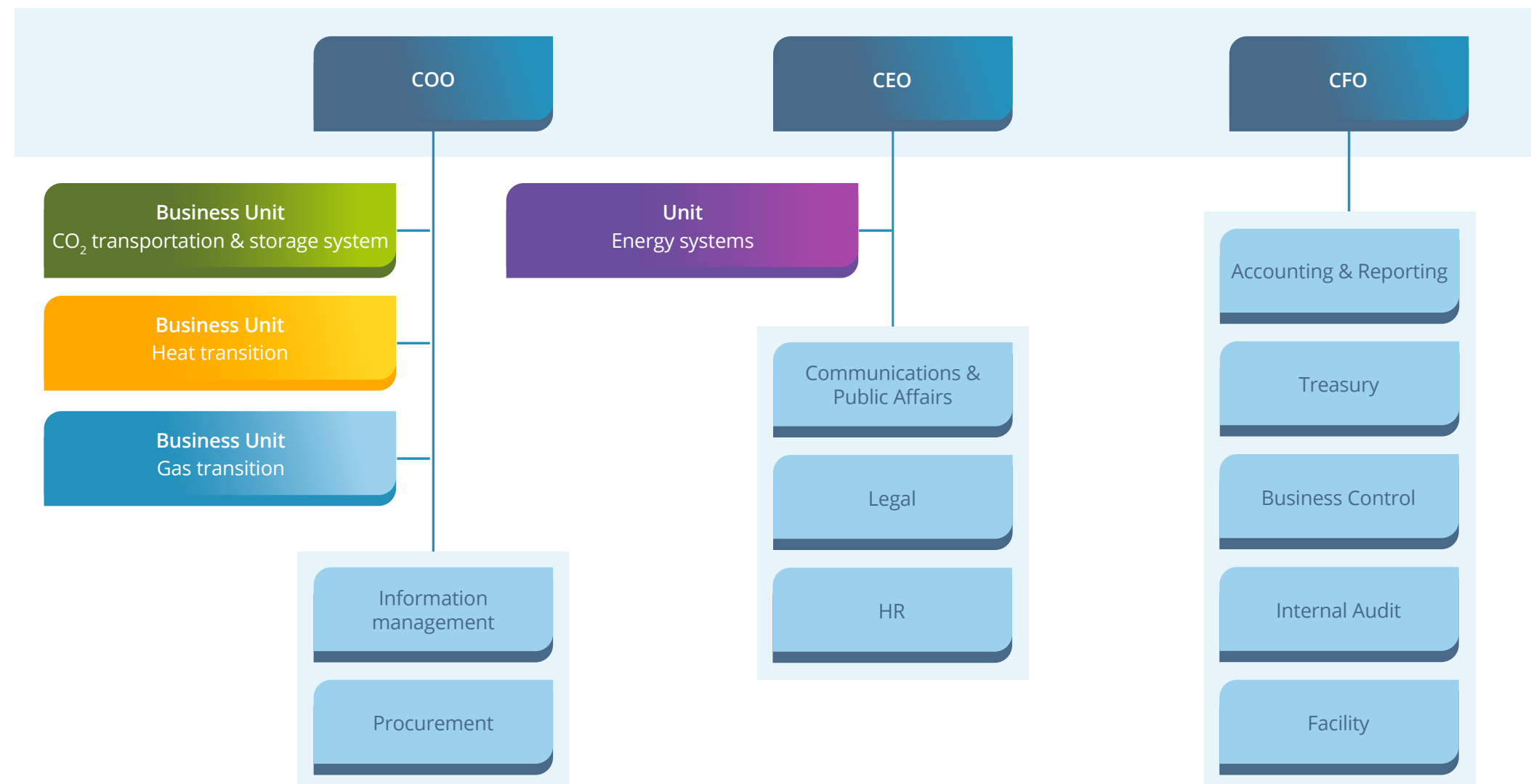
## Our organisation

Our organisation EBN has around 200 employees. They work from our offices in Utrecht and the Hague and sometimes from home. At the head of the organisation is a Board of Directors made up of three members: CEO, CFO, and COO. Organisationally, EBN is divided into three different business units and a development unit. The business units represent the three energy value chains – the gas transition, the heat transition, and CO<sub>2</sub> transport and storage - and are managed by the COO. EBN also has a development unit for energy systems, which reports directly to the CEO. The work of this unit is focused on the connecting role that EBN plays in developing and building the energy system of the future. The teams who work in the HR, Legal, and Communications & Public Affairs (CPA) departments fall under the responsibility of the CEO. EBN’s financial and facilities departments fall under the responsibility of the CFO.

Our employees stand for the public interest and dare to lead the way in the energy transition. They work at EBN because they want to add economic, ecological and social value to EBN’s business activities. These characteristics are evidenced in the following core values:

### 1. We stand for the public good

- Take responsibility for society
- Are mindful of the human dimension



### 2. We create connections

- Facilitate knowledge sharing
- Listen carefully in order to make progress
- Foster trust, both internally and externally

### 3. We add value

- Create prosperity, well-being, knowledge

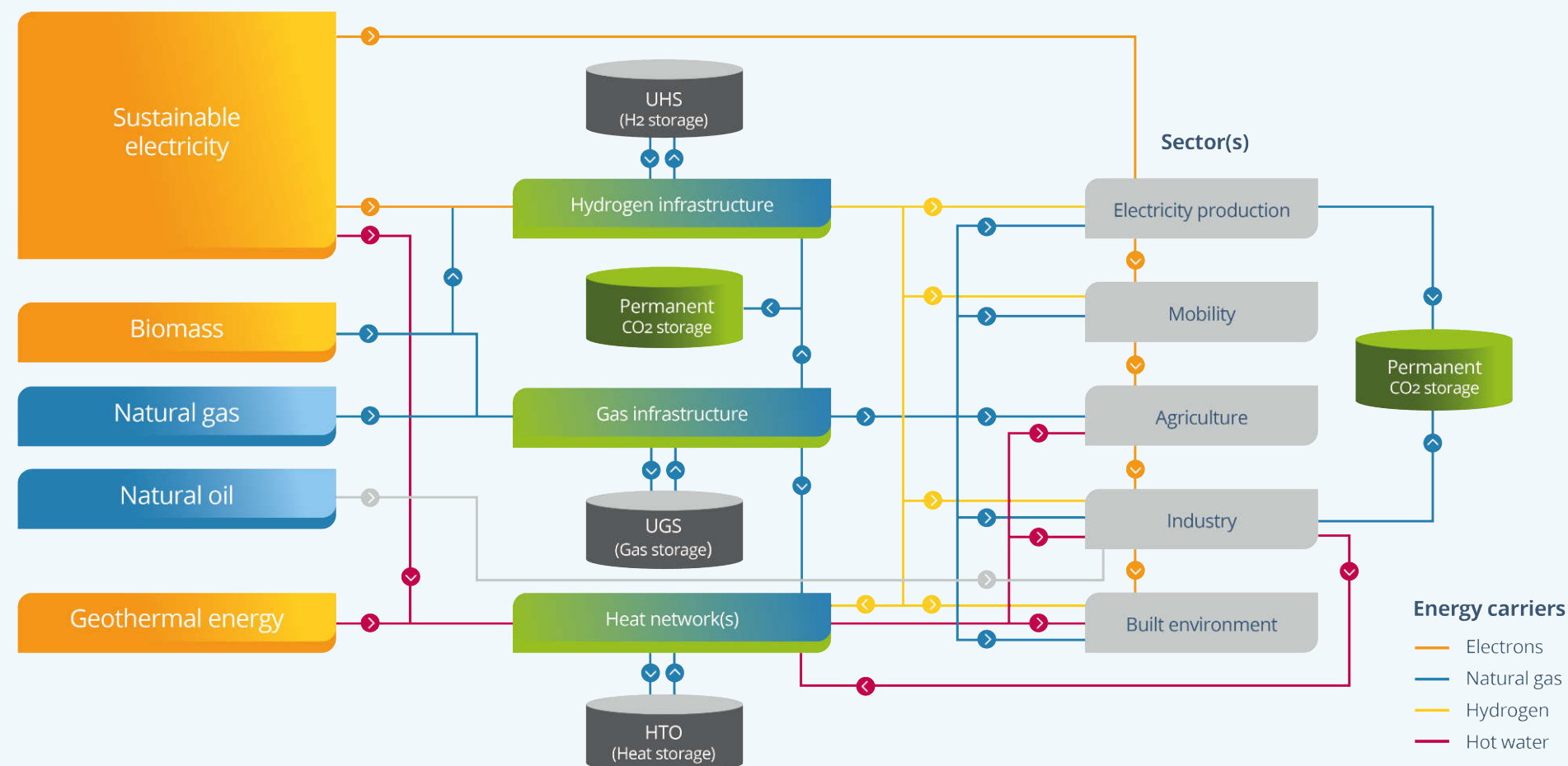
- Help accelerate the energy transition
- Increase efficiency through knowledge sharing

### 4. We dare to lead the way

- Show courage and daring, push boundaries
- Proactively offer guidance and direction
- Dare to make mistakes

## Towards a future-proof energy value chain

The current fossil fuel-based energy system is no longer sustainable. That is why EBN is working towards a future-proof energy value chain in which the energy provided is based on electricity and CO<sub>2</sub>-free gas-based energy carriers. We have experience with working in the subsurface, we represent the public interest, and we have a central position in the energy value chain. As such, our role enables us to bring coherence to all the activities that take place within the energy transition process. We achieve this through our strategy, based on four pillars, of which the central pillar is our ability to bring together parties in the chains so that we can collectively drive the transition. The necessary acceleration in the developing market(s) benefits from a strong public-private cooperation.



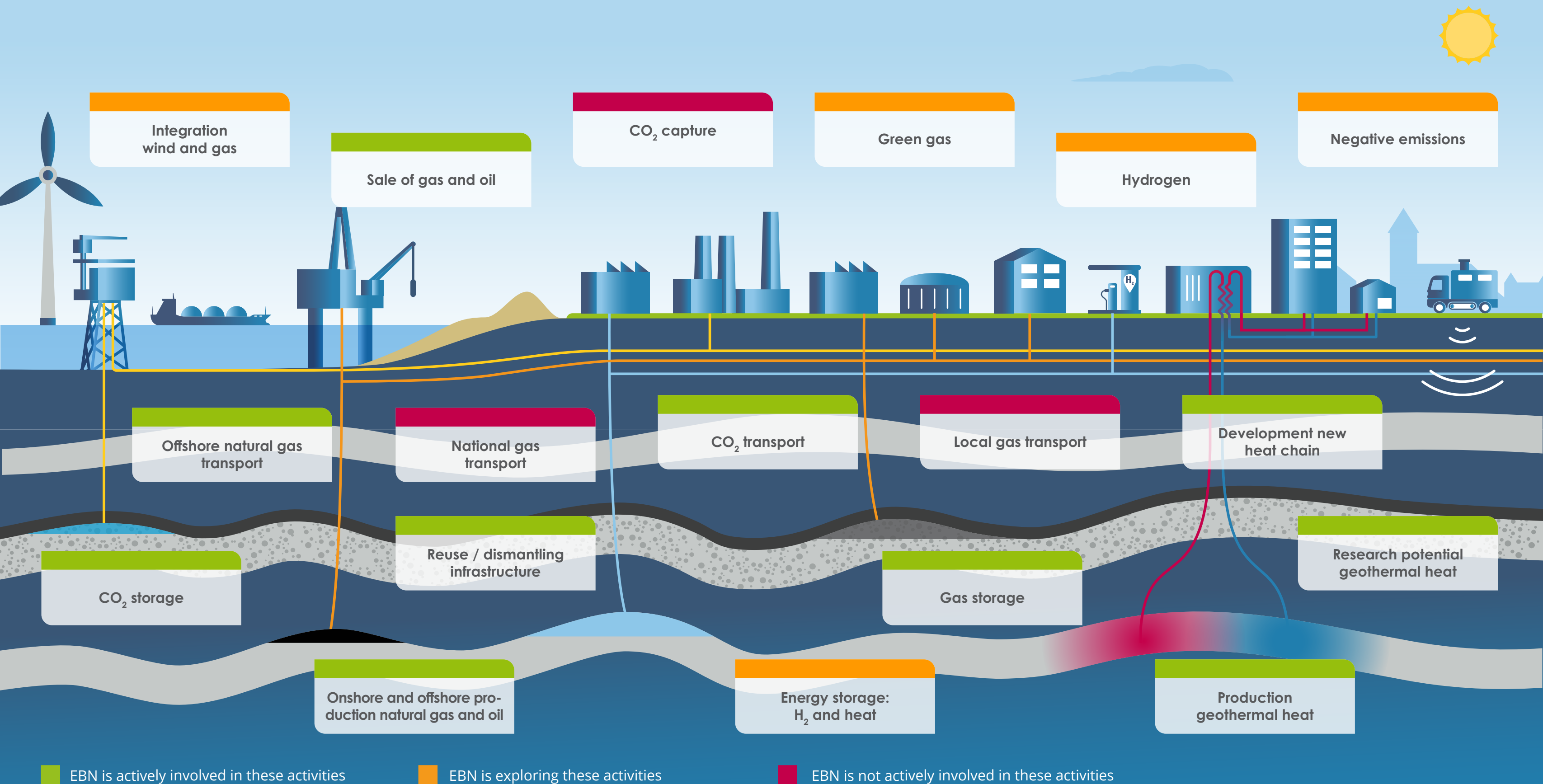
*This shows the development of the energy value chain and how an integrated energy system increases in complexity. The most important energy sources are shown on the left. These were mainly natural gas and oil (blue), but sustainable electricity from sun and wind energy is on the rise. In addition, energy is increasingly derived from biomass and sustainable heat sources such as geothermal energy. To get this energy to the end user reliably and in a usable form, a complex system is emerging that involves conversion, transport and storage.*

## 2.2 Our position in the energy value chain

EBN was originally founded to search for and extract gas and oil for the energy supply in the Netherlands.

With the energy transition, we feel a responsibility to society to make the energy value chain more sustainable. EBN plays an important role in the system integration needed to achieve this. We bring parties together and share our knowledge of the Dutch subsurface, as well as on present and future infrastructure. We represent the

interests of society as an SOE and would characterise our position in the energy value chain in terms of our three main activities.



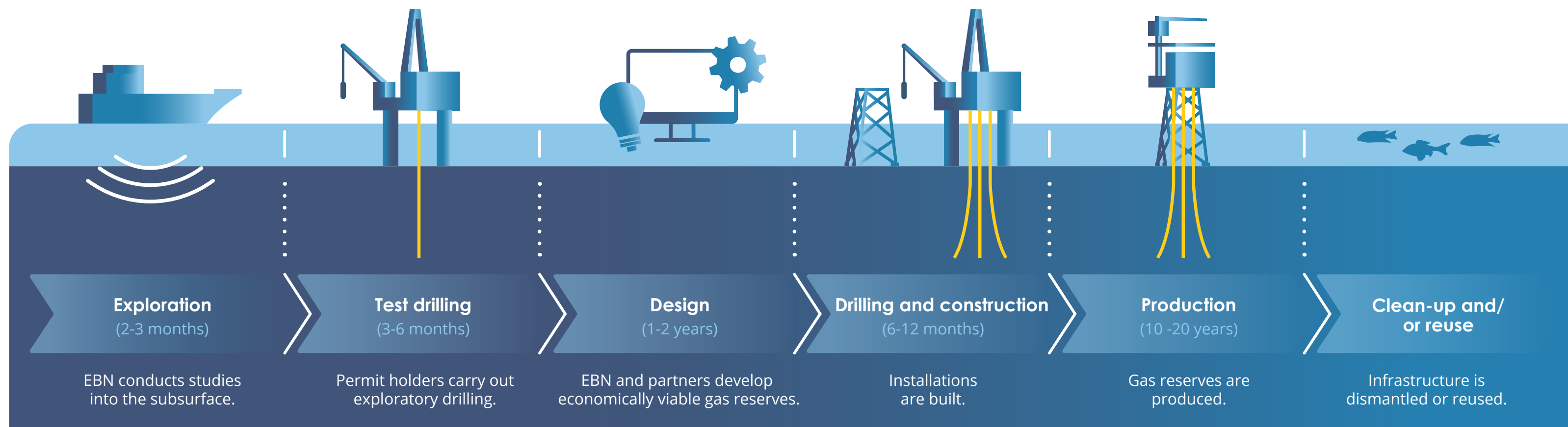
### 2.2.1 The development of gas and oil sources

Based on our role and position in the chain, we support the search for and extraction and storage of Dutch natural gas. Our most important partners in this work are the operators, who are responsible for the operation. EBN co-invests and takes a proactive role in the exploration work, as well as organising the cooperation and clustering. As a partner in a joint venture, EBN (and thus indirectly the State) has a share of the income. We are also responsible for a share of the costs incurred.

Oil and gas companies often sell extracted natural gas and petroleum to wholesale companies, including GasTerra. EBN is a co-shareholder in GasTerra and is involved in GasTerra's policy through two seats on the Supervisory Board and two seats on the board of delegated commissioners. With the final closure of the Groningen gas field as of October 2024, GasTerra will also cease to exist by the end of 2026.

We also develop instruments for the optimal, sustainable and safe use of gas fields. We encourage operators

to improve their HSE (Health, Safety & Environment) performance and guarantee the covering of clean-up costs. We also encourage making the value chain more sustainable through, among other things, emission reduction, the greening of auxiliary materials (biochemicals), and the electrification of offshore assets. In addition, we work towards increasing cost awareness through the clustering of infrastructure and mutual cooperation between operators (via the INSPIRE project).





The illustration shows how a geological energy source (oil and gas) is developed: from the first exploration mission to its reuse for new sustainable purposes or the infrastructure clean-up operation.

For more information on the development and extraction of natural gas, go to: [www.ebn.nl/aardgas/gaswinning](http://www.ebn.nl/aardgas/gaswinning)

### Gas storage

Depleted gas fields can be used to store gas. EBN is co-owner of four underground gas storage facilities, and we are involved in so-called midstream operations. In the future, adjustable power will become increasingly important, which also increases the need for the proper storage of such things as hydrogen and green gas. EBN is exploring the possibilities for underground energy storage (hydrogen and heat) and other fundamental ways to make the energy system more sustainable. We are also looking at the possibility of reusing existing mining locations for the production of green gas.

### Decommissioning and reusing infrastructure

Once production has ended, the infrastructure must be either decommissioned or reused. EBN is a driving force behind both operations being made sustainable. We work together with oil and gas companies and the sector's representative (Element NL) in Nexstep, the National Platform for decommissioning and reuse. Infrastructure can, for example, be reused for hydrogen and CO<sub>2</sub> storage.



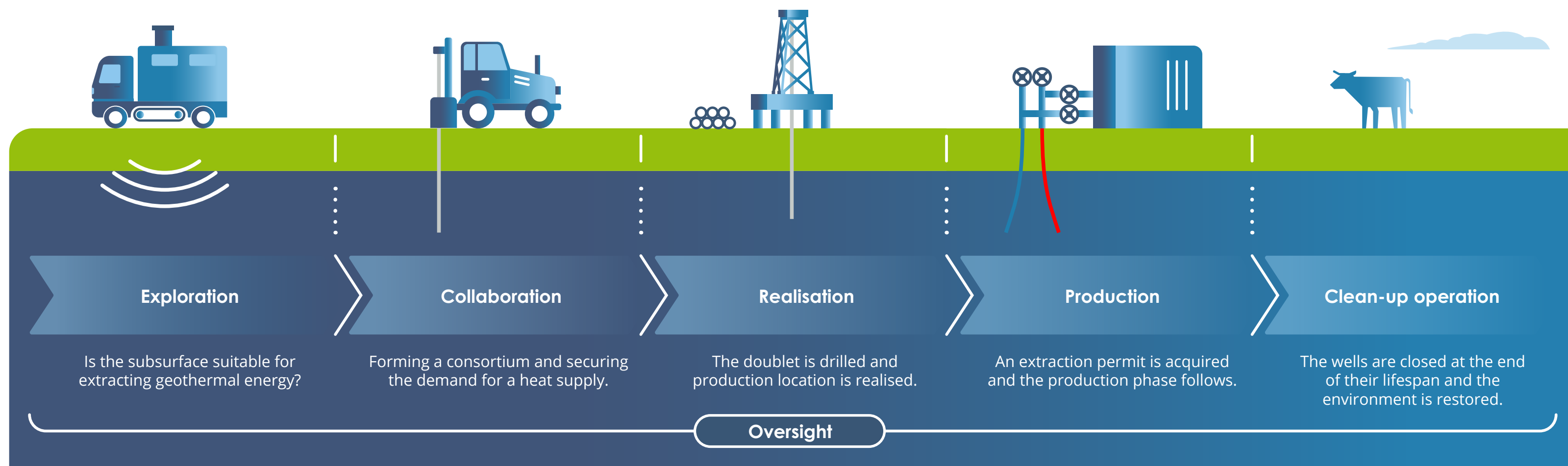
### 2.2.2 The development of geothermal energy

From July 2023, EBN will be a legal risk-bearing partner in every new search area for geothermal energy. EBN is a non-executive partner and will make at least 20% of the financial and risk-bearing investments in all activities associated with the search for and extraction of geothermal energy. This share can be increased to a maximum of 40%, in consultation with its project partners. This early collaboration with project developers – and possible other partners – in the project means that

EBN can share its specialised knowledge at an earlier stage in a project. Even when production has been initiated, this knowledge can be brought in, collected and taken to other geothermal projects. This is how we can expand the development of knowledge and expertise within the geothermal energy sector and, by doing so, emphasise the importance of making planned, efficient and sustainable use of the subsurface. With our knowledge and experience, we are committed to cost reduction, innovation, policy development and incentive measures.

Secondly, we (together with TNO) conduct research via SCAN into the potential of geothermal energy in the Dutch subsurface. And where we have insufficient knowledge, we can visualise the Dutch subsurface by means of seismic lines and research drilling.

A geothermal project is divided into the following phases: exploration, collaboration, realisation, production, and decommissioning and restoration operation.





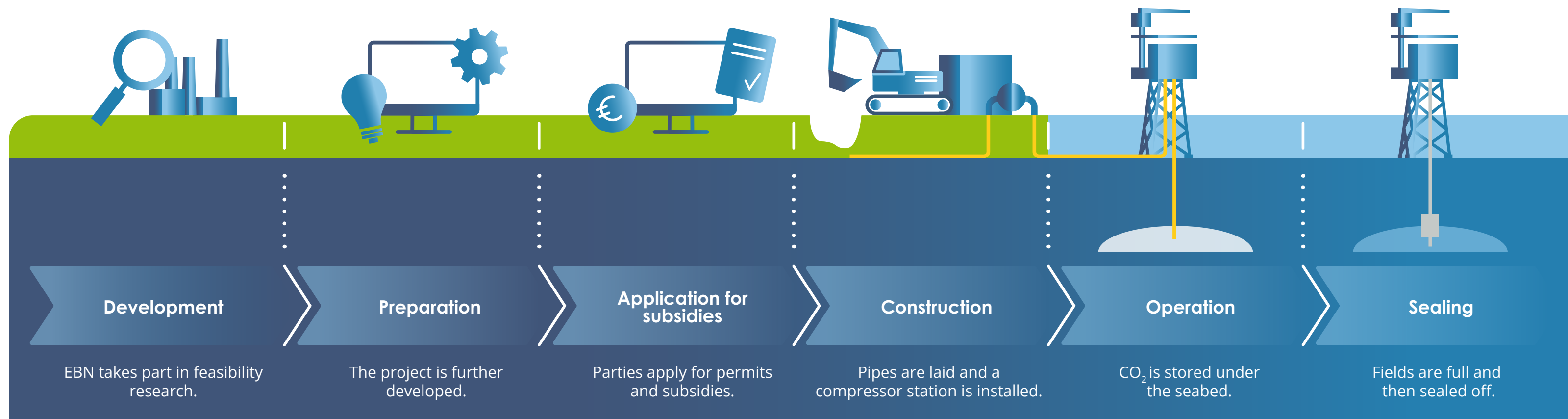
### Projectlocations 2023\*

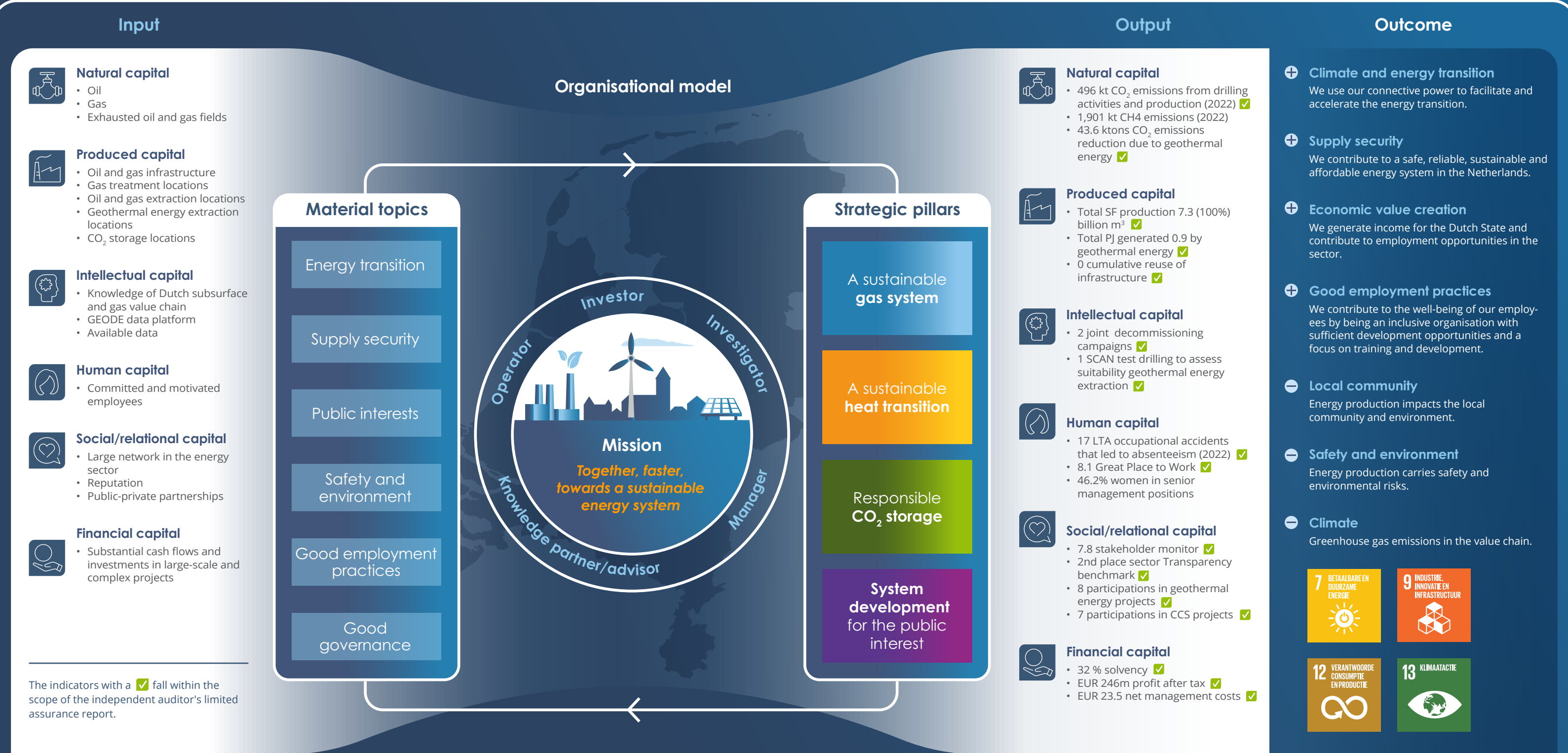


### 2.2.3 The development of CO<sub>2</sub> storage

EBN is actively involved in the development of CO<sub>2</sub> storage under the Dutch North Sea. We do this in our capacity as advisor to the Ministry of Economic Affairs and Climate Policy and as an organisation that carries out climate and energy policy. We also work together with public and private parties involved in CO<sub>2</sub> storage in the Netherlands.

EBN is an active partner in the Porthos and Aramis CO<sub>2</sub> transport and storage projects, as well as other projects that enable CO<sub>2</sub> storage under the North Sea. In addition, EBN develops and shares knowledge about CO<sub>2</sub> storage in order to speed up the development process. EBN is involved in all phases of the CO<sub>2</sub> transport and storage projects.





## Value creation process

EBN contributes to the existing energy supply in the Netherlands and to the transition to a future-proof and climate-neutral energy supply. Our value creation model shows at a glance how we deploy the six forms of capital (natural capital, produced capital, intellectual capital, human capital, social/relational capital, and financial capital) to achieve our strategic objectives. The model also shows how we add value to people, the environment and society through our core activities.

Through our various roles and activities, we actively work to increase our positive impact and thereby enhance the social and economic value for our stakeholders. In our activities, we seek to improve our performance with regards to the six new material topics.

Although we strive to minimise the negative impact of our activities as much as possible, energy extraction increasingly impacts the local environment. More and more, the energy infrastructure is located above ground and therefore more visible to society. This is accompanied by concerns about, for example, the use of public space, safety, and air quality. Additionally, CO<sub>2</sub> emissions from fossil fuels contribute to climate change.

In our work, we use our influence to bring parties together and connect them to the central themes of the current and future energy supply in the Netherlands. This way, we enhance efficiency and effectiveness on all

fronts. Additionally, EBN engages new stakeholders by informing them about regional and local developments in the transition to a more sustainable energy supply. In this way, we leverage our connective power to facilitate the energy transition. By improving our core activities, developing new initiatives, and continuing to invest in pilots and projects related to sustainable energy and storage, we work towards an optimal and clean gas value chain while simultaneously working towards the transition to the sustainable energy system of the future. EBN, representing the public interest, participates in public-private partnerships to optimise and realise the new value chains. As the transition progresses, the negative impact on the climate and environment diminishes, and the social and economic value of the new value chains increases.

Our value creation model is based on the International Integrated Reporting Council (IIRC) framework.

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## 2.4 Trends and developments

EBN is continually alert to developments in society and the energy system. This refers to developments that directly influence our activities, but also those that relate to the energy transition as a whole. Any adjustments to our strategy will be made partly in response to these developments. The trends and developments in 2023 that influenced our business operations were:

### Urgency of climate action and international objectives

The urgency of the energy transition is widely felt, and the latest IPCC report from the UN climate panel paints an alarming picture. KNMI warns that we could reach 1.5 degrees of warming by as early as 2030. This will increase pressure on the business community to take responsibility and appropriate measures in helping to achieve climate goals. The tightened European plans that fall under the EU Green Deal aim for a 55% reduction in CO<sub>2</sub> emissions by 2030. To ensure we achieve this reduction, the Dutch government has set an even more stringent goal: 60% reduction by 2030. And as a state-owned enterprise, EBN has come up with our own strategy to carry it out.

### Impact of war in Ukraine: security of supply, affordability and independence

The war in Ukraine that began on 24 February 2022 with the Russian invasion (also) caused a lot of disruption on the energy markets, resulting in fluctuating, often extremely high gas prices. The Dutch government imposed an energy price ceiling for consumers and other small-scale users from January 2023. Dutch security of supply was guaranteed by filling the gas storage facilities and expanding the supply of LNG.

The war in Ukraine has turned the European and global energy system upside down. Energy prices have gone up and trade flows have shifted. Not only is the affordability of energy under pressure, but in the Netherlands, there



Bergermeer

has also been an explicit call for energy independence and security of supply. These developments on the gas market show how sensitive the energy system is to geopolitical developments.

### Fall of the cabinet/new elections

On 7 July, the Rutte 4 cabinet fell over the asylum issue. New elections were held on 22 November in which PVV and NSC emerged as winners and took it upon themselves to form a new cabinet. The energy and climate plans of the previous cabinet were declared non-controversial. As such, there would be no delays in their implementation.

### Parliamentary inquiry into Groningen gas fields

The parliamentary inquiry into natural gas extraction in Groningen was completed in early 2023. This was an important moment for the residents of Groningen. In its response to the parliamentary inquiry, the cabinet mentioned a number of measures that relate to EBN. The cabinet has said that it wants to give state-owned enterprises a more prominent role in safeguarding public interests. These are interests with social value, which the cabinet believes should be protected by the government. The cabinet also wants to focus on the further professionalisation of shareholding.

For example, the cabinet states in measure 46 that EBN should be evaluated based on how it embeds public interests into its strategy. How we do this is explained in our [new strategy](#). In addition, measure 47 requires more transparency over how EBN safeguards public interests in the performance of its statutory duties. We go into further detail on this topic later on in this [annual report](#).

Furthermore, the measure states that from now on, our partnership agreements should include the public interests that are being served.

### Closure of Groningen gas field

The Groningen gas field was closed on 1 October 2023, putting an end to more than 60 years of gas extraction in Groningen. Due to the uncertain international situation, the possibility remains open for a limited amount of gas to be extracted from the eleven existing production locations

over the coming year. This will only occur under exceptional circumstances, such as a weather prediction of very severe cold, and will involve temporarily starting up extraction at a pilot light level. This would ensure a quick response if, for example, a gas storage facility were to fail. Very severe cold and the failure of a gas storage facility would constitute an emergency situation, which could lead to a temporary gas shortage. However, on 1 October 2024 latest, the gas field will be permanently closed.

### Porthos ruling

On 16 August 2023, the Dutch Council of State ruled on the so-called Porthos case. The judge decided that nitrogen emissions from the project would not significantly damage nature, which meant that the project could definitively go ahead (the Final Investment Decision was taken in October). The lawsuit was filed by environmental organisation MOBilisation for the Environment (MOB).

### Need for government direction

The transition towards a future-proof energy system entails the energy system of today being transformed into the sustainable energy system of the future. During the transition process, we must also consider the quality of people's living environment as well as social responsibility. To achieve these objectives, all the parties involved need to work closely together. This in turn means that the government needs to provide direction. This necessary direction from the government also requires a pioneering

and coordinating role from public organisations in a number of areas.

### State-owned enterprise (SOE)

The new SOE Memorandum from the Ministry of Finance was published in 2022. This sets out how the government, as shareholder, wants to deal with its SOEs. The memorandum states that each SOE should play a role in the energy transition and that, in the interests of this goal, shareholders should also show more concern for the SOE’s strategy. The memorandum also highlighted the government’s background role in relation to the market – that only when public interests are under threat will the government look at means of intervention. The memorandum also states that SOEs must set an example when it comes to corporate social responsibility. In the material topic ‘Public interests’, we go into our policy and the results of the past year in more depth.

### Corporate Sustainability Reporting Directive (CSRD)

The Corporate Sustainability Reporting Directive (CSRD) legally requires a large number of companies to make transparent reports on sustainability. As of the financial year 2025, EBN will have to make its reports in accordance with the CSRD, which will affect our business operations. Sustainability (people and environment) will be integrated into our business operations, as well as into strategy and management. In the run-up to the CSRD coming into

effect, we have made preparations and determined six material topics which EBN will report on and manage.

### Public support for the energy transition and energy projects

There is a growing realisation that the energy transition will affect everyone. Proactive climate policy is welcomed by the general public in principle, but people resist the costs associated with the energy transition and measures that can cause upset in the immediate living environment. There is also a societal need for transparency and (local) participation, and safety is an important topic when it comes to local developments in the energy transition. This is partly due to what happened with the Groningen gas field. To ensure that energy projects are successful, it is important to pay attention to good environmental and stakeholder management. We also believe that the government should continue to support the central message that measures are unavoidable.

## 2.5 Transition dilemmas

Most of the dilemmas that EBN faces and anticipates are related to making the existing gas value chain more sustainable. That is why we call them transition dilemmas.



*Forum: The energy transition, how can everyone participate?*

### Fossil fuel versus energy transition

EBN is committed to the transition to a climate-neutral energy system in every area. In the meantime, we remain an oil and gas producer in the Netherlands, with a CO<sub>2</sub> impact for scope 1, 2, and 3. During the energy transition, we will have to rely on fossil-fuel energy for quite some time, and we continue to produce oil and gas because Dutch gas is cleaner than imported gas. By extracting gas from our own soil, we remain committed to a reliable and affordable energy supply, but we never extract more than we consume. EBN intends to tackle this dilemma head on and aims to be climate neutral by 2040 at the latest.



## Government direction and/or market regulation

As an SOE, EBN is involved in implementing the energy and climate policy of the Ministry of Economic Affairs and Climate Policy. The government wants there to be order in the market. SOEs such as EBN are active in new energy supply markets in order to encourage their development. The dilemma is whether activities in new markets should be carried out by the government or left to the market. In line with cabinet policy, we make a weighted assessment for each market and for the different activities involved.

## Exploring new activities versus the existing mandate

Throughout the whole energy sector, there is a need for certainty and control at the system level. Once that is achieved, development activities can be organised in conjunction with each other. Every development in the energy transition will call for new knowledge, skills and strengths, and we also need the capacity to adapt when exploring, developing and integrating new options. As an SOE, we can give substance to this process due to our experience in managing complex development processes involving multiple stakeholders. EBN's dilemma lies in the decisions we need to make to structure the organisation so that it is squarely aimed at exploring and developing new options, as well as bringing parties on board at the necessary pace. EBN is tackling this dilemma by playing a connecting role in the process of making the energy value chain more sustainable.

The following dilemmas are particularly relevant to us and our strategy:

## Uncertainty surrounding supply and demand of sustainable energy is slowing development of sustainable chains and portfolio

We want to strengthen, speed up and improve developments in the field of geothermal energy. It is important to realise that this applies not only to the development of sustainable sources, but also to the development of sustainable chains. However, as we approach the development of these chains, there is still uncertainty about both the supply and demand for resources like geothermal energy and hydrogen. This uncertainty is caused by a lack of clarity on various factors, such as timing, quantity and location. The question for our organisation is how we can use our knowledge and existing assets to play a role in the development of new value chains by removing the uncertainties surrounding, for example, heat supply networks and geothermal energy sources.

## Safe decommissioning takes time, while reusing installations calls for speed

When the decision is made to remove unused installations and gas infrastructure, they cannot be immediately utilised for future CO<sub>2</sub> storage or other sustainable initiatives. This process takes time. That is why we use the Nexstep programme: an effective, cost-efficient method with which EBN works together with oil and/or gas

companies and Element NL to decommission unused oil or gas infrastructure safely and sustainably. A key goal of this programme is to save 30% on the clean-up costs of unused infrastructure, but to achieve that goal we have to work quickly. At the same time, we want to keep some of the installations available for the energy transition, but we don't want to leave unused infrastructure standing around for any length of time.

## New developments surrounding CCS call for central management and direction

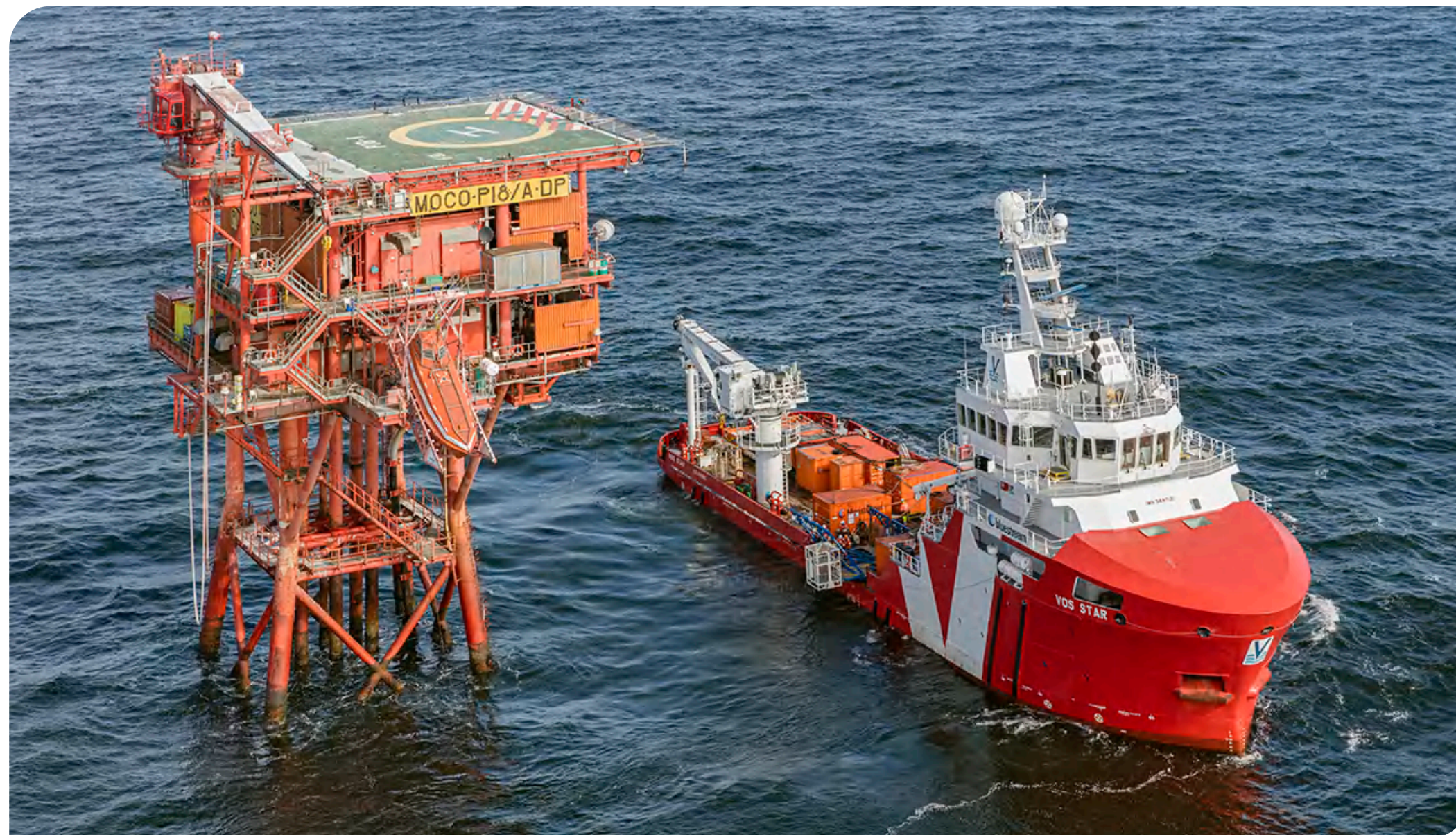
Effective management and direction will be essential for the rapid and efficient development of CCS and the storage network at the lowest cost to society. Throughout this development, it is important for the collective interest to be safeguarded through an effective public-private partnership. The dilemma concerns the nature and extent of EBN's role and position in this relatively new field, and it is the first time that CO<sub>2</sub> will be injected into depleted gas fields. EBN will approach this dilemma by being involved in all CO<sub>2</sub> storage projects to ensure that the public interest is safeguarded. That is why we are actively involved in both the Porthos and Aramis projects, which are working to achieve the large-scale storage of CO<sub>2</sub> in depleted gas fields.

## Gas production is essential during the energy transition, but we also need infrastructure for new energy

As long as the Netherlands continues to use gas, extracting Dutch natural gas will remain necessary during the transition. The government prefers gas extraction from Dutch small fields over imported gas, partly because this is better for the climate. However, the support for natural gas extraction is declining, especially on land. The earning capacity of Dutch gas extraction is also under pressure, largely due to rising operational costs, decreasing revenues resulting from the Groningen gas field closure, and an accelerated decline in reserves from small gas fields. However, making the gas value chain more sustainable calls for the reuse of the infrastructure for other energy carriers, while natural gas still plays an important role in the energy supply.

### North Sea consultation

In addition, available space in the North Sea is becoming increasingly scarce. There are three interests in the North Sea that all require space: sustainable energy production, food supply (including fishing), and nature protection and restoration. There has been a sharp increase in the number of offshore wind farms, which may come at the expense of space for food supplies/fisheries and nature protection and restoration. There are also interests other than energy, food and nature that require space in the North Sea, such as maritime shipping and sand extraction.



EBN approaches this dilemma by working with operators in joint programmes in the search for Dutch natural gas. We also work with operators to reduce the operational costs of natural gas extraction. EBN has also provided knowledge and information for North Sea

consultations aimed at reaching an agreement to ensure the coordinated development of the North Sea.

## 2.6 Material topics

Last year, EBN decided on six new material topics. These are topics that we and our stakeholders believe are important and which are material for our position as a public company in the energy sector. Our material topics form the basis of our internal management and external reporting. EBN will determine goals, policy, action plans and Key Performance Indicators (KPIs) for each material

topic. You can read how EBN carried out the materiality analysis [here](#).

Our six material topics are: energy transition, security of supply, public interests, safety and the environment, good employment practices, and good governance. These topics have been divided into three categories: 1) strategic topics that are of great strategic importance and in which EBN plays a key role, 2) licence-to-operate topics with which EBN strengthens its licence-to-operate, and 3) supporting

topics that are preconditions for the implementation of our strategic goals.

These six material topics are material for different reasons. With the first two topics ('energy transition' and 'security of supply'), EBN has a significant impact. These topics play a leading role in our new strategy and are material to its implementation. These are topics on which we want to make – and believe we can achieve – a major impact. 'Energy transition' also includes the subjects of reducing greenhouse gas emissions and reusing and/or decommissioning infrastructure.

The middle two topics ('public interests' and 'safety and the environment') contribute to our licence-to-operate. Moreover, these topics are becoming increasingly pivotal within EBN. The topic of 'safety and the environment' also includes the subject of cybersecurity.

Finally, there are two supporting topics ('good employment practices' and 'good governance'). These topics focus on our business operations and are material because they form a precondition for an SOE like EBN to realise its ambitions.

In Chapter 3, we talk about our progress and results, based on the six new material topics. The [connectivity matrix](#) offers a view into the relationship between the strategic pillars, material topics, 2025 strategic goals, and their associated KPIs.

Category	Material topic	Definition
Strategic topics	Energy transition	We help to create a sustainable energy system in which the transition takes place as sustainably as possible, and we actively reduce greenhouse gas emissions throughout the entire value chain.
	Security of supply	We help to ensure the security of our energy supply, now (based on current sources and applications) and in the future (with the future energy system).
License-to-operate topics	Public interests	We safeguard the public interest in our current and future energy system by putting public interests first in our decision-making process and conducting socially responsible business with an eye for the interests of our stakeholders.
	Safety and the environment	We actively reduce safety and environmental incidents and environmental damage throughout the operation.
Supporting topics	Good employment practices	We create a working environment in which everyone can contribute to our goals, and we pay attention to training and development, diversity and inclusion, appropriate working conditions, and the ability to attract, retain and engage the right people.
	Good Governance	We carry out our tasks in an honest and transparent manner, in line with laws and regulations and our Code of Conduct.

## 2.7 Contribution to the SDGs

EBN wants to contribute to the achievement of the Sustainable Development Goals (SDGs) of the United Nations. These SDGs set the agenda for governments and corporations to make the world a better place by 2030 by ending poverty, inequality, and the climate crisis. The ambitions and objectives related to the climate are laid down in the Climate Agreement.

EBN has identified four SDGs that have the most relevance to our mission and public responsibilities, as well as the way in which we create value:

- SDG 7: Affordable and sustainable energy: To ensure access to affordable, reliable, sustainable, and modern energy for all.
- SDG 9: Industry, innovation, and sustainable infrastructure: To build resilient infrastructure, promote inclusive and sustainable industrialisation, and stimulate innovation.
- SDG 12: Responsible consumption and production: To ensure sustainable consumption and production patterns.
- SDG 13: Climate Action: To take urgent action to combat climate change and its impacts.

These SDGs underscore the relevance of our vision, mission, and ambition. They give direction to our strategy and commitment to developing activities and connecting

parties with each other, so that together we can help make the gas value chain more sustainable. That is how we can use our knowledge, expertise and (financial) strength towards a CO<sub>2</sub>-neutral energy system by 2050.



## 2.8 Connectivity Matrix

### Explanation of the Connectivity Matrix

When developing the previous corporate strategy, EBN formulated strategic objectives for material topics for the period up to 2025. These objectives also include key performance indicators (KPIs).

Over the years, some KPIs have been refined to make them more relevant. Where they have remained the same,

we have kept the 2021 and 2022 results in this matrix to provide clear insight into our progress towards our objectives. This annual report is structured around the material topics identified in the latest materiality analysis. This connectivity matrix is also organised accordingly.

This means that the KPIs and objectives for 2025 are linked to these updated material topics, knowing that they no longer fully align. At this time, we are in the process of formulating objectives for 2030, along with corresponding

KPIs, which will fully align with the material topics. This process will be completed in 2024.

When developing the previous corporate strategy, EBN formulated strategic goals, as well as KPIs, for all material topics for the period until 2025. Over time, some KPIs were refined to make them more relevant. Where the indicators remained the same, we have kept the 2022 and 2021 results in this matrix to provide insight into our progress compared to previous years.

Nr.	Material topic	Definition material topic	Strategic objective	KPI <sup>1</sup>	Result 2023	Result 2022	Result 2021
1	Energy transition	We help to create a sustainable energy system in which the transition takes place as sustainably as possible, and we actively reduce greenhouse gas emissions throughout the entire value chain.	Reduce absolute CO <sub>2</sub> equivalent emissions.	The absolute CO <sub>2</sub> equivalent emissions from drilling and production activities	496	no KPI in 2022	no KPI in 2021
			EBN participates in projects that, when operational, account for a CO <sub>2</sub> reduction of 300 Kton annually, with investment decisions to be made by 2025 at the latest.	Reduction of CO <sub>2</sub> emissions per year due to geothermal energy in Kton	48.6	15.1	11.2
			EBN participates in projects that, when operational, account for 5.6 PJ sustainable heat, with investment decisions to be made by 2025 at the latest.	Geothermal energy generated in PJ	0.9	0.3	0.2
			In 2025, the SCAN programme will have been completed, and 10 drillings will have been carried out in the Netherlands.	Number of SCAN drillings	1	0	0

Nr.	Material topic	Definition material topic	Strategic objective	KPI <sup>1</sup>	Result 2023	Result 2022	Result 2021
			Partners in geothermal energy projects appreciate the contribution of EBN.	Number of participations in geothermal energy projects ✓	8	6	4
			EBN is recognised as an important player in the realisation of CCS in the Netherlands.	Number of participations in CO <sub>2</sub> -transport and storagesystem projects ✓	7	6	2
			Reduction of CO <sub>2</sub> emissions by systematically reusing existing mining locations.	The cumulative number of reused mining structures, cables, and pipelines deployed for sustainable energy storage and/or sustainable energy production ✓	0	no KPI in 2022	no KPI in 2021
			EBN plays a leading role in Nexstep, contributing to the decommissioning of gas infrastructure at the lowest possible costs, clustering, Operating Service NewCO, and (if necessary) DSA.	Number of joint decommissioning campaigns included in the operator's work programme & budget for the next fiscal year ✓	2	2	1
2	Security of supply	We help to ensure the security of our energy supply, now (based on current sources and applications) and in the future (with the future energy system).	Achieve desired filling level of Gas Storage Bergermeer	Meet the desired filling requirement of the Gas Storage Bergermeer by the end of the injection season ✓	Achieved	Achieved	no KPI in 2021
			310 PJ (9 BCM GE 100%) production - by 2025, more than 700 PJ (20 BCM GE 100%) of new gas will be brought into production (matured).	Small fields production 100% billion Nm <sub>3</sub> TQ ✓	7.3	9.9	11.7
			EBN produces 310 PJ (100%) of Dutch gas per year from small fields and ensures that 1200 PJ of Dutch gas is identified by the end of 2025.	Small fields maturation 100% billion Nm <sub>3</sub> TQ ✓	1.2	1.5	4.9

Nr.	Material topic	Definition material topic	Strategic objective	KPI <sup>1</sup>	Result 2023	Result 2022	Result 2021
			EBN is committed to reducing the OPEX per m <sub>3</sub> for produced gas to below the 2018 level (6ct/m <sub>3</sub> ).	Unit OPEX in EUR ct/Nm <sub>3</sub> GE ✓	12.5	8.5	6.6
			According to offshore operators, EBN makes a significant contribution to the generation and maturation of drillable prospects.	Number of gas futures from prospects and leads in BCM ✓	9.7	10.1	13.6
3	Public interests	We safeguard the public interest in our current and future energy system by putting public interests first in our decision-making process and conducting socially responsible business with an eye for the interests of our stakeholders.	EBN is recognised and acknowledged by stakeholders, in general and in relation to its material topics, as a party that brings connective power to the energy transition.	Score in the stakeholder survey (conducted once every two years). ✓	7.8	N/A	7.8
4	Safety and the environment	We actively reduce safety and environmental incidents and environmental damage throughout the operation.	EBN, in collaboration with other parties, develops a widely accepted risk standard for induced seismicity; projects that do not meet this standard will not be developed; mitigating measures are in place in case induced seismicity exceeds the standard during operations.	Number of occupational accidents in operations/participations resulting in absenteeism (expressed in Lost Time Accidents or LTA) - only for business unit gastransition. ✓ <sup>2</sup>	17	10	8
5	Good employment practices	We create a working environment in which everyone can contribute to our goals, and we pay attention to training and development, diversity and inclusion, appropriate working conditions, and the ability to attract, retain and engage the right people.	EBN is considered a Great Place To Work (GPTW). EBN employees are engaged, passionate, and committed to achieving organisational goals.	Great Place to Work employee satisfaction survey score (conducted once every two years). ✓	8.1	N/A	7,8
			Employee retention	Employee retention rate ✓	8,8%	10,6%	11,0%

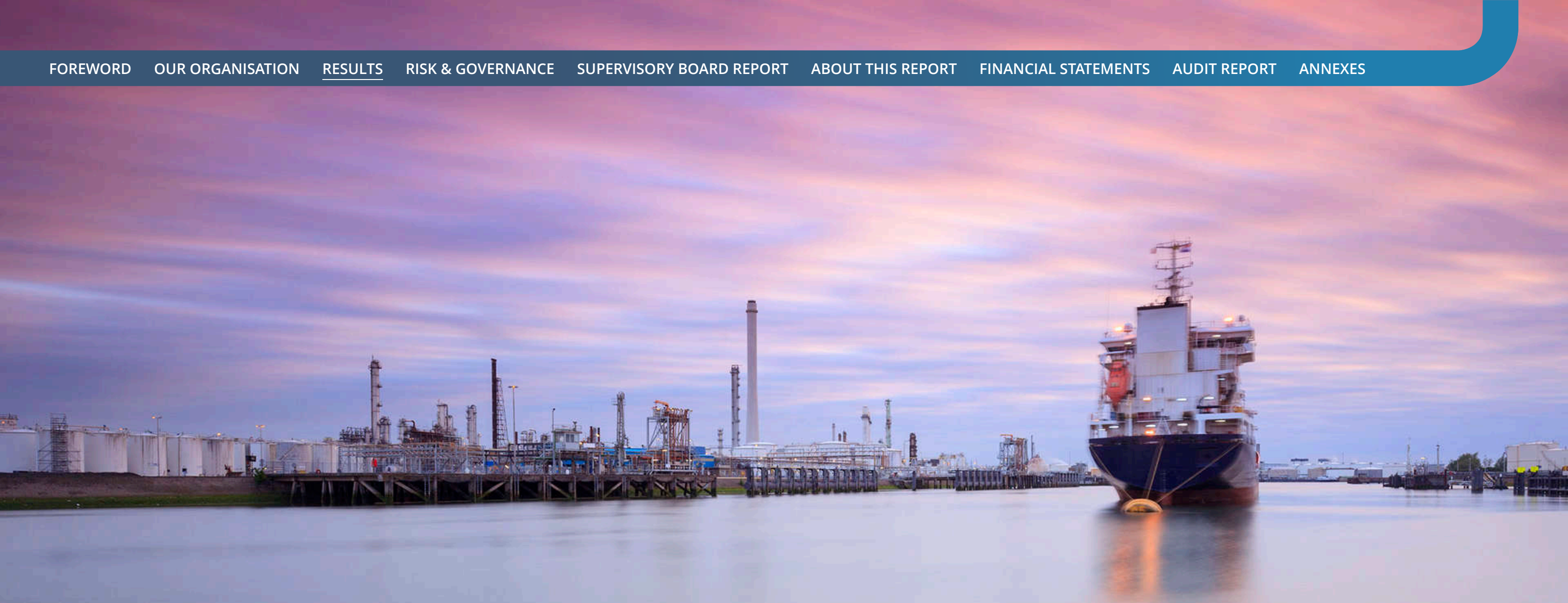
Nr.	Material topic	Definition material topic	Strategic objective	KPI <sup>1</sup>	Result 2023	Result 2022	Result 2021
6	Good Governance	We carry out our tasks in an honest and transparent manner, in line with laws and regulations and our Code of Conduct.	<p>EBN is transparent in its external reporting its CSR policy and activities.</p> <p>The solvency of EBN has increased to 25% (before appropriation of profit), in line with the 'standard solvency requirement' of the Dutch government.</p> <p>EBN is recognised and acknowledged by stakeholders, in general and in relation to its material themes, as a party that brings connective power to the energy transition.</p>	Sector ranking in the Transparency benchmark <input checked="" type="checkbox"/>	2	N/A	3
				ESG Issuer Profile Scores (Governance score) based on credit opinion Moody's <input checked="" type="checkbox"/>	G1	no KPI in 2022	no KPI in 2021
				Net management costs (excl. project costs) <input checked="" type="checkbox"/>	23.5	no KPI in 2022	no KPI in 2021
				Solvency (equity / total assets) <input checked="" type="checkbox"/> <sup>3</sup>	32%	32%	14%
				Results after tax <input checked="" type="checkbox"/>	246	4,087	656
				Focus on reputation benchmark as part of the stakeholder survey (conducted once every two years). <input checked="" type="checkbox"/>	7.9	no KPI in 2022	no KPI in 2021

1 Indicators marked with the symbol  are within the scope of the independent auditor's limited assurance report.

2 These indicators are reported based on declaration by third parties - operators and SodM. These figures relate to EBN's calculated share of Dutch gas production and annual drilling activity. The figures presented in 2023 therefore refer to the figures from 2022.

3 The comparative figures of this indicator have been adjusted. For a detailed explanation, see financial statements.





# 3. Results

Corporate objectives 2023	34	3.4 Material topic 3: Safety and the environment	51	3.6 Material topic 5: Good employment practices	60
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## Corporate objectives 2023

Subject	Material topic	Description <sup>1</sup>	Goal	Realisation
1 Results after tax	Good Governance	EBN's profit (+) or loss (-) after tax shown in million EUR. ✓	≥ 2,472	246
2 Net management costs (excl. project costs)	Good Governance	EBN's organisational costs to include staff, hiring in expertise, office (excluding project costs), shown in million EUR. ✓	≤ 23.1	23.5
3 Place in the sector of the Transparency Benchmark	Good Governance	EBN is transparent in its corporate reporting on its CSR policy and activities. ✓	At least 4th place in the sector	2nd
4 EBN as an impactful public company	Public interests	EBN is recognised and acknowledged by Stakeholders, both in general and with regard to its material topics, as a party that provides connective power to and within the energy transition. This is expressed as a score from 0 to 10. ✓	Score of 7.8 or higher	7.8
5 Great Place to Work	Good employment practices	EBN is considered a Great Place To Work (GPTW). The people at EBN work with commitment, enthusiasm, and are committed to achieving the organisational goals. This is expressed as a score from 0 to 10. ✓	Score of 7.8 or higher	8.1
6 Accelerate heating transition	Energy transition	<p><b>Launch of geothermal knowledge platform:</b> Clarification of how EBN will further develop as a knowledge partner with regard to the surface and subsurface. EBN has drawn up an action plan in consultation with partners and the external activities have been carried out.</p> <p><b>4 Regional development strategies:</b> Action plans for the 4 REDS areas are ready. Components of the plan: governance, financing, resources, and budgets.</p> <p><b>Participation in the Heating Infrastructure Fund:</b> Clarification on which role EBN will play in the coming years in integrated heating chains, with a mandate and implementation plan.</p>	Planned activities completed	<p>93% progress towards completion</p> <p>80% progress towards completion</p> <p>81% progress towards completion</p>

Subject	Material topic	Description <sup>1</sup>	Goal	Realisation
7 EBN contributes to security of supply	Security of supply	<p><b>Progress on Bergermeer filling operation:</b> 90% filled as of 1 November 2023. Good communication with Ministry of Economic Affairs and Climate Policy and filling agent about developments and adjustments (based on Ministry of EACP assessment).</p>	Planned activities completed	Planned activities completed
		<p><b>Detailed gas extraction acceleration plan:</b> EBN and Ministry of Economic Affairs and Climate Policy have put together a joint report containing a realistic picture of the project funnel.</p>		Planned activities completed
		<p><b>Delivery of a vision for long-term security of supply:</b> EBN and the Ministry of Economic Affairs and Climate Policy deliver a joint report containing a vision on long-term security of supply.</p>		90% progress towards completed
		<p><b>Participation in central energy purchasing in the EU:</b> EBN participates (1) as an advisor in the design of the platform and (2) as a designated party in the tender at Member State level.</p>		Planned activities completed
		<p><b>Delivery of roadmap for 'storage facilities in public hands':</b> EBN delivers a roadmap with a plan for public involvement in the creation of gas storage facilities after GasTerra ends.</p>		Planned activities completed
8 Circular deployment of EBN assets	Energy transition	<p><b>Central registration of EBN asset data:</b> The setting up of a new infrastructural asset database for portfolio analysis and improvement analysis software.</p>	Planned activities completed	Planned activities completed
		<p><b>Central registration of EBN asset data:</b> The setting up of a new infrastructural asset database for portfolio analysis and improvement analysis software.</p>		90% progress towards completion
		<p><b>Using GEODE platform for CCS:</b> Converting knowledge and data from GEODE into information for CCS.</p>		Planned activities completed
		<p><b>Phase 1 of portfolio analysis of offshore assets:</b> Delivery of an analysis of current and possible future functionalities of E&amp;P assets offshore, including a future-proof assessment framework.</p>		Planned activities completed

Subject	Material topic	Description <sup>1</sup>	Goal	Realisation
		<b>Roadmap for CO<sub>2</sub>-neutral development of new investments:</b> Delivery of roadmap including milestones with aim of EBN being net-zero by 2040.		70% progress towards completion
		<b>Safeguarding Energy Transition Projects in the North Sea:</b> EBN contribution to North Sea Consultation: (1) projects funnel; (2) input into socially and environmentally responsible business.		Planned activities completed

<sup>1</sup> Indicators marked with the symbol  are within the scope of the independent auditor's limited assurance report.

*The Board of Directors, together with the Supervisory Board, has determined a number of general leading business objectives for EBN for 2023.*

## 3.1 Introduction

In this chapter, we describe the activities and results that contributed towards the achievement of our strategic goals in 2023. We have done this in terms of the material topics that we identified together with our major stakeholders. In this chapter, we also look ahead to how EBN can continue to contribute to a sustainable and affordable energy supply for every Dutch citizen.

## 3.2 Material topic 1: Energy transition

The Netherlands must switch to a sustainable energy supply with fewer emissions. This makes the energy transition an important topic for EBN. We are striving for a future-proof energy system in which the transition takes place as sustainably as possible and we actively reduce greenhouse gas emissions throughout the entire value chain. We are working towards our goal of climate-neutral operations for scope 1, 2 and 3 by 2040. This means that we are working to make our own organisation more sustainable, but also reducing the emissions that result from our work. To this end, we have developed a new strategy based on four pillars. We are committed to a sustainable heat transition, responsible CO<sub>2</sub> storage, a sustainable gas system, and the energy system of the

future. In the following paragraphs, we describe our work and its results based on these pillars.

### 3.2.1 Sustainable heat transition

A warm home, comfortable offices, and productive factories and greenhouses - about forty percent of all energy we use in the Netherlands is used for heating. So if we can make our heating more sustainable, we are taking a big step forwards in the energy transition. Over the past fifty years, EBN has built up a great deal of knowledge where it comes to the Dutch subsurface. And we can use this knowledge to accelerate the transition to a sustainable heating chain.

The use of geothermal energy is an indispensable link for the heat transition. Geothermal energy has been used in greenhouse horticulture for some time, but this energy source is also suitable for heating homes and buildings. That is why we are committed to the development of geothermal energy, linked to heating networks.

### Strategic goals and progress

EBN's goal is to have 500,000 additional homes connected to heating networks by 2030. With 500,000 homes already connected, that would make a total of one million households. The aim is for a quarter of these homes to be heated using geothermal heat. However, that is a major challenge, because the development of geothermal energy as a source is still a slow process. To speed this process

up, we have formulated five focal points that we have been working on in 2023.

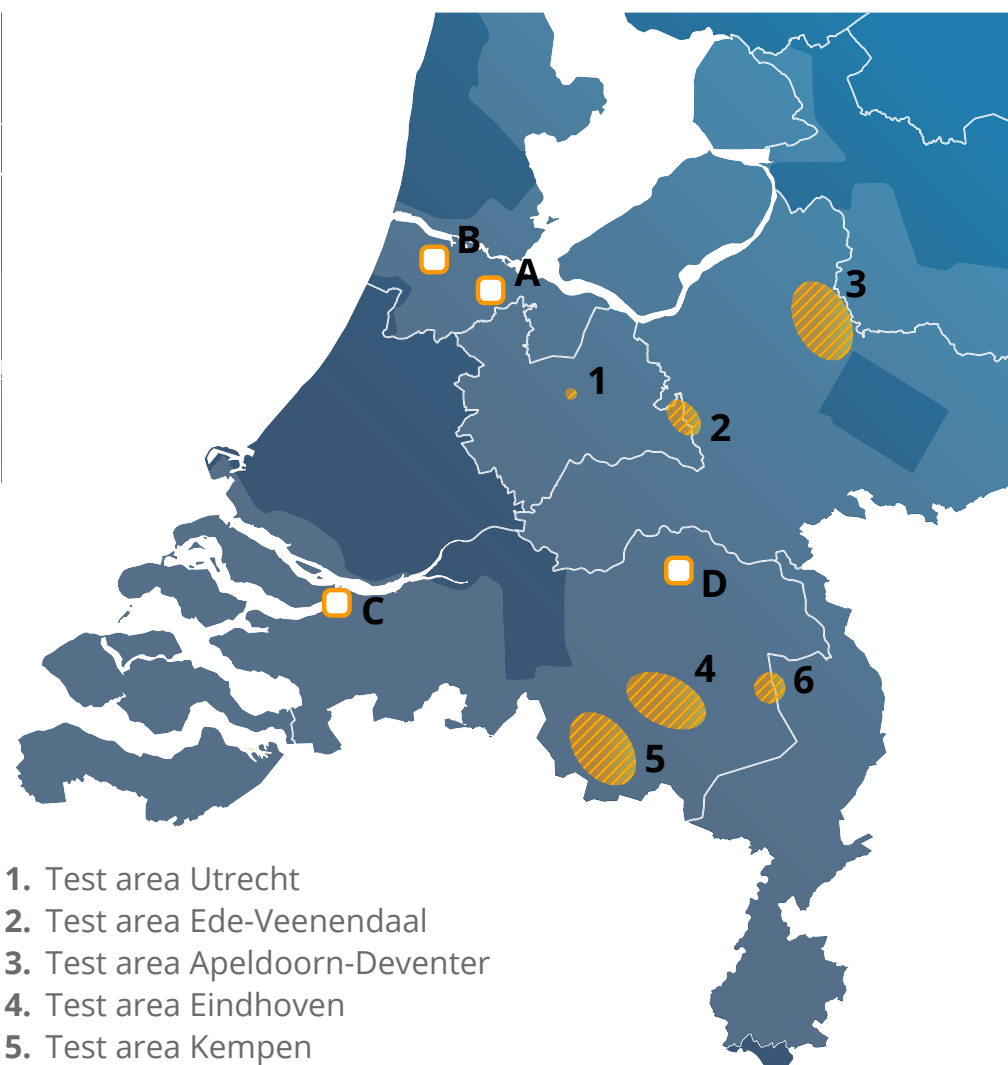
### 1. SCAN explores geothermal opportunities

SCAN looks for areas where the Dutch subsurface is suitable for the extraction of geothermal energy. Large areas of the subsurface have already been mapped and SCAN continues to expand on the geothermal map of the Netherlands. SCAN is focusing its efforts on mapping those areas of the subsurface where the process of applying geothermal energy can be speeded up the most. With this knowledge we can better assess the possibilities

### King visits SCAN's first test drilling

His Majesty King Willem-Alexander visited Ouder-Amstel on Wednesday, 15 November 2023, where the first test drilling for geothermal energy took place. The King's visit marked EBN's 50th anniversary. Jan Willem van Hoogstraten, CEO of EBN: 'We are greatly honoured that the King could add lustre to this anniversary year by visiting our project. It is especially good to see how involved he is in the heat transition. We see geothermal energy as an excellent substitute for natural gas. This energy source can mean a lot to both companies and households in meeting our heating needs in a more sustainable way.'

### SCAN test areas for the purposes of test drilling at end of 2023 \*



- 1. Test area Utrecht
- 2. Test area Ede-Veenendaal
- 3. Test area Apeldoorn-Deventer
- 4. Test area Eindhoven
- 5. Test area Kempen
- 6. Test area Deurne

- A. Test drilling location Amstelland
- B. Test drilling location Haarlem-Amsterdam West
- C. Test drilling location West-Brabant Noord
- D. Test drilling location Oss

\* No rights can be derived from this map. The numbering of test areas should not be taken as a ranking of preferred locations.

of geothermal energy for the Netherlands. This in turn increases the likelihood of projects being successful.

SCAN consists of three parts: seismic research, the reprocessing of existing seismic data, and test drilling. The data reprocessing was completed in 2023. 7,500 kilometres of existing seismic data have now been reprocessed and made available via NLOG. In addition, additional seismic research was carried out for locations for test drilling in 2023. The SCAN research programme is periodically extended.

Preparations have now begun for the fourth SCAN follow-up programme (additional seismic research in 2023-2027). The first test drilling took place in Ouder-Amstel. The main purpose of the test drilling was to investigate the so-called Slochteren sandstone layer. This layer is about 100 metres thick and consists of water-permeable sandstones. This is important for the extraction of geothermal energy. The results of the investigation are expected in the second quarter of 2024. The data from this drilling is relevant for the southern part of the province of North Holland, Utrecht, Flevoland and even parts of Gelderland. The test drilling in Ouder-Amstel is the first in a series that SCAN is carrying out. We are already fully prepared for the next test drilling operations. These will be carried out in the municipality of Moerdijk and near Oss.

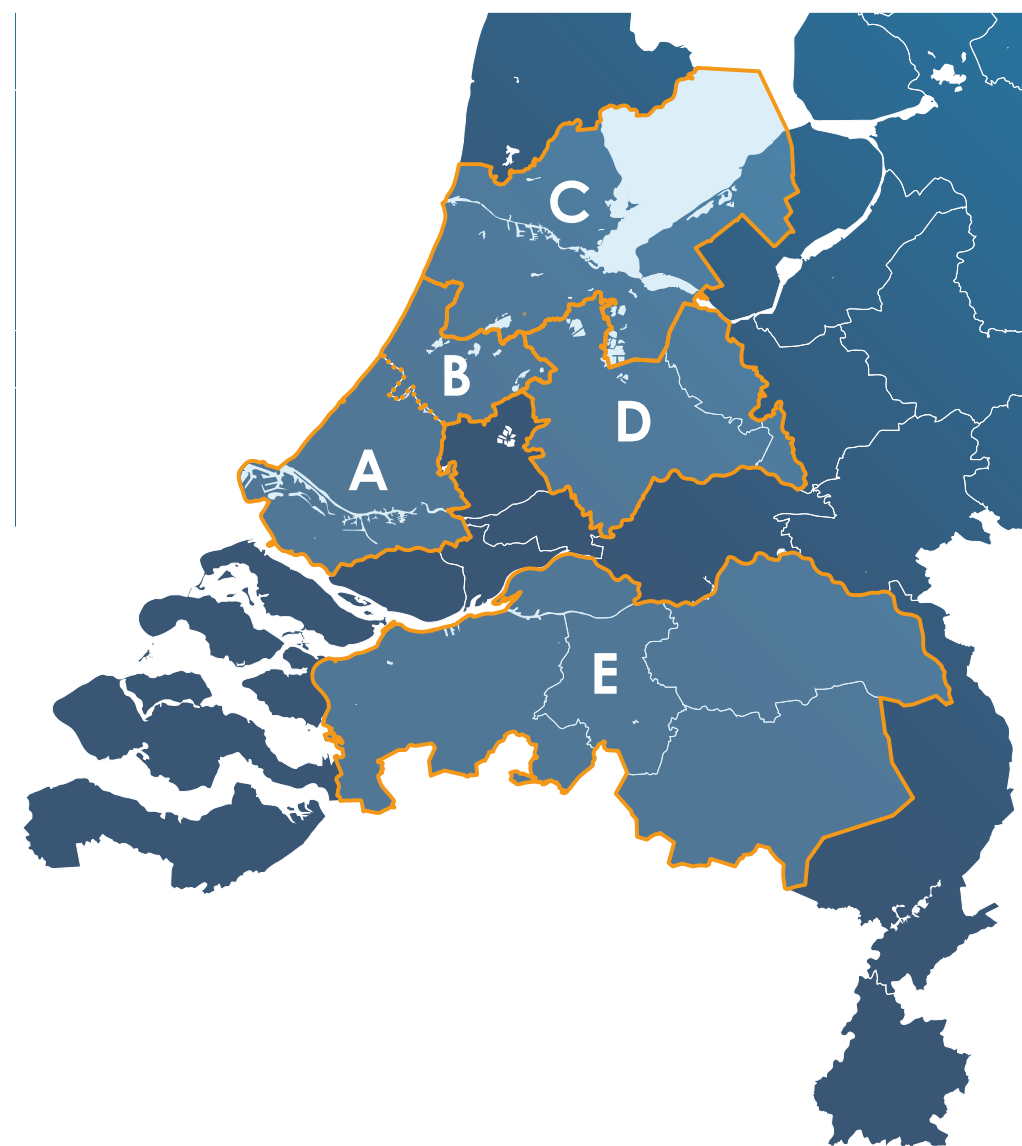
### 2. Regional exploration and development strategies (REDS)

For some regional strategies, knowledge garnered from the SCAN programme is crucial for the development of geothermal energy. The results from the scientific drilling in Amstelland and the awarding of the SCAN 4 subsidy have influenced activities for the REDS. Our objective was to have action plans ready (including for governance, financing, budgets and resources) for four REDS areas. These objectives are 80% complete. Progress has been made on all four action plans, but they are not yet complete in all sub-components. The uncertainty surrounding the Collective Heating Act ('Wet collectieve warmte' or Wcw) and the studies into the possible role of EBN in heating networks have had an impact on the capacity of EBN and its stakeholders.

For the North Brabant region, the 'Accelerating Geothermal Energy' action plan was put together and signed in January 2024. This plan marks the beginning of a renewed collaboration between the province of North Brabant, EBN and fifteen other parties active in the development of geothermal energy. Various parties are also coming together in the Utrecht region to launch projects and develop a collective approach for 2024 and beyond.

For these REDS regions, the following progress has been achieved:

## Area Divisions for Regional Exploration & Development Strategy (REDS)



- A. REDS Rotterdam-The Hague (= RES region Rotterdam-The Hague)
- B. REDS Leiden (= RES Holland-Rijnland)
- C. REDS Amsterdam Metropolitan Area (RES Noord-Holland Zuid + municipalities of Uitgeest, Almere & Lelystad)
- D. REDS Utrecht (= RES 10 + RES 16 + municipalities of Renswoude & Veenendaal)
- E. REDS Brabant (= entire province of Noord-Brabant)

- In REDS Rotterdam-The Hague, the INTEGRAAL project, a collaboration between the REDS Rotterdam-The Hague region, EBN, Invest-NL and Gasunie, has almost reached its conclusion. This project involved the study of the WarmingUP Design Toolkit for planning collective heating systems. Before 2024, we were exploring the possibility of further expanding the collaboration.
- In REDS Rotterdam-The Hague and REDS Leiden, two extensive studies have been completed into the potential and estimated costs of residual heating, geothermal energy, and high-temperature storage in these regions. This was a collaboration between EBN and IF Technology. The results were shared during a presentation and discussion afternoon held in Rijswijk.
- In the Leiden region, the research on an Open Regional Energy System (ORES) has been completed. The province of South Holland has begun in-depth studies into the geothermal potential around Alphen aan den Rijn. EBN is acting as an advisor.
- In the Amsterdam Metropolitan Area, the new provincial governments of North Holland and Flevoland decided to continue their ongoing multilateral collaboration, which has resulted in, among other things, a subsidy scheme from the Province of North Holland to support the output for acquiring seismic data. The steering committee will be coordinating the action plan for the coming years.

### 3. Investments in geothermal energy projects

The regional strategies for the development of geothermal energy precede the actual investment projects. EBN is involved in the development of twenty projects. These projects are in various phases of development – some at the feasibility study phase or with a signed collaboration agreement or at the established project BV phase. EBN is also involved in fourteen projects that are in the exploratory phase. At the end of 2023, EBN was taking part in eight projects. The total geothermal energy portfolio included 6.3 PJ (Peta Joule) of pre-FID projects (projects for which the investment decision has not yet been taken) and a total of 0.9 PJ post-FID projects (projects for which the investment decision *has* been taken). We therefore realised an increase of 1.0 PJ and 0.6 PJ respectively. The post-FID projects altogether represent an annual carbon emission reduction of 48.6 kilotons of CO<sub>2</sub> at completion.

A good example of a successful geothermal project is the ‘Haagse Aardwarmte Leyweg’ project, where the buildings can count on a stable heat supply. And in 2023, the ‘Geothermie Delft’ project saw considerable progress. The consortium partners Shell Geothermal, EBN, TU Delft and Aardyn took the investment decisions necessary for drilling the wells and conducting a research programme. The project combines supplying sustainable heat with a scientific research programme for the TU Delft. The knowledge garnered from this research will contribute to the future safe and responsible scaling up of geothermal

energy in the built-up areas in the Netherlands. In Leeuwarden, we are waiting for confirmation on the development of the heating network so we can make the follow-up investments responsibly.

#### 4. EBN as knowledge partner

The 2023 stakeholder survey shows that EBN has a strong position as a competent and reliable knowledge partner in the energy transition. We are a recognised expert on the subsurface, which is seen as of immense value for the energy transition.

The development of geothermal energy requires public-private collaboration in combination with knowledge development and sharing. Since the updated Mining Act of 1 July 2023, EBN has been required to take part in all new geothermal projects in the Netherlands. EBN has thus acquired an overview of projects throughout the country and has successful examples and valuable lessons that can be shared with parties active in the field of geothermal energy. This is how we can help increase the quality of projects and reduce the costs of the heat transition. Knowledge sharing from the SCAN project, where EBN is the operator, is also a high priority. We frequently hear about this from the sector, as became clear from various talks with operators, and we have looked into ways that we can share our knowledge with the market. The team is also working on a plan to see how EBN can work on an effective knowledge community in the long term.

To share knowledge on the heat transition, EBN organised the Heat Transition Week at the end of 2023. The week consisted of interviews with experts and a social gathering. Our aim was to speed up the transition by bringing together all the latest knowledge, best practices, and inspiring speakers. The event in Utrecht was attended by almost 300 people.

#### 5. Role as state-owned enterprise (SOE) under the Collective Heating Act (Wet collectieve warmte)

In light of the Collective Heating Act (Wcw), the Ministry of Economic Affairs & Climate Policy carried out an investigation into how an SOE could help municipalities to accelerate the heat transition. EBN provided advice on this topic at the request of the ministry, based on our own experience and on discussions in the heating sector, including those with municipalities, provinces, network companies, and heating companies. The consultancy firm Fakton carried out a study to see whether an existing or new national enterprise could play this role, which included an examination of any organisational and financial consequences. The study showed that EBN is well-suited for this role.

#### 3.2.2 Responsible CO<sub>2</sub> storage

In the Netherlands, steps are being taken towards a CO<sub>2</sub>-neutral future. The share of the energy supply that we are getting from sun, wind and other renewable sources is growing. Measures are also being taken to consume less energy and reuse more materials. However,

### Energy in motion

#### 50 years in transition

In 2023, EBN will have been here for 50 years. And that means we've been involved in the energy supply in the Netherlands for 50 years. More than ever, we are moving towards sustainable and affordable energy for everyone. We want to be climate neutral by 2040. We are also working hard to reduce our scope 1, 2 and 3 CO<sub>2</sub> equivalent emissions by 60% in 2030 and even by 100% in 2040 compared to 1990. We do this by working on today's energy security, building a gas supply system from sustainable sources, setting up sustainable heating systems, and by storing CO<sub>2</sub> responsibly and safely. That is no easy feat. But with our partners and sufficient positive energy, EBN will remain fully committed to this over the coming years.

the reduction of emissions is still insufficient to combat further global warming. The storage of CO<sub>2</sub> in depleted gas fields under the seabed is an essential and efficient way of reducing CO<sub>2</sub> emissions in time to make an impact. This gives industrial companies that currently use fossil fuel energy for their processes the time they need to become more sustainable. EBN is contributing to responsible



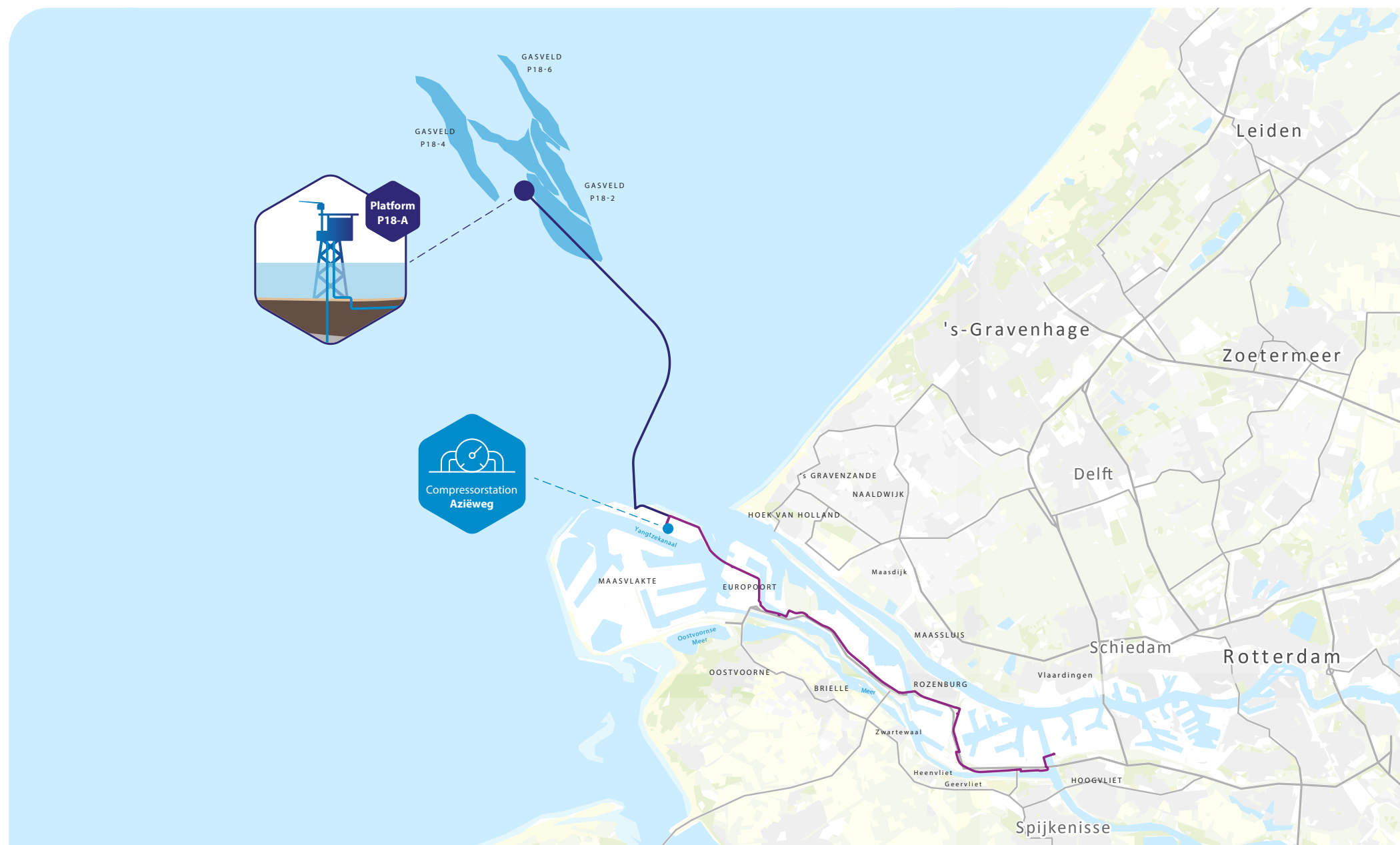
CO<sub>2</sub> storage. We are involved in the development of CO<sub>2</sub> transport and storage systems in the Netherlands. In addition to our role as advisor to the Ministry of Economic Affairs and Climate Policy, we are tasked with implementing the Dutch climate and energy policy. Our goal is to accelerate the energy transition, ensure that the transport and storage of CO<sub>2</sub> takes place safely and effectively, and ensure that the public interest is taken into account in the decision-making process. We aim to achieve these objectives in various ways.

### What we are doing

EBN is acting on behalf of the state by taking part in two large infrastructural Carbon Capture and Storage (CCS) projects under the North Sea: Porthos and Aramis. EBN is also working with private partners to realise storage capacity in time. So we are making depleted gas fields ready for CO<sub>2</sub> storage, working together with Neptune Energy, Shell, and TotalEnergies.

### Porthos

Porthos is a joint venture by EBN, Gasunie and Port of Rotterdam and provides transport and storage services for CO<sub>2</sub> for a number of companies in the port of Rotterdam. The companies Air Liquide, Air Products, ExxonMobil and Shell are going to capture CO<sub>2</sub> and deliver it to Porthos. To facilitate this, they have developed carbon capture installations and the CO<sub>2</sub> will be delivered to the CO<sub>2</sub> collection point on the Maasvlakte in Rotterdam. The CO<sub>2</sub> will be stored temporarily, brought to the correct



Overview of the spatial trajectory of Porthos

pressure and then transported to depleted gas fields about 20 kilometres off the coast. Once there, the CO<sub>2</sub> is permanently stored at 3 to 4 kilometres below the seabed of the North Sea. Porthos will store about

2.5 Mton per year for fifteen years, for a total of approximately 37 Mton. The European Union has recognised Porthos as an important project for achieving climate goals and so has designated it as a 'Project

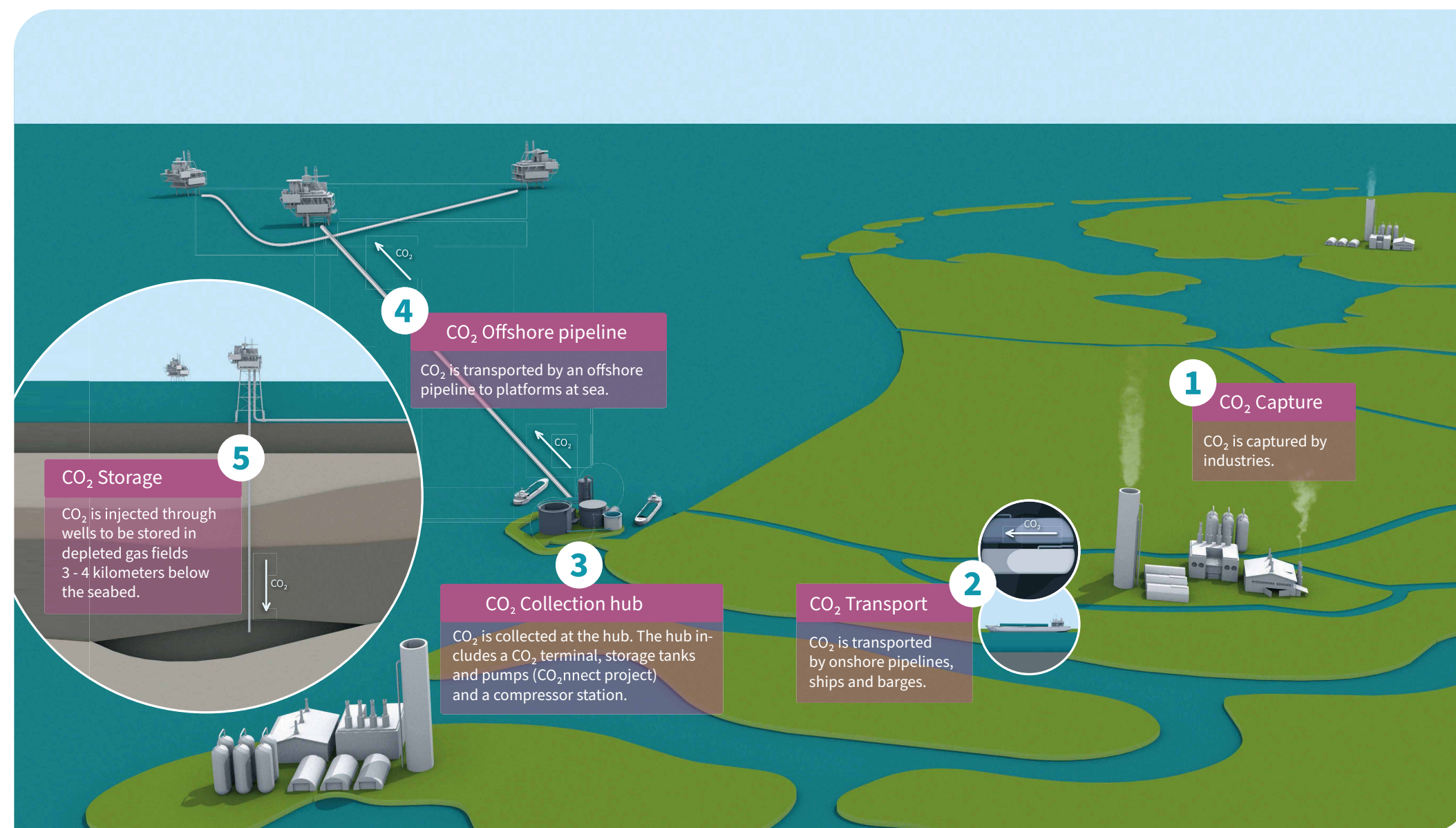
of Common Interest'. The EU is therefore making available EUR 102 million in subsidies to Porthos for the realisation phase.

Some of the project activities for Porthos were halted in 2023 pending the ruling in a lawsuit submitted by the environmental organisation Mobilisation for the Environment (MOB) against the Ministry of Economic Affairs and Climate Policy. MOB was of the opinion that Porthos had been wrongly issued an environmental permit. The Council of State concluded on 16 August 2023 that the ecological study showed that the nitrogen deposition of Porthos had no significant effects on nearby nature reserves and that work on Porthos could continue. Following this ruling, the project's organisation has made major steps. From 1 September to 13 October 2023, the ruling 'Change in environmental permit for construction of compressor station for Porthos' was available for inspection. No objections have been submitted.

Shortly afterwards, the shareholders in Porthos made the final investment decision. This means that construction will begin in 2024. The Porthos system is expected to be operational in 2026 and ready to start injecting CO<sub>2</sub> into the underwater storage area.

### Aramis

Aramis is a partnership between TotalEnergies, Shell, Gasunie, and EBN. The Aramis project is working on the realisation of a large-scale CO<sub>2</sub> infrastructure. The CO<sub>2</sub> can



Insight into the CO<sub>2</sub>-system Aramis is working on

be transported to the depleted gas fields, both by pipeline and by ship. There is also a CO<sub>2</sub> collection point on the Maasvlakte. From there, the CO<sub>2</sub> goes via a pipeline to depleted gas fields under the North Sea. The main pipeline has a capacity of 22 Mton per year. The infrastructure is

being built in such a way that more industrial customers and storage fields can be added in a step-by-step process. The infrastructure is to be made available to market parties that want to have their CO<sub>2</sub> stored.

With Porthos getting the green light, Aramis has also gathered momentum. The partners TotalEnergies, Shell, EBN, and Gasunie reached an agreement on the further development of important sections of the required infrastructure, including the offshore transport pipeline and the integration of the value chain. The project entered its next phase, where targets were set for the design and technical requirements and a more detailed estimate was made of the costs, duration and schedule. Petrofac Facilities Management Limited was chosen on behalf of the Aramis project partners to create the technical design of the transport pipeline. A team has also been assembled that will take the lead in the project and manage the sub-project teams.

At the end of 2023, the European Commission (EC) proposed giving the Aramis project a subsidy of EUR 124 million. A final allocation will take place pending the approval of the European Parliament. The permit applications for construction will be submitted in 2024. The design is expected to be completed in 2025, after which the Final Investment Decision can be taken. Based on the current schedule, the Aramis project will be operational by the end of 2028. From that moment on, industrial companies can transport their CO<sub>2</sub> via the Aramis transport pipeline to depleted gas fields under the North Sea.

### Depleted gas fields are made ready for CO<sub>2</sub> storage

Together with various partners, EBN is working on making depleted gas fields ready for CO<sub>2</sub> storage. Where possible, we use existing infrastructure that was previously used for gas extraction. For every current project, we are carrying out a study to see which sections of the infrastructure can be considered suitable. In 2023, work was underway on the following gas fields:

#### L10CCS

L10CCS is one of the larger storage facilities to be connected to the Aramis infrastructure and is expected to store 5 Mton of CO<sub>2</sub> annually. The storage permit application for L10CCS was submitted in the second quarter of 2023. In addition, EBN, Neptune Energy, Tenaz Energy, and ExxonMobil Netherlands have taken the project to the next phase and the first designs have been made. Petrofac will be doing the work on the designs. Discussions have also been held with parties that want to store their CO<sub>2</sub> emissions here. The aim is for this project to be operational in 2028.

#### L4A

Working together with TotalEnergies, the L4A field is being made ready to be connected to the CO<sub>2</sub> transport system of the Aramis project. EBN is involved in project preparation, and the designs and estimates have also been made for this project. This storage facility is expected

to be ready for the injection of CO<sub>2</sub> when the Aramis CO<sub>2</sub> transport system is also operational.

#### K14

The CO<sub>2</sub> storage location K14 will also be connected to the Aramis transport system. Preparations for this are being made with project partners Shell, RockRose Energy, Wintershall, and ONE-Dyas. The first designs are also being made in 2023. This storage facility is expected to be ready for the injection of CO<sub>2</sub> when the Aramis CO<sub>2</sub> transport system is also operational.

#### L9

In 2023, we conducted a feasibility study for the storage of CO<sub>2</sub> in the L9 gas field. Following that, together with project partners Shell and ExxonMobil, we started laying the very first foundation for the design. The aim is to connect L9 to the Aramis CO<sub>2</sub> transport system in the future.

### Knowledge development and sharing

EBN is happy to develop and share its knowledge on CO<sub>2</sub> storage and transport systems. We do this in the areas of technology, project management, and business development. We want to contribute to the timely development of a safe and efficient CO<sub>2</sub> transport and storage market in the Netherlands.

Our knowledge is invested in our Centre of Expertise (COE). The COE collaborates with partners, universities,

and knowledge institutes within the CCS industry by setting up Joint Industry Projects (JIP) or other partnerships. We had several projects underway in 2023. For example, there was a test programme looking into the potentially corrosive effects of contaminants in a CO<sub>2</sub> stream. And, together with TNO, we are seeking cheaper ways to test CO<sub>2</sub> mixtures in order to predict pressure drops. This increases our understanding of the forces involved in a two-phase flow. In addition, the COE has developed in-house modelling software called Calysto that accurately simulates the behaviour of CO<sub>2</sub> within the entire transport and storage system. EBN also has a coordinating role in mapping out, together with industry partners and government institutions, the underground risks associated with CO<sub>2</sub> storage. To achieve this, we are developing a guideline for making risk analyses, for which we were commissioned by the Ministry of Economic Affairs and Climate Policy in 2023. Under the name CO<sub>2</sub>NSEIS (CONtainment and SEISmicity), EBN organised two workshops with parties from the CCS sector, including policy parties, regulators, advisors, operators, knowledge institutes and universities. The guideline is mainly focused on the two main risks in the subsurface: leakage and induced earthquakes.

To share knowledge, EBN also organised last year's edition of the recurring event 'Carbon Storage Dialogues', which brings together partners, emitters, operators, suppliers, knowledge institutes, NGOs, and the Ministry of Economic Affairs and Climate Policy to exchange knowledge and

experiences and promote cooperation. The Carbon Storage Dialogues were organised in Utrecht (international theme) and Rotterdam (scaling theme) and were each attended by approximately 250 participants.

Finally, EBN published the white paper 'Carbon Capture and Storage today: a kaleidoscope of challenges, passion and collaboration'. Leading experts from various stakeholder groups were interviewed for this.

### 3.2.3 A sustainable gas system

So long as natural gas is used in the Netherlands *and* so long as Dutch natural gas has a lower CO<sub>2</sub> footprint than imported gas, Dutch natural gas extraction will be important for the affordability, security of supply, and sustainability of our energy supply.

We stimulate and speed up the process of exploration, development, and production of Dutch gas supplies. We do this in a responsible manner, working within more than 170 partnerships. Extraction is done efficiently, management carried out systematically. In everything we do, our focus is on strengthening cooperation, jointly carrying out activities, optimising the gas infrastructure, and sharing data, knowledge and skills.

### Gas extraction from existing fields

In 2023, the production of natural gas from the so-called Small Fields remains at 7.3 Nm<sub>3</sub> GE (100%). In 2022, this was still at 9.9 Nm<sub>3</sub> GE (100%). The main reason for this

**Carbon Capture and Storage today**

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JULY 2023

- **Porthos:** a potential game changer
- **CCS engineering:** from oil and gas to uncharted territory
- On the shoulders of **pioneers**
- **Challenges and gaps**
- **Creating a culture** of teamwork
- **Engaging** with the public
- Serving a **shared goal**

**'We need to collaborate if we want to meet the challenges in CCS'**

was the combined effect of a natural decline in existing gas reserves and investing in exploration becoming less of a priority in previous years.

In 2023, we worked together with both the Ministry of Economic Affairs and Climate Policy and Element NL to begin implementing the Acceleration Plan to boost investments in gas extraction over the coming years. Succeeding in this would reduce our dependence on foreign countries.

Investing in natural gas extraction not only helps ensure security of supply, but also extends the economic life of our offshore gas infrastructure. This infrastructure can then be reused for activities such as the transport and storage of CO<sub>2</sub> and H<sub>2</sub>. Finally, having the infrastructure available for longer would give us the option of putting new fields into production later. We can then step in if the availability of other sources does not develop as quickly as hoped. EBN, in collaboration with operators, will have to identify and develop these possible new sources to maturity if we ultimately want to produce gas from them.

### Phasing out gas extraction in Groningen

Gas extraction from the Groningen gas field led to earthquakes that made the area unsafe. The earthquakes resulted in damage to buildings and affected the well-being of residents. To make the region safer, the government has been phasing out gas extraction as quickly as possible since 2018. Gas extraction in

Groningen stopped on 1 October 2023. Only under very special circumstances may it be necessary to temporarily extract gas to a limited extent, but the starting point is no gas extraction. A case of such special circumstances occurred at the beginning of January 2024 (cold weather period), as a result of which a limited amount of gas was extracted for a few days. But as of 1 October 2024 latest, ‘Groningen’ will be closed down for good.

### North Sea consultations

EBN is one of the entities taking part in the North Sea consultations. During a consultation, we represent the interests of the gas industry, CO<sub>2</sub> storage, and future hydrogen storage activities. The North Sea Agreement stipulates that the North Sea will remain accessible for gas exploration and production, including for (future) wind farms. To this end, we have provided information pertaining to various parts of the North Sea (including wind search areas and alternative shipping routes) with regard to mining interests, now and in the future.

The goal is for the North Sea to be kept accessible to all users of the space so that the intended energy transition, nature transition and food transition can occur. Our aim is to work with our partners to ensure that there is sufficient Dutch natural gas for domestic demand. We also want to carry out new activities, such as CO<sub>2</sub> storage.

### Minimising the CO<sub>2</sub> footprint

Our goal is to minimise the CO<sub>2</sub> footprint of gas extraction. Since 2020, EBN, Element NL and the operators, along with the help of an external consultant, have been active with the industry-wide CO<sub>2</sub> reduction programme for the entire oil and gas activities portfolio. The aim of the programme is to achieve CO<sub>2</sub> emission reductions with a pragmatic and economic strategy. This can be achieved by devising technical solutions at the platform and installation levels, but also by looking at the system as a whole. The main result is that we have identified the following system measures, including the preconditions for their realisation:

- Electrification by transferring compression from sea to land by the reduction of pressure of the transport pipelines at sea (Pipeline Pressure Reduction or PPR). This reduces emissions from the relatively inefficient gas engines on the platforms and instead uses electricity on land for the part of the compression process required to feed the pressurised gas into the Gasunie system. In 2023, it was concluded that it was not feasible to have Pipeline Pressure Reduction on offshore transport pipelines. The most important precondition for making progress is to have more clarity surrounding the possible reconfiguration of the transport pipelines to optimally transport natural gas, CO<sub>2</sub> and hydrogen.
- Electrification by connecting offshore platforms to the onshore grid, offshore grid, or their own wind turbines at sea. This offers the same benefits as with PPR, but the electricity is now transported to the platform via an electricity cable to be laid on the seabed. The

most important precondition for progress entails the amendment of current legislation. For this reason, no investment decisions were made on this subject in 2023.

We are continuously looking into potential solutions for further reducing our carbon emissions. This is a challenging task, especially for installations with a limited remaining lifespan, partly because the legal options for electrification are at present quite limited.

### Greenhouse gases in our operations<sup>1</sup>

Our CO<sub>2</sub> emissions over the period are related to the development of gas production and annual drilling activities. In the Netherlands, many of its reservoirs have already lost pressure due to extraction. This means an increase in energy consumption, because more energy is required to bring the natural gas being extracted (with compression) to the required pressure. And the increasing use of compression energy is accompanied by higher CO<sub>2</sub> emissions. However, the use of energy efficiency measures helps to reduce emissions. Emissions resulting from drilling activities represent a very small percentage, compared to those caused by production activities. EBN's share of the emissions saw a further decrease in 2022, from 523 kilotons in 2021 to 443 kilotons in 2022. EBN always considers CO<sub>2</sub> emissions in its investment decisions.

<sup>1</sup> These are the numbers for 2022. The numbers for 2023 will be known later this year and will be included in the next annual report.

### Reducing methane emissions<sup>1</sup>

Methane emissions (CH<sub>4</sub> emissions), in the form of released unburned natural gas, occur both on land and at sea during drilling, production and transport activities. The total methane emissions are mainly determined by venting and flaring and are related to the volume of annual production and drilling activities. Venting means the controlled release of hydrocarbons – for example, if maintenance work needs the system to be depressurised. Flaring is when the gas is burned. However, incomplete combustion causes methane emissions. EBN's share in CH<sub>4</sub> emissions for activities related to production and drilling fell again in 2022, from 2,133 tonnes in 2021 to 1,901 tonnes in 2022. The CH<sub>4</sub> emissions resulting from production activities (flaring and venting) showed a decrease of 1,553 tonnes in 2021 to 1,406 in 2022. Of this, 1,381 tonnes came from venting activities (98.3%).

### Collective portfolio-driven approach for exploration

In 2023, EBN continued to help current operators upgrade their portfolio by working together to identify, mature and ultimately tap into potential natural gas projects. A good example of innovative seismic data collection is the Ocean Bottom Node (OBN). OBN combines advanced seismic data collection and its associated data processing. Working together with NAM, EBN completed the OBN in 2023 and has now begun processing the data it collected.

<sup>1</sup> These are the numbers for 2022. The numbers for 2023 will be known later this year and will be included in the next annual report.

### GEODE: Sharing data, knowledge and skills with industry

By sharing knowledge and converting data into usable information, EBN encourages an evaluation to be made of the subsurface. It also helps to identify, quantify, and bring to maturity interesting sources of oil and gas. An important milestone in this work is the launch of the GEODE platform, which contains data and information for at least five so-called 'plays'. To this end, many decades of studies have been converted into useful information in collaboration with TNO. All products have been made publicly available online and contribute to the further exploration of the Dutch subsurface. In the future, the GEODE platform could also be set up for other purposes, such as storage and reuse.

### 3.2.4 The energy system of the future

The complexity and scale of the energy transition require a vision of the energy system of the future and the steps to realise it. EBN's contribution to this vision comes from what would be in the public interest. Through our research, advice, innovation management, and strategic collaborations across a wide field, we can more quickly succeed in creating a sustainable and coherent energy system. In 2023, EBN worked in a variety of ways to give shape to the energy system of the future.

### Energy System Vision 2040

As a state-owned enterprise, we want to make sure that what we do is the best possible contribution to achieving

the government’s policy goals. As part of this, EBN initiated the Energy System Vision 2040 project in 2023. Working together with several partners, including TU Delft and the Energy Transition Model, this project involved collecting existing scenarios for a sustainable energy system. EBN then made a comparison of these scenarios with both existing and proposed policy, and afterwards we looked at how we could use this to help achieve the policy’s intentions and goals.

The insights that emerged, including information in the field of security of supply and the role of blue hydrogen as a driver for the development of the hydrogen chain, formed an important basis for our input for the National Energy System Plan (Nationaal Plan Energiesysteem or NPE). But it was also a good basis for guaranteeing the coherence of our own activities with others and our contribution to parts of the future energy system.

### National Energy System Plan

In 2023, the Ministry of Economic Affairs and Climate Policy published its vision on the energy system of the future: the National Energy System Plan (Nationaal Plan Energiesysteem or NPE). EBN gave input and expert advice at several stages of the Plan’s development, touching on the elements of our knowledge, experience and assets, or the exploration activities we carried out on behalf of the government. It concerned the role that we can play in gas storage, the development of hydrogen, and infrastructure in the North Sea.



### Hydrogen storage roadmap

Underground hydrogen storage in a salt cavern or depleted gas field is an essential part of the future hydrogen chain and therefore of the future energy system. Based on our role in existing gas fields and offshore infrastructure, we explored the feasibility of underground

hydrogen storage. When hydrogen production starts in 2030, it is important for the first underground hydrogen storage facilities to be available. They also act as a buffer between fluctuations in the production of and demand for hydrogen.

Working with national and international partners, EBN developed a hydrogen storage roadmap in 2023. It contains the most important steps for hydrogen storage on the way to 2030. In 2024, we will continue studies into underground hydrogen storage with the aim of realising the first technical pilot to store hydrogen in an exhausted gas field. EBN is also taking part in Hytros, a research programme that is part of the GroenVermogenNL hydrogen programme of the Ministry of Economic Affairs and Climate Policy. In addition, and together with Shell and TNO, EBN is taking part in the European research programme EUH2STARS, in which European countries work together to learn from the first technical pilot with hydrogen storage in a depleted gas field in Austria.

### Green hydrogen: first offshore electrolysis

The large-scale production of hydrogen at sea is an important element of the future energy system. The

#### White paper on bio-raw materials

In collaboration with the New Energy Coalition and the Green Gas Platform, EBN has created a white paper that details out the national and regional distribution of available bio-raw materials in the Netherlands. This will be important in the realisation of Dutch ambitions in the development of green gas.

PosHYdon project is a pilot in which green hydrogen is also produced on an operational gas platform at sea. This is the first time that three offshore energy systems will be integrated. PosHYdon is essential for the development of large-scale production of green hydrogen at sea and therefore for the energy transition in the Netherlands and Northwestern Europe. To safeguard the public interest, EBN, which is already a 40% partner of the platform where the pilot takes place, will be an active participant in the consortium. With our participation, we will ensure that lessons learned are taken into account in the future. The PosHYdon project is moving towards the final phase: the installation will be tested on land in May 2024 and the first production of hydrogen on the platform (operated by Neptune Energy) is planned for the second half of 2024.

### Development of green gas at former mining site

Green gas is a sustainable alternative to natural gas. In the energy system of the future, it can be used for exactly the same applications, especially in areas where electrification is not an option. As a participant in several mining operations, EBN is looking into whether green gas can be produced at existing mining sites in the Netherlands. We are involved in the development of green gas at various mining sites, including the North Star project, of which EBN is an initiator, alongside Shell and Engie. In 2023, North Star reached several milestones on its way to a definitive investment decision in 2024. For example, we submitted applications for the environmental impact assessment (EIA) and permit.



North Star

The North Star project is expected to become one of the largest green gas installations in the Netherlands. It offers important insights and practical experience for governments and the sector, both in technology and in terms of constructive collaboration between market parties, local authorities, and the environment.

### EBN Climate Neutral Roadmap

Every year, EBN reports on its emissions figures. In 2023, we conducted a study into what we needed to do to become climate neutral by 2040, and we began work on a roadmap to achieve this. We look at how emissions



for scope 1, 2 and 3 will develop in the near future, and also take into account the development of our own activities, such as for oil and gas, geothermal energy, and CO<sub>2</sub> storage. These emissions fall under scope 1 and 2. For scope 3, we look at the emissions associated with the use of the products we supply.

We have come up with several possible routes for reaching our goal by 2040, but we still have to do more research. In 2024, we will continue to calculate scope 1, 2 and 3 emissions even more accurately. EBN has also made an inventory for its own business operations.

### 3.2.5 Decommission and reuse of infrastructure

EBN strives to carry out the sustainable dismantling or effective reuse of infrastructure after the cessation of gas and oil production. Through Nexstep, the national platform for dismantling and reuse, we work together with oil and gas producers and Element NL.

#### Decommissioning

When it comes to the safe, sustainable, effective, and cost-efficient dismantling of disused oil and gas infrastructure, EBN plays a leading role in creating more cooperation, bundling activities, and knowledge gathering and sharing. We also encourage the exchange of relevant information and experience, and the development of new cost-saving methods.

Within Nexstep, a decommissioning campaign (joint campaign) of approximately 30 exploration wells was completed with six operators. After the tender and a subsea inspection, the actual dismantling took place in 2023. This dismantling campaign resulted in significant cost savings. The campaign is also a model for other future joint decommissioning operations.

Research was also conducted in 2023 into finding more cost-efficient methods for cleaning up and closing disused wells. Finally, EBN holds annual discussions with its operators on the decommissioning strategy for their own portfolio with the aim of achieving a planned and optimal implementation of the clean-up obligation.

#### Decommissioning Security Agreement (DSA)

EBN plays an important role in the guarantee system, where we provide licence holders with financial guarantees for the costs they incur for decommissioning installations and repairing production locations. EBN's monitoring role in this Decommissioning Security Agreement process is laid down in the Decommissioning Security Monitoring Agreements (DSMA) – the agreement made between licence holders and EBN. With the amendment of the Mining Act in 2022, the DS(M)A system of financial security has now become a legal obligation.

#### Reuse

In 2023, agreements were reached to reuse the P11-E platform for a new development. Developments are

also underway in various Groningen clusters, such as for a solar park and the production and transport of hydrogen. Geothermal energy development is underway at two locations in Emmen. Finally, depleted natural gas fields and their associated infrastructure are being reused, mining sites are being reused for green gas production, and research is being conducted into whether hydrogen can be stored in depleted gas fields.

### 3.2.6 Policy advice

On the basis of the Mining Act, EBN is legally required to advise the Ministry of Economic Affairs and Climate Policy on the performance of its statutory tasks. EBN also advises the Ministry on the feasibility of its proposed energy policy, in particular on its statutory tasks in the field of gas and oil extraction, geothermal energy, and decommissioning operations. If requested, we also give advice on other policy areas that are extensions of EBN's statutory tasks. Some examples are as follows:

- advice on the use of gas storage facilities and the role of EBN.
- advice on wind search areas in the North Sea and the connection between and spatial integration of mining activities, offshore wind, CO<sub>2</sub> storage and hydrogen storage.
- advice on market development and organisation of CO<sub>2</sub> transport and storage.

At the European level, EBN has provided input and advice for the European Commission's proposal for a Net

Zero Industry Act, as well as the European Commission's European CCS strategy.

EBN has also, in the run-up to the elections for the Dutch House of Representatives on 22 November 2023, provided the main points of interest for the future energy policy to the election programme committees of the political parties.

### 3.3 Material topic 2: Security of supply

EBN wants to contribute to the creation of an affordable, reliable, and sustainable energy system. It is (also) focused on the security of supply of the gas system in the Netherlands, the starting point being that all Dutch people should always have access to energy (even in cold winters). Five projects have been identified to achieve this goal.

#### Bergermeer gas facility filling operation

The Ministry of Economic Affairs and Climate Policy wanted EBN to play a role in the filling operation of the Bergermeer gas storage facility, thus contributing to energy security in the Netherlands. On 31 March 2023, we officially and successfully completed the filling operation for 2022/2023. The filling operation for 2023/2024 also went according to plan, with a filling rate of almost 100%. For the Bergermeer gas storage facility filling operation,

EBN worked closely with the Ministry of Economic Affairs and Climate Policy (client) and TAQA (the actual 'filler' at Bergermeer).

#### Gas extraction acceleration plan

Dutch natural gas will continue to be necessary in the coming decades to meet domestic demand for natural gas. Gas extraction in the Netherlands and on the Dutch area of the continental shelf will be phased out towards 2050, partly due to the depletion of natural reserves. However, the Ukraine crisis has shown that too much dependence on foreign nations puts the Netherlands and Europe in a vulnerable position when it comes to security of supply. That is why State Secretary, Hans Vijlbrief, sent a letter to the House in July 2022 about a so-called Acceleration Plan to speed up gas extraction in the North Sea. EBN has had three reports drawn up for the implementation of the Acceleration Plan:

- At the request of the Ministry of Economic Affairs and Climate Policy, EBN had Deloitte draw up the report titled 'International Fiscal Benchmark - Investments in exploration and extraction of natural gas at sea'.
- EBN had a report drawn up by HCSS: 'Natural gas extraction in the Netherlands: Impact on affordability, security of supply, and climate'.
- EBN has drawn up its own report for the Ministry of EACP: 'The State of the Sector'. This sets out what is needed to make the Acceleration Plan succeed.

## Energy in motion

### Security in times of insecurity

Geopolitical tensions have shown that the Dutch energy system is also sensitive to geopolitical developments. To reduce our energy dependence and increase energy security, we are involved in the filling of natural gas storage facilities. These gas storage facilities, such as in the field below Alkmaar and Bergermeer, provide security in the winter months as part of an affordable and reliable energy supply. At EBN, we also look further ahead when it comes to security of supply, such as by carrying out studies into hydrogen storage in depleted natural gas fields that will form part of the new energy system.

EBN's fiftieth anniversary marks half a century of dedication to security of supply in the Netherlands. It is a cornerstone of our mission to have continuously worked to secure a reliable and stable energy supply. Our 50 years of experience has taught us that this is not only a priority, but also a responsibility. With our future-oriented approach, we remain committed to continuing to provide the Netherlands with a stable and sustainable energy supply.

In view of the further decline in gas production and exploration activities, and with the insights gleaned from the above reports, State Secretary Hans Vijlbrief sent a letter to the House in September 2023 about the need to take additional measures, including:

- a change to the system of exploration in order to encourage test drilling.
- an increase in EBN’s activities and the limiting or elimination of financial risks for operators.

In 2024, the Ministry of EACP, Element NL and EBN will further implement the Acceleration Plan to speed up promoting investments for natural gas exploration and extraction.

### Delivery of a long-term vision for security of supply

EBN is conducting – in close collaboration with the Ministry of Economic Affairs and Climate Policy – a study into long-term security of supply. This study is aimed at determining how security of supply can be defined, monitored, and assured during the energy transition. The Ministry of EACP explicitly said at an earlier stage that it would put a monitoring and planning tool quickly into operation, and EBN can make an important contribution to this. This long-term vision on security of supply is (expected) to be delivered by mid-2024.

### Delivery of roadmap to put gas storage facilities into public hands

In the letter of 23 June to the House of Representatives, the Ministry of EACP made it clear what public involvement in gas storage would look like and the role that EBN will play in it.

### Participation in central energy purchasing in EU

Due to its many contributions in discussions with the sector and the European Commission, EBN has got the mandate from the Ministry of EACP to play a role in central energy purchasing. EBN’s participation and its role in central energy purchasing were mentioned in the letter to the House (dated 28 March 2023) for the Energy Council. Together with TAQA, we have developed a strategy to trade a portion of the volumes associated with the filling operation at the Bergermeer gas storage facility via a European platform.

## 3.4 Material topic 3: Safety and the environment

People and their immediate living environment are central to our HSE policy. We are working on a mature HSE culture within our organisation, and safety is also prominent in our strategic pillars. Finally, there is increasing attention paid to digital security.

### 3.4.1 Safety culture within EBN

At EBN, the starting point for our work is: zero incidents and minimal impact on the environment. A mature HSE culture can contribute and we achieve that by integrating health, safety and environment (HSE) into our daily activities. We do this by carefully preparing our projects,

#### Energy in motion

### Safety first for 50 years

The more we know about the subsurface, the better we can assess all the risks that go with working in the subsurface. For EBN, the safe detection of energy sources in the Dutch subsurface has been of great social importance for many years. Our aim is to prevent breaches of safety in the work that we do. We do this by drawing up guidelines in collaboration agreements with operators and partners, and by monitoring them. We also pay explicit attention to health and the environment. EBN is aware that its business activities, or those of its operators, have an impact on people and the environment. Take greenhouse gas emissions or noise pollution for local residents, for example. That is why we introduce measures to try to keep any adverse effects to a minimum.

identifying risks, and implementing control measures, but also by repositioning HSE within our organisation. From the beginning of 2023, the topics of health, safety and the environment fell directly under the purview of the Board of Directors. This is how we can work effectively on our HSE culture.

There is company-wide attention paid to HSE. We have a standard introduction to HSE for new employees and HSE leadership training. We also pay attention to HSE at corporate events. These include the EBN day, the Family & Friends day, held as part of the 50th anniversary, and even the royal visit of HRH King Willem-Alexander to our first (test) drilling site. Our King showed a great deal of interest and abided by all the safety measures.

EBN also believes in the importance of transparency in its reports, including on HSE performance. We do this internally and to the State Supervision of Mines. As of spring 2023, we also report to the Supervisory Board.

So that we can proactively steer our organisation's safety and environmental performance, we have made the HSE management system available to all. Where necessary, additional project- and site-specific documents have been added for operational control of individual projects, such as the SCAN (test) drilling project.

We are making efforts to further integrate HSE into our work. We will be paying attention to this in the HSE plan

for the coming year. We have the following company goals in this area:

- The HSE culture at EBN is growing: EBN employees are aware of their own influence on HSE; they show leadership and commitment.
- HSE has been integrated into daily business operations: HSE is a line responsibility and belongs to everyone; all EBN activities are risk-based, knowledge about HSE is growing, and it is normal for us to speak to each other about these topics.

Managers also include HSE objectives in their personal annual plans.

### 3.4.2 HSE in the heat transition

A safe working environment is always a necessary condition for the projects we carry out, such as SCAN. The circumstances in which a SCAN operation is performed are constantly changing. This requires thorough preparations that pay attention to the challenges posed by the changing circumstances. The test drilling in Ouder-Amstel was the



*The King visits the drilling site in Ouder-Amstel*

first time that EBN played the role of operator. This meant that EBN was ultimately responsible for the safe running of the operation.

Things can always go wrong, despite even the most careful preparations. We are therefore proud to report that the SCAN seismic acquisition was completed in 2023 without incident. During the execution of the first SCAN (test) drilling, six ‘low impact’ incidents and a ‘near miss’ were reported. Any such incidents are investigated to learn from them and help prevent a possible reoccurrence.

Even when EBN is a non-operating partner, we still have a role when it comes to safety, namely in bundling and exchanging knowledge and experience. Incidents at geothermal projects in Delft and Leeuwarden, among others, have been collected and investigated so that we in the geothermal energy sector can learn from them.

In 2023, EBN also worked on other areas of safety. A study by Nature and Environment from October 2022 identified technical obstacles to geothermal energy projects. The conclusion was that the risks could be kept under control by using the right precautions. One of those risks involves the presence of vibrations in the subsurface, caused by geothermal energy extraction activities. The chance of a noticeable vibration with conventional geothermal energy extraction from naturally water-permeable layers is considered very small; the chance of damage-causing vibrations is even smaller. Even so, the Ministry of EACP,

SSM, EBN, TNO and the geothermal energy sector want to be prepared for the unexpected. According to the Mining Act, every geothermal project that applies for a start permit must demonstrate that the project meets the safety standard. For this purpose, TNO-AGE and EBN have developed a methodology with a specialised calculation tool and a report called Seismic Threat and Risk Analysis (SDRA) for geothermal energy on behalf of the Ministry of EACP. This method can be used to determine – in theory – how strong any vibrations might be.

### 3.4.3 HSE in CO<sub>2</sub> storage

The projects that involve the business unit CO<sub>2</sub> transport and storagesystems are not yet under construction or at an operational phase. For that reason, HSE reports are not yet available.

#### Porthos

In preparation for operational activities in 2024, Porthos set and achieved a number of HSE targets in 2023 around the topics of ‘awareness’, ‘compliance’, ‘risk management’, and ‘incident management’. All targets were achieved in 2023.

#### Aramis

Aramis has begun the project definition phase. The project team has moved to a new project office and begun HSE reporting and set up an HSE value chain working group. The application process for an environmental permit has begun with the preparation of an environmental impact

assessment. The engineering contractor has started the FEED in accordance with the technical safety requirements of the Aramis project.

### 3.4.4 HSE in oil and gas operations

As a non-operating partner in the exploration, extraction and storage of gas and oil, EBN does not have an active role with regards to HSE (Health, Safety and Environment). This role is assigned to the operator (oil and gas company) and is supervised by the Dutch State Supervision of Mines (SSM). However, EBN encourages and monitors safety in the oil and gas operations in which we participate, bringing the subject to the table, solicited and unsolicited. The operational performance indicators provide data on the sustainability performance of EBN’s share of Dutch gas production and annual drilling activities. These were reported separately in the past, but this year for the first time they have been integrated into the annual report.

#### Work accidents<sup>1</sup>

Once again, in 2022 as for 2021, we saw an increase in the number of work accidents and therefore an increase in the work accident frequency to 4.4 (per million man-hours). The total number of work accidents in the Dutch oil and gas producing industry increased to 26 in 2022, compared to 21 in 2021, and 15 in 2020. In previous years, it fell from 25 in 2017 down to 15 in 2018, and then down to 12 in 2019. After analysing the hours worked in 2021,

<sup>1</sup> These are the numbers for 2022. The numbers for 2023 will be known later this year and will be included in the next annual report.

the SSM found that the increase in accident frequency was partly due to the fact that office hours were also counted as working hours and reported to SSM. However, this is not in accordance with the SSM's requirements: only hours worked on installations are subject to the Mining Act and must be reported, which means that office hours should be excluded. The result is that the number of hours worked on installations in 2021 is lower (and the frequency is therefore higher). If office hours had been included, the work accident frequency would have been 2.5 (in 2021). For 2022, only the hours worked on installations subject to the Mining Act were included.

Over the past two years, the SSM has also noticed a higher accident frequency in the exchange with other supervisors on a European and global scale. At present, the SSM has no clear explanation for this. Risk factors that are mentioned, but cannot be substantiated with concrete figures, are the shortage of (experienced) personnel and the challenges that the industry faces in the field of decommissioning, as well as working together with new contractors and using new methods of implementation.

### 3.4.5 Cybersecurity

For EBN to effectively give policy advice and take part in energy transition projects, we depend on having the right information. This information has to be properly managed and protected. And a digital leak or cyber-attack could have major consequences for EBN's role in projects in the Netherlands.

In 2023, we evaluated our measures at EBN and we have taken even further measures to arm ourselves against the constant threat of cyber-attacks. We have done this based

on the NIST framework, which contains a number of steps on how to deal with digital security. They are as follows:

#### Our NIST framework

##### Identification

Through the systematic identification of vulnerabilities through penetration testing, EBN gets a picture of the organisation's security strength and the measures it needs to take. EBN applies many forms of security testing to test the organisation and its IT partners on all measures, such as:

- Red Team testing, which simulates realistic attacks to test the organisation's response to threats.
- Purple Team testing, which uses simulated attacks to monitor how defensive teams work together to strengthen overall security. This test was added in 2023.

##### Protection

Based on architectural principles, EBN works on upgrades of the hardware and software, including Patch management guidelines and advice from IT partners.

##### Detection

The EBN Computer Security Incident Response Team continuously monitors the network, applications and users, working to detect suspicious activity and coordinating response measures to minimise the impact of potential breaches.

In 2023, Endpoint protection was set up with advanced antivirus software. Endpoint protection helps protect individual devices such as computers and smartphones against malicious software.

##### Response

A Security Incident Management process has been set up which includes all partners in the chain. It is periodically reviewed, tested and updated.

##### Recovery

All partners have agreed to the Backup & Restore principles in the Service Level Agreements. These are all regularly tested.

### 3.5 Material topic 4: Public interests

As a public energy company, one of EBN's responsibilities is to safeguard public interests in the energy system. Which public interests are to be safeguarded and which tasks and assignments arise from them have been laid down by law by the Dutch State. Based on our role as a public shareholder in a variety of projects, EBN will advise the State on a reliable, affordable and sustainable energy system.

In EBN's renewed strategy 'Fit for 60', we pay extra attention to our public role. The safeguarding of the public interest has a clear place in our strategy. The energy transition is moving forwards, but to achieve the Climate Goals, we need to speed things up in a number of areas. We take on the role of a proactive public shareholder and, in some cases, we are also the operator. This forces us to think more about how we do things and what we consider important when it comes to implementation. That is why we decided to make 'public interests' a new material topic in 2023: a topic that EBN would report on in the coming years.

This topic has also become more relevant due to the new government policy for public companies (State-Owned Enterprise Memorandum and the CSR manual), the introduction of new European regulations for sustainability reporting (CSRD), and the measures of



the Groningen Parliamentary Inquiry. We also see that the energy transition is having an increasing impact on society. This means we need to be continuously building relationships with local residents and communities. How we serve the public interests and what attitude we adopt

in this regard is becoming increasingly central to the decision-making process within EBN.

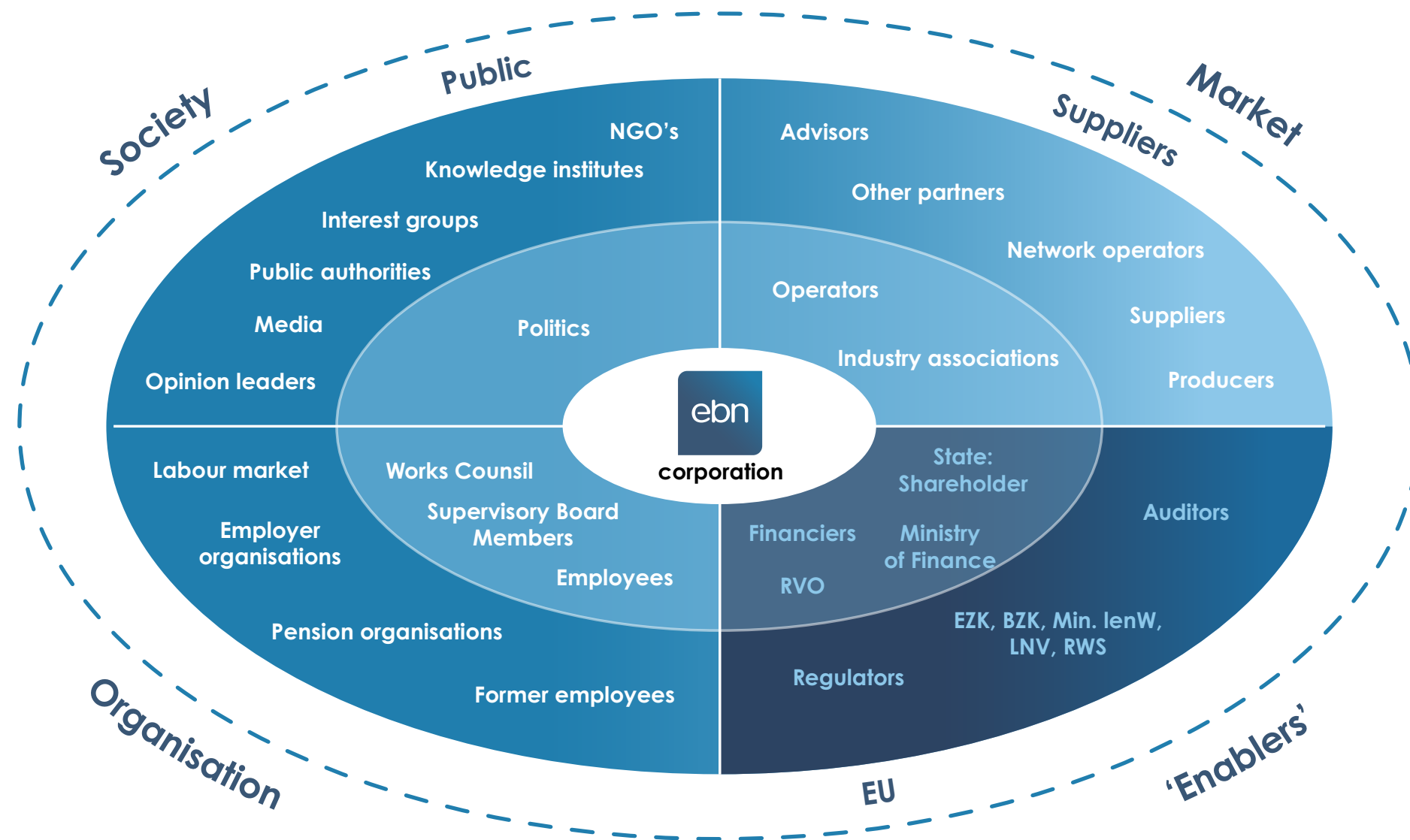
In 2023, we took steps to implement the recommendations of the Groningen Parliamentary Inquiry, including actively making public new and existing

collaboration agreements as much as possible. In addition, we include public interests more explicitly in our decision-making processes and we work in a more socially responsible manner, keeping an eye on the interests of those involved in our projects, including those in the immediate vicinity. We have also invested heavily in the continuation of a dialogue with stakeholders and society through various partnerships and our Informed Dialogue programme.

### 3.5.1 Dialogue with stakeholders

We determine who the stakeholders are (see chart), based on the extent to which our activities influence or affect them and the extent to which they can influence our organisation or business operations.

- Our key stakeholders: Ministry of Economic Affairs and Climate Policy (as policymaker and shareholder), partners in our participations/ industry/branches, EBN employees.
- Our other stakeholders: local residents, regulators, related ministries such as the Ministry of the Interior and Kingdom Relations, Finance and Infrastructure & Water Management, knowledge and educational institutes, financial institutions, trade organisations, media and social interest groups, suppliers, and other stakeholders.



Overview of EBN's stakeholders



# Stakeholder dashboard 2023

## Main indicators

● Difference to 2021

### Reputation



### Public role in energy transition

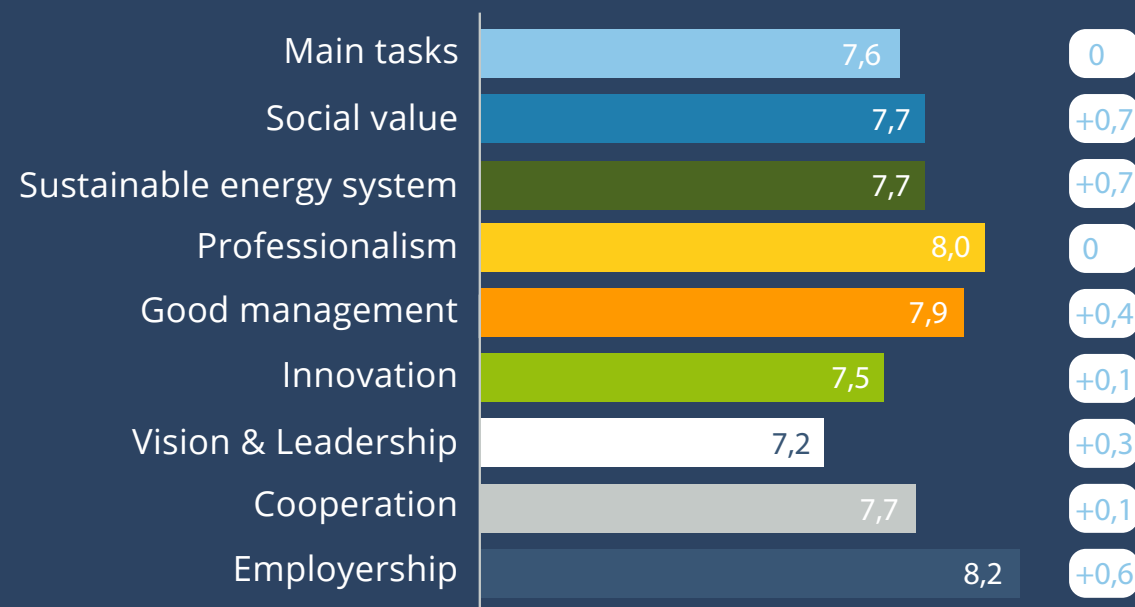


### Recommended collaboration

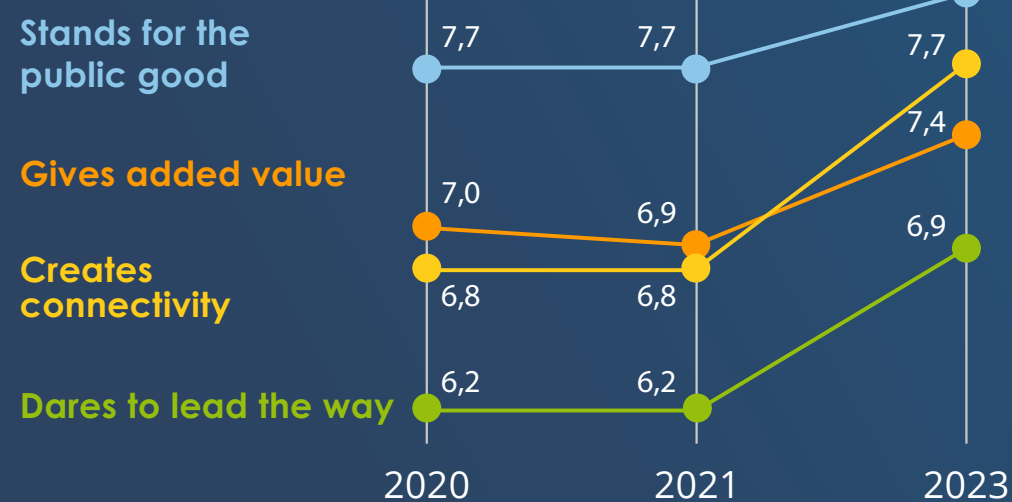


## Reputation drivers

compared to 2021



## Core values



## Top-10 ranking material topics

- 1 Energy transition
- 2 Security of supply
- 3 Public interests
- 4 Dismantling & reuse of assets
- 5 Socially fair energy transition
- 6 Policy advisory
- 7 Financial position
- 8 Good governance
- 9 GHG emissions
- 10 Safety

EBN is in contact with these stakeholders in a variety of ways and at various levels. A complete overview of our contact with stakeholders is shown in the table. It shows who our stakeholders are, how we interact with them, and what the discussion points were in 2023. Our Board of Directors is directly involved and has frequent contact with various stakeholders during the year.

In 2023, EBN carried out another stakeholder survey. This was an iteration of earlier stakeholder surveys done in 2020 and 2021. Because we have since refined our strategy, a number of items on our stakeholder monitor have also been readjusted. The survey took place in the period between 3 October and 7 November 2023. Our online questionnaire was sent to 557 stakeholders and a total of 187 stakeholders actually took part. This is a response rate of 34%. Considering the nature of these stakeholders – which include a large number of directors and managers – this was a good response and is a signal in itself. The [summary of the stakeholder and reputation survey](#) has been published on the EBN website.

Just as in 2021, EBN achieved an overall reputation score of 7.8 last year, thereby achieving our corporate target (7.8). Even more stakeholders (92%) see an important role for EBN in the energy transition and 91% of stakeholders recommend EBN as a collaboration partner. Stakeholders are positive about way that EBN carries out its core tasks and see it as a professional collaboration partner that stands for the public interest and increasingly dares to

lead the way. Stakeholders have also been asked to take part in the double materiality analysis that EBN carried out for the first time last year, in accordance with the requirements of the CSRD. This has led to a top 10 of material topics which stakeholders say EBN has an influence on and which also have an influence on EBN. These top 10 topics from our stakeholders were used as validation for the [double materiality analysis](#).

With our participation in these areas, we contribute to the further development and sharing of knowledge, data and innovation in the energy transition. We also provide connective power to the transition through these contacts.

In addition, EBN did active work to facilitate an informed dialogue about energy in the Netherlands. Our ambition is to have the conversation about energy and climate based on the right facts and figures, and to connect our stakeholders to societal topics. We want that conversation to happen in boardrooms, but also at the kitchen table. We organised several events and programmes in 2023 to encourage and facilitate an informed dialogue. These included:

- Energy breakfast with ‘Energy in Figures’ infographic: EBN brought out the seventh edition of the Energy in Figures infographic. This breakfast event took place in January in an art museum in The Hague.
- Young Professionals Event: for the first time, EBN and partners organised an event specifically for young

## Collaboration partners and alliances

In 2023, EBN had the following strategic partners and alliances:

- Nederlandse Vereniging voor Duurzame Energie (NVDE)
- Koninklijke Vereniging van Gasfabrikanten in Nederland (KVGN)
- Clingendael International Energy Programme (CIEP)
- New Energy Coalition TKI
- SPE
- Geothermie Nederland
- World Energy Council (WEC)
- North Sea Energy
- Noordzeeoverleg
- Stichting de Noordzee
- Nexstep
- Number5 Foundation
- EnergieBank Nederland
- MVO Nederland
- Stichting Natuur en Milieu
- Vereniging Industriële Raad voor de Olie en Gas (IRO)
- DAREL
- Springtij
- Energy Reinvented Community

professionals, for and by young talent. The day took place on 26 May in Utrecht. There will be a second edition of the event in 2024.

- Two Carbon Storage Dialogues: in which the CCS sector came together to discuss current topics.
- Five questions in five days: in June, EBN organised a week, as part of its 50th anniversary celebration, in which each day was centred on a different question on the energy system.
- Transition Talks on Tour: in 2023, EBN was again a guest with its periodic talk show at various events about the energy transition, including the New Energy Forum held in Groningen in June.
- The BNR energy election debate: in November, EBN hosted the BNR energy debate in the run-up to the Dutch House of Representatives elections.
- Heat transition week: for the fourth time, EBN and partners organised a week in December on the topic of the heat transition. During this week, we discussed with stakeholders what is needed to accelerate the heat transition.
- 'Zo Werkt Energie in Nederland' (ZWEIN): this Dutch programme, which presented the book of the same name in 2021, was followed up in 2023 with a number of partners in sub-areas including system integration, hydrogen, nuclear energy, and offshore wind.
- Energy Transition Masterclass: EBN made it possible for DAREL to give masterclasses on the energy transition at (mostly) secondary schools. This is one way we can increase the level of knowledge about

the energy transition. In 2023, DAREL welcomed its 10,000th student to the masterclass. DAREL also gave a customised masterclass for professionals working in the energy field.

- Energy Podium: EBN was the leading partner of the Energy Podium and provided substantive input with partners GasTerra, PwC, ElementNL, and KVG.N.
- Dialogue on a socially fair energy transition: EBN made a contribution to the Number5 Foundation, which in 2023 organised various dialogues in the Netherlands on achieving a socially fair energy transition.

In 2023, EBN brought out the seventh edition of the Energy in Figures infographic about the Dutch energy system, based on the latest available figures from CBS. We created the infographic (last year's topic was *Energy Security and Sustainability in the Netherlands and Europe*) because of the importance of making facts and figures available to ensure a well-informed discussion about energy in the Netherlands. The infographic is actively distributed and promoted for the purpose of involving the general public in the discussion on the energy transition.

### 3.5.2 CSR-policy

EBN's CSR policy is aimed at the realisation of broad social value for everyone involved in our projects, in line with government policy as described in the State-Owned Enterprise Memorandum from 2022 and the CSR manual from 2023. Under corporate social responsibility (CSR), we understand the way in which EBN contributes to the

safeguarding of the public interest. It concerns the way in which we carry out our work and how we go about it.

As a public energy company, our CSR policy focuses on a number of topics: climate, environment, safety, good employment practices, good governance, and a socially fair energy transition. We want our investments in partnerships and our own operations to as much as possible be a positive contribution to these topics. And wherever this is not (yet) the case, we want to minimise and mitigate any negative impact in these areas.

## Energy in motion

### Public interests are central

As a state-owned enterprise, we want to add social value in addition to creating financial value. We see it as our responsibility to work on an affordable, reliable, safe, sustainable, and fair energy system, ready for the challenges of today and tomorrow.

Last year not only marked our 50 years of history as a public company, but also highlighted our forward-looking approach to having a positive impact on both the economy and society for the next 50 years.

In 2023, we took steps towards creating an assessment framework for investments. This will enable us to focus our efforts objectively and explicitly on how we can add broader social value. This assessment framework will be completed and put to use in 2024. In 2024, EBN will also begin work on:

- the tightening of our policy for housing, mobility, investments, purchasing of goods and services, and HSE within our own operations;
- the development of CSR criteria for our partnerships and alliances;
- the development of a training and engagement programme for our employees;
- the development of a monitoring tool for monitoring progress.

### 3.6 Material topic 5: Good employment practices

EBN plays a central role in the energy supply of today and tomorrow – and that role is becoming more important every year. We have grown considerably over the past year and it's in our best interests, and the interests of society, for EBN to keep attracting and retaining good employees. After all, the energy transition is largely about working with people. The following paragraphs outline what we have achieved in the field of good employment practices in 2023.

#### 3.6.1 The people of EBN

EBN employs committed and driven professionals. They work on challenging projects with social significance and often possess a strong inner drive. EBN believes in the importance of connectivity and the (professional) development of our employees. So EBN invests in the knowledge and skills of all its employees, and specifically in young talent.

EBN began the year 2023 with a new organisational and leadership structure. This was in line with the strategy that was revised at the end of 2022. One of the changes made was in the setting up of a sales team in the Gas Transition business unit. Another was the formation of a Board of Directors with the new position of COO. On 1 March, Yolande Verbeek took up this position. She is one of 45 new professionals hired last year. EBN grew from 169 employees (158 FTE) to 193 employees (180.4 FTE). The average age of our employees has fallen from 44.0 to 43.9 years.

New people integrate quickly in our company, thanks to EBN's onboarding programme. All new employees are invited to follow a (personal) leadership programme. EBN also gives people who are already working here the chance to grow. That was how 20 vacancies were filled with internal candidates. There are also 22 people who are no longer employed by EBN. Unfortunately, we also lost two dear colleagues in 2023. This has had a huge impact on our staff. We supported each other during

this difficult period with a communal gathering and space for remembrance.

#### Employment Conditions Scheme

For EBN employees, there is no applicable general collective labour agreement (collectieve arbeidsovereenkomst or CAO). EBN has an Employment Conditions Scheme with a performance management and salary system. The salary scales are indexed annually. This takes into account CPI indexation, developments within the energy sector, the government, and business services. The Employment Conditions Scheme has been adjusted for employees who began work between 1 July and 1 October. Unlike previously, they are also entitled to indexation and a performance bonus in the year that they enter our employment. We do this with the aim of doing justice to their efforts and to be in alignment with social developments.

#### Investing in Young Professionals, Trainees and Interns

We offer young people a valuable and challenging experience at work. We see it as our social responsibility to train young people, with traineeships and challenging internship and graduation assignments. In 2023, ten interns completed their assignments at EBN, the same number as the year before. One of the interns carried out an investigation into the gas potential in the shallow sand layers in the northern part of the Dutch North Sea.

Another did a study on the potential of CO<sub>2</sub> storage in underground chalk limestones. In addition, EBN employed 19 trainees over the past year, eleven of whom started in 2023. Trainees follow an intensive three-year programme in which they attain relevant work experience, take applicable (technical) training courses, and collectively develop competencies and skills to further their careers.

The traineeship programme was reviewed in 2023. We evaluated the training and development programme and salaries, which led to an improved version of the programme. It is now more focused on the development of competencies and skills. The trainees are put onto a



Young Professional Event 2023: Impact Now

personal salary scale that is evaluated every six months and offers the possibility for periodic steps.

### Building a new job classification system

At EBN, we want to inspire each other to get the best out of ourselves, now and in the future. This means that we need a future-proof vision of career paths, with clear development opportunities. The basis for this is a job classification system with clear job descriptions, specific tasks and/or roles, how those roles relate to each other, and what combination of talents is needed to successfully do a job. The present working method with narrowly defined job profiles no longer meets this requirement, partly due to the structural growth of the organisation. This was the reason to start developing a new and generic job classification system last year that incorporates a structure of job families with multiple generic job descriptions. We expect the updated job classification system to be available by mid-2024.

### Absenteeism, Vitality and Occupational Health (ARBO)

We believe that the mental and physical health of our employees is very important. That is why EBN strives to have a constructive working environment and a healthy business climate. This not only means a good workplace at home and in the office – we also believe it is essential that employees can be themselves and enjoy their work.

In 2023, we switched to a new occupational health and safety service and adjusted the procedures for the sick leave scheme. Absenteeism due to illness was 3.9%, with short and medium-term absenteeism at 0.9%. Due to our new absenteeism registration system, which defines the figure's base population calculation differently, we cannot compare 2023's absenteeism figure directly with that of 2022. To foster vitality in our employees, we provide facilities like sports training and chair massages at the office. EBN also offers grief counselling and coaching to prevent dropout. On top of that, employees have been organising regular walking days and skiing holidays on their own initiative for many years.

A risk inventory and evaluation (RI&E) was carried out at our offices in Utrecht and The Hague in 2023.

This RI&E mapped out the occupational risks, which is important to prevent and limit health complaints and accidents and to ensure a safe and healthy workplace. The results showed that the Utrecht location is satisfactory, while recommendations were made for the (temporary) work location in The Hague. To ensure that employees also have a good workplace at home, EBN lends them office supplies and organises home workplace surveys for all new employees. (Present employees can also do the survey.) A Preventive Medical Examination is planned for 2024: employees can take part voluntarily and gain some insight into the state of their health.

### 3.6.2 Diversity and inclusion

In 2023, the Diversity and Inclusion Policy was adopted by the Supervisory Board. Diversity and inclusion at EBN is about achieving a balanced gender distribution, but also about promoting diversity in thinking, background and education.

The percentage of women working at EBN has increased from 40.2% to 42.0%. Due to changes in the organisational structure and two vacancies at the management level, the percentage of women in senior management positions was 46.2% lower at the end of 2023 compared to 53.3% in 2022. 40% of employees are younger than 35 years old. At EBN, we act according to the principle of equal opportunities and equal pay. An external agency is conducting a study into equal pay between men and women. The results of this study have come to a positive conclusion: EBN is an organisation that shows no statistically significant differences in pay between men and women or between the business units and corporate departments.

To further implement diversity and inclusion within our organisation, we have announced our policy and are working on implementing the conclusions from previous studies. For example, an awareness training programme has been planned for management, because studies have shown that managers play a decisive role in increasing diversity and inclusion in the workplace. A Diversity and Inclusion Committee of employees was also formed at

the end of 2023. This committee will work on the topic and provide solicited and unsolicited advice on diversity and inclusion in the broadest sense of the word, in order to promote the most layered possible perspective on this topic and to anchor support. The committee will also initiate meetings where necessary and monitor whether the established policy is being complied with. This is to stimulate an ethical and open culture in the EBN organisation.

### 3.6.3 Employee satisfaction

We believe it is important to know how employees experience EBN as an employer. That is why we once again conducted the biennial Great Place to Work employee survey at the end of 2023. The employee survey uses statements to measure five universal values: credibility, respect, honesty, pride, and camaraderie. The result offers an insight into the level of people's trust, pride and pleasure working at EBN. With a rating of 8.1 (2021: 7.8), EBN has once again been certified as a Great Place to Work. EBN is proud of this result, especially because the response rate of 87% shows that it paints a realistic picture. The open answers show that our work on the energy transition, people-focused approach, and development opportunities, among other things, make EBN a unique company. That said, the prioritisation of work, decisiveness, and career opportunities deserve to be paid more attention. The survey results are discussed within the various teams and are followed up through an action plan at the organisational, unit and team levels.

## 3.7 Material topic 6: Good Governance

As a state-owned enterprise, EBN values effective collaboration and management, so that we can properly

### Energy in motion

#### No movement without people

The energy transition looks like a technical challenge, but it needs people to make it work. Without passionate people there is no movement. Since its founding, EBN has been trying to gather innovative and enthusiastic minds to take on the challenges of tomorrow. Our people are at the heart of the success of the energy transition. We offer our employees an inspiring working environment, where everyone can be themselves and really make an impact. By combining our strengths, we can work faster on achieving a sustainable energy system. It is not without reason that we were recertified as a Great Place to Work in 2023. This recognition further reflects our commitment to a working environment where every voice is heard, and where collaboration, professionalism and passion are the building blocks of our success. And that has been true for 50 years.

and transparently fulfil our role internally, in partnerships, and in society at large. By good governance, EBN means ‘effective collaboration with stakeholders and effective management of the organisation such that we carry out our tasks in an honest and transparent manner’ with the following topics as points of attention:

- (Financial) transparency and reputation
- Human rights
- Anti-corruption and anti-fraud
- Unfair competition

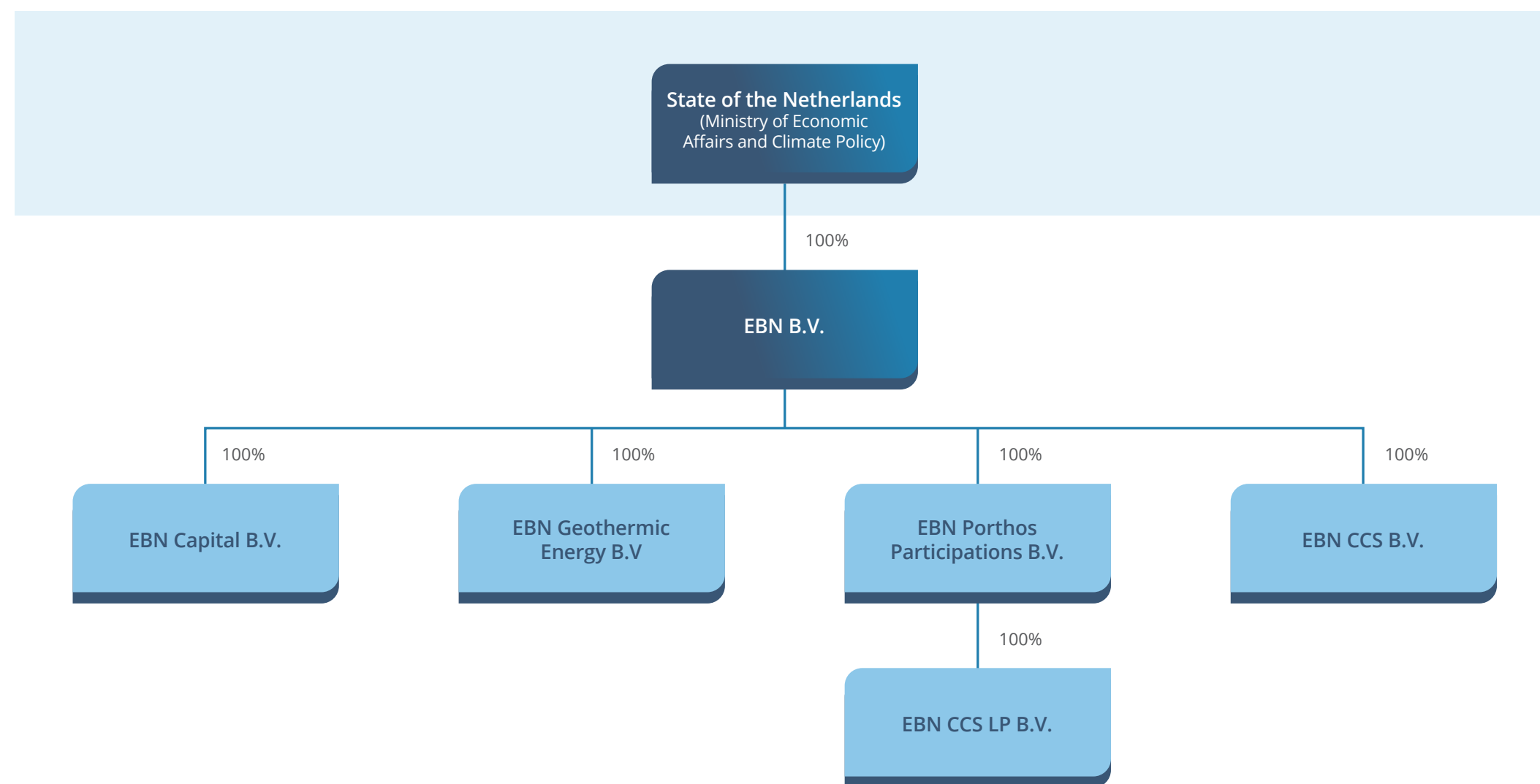
### 3.7.1 Structure of EBN and partnerships

EBN has a number of subsidiary companies. Below is a schematic overview of our various entities:

Most of EBN’s activities take place from EBN B.V. (such as participation in oil and gas extraction projects, SCAN, EBN’s shareholding in GasTerra B.V., gas storage facilities Norg, Grijpskerk, Alkmaar). Three separate subsidiary companies have been set up for EBN’s participation in the Porthos project: EBN CCS B.V. (co-applicant for a number of CO<sub>2</sub> storage permits), EBN Porthos Deelnemingen B.V. (the company that is a shareholder of the managing partners in the Porthos CV structure) and EBN CCS LP B.V. (the company that participates as a silent partner in the Porthos CV structure). Through EBN Aardwarmte B.V., EBN participates in various geothermal energy projects. Through EBN Capital B.V., EBN participates in projects that are not part of EBN’s public responsibility under the Mining Act, the so-called activities under Article 82,

paragraph 4 of the Mining Act. Please note: EBN’s activities are carried out with permission from the Minister of Economic Affairs and Climate Policy. Examples of this are EBN’s participation in the Bergermeer gas storage project and CCS projects other than Porthos (Aramis). EBN also takes part in a number of offshore collection pipelines from this entity (WGT, NGT, Nogat and extensions of these pipelines).

To regulate liability within the group, following approval by the shareholder, 2:403 BW declarations were issued for both EBN Capital B.V. and EBN Aardwarmte B.V. These 2:403 BW declarations reduce the administrative burden for EBN.



## Governance partnerships

EBN participates in partnerships in the field of oil and gas exploration and extraction, geothermal energy, and CCS. These are mostly contractual partnerships in which parties have to agree on how they will collaborate with each other. These agreements include, among other things, the purpose for which the parties enter into the agreement, the percentage stake for which each party participates in the project, how decision-making takes place, and how liability will be divided. The details for the financial and operational collaboration is set down in a written agreement. For EBN's participation in oil and gas extraction projects, the Mining Act only allows EBN to enter into agreements with parties that are permit holders. EBN uses a standard cooperation agreement for this purpose. ([Model Overeenkomst van Samenwerking Vergunning | Formulier | Extractive Industries Transparency Initiative - Nederland \(eiti.nl\)](#) and [Model Overeenkomst voor Samenwerking Opsporing | Formulier | Extractive Industries Transparency Initiative - Nederland \(eiti.nl\)](#)).

For further information, EBN would refer you to the corporate governance chapter that covers the following topics: shareholders, Supervisory Board, Board of Directors, the recruitment and selection of the Supervisory Board and Board of Directors, remuneration, governance table, conflicts of interest, external auditors, application of the Dutch corporate governance code, diversity of the Supervisory Board, Board of Directors and

upper level management, governance and sustainability, stakeholder engagement, purchasing policy, compliance with legislation and regulations, whistleblower regulations, and international conventions and guidelines.

### 3.7.2 Integrity

EBN's highest principle is to be honest and reliable in our work. That doesn't just mean acting in accordance with legislation and regulations, but also taking into account the norms, values and interests of everyone involved. The areas that EBN focuses on within the theme of integrity are:

- human rights
- non-discrimination
- anti-corruption
- fair competition and transparency

### Code of Conduct, complaints committee and confidential counsellor

The EBN Code of Conduct is one of the ways we make efforts to bring integrity and responsible behaviour into our work as an organisation. The Code of Conduct applies to all employees and is available to everyone. It acts as a guide to the taking of individual or personal decisions. We also use the Code of Conduct to assess the behaviour exhibited by our company and employees. Employees are expected to report serious violations of the Code of Conduct. To do this, an employee can contact a confidential counsellor, an HR employee, or the complaints committee. Alternatively, the employee can

use of the whistleblower scheme (report to the CEO or chairman of the Supervisory Board). They can also discuss any complaint they have with their manager or with the Board of Directors.

EBN also has a zero-tolerance policy for fraud. To combat it, we have instigated a fraud protocol. This protocol applies to all employees, but also to people hired from outside EBN, such as temporary workers and trainees. The protocol includes a fraud risk analysis as part of achieving its goal to prevent fraud. The fraud risk factors generally arise from one or more of the following aspects (also called the 'fraud triangle'):

1. culture or rationalisation
2. pressure or performance
3. circumstances or opportunity

Every EBN employee has the obligation to immediately report any sign of fraud. The protocol sets out a reporting/ investigation procedure, including the actions to be taken if the investigation leads to proof of fraud or a serious suspicion of fraud.

In 2023, the complaints committee received and processed one complaint. Also in 2023, the confidential counsellors had consultations with a total of eleven employees. The Code of Conduct is available at: [www.ebn.nl/ebn-over/corporate-governance](http://www.ebn.nl/ebn-over/corporate-governance).



### Compliance legislation and regulations

EBN received no fines for non-compliance with laws or regulations in 2023. EBN also received no summonses for non-compliance with laws or regulations.

### Whistleblower scheme

The whistleblower scheme is a scheme through which employees (whether a fulltime EBN worker or not) can report alleged abuses in the company to the Board of Directors or the Supervisory Board. The whistleblower scheme was revised in 2023 (with the approval of the Works Council) and this amended version can be found at: [www.ebn.nl/ebn-over/corporate-governance/](http://www.ebn.nl/ebn-over/corporate-governance/).

### International conventions and guidelines

As a state-owned enterprise, EBN will adhere to all conventions and guidelines that the Dutch State endorses, including the OECD Guidelines for International Companies and the UN Guiding Principles on Business and Human Rights.

#### 3.7.3 Transparency

Just as with integrity, EBN believes that doing our work transparently contributes to good governance. EBN strives to create sustainable value over the long term, and part of that is for the Board of Directors to act with integrity and transparency, being accountable to the Supervisory Board and its supervision. Stakeholders must be able to trust EBN to give their interests careful consideration.

### Financial transparency and reputation

EBN's annual financial statements (including statement of financial position, comprehensive income and explanatory notes thereto) offer an insight into EBN's financial developments during the financial year of 2023.

EBN has a credit rating with Moody's. Moody's make an assessment of EBN's financial position and these reports can be requested from Moody's. In the most recent credit report of 30 October 2023, Moody's gave EBN a long-term rating of AAA with a stable outlook. In addition to EBN's financial strengths, Moody's also listed a number of financial challenges. Strengths include the expectation of support from the Dutch government, the fact that EBN's activities take place in the Netherlands (a low-risk country politically with a stable fiscal regime), EBN's strong financial position, and the fact that EBN has substantial liquidity.

The challenges according to Moody's are: the closure of the Groningen gas field and its impact on EBN's revenue, volatile gas prices, implementation risks in geothermal energy and CCS projects, and the extent of EBN's liabilities for damage caused by potential earthquakes and decommissioning and restoration obligations.

Moody's has also determined the ESG Credit Impact Score. EBN got a score of CIS-2 (neutral to low). The E score (Environmental) was E-5 (very highly negative, due to the extent of clean-up obligations and the anticipated social

pressure on oil and gas activities). The S score (Social) was S-5 (very highly negative, due to earthquakes and land subsidence in Groningen, which resulted in the end of gas production in Groningen). The G score (Governance) was G-1 (positive, partly due to the conservative financial policy and strong management).

### EITI - transparency in the chain

EBN participates in the NL-EITI. EITI stands for Extractive Industries Transparency Initiative, an international standard for transparency over the production and financial returns of minerals. The Netherlands joined this standard in 2018, and the NL-EITI is the transparency initiative for mineral extraction in the Netherlands. The objective of NL-EITI is as follows: 'The NL-EITI is dedicated to making accessible factual information on mineral extraction in the Netherlands. This also concerns the financial returns for the mineral industry and the Dutch government. Through this, the NL-EITI wants to contribute to the societal debate on the significance of the mineral industry for Dutch society.'

NL-EITI publishes an annual report on government income from the mineral sector. The 2022 report was published in 2023 ([NL-EITI rapport 2022 | Rapport | Extractive Industries Transparency Initiative - Nederland](#)).

### Damage due to gas extraction in Groningen

The earthquakes and subsidence in Groningen as a result of gas extraction led to EBN's obligation to contribute

to compensation for the damage that it causes, was caused and/or will be caused. EBN has a provision of EUR 1.5 billion at the end of the 2023 financial year to pay its share of these obligations. See annual financial statements, note 15 for more details on this provision.

### Transparency benchmark

One of EBN's corporate objectives for 2023 was with regard to the biennial transparency benchmark of the Ministry of Economic Affairs and Climate Policy. EBN set itself the goal of getting a place in the energy sector's top four in the transparency benchmark with its annual report. EBN finished in second place with its 2022 annual report. When preparing the annual report, EBN paid a lot of attention to transparent reporting on the activities of the last financial year.

#### 3.7.4 Responsibility in the value chain

As a non-operator, EBN invests in the exploration and extraction of oil and gas, the storage of CO<sub>2</sub> and in the exploration and extraction of geothermal energy in the Dutch subsurface. We are a partner in the projects that we invest in, but we are not the party that carries out the work. That is the (exclusive) work of the operator. This means that EBN can influence its own activities and those of its partners, but its effect in the chain beyond that sphere of influence is limited. However, this does not apply to the SCAN project; EBN carries out the SCAN project itself.

### Good behaviour of operators in the chain

EBN shows its involvement in the whole energy chain by committing itself to good employment practices and encouraging partners to ensure good behaviour in their part of the chain. EBN sends out annual emails to its partners, explicitly asking how they monitor the integrity of their suppliers and (sub)contractors and asking whether codes of conduct and documentation have been drawn up. We publish the results of this survey in the following year in our OPI (Operational Performance Indicators) report. The 2021 survey did not give rise to any improvement plans in 2022. But if there are any abuses reported, EBN would discuss them with its partners during their periodic meetings so that improvement plans can be drawn up in consultation. EBN did not receive any reports of abuses in 2023.

### SCAN

For the SCAN project, EBN has set up a notification register, a complaints register, and a damages register. EBN keeps in touch with the relevant stakeholders to make sure a report, complaint and/or damage report is followed up. More generally, we take regular inventories of people's experiences on the environment with our activities. And we take these into account in order to improve subsequent projects.

### EBN Code of Conduct for suppliers

We use our General Purchasing Terms & Conditions for goods and services for external suppliers. This

(Article 21) contains provisions on, among other things, integrity, ethical standards and human rights. We ask the supplier to comply with all its obligations to EBN, to take responsibility for its own supply chain, and to encourage its own suppliers to comply with ethical standards and human rights. Our General Purchasing Terms & Conditions are publicly available on our website. EBN can also carry out a supplier audit whenever it deems it necessary, although suppliers are always given sufficient notice of this. No audits were carried out in 2023.

### Provisions for negligence or misconduct

If EBN receives a complaint or if a (damage) report is made about a specific situation, EBN will investigate it. Depending on the nature of the (damage) report, EBN will do its utmost to ensure that the complaint is resolved. In the event of a report on damage (e.g. as a result of the SCAN project), EBN will pay sufficient compensation for the complainant to make repairs. External parties can report suspected negligence or misconduct through EBN's standard email address, which can be found on our website.

If necessary, EBN will proactively resolve a situation that is a direct result of our own business activities. (See also our most important strategic risks.) For partners over which EBN has no direct influence, these partners must take responsibility for their own activities. However, EBN will use every opportunity to encourage better performance through knowledge, advice, and supportive collaboration.

We will also engage in improvement activities, such as the HSE benchmark which shares best practices. This is how EBN can also contribute to good behaviour in the chain, albeit indirectly. EBN has a special telephone number for seismic research within the SCAN programme that can be reached during office hours. EBN also uses a damage protocol for seismic research on the SCAN project. The damage protocol and notification form can be found on the SCAN website.

For all questions, claims and measures on damage caused by gas extraction activities in Groningen, anyone affected can contact the Institute for Mining Damage Groningen (IMG), established on 1 July 2020. The IMG's job is to deal with damage caused by soil movement resulting from the construction or operation of mining machinery used for the extraction of gas from the Groningen gas field or for the Norg gas storage project. The IMG decides independently on (all forms of) damage compensation claims. The IMG also handles reports of potentially acutely unsafe situations ('acuut onveilige situaties' or AOS). The IMG website has information on how it handles claims. For all questions, claims and measures on the reinforcement of homes and buildings, those affected can contact the National Coordinator Groningen (NCG), the organisation that carries out the task of reinforcing homes and buildings in Groningen. For those affected, the National Coordinator Groningen website has information on all the relevant measures. For damage caused by mining

activities, the Mining Damage Commission website has all the relevant information.

### 3.7.5 Improvement plans and outlook

In the coming financial year, EBN will continue to clarify and refine the material topic of good governance. Making the new cooperation agreements public is one of the points of interest for 2024, in line with the government measures in response to the parliamentary inquiry into gas extraction in Groningen (so long as they do not contain business-sensitive information and that EBN's contractual partners agree to this). In 2024, EBN will also make efforts to keep all EBN employees informed on the topics in this chapter. A large number of EBN employees have only been working with us for a short period of time and it is important that everyone is aware of these topics and how they can make a positive contribution.

## 3.8 Financial results

EBN's financial results should contribute to a high equity (including liquidity and solvency) that can be made immediately available for settling present obligations. This is important, given the closure of the Groningen gas field, which will reduce profitability. There is growing concern given to uncertain factors such as financial settlements in the event of earthquakes and decommissioning and

restoration obligations. In addition, the capital can perhaps be used for investing in the energy transition.

### 3.8.1 Financial performance

Compared to the exceptionally high revenue of 2022 (EUR 12 billion), revenue for 2023 has fallen by 75% to EUR 3 billion. EUR 6.9 billion of this decrease was caused by the stabilisation of the historically high gas prices of 2022 and by lower volumes due to the closure of the Groningen gas field. In addition, the benefits coming from the returns of the Norg Agreement were 2.8 billion lower than the previous year because in 2023 only the gas year 2022/2023 was settled, compared to 2022 where three gas years were settled simultaneously. On the other hand, there was a EUR 0.7 billion higher revenue from the filling of the Bergermeer underground gas storage facility. The total operational costs amounted to EUR 2.7 billion, of which EUR 1.7 billion (2022: EUR 1.1 billion) was for filling the Bergermeer underground gas storage facility. The production, transport, and other costs (excluding costs for filling the underground gas storage facility) were EUR 656 million (2022: 699 million). Costs resulting from earthquakes in Groningen amounted to EUR 243 million (2022: EUR 73 million). Depreciation costs amounted to EUR 185 million (2022: EUR 608 million) due to lower depreciation charges for the capitalised decommissioning and restoration costs. The net result has fallen to EUR 246 million (2022: EUR 4.1 billion), mainly for the reasons given above.

EBN has paid a total of EUR 5.1 billion in taxes and levies in 2023. This payment consists of a EUR 3.2 billion solidarity contribution (one-off tax scheme) for 2022, EUR 1.1 billion in corporate tax for 2022, EUR 0.6 billion corporate tax payment in advance for 2023, and EUR 0.2 billion in dividend tax. In 2023, due to the exceptionally profitable year 2022 and its ample solvency position, EBN was able to make two substantive dividend payments totalling EUR 2.3 billion.

## Energy in motion

### Transparency first

The social need for transparency is growing every day. Openness is crucial, especially when doing work underground. Its importance was underscored by the results from the Groningen Parliamentary Inquiry. As a state-owned enterprise, we do everything we can to make and keep our business operations transparent. We want to be clear about what we are going to do, what we stand for, and how we carry out our work. This is done in collaboration with others, with integrity, thoroughness and an awareness of our responsibility.

EBN's excellent creditworthiness, both long term and short term, is reflected in the highest possible credit rating from Moody's: AAA / P-1. Due to its exceptional liquidity position and high annual free cash flows, EBN is in a perfect position to meet its outstanding short-term financial obligations. At the end of 2023, EBN had a short-term (invested) liquidity position totalling EUR 5.3 billion (2022: EUR 10.9 billion). Also at the end of 2023, EUR 897 million (2022: EUR 959 million) had been invested in long-term investment instruments. This means that the term of the invested liquidity corresponds with the term of the obligations. Part of the liquidity is intended to meet long-term obligations. However, due to their long-term nature, long-term investment instruments are included in the balance sheet under non-current financial fixed assets. In 2024, the long-term loans will be repaid from the existing liquidity to the amount of EUR 104 million, this being the euro leg of the related cross-currency interest rate swap. Due to robust positive cash flows from operating activities, which exceed capital expenditures, EBN annually generates significant free cash flow under normal market conditions. This is also expected to be the case in 2024.

EBN has at its disposal a EUR 2 billion commercial paper programme. On 15 December 2021, EBN also secured a revolving credit facility with two renowned banks, which offers EBN the possibility of borrowing up to EUR 300 million for general corporate purposes. This credit facility initially runs until December 2026, with EBN having the option to request the banks in 2022 and 2023

to extend the term by one year each time – thus a total of two years. In 2023, EBN made use of the second option and the revolving credit facility was extended until December 2028. As of year-end 2023, EBN had not used the commercial paper programme nor the revolving credit facility and there are therefore no loans outstanding on these facilities.

### 3.8.2 Investments

In 2023, EBN invested a total of EUR 152 million in permits for extraction and storage, which is EUR 13 million less compared to 2022. In 2024, EBN expects to invest EUR 365 million in exploration and production activities, CCS, and geothermal energy.

### 3.8.3 Sales

#### Gas and storage capacity

In 2023, gas prices worldwide experienced significant volatility, at the effect of both macroeconomic shifts and geopolitical developments. In 2023, the volume weighted average yield price of the EBN gas portfolio was EUR 48/MWh (2022: EUR 131/MWh). Also in 2023, total gas sales fell by 45% to 4.1 billion Nm<sub>3</sub> GE (2022: 7.5 billion Nm<sub>3</sub> GE). This can be explained by the definitive ending of gas extraction from the Groningen gas field as of 1 October 2023 and as the result of an overall decreasing production profile of the other gas fields. During 2023, EBN continued work on filling the Bergermeer underground gas storage facility. At the end of 2023, the storage facility was 82% full and the physical

gas in-store position totalled 14.1 TWh. The total revenue realized in 2023 amounted to EUR 1.8 billion.

### Oil, natural gas condensate and LPG

In 2023, the average price for a barrel of crude oil (Brent) fell to EUR 76 per barrel (2022: EUR 96 per barrel), a decrease of 20% compared to the average price level of last year. Total sales of oil and condensate for 2023 amounted to 0.7 million barrels (2022 0.6 million barrels), an increase of 17% compared to last year. In 2023, the total realised revenue of oil and condensate amounted to EUR 48 million (2022: EUR 56 million).

## 3.9 Reflection and looking ahead

2023 was EBN's 50th anniversary year. To mark the occasion, His Majesty King Willem-Alexander paid a royal visit in October to the test drilling site for geothermal energy in Ouder-Amstel. In addition, throughout the year, money was collected and donated to the Energy Bank. Its mission is to combat energy poverty, and we are proud to have donated 50,000 euros. The new 'Fit for 60' strategy became operational as of January 2023, making even more visible our transformative role in the energy transition.

An important moment in 2023 was the publication of the report 'Groningers over gas', which detailed the parliamentary inquiry into natural gas extraction in

Groningen, and the subsequent government response 'Nij Begun'. The conclusions drawn from this report will have direct consequences for EBN. This is discussed in more detail in this report.

In addition, major steps were taken within our company in the area of sustainability reporting. These especially include the steps we made to prepare reporting according to the requirements of the Corporate Sustainability Reporting Directive (CSRD) as of 2026. To this end, we carried out a double materiality analysis and the biennial stakeholder and reputation survey in 2023.

2024 began in a period of political instability due to the fall of the cabinet in the summer of 2023. Although the climate dossier was not deemed controversial, we see a high degree of uncertainty within the sector regarding the political situation. EBN believes in progressing the current climate and energy policy, with a focus on implementation power and realisation. Given the tight labour market and the scarcity of materials and infrastructure, this will be a major challenge in 2024.

While the first half of 2023 was dominated by delays for Porthos, halfway through the year the ruling of the Council of State cleared the way for shareholders to make the final investment decision. Construction will begin in 2024. In addition, Aramis has entered the so-called FEED phase and can now work towards an investment decision.

On 1 October this year, the Groningen gas field will be permanently closed. Further progress is being made based on the so-called Acceleration Letter from Hans Vijlbrief, State Secretary for Mining, to stimulate the production of natural gas in the North Sea. EBN's role in this enterprise will become clearer throughout the course of this year.

The SCAN drilling operations will continue in 2024, which will carry out close investigations into the potential of geothermal energy. In addition, there will be further clarification on the Collective Heating Networks Act (Wet collectieve warmtenetten or WcW) and the (potential) role EBN can play in heating networks.



Drilling site Oude-Amstel

# 4. Risk and Corporate Governance

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Things can happen both inside and outside EBN that can pose a risk to our continuity or strategic goals. For each risk, we determine the probability of it occurring and possible effect it would have on our activities. We then take steps aimed at maintaining our corporate values and improving our performance. We are transparent about internal and external risks, and closely monitor their development. This helps us to make quick adjustments, create and maintain value, improve our performance, and meet the requirements imposed on us by legislation and regulations. We periodically report the development of the most important strategic risks to the Supervisory Board (SB). We have also included concrete measures to mitigate risks in the multi-year plans of our corporate departments and topics. EBN's head management actively monitors the strategic risks.

## 4.1 Risk Management

Enterprise Risk Management (ERM) enables us to achieve our goals in a responsible manner and to be accountable for them. Our risk management policy is focused on all facets of the company, from strategic and operational risks to the reliability of (financial) reporting and our compliance with legislation and regulations.

To determine the probability and effect of the various risks, we use the EBN Risk Assessment Matrix (RAM).

This is a methodology that clearly determines risks at the project, business and strategic levels.

EBN has organised its risk management as follows:

1. The directors and department managers are themselves responsible for identifying the risks and implementing control measures in a timely manner. This decentralised responsibility is an essential element in the way EBN approaches risk management.
2. The Business Control Manager coordinates the risk management process and, together with the Business Control department and AO/IB Coordinator, supports the management.
3. The Board of Directors monitors the risks.

Using our Strategic Risk Analysis (SRA), we identify possible events that might threaten the continuity or realisation of our strategic goals. We quantify the identified risks by stating the probability of an event occurring and the impact this event might have on our activities. During our annual sessions, the Board of Directors and the Supervisory Board update and determine the strategic risks and risk appetite.

As part of the implementation of CSRD, EBN is working on further embedding impact, risk, and opportunity management in relation to climate change into our risk management policy.

Every year, at the level of our (business) units and departments, the management links the strategic risks to (business) unit and department objectives. The teams also carry out a yearly Business Risk Assessment (BRA).

During these self-assessment sessions, each (business) unit and department updates the business risks. These teams also test the design and operation of the control measures that were identified and implemented. Where necessary, they adjust (business) unit and department objectives and appoint someone to monitor this. These monitors follow up on any findings and take action to ensure that the control measures sufficiently cover the risks.

Based on, among other things, the SRA and BRA, we carry out Internal Audits to evaluate the effectiveness of important business processes. We determine actions based on the findings, and then assign them to those responsible.

We also discuss the most important findings from these Internal Audits with the Audit Committee of the Supervisory Board.

Most of the findings are connected to EBN's new activities or processes and how we want to professionalise them. The various audits did not result in the identification of high-priority action items. By the end of 2023, most action items had been followed up on. The actions

taken sufficiently mitigated the risks. We will address the remaining action items in 2024.

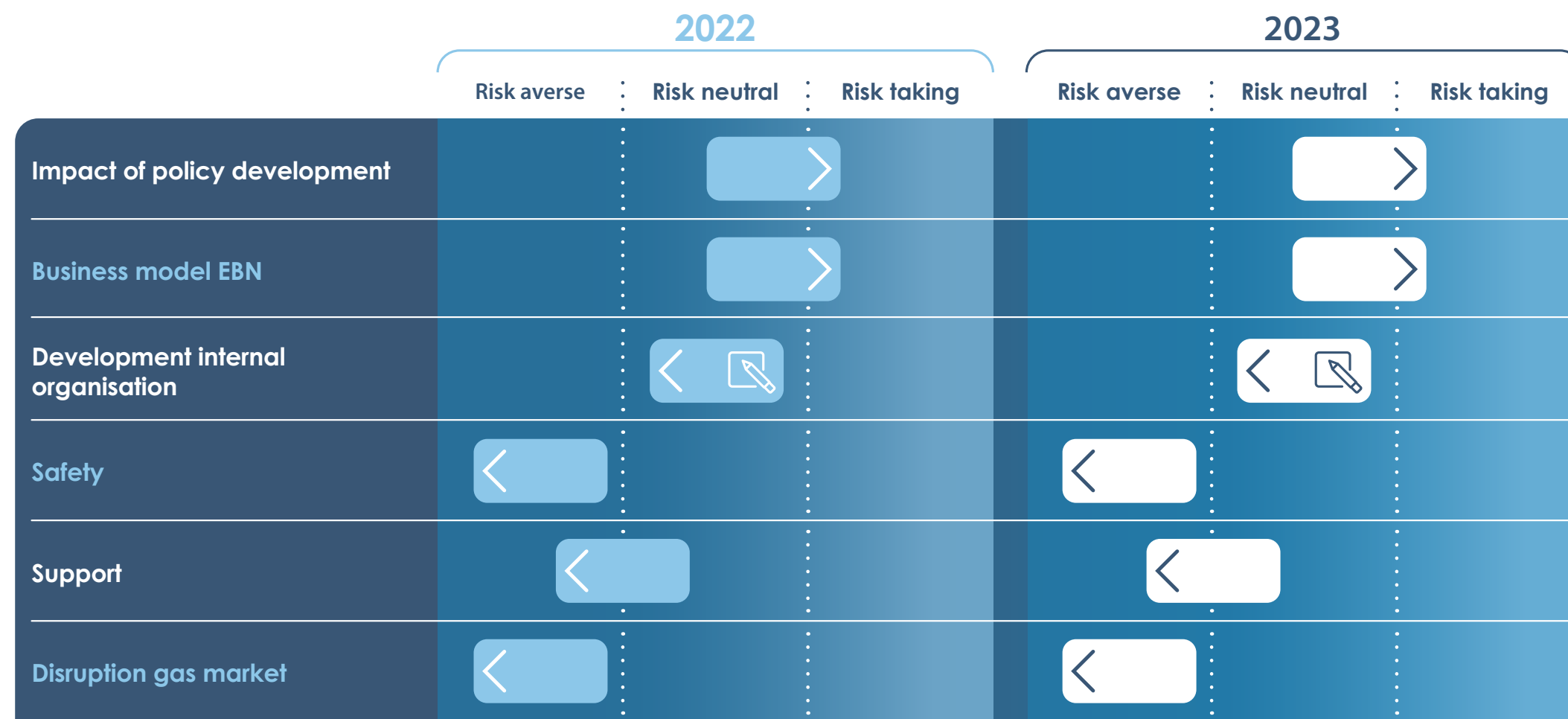
In addition to the internal audits, EBN also carries out Joint Venture Audits on the costs that we are charged by operators in our various partnerships. We discuss the findings of these audits with the operators and, if necessary, they make corrections and/or adjustments to their allocation (system). There is also an annual external review of the process for determining oil and gas reserves and resources. A detailed review is carried out on fields that have undergone material changes and/or are material in EBN's portfolio. Any recommendations from the review are followed up and implemented to ensure the continuous improvement of this process.


## 4.2 Risk appetite

The figure below shows the risk appetite for the most important strategic risks. The risk appetite for financial and operational risks featured in other chapters is neutral. The risk appetite for compliance risks is risk averse.

## 4.3 Major strategic risks

In 2023, we further assessed the risks together with the Supervisory Board. In the Risk Assessment Matrix below, we have projected the strategic risks according to probability and effect.



 The importance of effective internal control. Internal controls, administrative functions and personnel management are on the rise due to the growing complexity of the organisation and the expansion of activities.



# Major strategic risks 2023

- SRA 2022 (and annual report)
- SRA 2023

## Likelihood (kans)

A	B	C	D	E
Zeldzaam	Onwaarschijnlijk	Mogelijk	Waarschijnlijk	Zeer Waarschijnlijk
Nog nooit voorgekomen bij EBN projecten / operaties / industrie	Kan wel eens voorkomen bij EBN projecten / operaties / industrie	Doet zich jaarlijks voor bij EBN projecten / operaties / industrie	Komt enkele keren per jaar voor bij EBN projecten / operaties / industrie	Komt meerdere keren per jaar voor bij EBN projecten / operaties / industrie

## Consequences (effect)

People	Environment	Impact on stakeholders	Assets & economics	Rare	Unlikely	Possible	Likely	Very Likely
				Never heard of in EBN projects / operations / industry	Heard of in EBN projects / operations / industry	Has happened in EBN projects / operations / industry	Happens a few times a year in EBN projects / operations / industry	Happens several times a year in EBN projects / operations / industry

Severity (ernst)

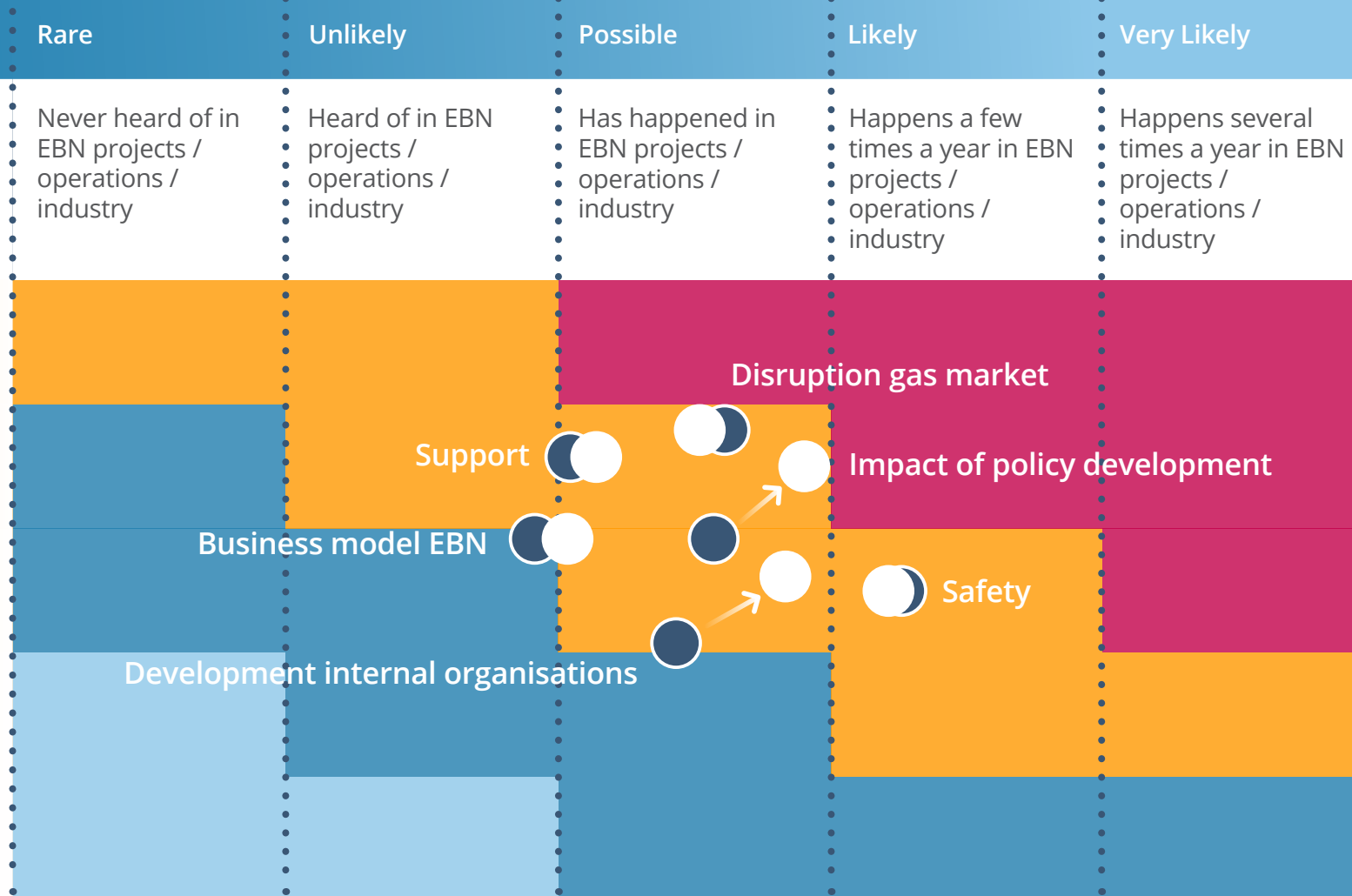
**5** Massive impact (enorme impact)

**4** Major, national impact (grote, nationale impact)

**3** Moderate, local impact (matige, lokale impact)

**2** Minor impact (kleine impact)

**1** Slight impact (geringe impact)



## Major strategic risks 2023

	Description	Risk appetite	Control measures
Impact of policy development	<ul style="list-style-type: none"> <li>The State sets the parameters within which EBN is required to operate. However, energy policy development has been subject to significant change in recent years (role of natural gas, geothermal energy policy, etc.). This results in the following risks:                             <ul style="list-style-type: none"> <li>EBN is a state-owned enterprise and implements the policy of the Ministry of Economic Affairs and Climate Policy. The risk is that EBN might experience difficulty in translating unclear policy or policy that is constantly changing to its strategy. Close coordination is therefore essential;</li> <li>The necessary political support and mandate, and improvement of the E&amp;P investment climate, are lacking, resulting in exploration activities in the Netherlands not materialising (in a timely manner);</li> <li>Due to complex power dynamics, a lack of consensus regarding the usefulness and necessity of the heat transition, and politics failing to establish the required conditions for success, the heat transition does not gain momentum. Furthermore, the future structure of the market, financial support, and organisation of the sector are not suitable for developing a new value chain that in the coming years will represent primarily long-term social value, rather than short-term commercial value.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Regarding the impact of policy development, EBN's risk appetite ranges from risk neutral to risk taking, as appropriate within the energy transition policy framework that is being developed by the government.</li> </ul>	<ul style="list-style-type: none"> <li>EBN remains in close contact with the ministry regarding the official course to be taken. EBN advises where possible and necessary, ensuring optimal decision-making in The Hague, taking into account the interests of all stakeholders.</li> </ul>
Support	<ul style="list-style-type: none"> <li>There is a risk of insufficient public support for the role, strategy, and (new) activities of EBN, or insufficient support among (existing and potential) partners.</li> <li>Projects are delayed or cancelled due to lack of local support. There is a risk that, as a result of negative sentiments surrounding gas extraction, EBN's position comes under pressure.</li> </ul>	<ul style="list-style-type: none"> <li>Overall, EBN takes a risk-neutral to risk-averse position.</li> </ul>	<ul style="list-style-type: none"> <li>EBN contributes to the energy debate in the Netherlands with factual information;</li> <li>EBN frequently aligns with its stakeholders on the content and perception of current and future activities;</li> </ul>
Business model EBN	<ul style="list-style-type: none"> <li>Uncertain market conditions resulting from geopolitics, war, and/or overheated markets lead to scarcity of resources and rising prices (inflation). This leads to costs escalations, including rising development costs and costs for investing in new projects. Consequently, there is a risk of not being able to develop a viable business case and projects not materialising. The business environment is a crucial factor for the success of new activities. Initiating a project where there is no existing market is a challenge. EBN's business model is undergoing a transition from high profit margins with relatively few resources (E&amp;P) to low profit margins with relatively many resources (geothermal energy, CCS, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>EBN takes a risk-neutral to risk-taking position when it comes to external factors that could influence the business case during the implementation phase of investments;</li> <li>However, EBN is risk averse when it comes to partners fulfilling their obligations.</li> </ul>	<ul style="list-style-type: none"> <li>EBN maintains a robust dividend policy, which has been agreed upon with the shareholder, that targets a solvency ratio of 25%. This provides EBN with a sufficient buffer to absorb any financial setbacks. EBN evaluates various scenarios for the impact of external factors on its current and future activities/products;</li> <li>Regarding financing and financial robustness, there is frequent contact with the State. EBN requests additional guarantees (DSA or PCG) for partners or activities with a high risk profile or incorporates additional measures in the Cooperation Agreement (Geothermal energy);</li> </ul>

## Continued major strategic risks 2023

	Description	Risk appetite	Control measures
Business model EBN (continued)	<ul style="list-style-type: none"> <li>Higher standards for decommissioning installations or changing market conditions drive up the decommissioning and restoration costs or limit cost reduction. The new activities are heavily reliant on subsidies, making them vulnerable to changing priorities among the institutions that grant them. Furthermore, EBN is vulnerable to risks associated with working with smaller companies: safety, financial robustness, and financing capabilities of partners.</li> </ul>		<ul style="list-style-type: none"> <li>EBN conducts ongoing peer reviews and sensitivity analyses within individual projects and will minimise the impact of low gas prices through commodity hedging as much as possible.</li> </ul>
Safety	<ul style="list-style-type: none"> <li>During the operations of our operators and our own activities, the local community may be faced with safety and environmental incidents. When this occurs, EBN should be able to terminate activities. Furthermore, there is a risk of system failures and loss of valuable EBN-owned data (ransomware).</li> </ul>	<ul style="list-style-type: none"> <li>Overall, EBN takes a risk-averse position.</li> </ul>	<ul style="list-style-type: none"> <li>For all activities, EBN develops an HSE management system and benchmark;</li> <li>EBN actively engages in conversation with operators to positively influence HSE performance;</li> <li>EBN utilises Security Information and Event Management (SIEM) and regularly conducts technical security audits.</li> </ul>
Disruption gas market	<ul style="list-style-type: none"> <li>Uncertain market conditions due to geopolitical developments result in gas and oil scarcity and a sharp increase in gas and oil prices (inflation). This poses a threat to the security of supply and the affordability of gas.</li> </ul>	<ul style="list-style-type: none"> <li>Overall, EBN takes a risk-averse position.</li> </ul>	<ul style="list-style-type: none"> <li>Ahead of the winter of 2022/2023, EBN was commissioned by the Ministry of Economic Affairs and Climate Policy (EZK) to fill the Gas Storage Bergermeer with working gas up to the desired level. EBN is also continuously in discussions with the ministry regarding additional assignments that could contribute to the security of the gas supply in Europe.</li> </ul>

## 4.4 Corporate governance

### Shareholder General

EBN is a private limited company with the Dutch State as its sole shareholder. The management of the shares is entrusted to the Minister of Economic Affairs and Climate Policy. EBN is a state-owned enterprise (SOE). An SOE is a company in which the shareholder role is not vested with the Minister of Finance. Within the ministry, the shareholding is vested in the Deputy Secretary General, who is supported by officials from the Financial Economic Affairs Directorate, Owner Advice team. The substantive policy lines are implemented by the DG Climate and Energy and the DG Groningen and Subsurface, and their associated departments.

EBN's issued and paid-up capital amounts to EUR 128,137,500 and is divided into 284,750 ordinary shares with a nominal value of EUR 450 per share.

Since April 2022, the governance of EBN has been based on a relaxed structure regime. This means, among other things, that the shareholder appoints the CEO and members of the Supervisory Board (SB) of EBN. The SB will nominate someone for the position of CEO to the shareholder. The shareholder appoints a Supervisory Board member on the recommendation of the Supervisory Board, and the Works Council has

an enhanced or normal right of recommendation. The shareholder appoints a chairman from among the members of the Supervisory Board.

EBN's articles of association state that for certain decisions, the CEO must have the prior approval of the Supervisory Board or the shareholder. With regard to the approval of the Supervisory Board, we refer to paragraph 6.5 on the approvals of the Supervisory Board. Instances in which shareholder approval is necessary include:

- Making investments (or divestments) with a value of more than EUR 200 million.
- Closing the company or dissolving the company or a subsidiary or an important part of the company.
- Decisions by the Board of Directors regarding an important change in the identity or character of the company, such as entering into or terminating a long-term partnership (with the exception of a partnership agreement as referred to in the Mining Act).

### Shareholders' meeting

The annual shareholders' meeting was held on 28 March 2023. This meeting was attended by the CEO, the CFO, the COO, and the Supervisory Board.

In every instance, the following topics will be on the agenda during the annual shareholders meeting:

- Consideration of the CEO's written annual report on the company's affairs and its management.

- Adoption of the annual financial statements and determination of the profit appropriation.
- Discharge of the CEO for his management over the past financial year.
- Discharge of the supervisory directors for their supervision over the past financial year.

At the meeting, the 2022 annual financial statements were adopted, and the general meeting granted discharge to the CEO and the members of the Supervisory Board.

### Informal consultations between shareholder and policymaker

In addition to the shareholders' meeting, the CFO of EBN regularly holds informal consultations with shareholder representatives from the ministry. This informal consultation is intended to provide the shareholder with all the relevant financial information it needs to carry out its responsibilities. To this end, the Board of Directors has an obligation to provide all relevant information in a timely manner. The CEO, the CFO, the chairman of the Supervisory Board, and the deputy secretary general also hold strategic consultations (two to three times a year) on current shareholder topics.

We also hold regular informal consultations with the policymaker. There are established consultations, such as a strategic consultation, management consultation, gas transition consultation, heat transition consultation, and CCS consultation. During these regular consultation

meetings, we exchange information on developments within both organisations, possible changes to energy policy, and developments that are relevant to EBN's tasks and activities. EBN's business unit directors and other EBN employees are present at the gas transition consultation, heat transition consultation, and CCS consultation. During strategic consultations, it is standard for the chairman of the Supervisory Board to be present, in addition to the CEO and COO.

### Supervisory Board

The Supervisory Board is responsible for supervising the policy of the Board of Directors and the general state of affairs within EBN. It also offers advice to the board, whenever necessary and desirable. The board in turn provides the Supervisory Board with all necessary and relevant information so that the Supervisory Board can carry out its tasks and responsibilities. EBN's articles of association state that for certain decisions, the Board of Directors needs the prior approval of the Supervisory Board.

For example:

- Determining and amending the operating budget and the investment and financing plan.
- Appointing power of attorney holders.
- Making investments (or divestments) and performing other legal actions with a value of more than EUR 50 million.
- Determining or changing the strategy.

In 2023, there was a change in the composition of the Supervisory Board. Mr Weck resigned as supervisory director of EBN on 1 March 2023 (end of second term). With effect from 13 March 2023, the shareholder Ms R.M. Bergkamp was appointed a member of the Supervisory Board of EBN. Mr Huijskes and Ms Kneppers-Heijnert resigned with effect from 1 January 2024 (end of second term). The shareholder has appointed Ms A.H. Mulder as member of the Supervisory Board. Mr F. Eulderink has been appointed chairman of the Supervisory Board.

### CEO

EBN is led by one statutory director, the CEO. The CEO is responsible for general company policy and strategy, with the associated risk profile for company business. The CEO is also responsible for the realisation of the company's objectives, the development of results, and the relevant social aspects of business activities. Where necessary, the CEO shall submit decisions to the shareholder or the Supervisory Board for approval. In addition, the CEO is responsible for a properly functioning internal risk management and control system.

### Executive Team/Board of Directors

The CEO is assisted by two titular directors who, together with the CEO, form the Board of Directors. The CEO is the chairman of the Board of Directors. In addition to CEO Jan Willem van Hoogstraten, the Board of Directors consists of the following people: Bas Brouwer (CFO) and

Yolande Verbeek (COO as of 1 March 2023). See also the organisational chart.

For a long time, EBN has worked with an executive committee as referred to in the corporate governance code. The executive committee is formed by the Board of Directors (the CEO and two titular directors). The Board of Directors works on the basis of collective responsibility with its tasks divided up into functional areas. (See the [governance table](#) for a further explanation of the division of tasks.) This division of tasks is also laid down in the regulations of the Board of Directors. Each member of the Board of Directors is responsible for the preparation of policy matters and decisions within his or her own area of responsibility. After the Board of Directors has come to its decisions, the members of the board shall ensure that the aforementioned decisions are carried out in a timely manner. The CEO remains ultimately responsible for all tasks and decisions of the Board of Directors and members of the board report to the CEO.

The appointment, suspension and dismissal of titular directors require prior consultation between the CEO and the Supervisory Board. As standard, the titular directors are present at meetings of the Supervisory Board and at meetings of the Audit Committee of the Supervisory Board. This helps ensure that the board are always provided with sufficient information.

In the annual report, the Board of Directors describes the main risks concerning EBN's strategy and how the internal risk management and control systems are set up and working. The board also reports which significant changes were made and which important improvements are planned. See the chapter on [risk management](#).

### Recruitment and selection of Supervisory Board and Board of Directors

The recruitment process for a new member of the Supervisory Board makes use of a Supervisory Board profile. This is a profile drawn up by the Supervisory Board in discussion with the shareholder and Works Council (including both general requirements and specific requirements per profile, with competencies). The Supervisory Board revised the profile in 2023. The shareholder is usually contacted about a specific vacancy before the start of the recruitment process, but there is also contact with the shareholder during the search process about candidates on the longlist and the shortlist. Diversity is an item of concern during the recruitment process (see also the [diversity policy](#) of the Supervisory Board) and to ensure independence, the Supervisory Board adheres to the corporate governance code. The shareholder appoints the CEO and determines the criteria to be applied at that time.

In accordance with the SOE Memorandum 2022, the shareholder examines each vacancy to see what knowledge, skills and competencies are required and to



*f.l.t.r. Bas Brouwer, Jan Willem van Hoogstraten, Yolande Verbeek*

what extent a candidate meets these requirements. The candidate's awareness of the social context in which the company operates and the public interests that its operations involve is also evaluated.

### Remuneration

The shareholder determines the policy for the remuneration of the Board of Directors. Within the framework of that policy, the Supervisory Board

determines the actual remuneration of the CEO, including his or her variable remuneration. The CEO's remuneration is explained in the Supervisory Board's [remuneration report](#).

The fixed remuneration of the Board of Directors' other members is determined by the CEO, in accordance with the remuneration policy as determined by the Supervisory Board. The realisation of the variable remuneration and

the adjustment of the fixed remuneration is determined by the Supervisory Board.

Variable remuneration consists of two components: an 'objectives' component (realisation of corporate objectives and strategic annual objectives) and an additional component (discretionary authority of the Supervisory Board). You can find the EBN objectives for 2023 [here](#). One of the objectives concerns CO<sub>2</sub> reduction.

For other EBN employees (including other senior management), variable remuneration depends on EBN objectives, individual performance goals, personal development, and overall performance.

EBN does not use signing fees (when entering into an employment contract) or other forms of compensation for new employees. EBN employees take part in an ABP pension scheme. Clawback provisions are not part of an EBN employment contract (except in the CEO's contract; see [remuneration report](#)). EBN has no general policy when it comes to making termination settlements – this is assessed on a case-by-case basis.

### Governance table

The [governance table](#) includes the following information for both Board of Directors and Supervisory Board: age, ancillary activities, terms, profiles/specific knowledge, and tasks within EBN.

### Conflicts of interest

EBN affirms principle 2.7 of the Corporate Governance Code (see below '[Application of the Corporate Governance Code](#)') which states that any form of conflict of interest between the company and its board or Supervisory Board members should be avoided. The articles of association, the Board of Directors' regulations, and the Supervisory Board regulations all contain a regulation that addresses (potential) conflicts of interest between the company and the board or Supervisory Board members. Any (potential) conflict of interest, pertaining to a member of the Supervisory Board or the board, must be reported immediately to the chairman of the Supervisory Board. The Supervisory Board then determines, without the individual in question being present, whether the member of the board or Supervisory Board under review has a conflict of interest. If a determination or decision is made on a subject in which a member of the Supervisory Board has a conflict of interest, this individual cannot take part in consultations on that subject.

For the CEO: If the Supervisory Board has established that the CEO has a conflict of interest, then management decisions can only be taken if EBN enters into the transaction under conditions that are customary in the market and that these management decisions have the approval of the Supervisory Board.

In 2023, no conflicts of interest were reported by the CEO or member of the Supervisory Board. By disclosing reports

of (potential) conflicts of interest in the annual report, these reports are made transparent to all stakeholders.

### External auditor

The shareholder appoints the external auditor, which may be nominated by the Supervisory Board. At the end of 2019, EBN carried out a European tender process to select the auditor that would audit the annual financial statements for 2020 and beyond. The Supervisory Board nominated PwC as the accountant and the shareholder appointed PwC to audit the annual financial statements from 2020 to 2023.

### Application of the Dutch Corporate Governance Code

EBN attaches great importance to good corporate governance. For this reason, EBN voluntarily submits to the principles and best practice provisions of the Dutch Corporate Governance Code 2022 (insofar as they are applicable to EBN). EBN thereby follows government policy with regard to state shareholdings and the Code. The Dutch Corporate Governance Code and information about it can be found at [Home | Monitoring Commissie Corporate Governance \(mccg.nl\)](#). EBN has also published a report that explains how we apply each principle and best practice provision. This implementation report can be found at [www.ebn.nl/ebn-over/corporate-governance/](#).

The implementation report has been approved by the Board of Directors and will also be shared with the Supervisory Board and shareholder.

### Diversity in the Supervisory Board, Board of Directors, and senior management

EBN has drawn up a diversity and inclusion policy (D&I policy) in 2023. This policy was discussed with the Supervisory Board and the Supervisory Board subsequently established the D&I policy for the composition of the board and the supervisory board. The board, with the approval of the Supervisory Board, has established the D&I policy for the Board of Directors, the sub-top and the other employees of EBN. EBN has set targets for age and gender. The goals are included below, including the realization of these goals by the end of the financial year:

- Supervisory Board (2023): at least two female members, at least two male members (in accordance with existing diversity policy). At the end of the financial year, the Supervisory Board consisted of three women (60%) and two men (40%). The objective has been achieved.
- Director (2023): no target set as there is only one director (Jan Willem van Hoogstraten, male).
- Board of Directors (2023): at least 1/3 women, at least 1/3 men. At the end of the financial year, the board of directors consisted of one woman and two men. The objective has been achieved.
- Subtop (2023): at least 40% women, at least 40% men. At the end of the financial year, EBN's sub-top

management consisted of 54% men and 46% women. The sub-top is defined as the executives who report directly to the Board of Directors. This means the objective has been achieved.

- Hierarchical management reporting to the Directors within the Business Units: at least 40% women, at least 40% men. At the end of the financial year, this consisted of 33% women and 67% men. The objective has not been achieved.
- Gender: A division of half men and half women. At the end of the financial year, the influx of new employees consisted of 48% women and 52% men. The objective has not been achieved.
- Age: at least 1/3 of the influx is younger than 35 years. At the end of the financial year, it turned out that 37.8% of newcomers were younger than 35 years old, of which 53% were women and 47% were men. The objective has been achieved.

EBN has also come up with measures to achieve the target figures. These measures include carrying out external studies (into remuneration, policy documents, and employee perception in the field of diversity and inclusion) and determining a male-female distribution when hiring new people. In addition, EBN has developed an action plan designed to create greater diversity in the workforce and a more inclusive corporate culture. Further measures are described in the action plan.

### Governance and sustainability

EBN is a state-owned enterprise of the Ministry of Economic Affairs and Climate Policy that not only works to provide a reliable and affordable energy supply, but is committed to accelerating the energy transition. In our internal operations and our efforts to make the gas value chain more sustainable, we want to work in such a way that there is no negative impact on people, the environment and society. At the same time, we want to increase our positive impact by working with partners to ensure a reliable and affordable energy supply and to speed up the necessary development towards a future-proof and sustainable energy system for current and future generations.

EBN actively engages with its associates and stakeholders on the topic of sustainability. In our partnerships, EBN is aiming for a lower environmental impact and smaller CO<sub>2</sub> footprint. EBN is committed to safety. We strive to ensure that both the current and future operational activities we take part in (E&P, geothermal energy, CCS, sustainable gases) do not exceed risk limits and thereby pose a danger to people and the environment. We have an HSE benchmark for the oil and gas operations we're involved with and an HSE management system for SCAN. If necessary, we expand the HSE management system for new activities.

EBN is also actively engaged in good employment practices or 'prudent operatorship'. We also encourage



our partners to take social responsibility and demonstrate good behaviour in their area of the chain. We ask our suppliers to take responsibility for their own supply chains and to encourage compliance with ethical standards and human rights laws among their suppliers.

EBN's CSR declaration requires the approval of the Board of Directors – this is true of all policy documents and is done in accordance with internal processes. All work processes are subject to periodic audits in accordance with the internal audit schedule. The Audit Committee of the Supervisory Board is informed annually about the core elements of the audit results. EBN reports quarterly on the progress of all its activities in the quarterly report. This quarterly report includes all our strategic objectives and is linked to EBN's material topics. EBN goes over the quarterly report with the Supervisory Board, and EBN will also discuss it with the shareholder representatives of the ministry. The quarterly report is available to all employees.

It is especially crucial that the Supervisory Board is aware of the importance of knowledge, skills and experience in the field of sustainable development. The individual members of the Supervisory Board come from different backgrounds, which means that their individual knowledge, skills and experience is also different. Depending on the needs and topics in which EBN is involved, in-depth sessions are organised to keep all members of the Supervisory Board properly informed.

### Stakeholder involvement

There are many different stakeholders involved in EBN's activities. Contact with stakeholders takes place at all levels of the organisation: from the Board of Directors to individual employees who may have project-related contact with such bodies as the Ministry of Economic Affairs and Climate Policy, partners working on projects with EBN, provincial and local governments, and non-profit organisations. Contact with stakeholders can be general in nature or specific to an EBN project or investment decision.

The chairman of the Supervisory Board has regular contact with the Ministry of Economic Affairs and Climate Policy. During meetings of the Supervisory Board, EBN employees keep its members informed about their contact with stakeholders. EBN will also keep the Supervisory Board informed about the annual stakeholder survey. EBN carries out an annual assessment to see whether its strategy needs to be adjusted, with sustainability and the transition to a CO<sub>2</sub> neutral energy system by 2050 as the starting point.



# 5. Report of the Supervisory Board

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## 5.1 General

The Supervisory Board acts as the CEO's employer and supervises how the management implements the strategy for sustainable long-term value creation. In this report the Supervisory Board expands on how it carried out its supervisory duties and assisted the CEO in an advisory role.

In accordance with the 2022 Memorandum on State Participations Policy EBN applies the Dutch Corporate Governance Code insofar as relevant and applicable. The application of the Corporate Governance Code is discussed in more detail in the Risk & Corporate Governance section of this annual report. The updated Corporate Governance Code was published in December 2022. In this annual report EBN reports on the application of the 2022 Corporate Governance Code.

## 5.2 Composition of the Supervisory Board

There were several changes in the composition of the Supervisory Board in 2023. The shareholder appointed Renée Bergkamp to the Supervisory Board of EBN with effect from 13 March 2023.

With effect from 1 January 2024 the shareholder appointed Agnes Mulder to the Supervisory Board of EBN and appointed Frits Eulderink as chairman of the Supervisory Board. In nominating Ms Mulder the Works Council exercised the enhanced right of recommendation, in close consultation with the Supervisory Board. The Supervisory Board wishes to thank the Works Council for the pleasant cooperation.

The appointment of three new Supervisory Board members in 2023 also meant that three Supervisory Board members stepped down. EBN and its Supervisory Board would like to thank Liesbeth Kneppers-Heijnert, Jan Willem Weck and Jaap Huijskes for their efforts on behalf of EBN. All three served two terms as members of the EBN Supervisory Board and during that time made a significant contribution to the development of EBN and its activities.

When vacancies arise on the Supervisory Board reference is made to the profiles outlined in the Supervisory Board profile, which was updated in 2023. The Supervisory Board consulted the shareholder and the Works Council on the update and the amended profile was subsequently adopted. The profile was also published on the EBN website.

In updating the profile the Supervisory Board took into account the nature and activities of EBN's business. The profile looks at the desired expertise and background of the Supervisory Board members, the desired mixed

composition of the Supervisory Board as referred to in best practice provision 2.1.5 (at least two women, at least two men), the size of the Supervisory Board and the independence of the Supervisory Board members.

The chairman of the Supervisory Board is the first point of contact for the CEO of EBN. The members of the Supervisory Board hold collective responsibility. All members of the Supervisory Board are members of both the Remuneration/Selection and Appointment Committee and the Audit Committee.

The governance table shows the members and chairman of the Supervisory Board and its committees. Gender, age, nationality, principal position, relevant ancillary positions, date of first appointment and current term are also shown in this governance table. In addition the personal details, relevant ancillary positions of the Supervisory Board members and the retirement schedule are published on the company's website under Governance structure – Supervisory Board.

The members of the Supervisory Board have no other business relationships with the company. There was no evidence of any conflict of interest between the company and members of the Supervisory Board in 2023. EBN's Articles of Association and Regulations of the Supervisory Board contain provisions on how to deal with conflicts of interest, with the basic principle being that any form of conflict of interest between the company

and a Supervisory Board member should be avoided. Any (possible) conflict of interest must be reported immediately to the chairman of the Supervisory Board, with the Supervisory Board member concerned obliged to provide all relevant information. The Supervisory Board shall then decide, without the Supervisory Board member concerned being present, whether the Supervisory Board member has a conflict of interest. Should this be found to be the case the Supervisory Board member in question will be barred from participating in the deliberations or decision-making on this subject and will not be entitled to vote on this subject.

A similar arrangement applies to any actual or potential conflict of interest involving the CEO or a member of the Board of Directors and is set out in the Regulations of the Board of Directors.

The Supervisory Board is of the opinion that the entire Supervisory Board meets the requirements for independence as set out in the Dutch Corporate Governance Code (best practice provisions 2.1.7 to 2.1.9).

### 5.3 Composition of the Management

On 1 March 2016 the General Meeting of Shareholders appointed Jan Willem van Hoogstraten as CEO of EBN. The management of EBN consists of a single CEO. The Supervisory Board conducted the appointment procedure in consultation with the shareholder, with the Works Council also being involved in the procedure. At the time of Mr Van Hoogstraten's appointment the shareholder also adopted the remuneration policy for the CEO. The Supervisory Board adopted Mr Van Hoogstraten's remuneration and further terms of employment in accordance with the remuneration policy. The Works Council issued an opinion on the remuneration policy.

On 1 March 2020 Mr Van Hoogstraten was appointed CEO for a second term, with the 2016 remuneration policy remaining unchanged. On 1 March 2024 the shareholder appointed Mr Van Hoogstraten CEO for a third term (for a period of two years in accordance with the 2022 Memorandum on State Participations Policy).

The Corporate Governance section of this annual report provides a more detailed account of the composition and task allocation of the management.

### 5.4 Meetings of the Supervisory Board

The Supervisory Board held four regular meetings during the year under review. Besides these, one additional meeting was held (on the Aramis project) and five informal consultations took place. The meetings and other consultations took place at the EBN offices, in Delft, in Amsterdam at one of the members or online. The Supervisory Board was also asked to approve a number of specific decisions outside of meetings in regard to which the Supervisory Board has a right of approval under the Articles of Association.

In addition to the members of the Supervisory Board all meetings and informal consultations were attended by the three members of EBN's Board of Directors with the exception of the consultation on remuneration, where only the CEO was present on behalf of the Board of Directors. The external auditor was present at the meetings of the Audit Committee in March, September and December 2023. At the request of the Supervisory Board most meetings were also attended by EBN employees in order to explain projects in which they are involved. This enables the Supervisory Board to stay informed of developments within EBN. Members of the Supervisory Board attended two meetings between the CEO and the Works Council in 2023.

On 15 November 2023 King Willem-Alexander paid a working visit to an EBN test drilling site. The Supervisory Board was present at this visit and was also given a tour. The table below shows the attendance rate of each Supervisory Board member at meetings of the Supervisory Board and of its committees.

	Supervisory Board (4 regular meetings, 5 interim meetings)	Audit Committee (2 meetings)	Remuneration Committee/Selection and Appointment Committee (4 meetings)
<b>Dhr. Huijskes</b>	100%	100%	100%
<b>Mw. Bergkamp</b> (from 13-3-2023)	100%	100%	100%
<b>Mw. Gehrels*</b>	100%	100%	75%
<b>Mw. Kneppers- Heijnert</b>	100%	100%	100%
<b>Dhr. De Vries**</b>	80%	67%	75%

\* Ms. Gehrels did not attend one meeting of the remuneration committee due to a stay abroad.

\*\* \*= Due to illness Wouter de Vries was unable to attend three meetings which took place on the same day (Supervisory Board, Audit Committee and Remuneration Committee).

## 5.5 Supervisory Board approvals

In 2023 the Supervisory Board approved or issued a positive opinion on matters including:

- In March 2023 the Supervisory Board adopted the Audit Committee’s positive opinion on the 2022 financial statements. The Supervisory Board furthermore advised the shareholder to adopt the 2022 financial statements and discharge the CEO from liability for the policies pursued and the Supervisory Board for the supervision exercised.
- The Supervisory Board approved the [Porthos](#) proposal.
- The Supervisory Board approved the FEED phase for the Aramis CCS project, comprising Aramis transportation and three Aramis storage initiatives.
- The Supervisory Board approved the resolution by GasTerra's shareholders to set 31 December 2026 as the date by which GasTerra shall terminate its operations.
- The Supervisory Board adopted an updated profile.

- The Supervisory Board approved an increase in the budget for the OneDyas investment proposal for the development of the N5-A gas field.
- The Supervisory Board approved the continuation of EBN’s activities to fill the [Bergermeer gas storage facility](#).
- The Supervisory Board approved a new filling contract for EBN for the Bergermeer gas storage facility.
- The Supervisory Board approved the decision to distribute interim dividends; one dividend payment related specifically to the result achieved by EBN on the Bergermeer filling contract while the other was a generic dividend.
- The Supervisory Board adopted the diversity and inclusion policy (for the composition of the management and the Supervisory Board) and approved the diversity and inclusion policy for the rest of the EBN organisation.

- The Supervisory Board approved the 2023 strategy update.
- The Supervisory Board approved the internal audit work plan for 2023 and approved the appointment of an internal audit manager.
- In December 2023 the Supervisory Board approved the 2024 work plan and budget of EBN (including subsidiaries), including the financing plan.

Five informal consultations were held to consider matters including new sustainability reporting requirements (CSRD), the auditor’s use of artificial intelligence, gas storage facilities and strategy. An informal consultation/workshop was also held on the investment decision for the Porthos project, during which all aspects of the investment decision were discussed.

## 5.6 Cooperation between EBN and the Ministry of Economic Affairs and Climate Policy

EBN and the Ministry of Economic Affairs and Climate Policy consult on a regular basis with a distinction being made between matters relating to the ministry's capacity as a shareholder and matters relating to energy policy. EBN informs the Supervisory Board about both types of contact. Shareholder topics in 2023 included EBN's role in filling the Bergermeer gas storage facility, the recruitment of three new Supervisory Board members, EBN's strategy and the financial development of the company including the dividend policy.

The chairman of the Supervisory Board and the CEO held several meetings with deputy secretary-general Gerdine Keijzer-Baldé at the Ministry of Economic Affairs and Climate Policy in 2023, with four so-called strategic consultations also being held. Strategic consultations are also attended by policy officers such as the Director General for Climate and Energy Michel Heijdra and/or the Director General for Groningen and Subsurface Esther Pijs. Strategic consultations focus on the exchange of information and coordination on strategic issues as well as developments with regard to the energy policy in general, with other topics of discussion including the policy and other objectives and priorities of both the ministry and EBN for the coming year. EBN's role in the

energy transition was a regular topic of discussion in these consultations, as was the company's involvement in Porthos and other CCS projects, the fill rates of the gas storage facilities in the Netherlands and developments in the area of gas production (including the acceleration plan for gas production in the North Sea).

The Supervisory Board values a good relationship with the ministry and believes the visits to the ministry are key to maintaining this good relationship.

## 5.7 EBN's strategy

In 2022 EBN updated its strategy in consultation with the Supervisory Board and its shareholder. The updated strategy was discussed again in 2023 and a few refinements were made. Before the Supervisory Board approved the changes the EBN strategy was also discussed at length with the ministry. The ministry, the Supervisory Board and the CEO of EBN decided to hold a number of deep dives, at which employees of EBN and the ministry discussed EBN's activities. The sessions were well-attended and EBN and the ministry spent a lot of time both on preparing the sessions and recording what was discussed. The Supervisory Board subsequently approved the EBN's 2024-2030 strategy, noting that EBN and its stakeholders face a tough sustainability challenge.

## 5.8 Topics discussed in 2023

The CEO informs the Supervisory Board of relevant developments within EBN by means of quarterly reports, which are sent out prior to the quarterly meetings. The quarterly reports cover the development of the company's objectives, financial developments (turnover, net profit, production of gas, oil and condensate in the relevant quarter, recent prices) and developments within EBN's business units and departments. The Supervisory Board also monitors the execution of EBN's strategy through the quarterly reporting and by putting individual strategy items on the agenda. The quarterly reports provide an overview of activities (successes, point for attention) for each EBN business unit and department.

### 5.8.1 Gas production in Groningen

At every meeting in 2023 the Supervisory Board was informed about developments in Groningen: developments in the partnership as well as developments at GasTerra. In view of the termination of GasTerra's operations due to the cessation of extraction from the Groningen gas field from 1 October 2023, EBN regularly informed the Supervisory Board about matters including the status of GasTerra's remaining gas supply obligations and GasTerra's financing. In 2019 GasTerra's shareholders, including EBN, decided to wind down GasTerra's operations due to the cessation of gas production from the Groningen field. The shareholders

requested GasTerra's board of management to draw up a phasing-out plan. GasTerra's operations were initially due to end by the end of 2024 but with more time being necessary, the shareholders decided to extend the phase-out period until the end of 2026.

The Supervisory Board has taken note of the fact that discussions are taking place between NAM and the Dutch State regarding invoices and charges for damage and reinforcement costs and that this has led to arbitration proceedings between these parties. These proceedings are still ongoing. The Supervisory Board also took note of the status of a number of criminal cases against NAM (relating to earthquake damage and wastewater injection).

The parliamentary committee of inquiry into gas extraction in Groningen published its final report in 2023. The CEO of EBN was heard at a public hearing in 2022. The inquiry was of great importance to the people of Groningen and their sentiments. The Supervisory Board took note of the final report and the measures announced by the government, a number of which affect EBN. The Supervisory Board will ensure that EBN complies with these measures.

### 5.8.2 CC(U)S

Meetings of the Supervisory Board regularly discussed the initiatives for the capture, transport and storage of CO<sub>2</sub> in which EBN is involved.

In 2023 the Supervisory Board very regularly discussed developments in the Porthos project (Port of Rotterdam CO<sub>2</sub> Transport Hub & Offshore Storage). The project focuses on the realisation of a storage and transport system for storing CO<sub>2</sub> in depleted gas fields deep in the North Sea seabed with various industries and companies in the Port of Rotterdam being able to connect to the system. The final investment decision for the project was made in 2023 and was approved by the Supervisory Board. Prior to this approval a workshop was held with the Supervisory Board at which the project was discussed in detail. The Supervisory Board received an explanation on matters such as the financial aspects of the project, including the return on investment and the business case, previous circumstances which led to delays in the project, the strategic rationale, the key risks, the project planning and budget, and the financing. The Supervisory Board explicitly considered the contribution the project will make to achieving the Dutch climate objectives.

The Porthos project is not the only CCS initiative. EBN is also involved in the Aramis transport project to build an offshore pipeline to transport CO<sub>2</sub>, with other participating parties including Shell, Total and Gasunie. The project focuses on transporting CO<sub>2</sub> to depleted gas fields where other parties are working to make these fields (and wells and platforms) suitable for CO<sub>2</sub> storage. EBN is also involved in a number of these storage initiatives. The Supervisory Board granted EBN approval to start the FEED phase for the Aramis project and three storage initiatives.

### 5.8.3 Bergermeer gas storage facility

The war in Ukraine has severely impacted the European gas market. To maintain security of supply, in 2022 the Dutch government assigned EBN to store gas in the Bergermeer gas storage facility, thus supplementing the filling of this facility by market parties, in order to achieve minimum fill rates in line with European obligations. EBN signed an agreement for this with the operator of the storage facility TAQA Energy. The government introduced subsidies to encourage market parties, with EBN also having been granted a subsidy to enable this. The assignment was further expanded or extended by the ministry in 2022 and 2023, with the Supervisory Board also granting its approval for this. The Supervisory Board has assessed that the assignments are proceeding satisfactorily. The proceeds made from the execution of these activities by EBN will be remitted to the State (in the form of an interim dividend). The Supervisory Board approved this dividend payment for 2022 and 2023.

### 5.8.4 Miscellaneous

The Supervisory Board also considered a multitude of other topics during its meetings, including:

- the acceleration plan for North Sea gas production;
- developments in the area of hydrogen;
- HSE: the Supervisory Board was informed about HSE developments for example in relation to EBN's first exploration well at Amstelland, as well as in the partnerships.
- EBN's strategic risk analysis;

- the preparations EBN is making for selling its share of gas in the gas fields in which it participates; with GasTerra terminating its operations EBN will no longer be able to sell its gas to GasTerra;
- developments in the area of heat networks; in consultation with the ministry, a state participation model was considered in the context of the proposed Dutch Collective Heat Supply Act (Wcw).
- the stakeholder and reputation survey;
- results of the employee satisfaction survey.

## 5.9 Self-evaluation and evaluation of the Board of Directors

The Supervisory Board conducts an annual self-evaluation. The self-evaluation for 2023 looked at the functioning of the Supervisory Board as a whole as well as the functioning of the separate committees and the individual Supervisory Board members. The members of the Supervisory Board considered these topics in the presence of an external supervisor.

The CEO was not present at this meeting. The Supervisory Board discussed the points of attention from the previous self-evaluation and identified the following issues for 2024: ensuring continuity on the Supervisory Board considering the appointment of new members; maintaining the relationship with the ministry in its capacity as shareholder

and looking at the flow of information both within the Supervisory Board and between the Supervisory Board and the rest of the EBN organisation. The Supervisory Board also reflected on the outcomes of the 2022 self-evaluation; a number of topics require continued attention, such as the ongoing need for a thorough understanding of and insight into the company's risks.

The Supervisory Board also conducted an evaluation of the CEO in 2023 (without using a questionnaire, based on the experiences of the individual Supervisory Board members). A delegation of Supervisory Board members shared the conclusions of the evaluation with the CEO, who will follow up on these conclusions. Additional informal meetings will therefore be held in the coming year to dive deeper into certain topics.

## 5.10 Meetings of the Audit Committee

The duties and procedures of the Audit Committee are laid down in the 'Regulations governing the Audit Committee of the Supervisory Board'. The tasks of the Audit Committee include supervising and monitoring as well as advising the CEO on the operation of internal risk management and control systems, as well as monitoring the company's financial reporting.

The Audit Committee held three meetings in 2023. As well as the members of the Audit Committee the meetings were attended by members of the EBN Board of Directors, the corporate controller and the company secretary. The external auditor also attended all three meetings.

The first meeting of the Audit Committee focused mainly on the 2022 annual report, financial statements and audit. The audit report was discussed in detail with the external auditor. After discussing the financial statements and the annual report, the Audit Committee recommended that the Supervisory Board approve the 2022 annual report including the financial statements.

At the same meeting the Audit Committee was informed about the results of two audits conducted in 2022: the DS(M)A audit (decommissioning security monitoring agreement) and the billing and invoicing audit. Two audits initially planned for 2022 were postponed to 2023 and three audits were still in process at the time of the meeting.

The meeting also discussed the design and operation of the internal risk management and control systems as well as the internal audit plan for 2023 comprising the following audits: soft control (from 2022), Porthos set-up, risk analysis and compliance with control measures (from 2022), Treasury payment process, work process for the technical evaluation of the subsurface and HR processes including payroll and the annual HR cycle.



At its second meeting of 2023 the Audit Committee looked at the following topics: EBN's half-yearly results, the appointment of a new internal audit manager, the evaluation of PwC as external auditor, a corporate income tax analysis, the WACC 2023-2024, the evaluation of the internal audit function and the material topics as determined by EBN (based on double materiality, partly in preparation for future reporting in accordance with the Corporate Sustainability Reporting Directive). The Audit Committee issued a positive opinion on the appointment of a new internal audit manager and the Supervisory Board approved the appointment based on this opinion.

At this second meeting the external auditor expanded on the 2023 audit plan (the plan for auditing EBN's 2023 financial statements). The external auditor discussed the draft audit plan with the Board of Directors prior to presenting it to the Audit Committee. The external auditor discussed the audit plan with the Audit Committee, focusing in particular on the scope, the materiality of the audit plan, the auditor's fee and the key risks associated with the annual reporting mentioned by the external auditor in the audit plan. The Supervisory Board also reviewed the audit plan.

The third meeting of the Audit Committee in 2023 considered the following topics: the Q3 2023 quarterly report, the 2024 financing plan, the 2024 internal audit plan and the progress of the 2023 internal audits. The Audit Committee issued a positive opinion on the 2024

financing plan and the 2024 internal audit plan, and the Supervisory Board approved these based on this positive opinion.

### PricewaterhouseCoopers Accountants as external auditor

In 2019 the General Meeting of Shareholders has commissioned PricewaterhouseCoopers Accountants N.V. to carry out the audit of the annual accounts of EBN for the financial years 2020-2023.

### EBN's credit rating

In 2022 EBN informed the Supervisory Board of the credit rating assigned to EBN by Moody's. On 30 October 2023 Moody's assigned EBN a credit rating of Aaa / P-1 (with a 'stable' outlook).

### Design and operation of risk management and control systems

The Supervisory Board requested the CEO to provide it with a statement in respect of 2023 in support of the CEO's customary reporting. The CEO issued the requested statement, which serves to support provision 1.4.3 of the Dutch Corporate Governance Code. In accordance with this provision the Supervisory Board discussed the following topics with the CEO: the strategy, the key risks associated with the company and the findings of the CEO's assessment of the design and operation of the internal risk management and control systems. A more detailed

explanation of this topic can be found in the Risk & Corporate Governance section.

## 5.11 Meetings of the Remuneration Committee / Selection and Appointment Committee

The duties and operation of the Remuneration Committee are set out in the 'Regulations governing the Remuneration Committee' and the duties and operation of the Selection and Appointment Committee are set out in the 'Regulations governing the Selection and Appointment Committee of the Supervisory Board'.

The tasks of these committees include making a proposal to the Supervisory Board for the remuneration of the CEO, drawing up selection criteria and appointment procedures for the CEO and Supervisory Board members, and periodically evaluating the functioning of the CEO and Supervisory Board members. These committees hold joint meetings which are referred to as meetings of the Remuneration Committee.

The Remuneration Committee met four times in 2023 with the CEO, secretary and HR manager all being present. Matters dealt with by the committee in 2023 included the achievement of the 2022 targets for EBN and the Board of Directors, the reappointment of the CEO with effect from

1 March 2024 and the selection of two new Supervisory Board members. Succession planning was also discussed with the Remuneration Committee and EBN presented the results of the biennial employee satisfaction survey to the Remuneration Committee.

At the same time as appointing Jan Willem van Hoogstraten with effect from 1 March 2016 the General Meeting of Shareholders also adopted the CEO's remuneration policy. After preliminary consultations with the Remuneration Committee the Supervisory Board nominated Mr Van Hoogstraten for a second reappointment (for a period of two years in accordance with the Memorandum on State Participations Policy); Mr Van Hoogstraten's reappointment from 1 March 2024 did not result in any changes to the remuneration policy (see [remuneration report](#)).

## 5.12 Financial statements

The Supervisory Board has examined the annual report, the financial statements and the external auditor's report. The Supervisory Board concurs with these documents and recommends that the General Meeting of Shareholders adopt the financial statements accordingly. The Supervisory Board recommends that the General Meeting of Shareholders discharge the CEO from liability for the policy pursued and the Supervisory Board for its supervision.

Supervisory Board, Utrecht, 12 maart 2024

Mr F. Eulderink (chairman)  
 Ms R.M. Bergkamp  
 Ms C.G. Gehrels  
 Ms A.H. Mulder  
 Mr W.S. de Vries



*Supervisory Board from 1 January 2024. From left to right: Renée Bergkamp, Wouter de Vries, Frits Eulderink, Agnes Mulder, Carolien Gehrels*

# 6. About this report

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This annual report is EBN's account of its financial and non-financial performance for the 2023 financial year. This financial year is the period from 1 January to 31 December 2023. The report is intended for all stakeholders who are directly or indirectly involved in our activities.

## 6.1 Scope

EBN operates solely in the Netherlands. That means the materiality analysis for the annual report is based on EBN's activities in the Netherlands. The economic performance detailed in this report concerns EBN and the accompanying share in its partnerships and partnership activities. In the ['Results'](#) and in the ['Financial statements'](#) we report on the material topics. Social performance primarily concerns EBN, the results of which are described in more detail in the section ['Good employment practices'](#). In [Chapter 2](#), you can find information on the value chain under the topics 'energy transition' and 'safety and the environment'.

In the notes to the consolidated financial statements, the basis of consolidation and the incorporation of our partnerships in the financial figures is explained. EBN applies the same methods to the reporting of sustainability information.

As a non-operator, EBN has a 40% participation in the extraction of oil and gas from Dutch soil. Being a non-operator means that EBN has no operational control over the operational processes of these oil and gas partnerships.

From our non-operator role, we take responsibility for the environmental performance within these value chains. Environmental performance indicators include, for example, emissions, energy consumption, waste, discharges, and compliance with laws and regulations. Serving as a guideline are the individual environmental reports that oil and gas operators have drawn up annually in the context of the 'Declaration of Intent to Implement Environmental Policy for the Oil and Gas Extraction Industry' of the Ministry of Economic Affairs and Climate Policy.

Dutch operators add the environmental and energy performance data in the so-called electronic Environmental Annual Report (eMJV). This data forms the basis for our 40% share in the performance data, as presented in this report. The 2023 figures are not yet known at the time of publication, which is why this 2023 annual report includes the 2022 figures for the operational performance indicators.

The environmental performance of EBN's own organisation (such as our office building, services provided to our associates, and implementation of the SCAN

project) will not be material in 2023 given its small size. That is why the annual report shows limited reporting on this subject.

## 6.2 Reporting policies and process

### Reporting policy

The EBN Annual Report 2023 is an integrated annual report, which brings together financial, operational, social, and sustainability information. With an integrated annual report, EBN wants to show how it creates both financial and social value. We use the International Integrated Reporting Council (IIRC) framework for our value creation model and accompanying explanatory notes.

Every year, EBN determines its financial performance in accordance with the International Financial Reporting Standards (IFRS). This makes our work transparent to our stakeholders and provides insight into how we fulfil our social role.

For this year's report, contrary to what was stated as our intention in the Annual Report 2022, EBN has decided to once again report 'with reference to' rather than 'in accordance with' the GRI 2021 standard. The reporting will therefore cover a similar scope to that of 2022. EBN made the decision to report 'with reference to' because the transition to reporting in accordance with the Corporate

Sustainability Reporting Directive (CSRD) requires our full attention. EBN has therefore decided to drop GRI as a reporting standard as soon as the obligation to comply with the CSRD comes into effect. The [GRI content index](#) shows which GRI disclosures EBN reports on.

### Assurance sustainability information

EBN asked PwC to assess the Critical Performance Indicators on the material themes as included in the connectivity matrix and issue an assurance report on them with limited assurance. See the assurance report.

### Corporate Sustainability Reporting Directive and EU Taxonomy

As a result of the European Green Deal and the Sustainable Finance Action plan, EBN will be faced with legal obligations in the area of sustainability reporting from 1 January 2025. The Corporate Sustainability Reporting Directive (CSRD) requires companies to put together their annual reports in line with the European Sustainability Reporting Standards (ESRS). The EU Taxonomy Regulation is a classification system which companies and organisations need to use to map their sustainable activities. It also explains how these activities should be reported on.

EBN is legally obliged to comply with the CSRD as of 1 January 2025. This means that the annual report we put together in 2026 for reporting year 2025 must be in accordance with the ESRS. EBN must also report on the EU

Taxonomy for the first time. An important principle within the CSRD/ESRS is that of double materiality. This means reporting on both the impact of sustainability topics on the company (financial materiality) and the impact of the company on the economy, people, and the environment (impact materiality).

In 2023, EBN set up a project team to be ready for the obligations arising from the CSRD and EU Taxonomy in 2025. In 2023, EBN took steps to prepare and will begin implementation in 2024.

### Acquisitions and divestments

With regard to acquisitions and divestments, if they occurred during the reporting year, we adjust the scope and delineation of both the financial and sustainability information in the annual report in the year in which the acquisition or divestment took place. The specific acquisitions and divestments are reported in the 'Financial results' section or in the financial statements.

In 2023, there were no acquisitions or divestments. The scope and delineation of the financial and social information in this report is therefore unchanged compared to the previous reporting year.

### Quality assurance

The quality of our annual report is guaranteed by our internal processes and source systems. In addition, our financial statements and various performance indicators

are reviewed by the external auditor. The indicators with a □ fall within the scope of the assurance report.

This annual report is primarily based on information from our Record-to-Report processes, risk assessment processes, and policies and guidelines, which are part of our integral management system. These processes and internal audits by external parties contribute to the internal control of operations, material topics, and the environment.

In this annual report, we detail the efforts made for and realisation of the objectives set for 2023. This report is based on information from various internal and external sources, as well as source systems. Part of these internal source systems are the management reports (including the quarterly reports to the Board of Directors and Supervisory Board) and financial and personnel data from our financial and HR systems.

EBN believes it is important to be transparent about quantitative performance and progress for aspects both inside and outside its direct sphere of influence. For information that falls outside its direct sphere of influence, EBN depends on information provided by external parties. However, this entails inherent limitations when it comes to ensuring its reliability, because EBN has little or no influence on how this information is gathered. With regard to the most material aspects, EBN has determined that inherent limitations do not have a material influence

on the reliability of the information. Read section [6.5 'Measurement methods for material topics'](#) to find out about the source and measurement methodology for each KPI.

### Annual report preparation process

The annual report is divided into a static part (no year-end dates required) and a dynamic part (year-end dates are required). At the end of November/beginning of December, an internal request was made for the dynamic part of the annual report, including the results chapter.

The annual report was written by the project team. At various times, the Board of Directors and our shareholder have given both written and oral feedback on the text. Any text that was adjusted based on this feedback was then verified by those EBN employees involved in the matter and approved. By doing this, EBN can guarantee the quality of the annual report's content.

Finally, the static and dynamic sections were combined into a complete report, consisting of this core report and related communication. The critical performance indicators as stated in the connectivity matrix have been assessed by an external auditor: the assurance report is included in this annual report in [Chapter 8](#). The external auditor has also audited the financial statements: see also the [independent auditor's report](#). The annual report was submitted to the Supervisory Board (SB) and discussed at the SB meeting held on 11 March 2024. On 28 March

2024, the annual report was discussed and adopted by the shareholder in the presence of the Board of Directors during the Annual Meeting of Shareholders (AGM).

### Publication date of 2023 Annual Report

Annual Report EBN's annual report for 2022 was published on 2 April 2024.

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## 6.3 Materiality analysis and determination

As of 1 January 2025, EBN will be required to report in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The double materiality analysis is an important concept within these standards. By carrying out a double materiality analysis, we determine (together with internal and external stakeholders) the most important topics for EBN. Due to this obligation and the fact that we introduced our new 'Fit for 60' strategy at the beginning of 2023, we carried out our first double materiality analysis last year. This led to the identification of six new material topics. ([See Chapter 2.6](#))

The double materiality analysis requires us to assess what is material for EBN from two perspectives:

- 1. Impact materiality:** Where we look at the impact of EBN's activities on people, human rights, the environment, and society.
- 2. Financial materiality:** Where we look at the impact of topics on the (financial) performance and continuity of EBN.

### Materiality determination

Our materiality process consists of three phases: 1. Identification of topics, 2. Assessment of topics, and 3. Selection of topics. The steps taken for each phase of the double materiality analysis are as follows:

#### 1. Identification of topics

Based on an analysis of internal and external sources, a longlist of topics was presented to and discussed with the directors of EBN. Each director was asked which topics he or she considered to be material for EBN from an impact and financial perspective. The interviews also discussed the value chains in which EBN is active, and the positive and negative impacts were mapped out for each chain. Based on these interviews and a working session with the core team, a shortlist was drawn up consisting of 14 material topics.

## 2. Assessment of topic

The next step was for internal and external experts to assess the shortlisted topics. To determine the impact materiality and financial materiality, the topics were assessed by these experts based on the prescribed criteria.

To determine the impact materiality, the topics were assessed based on the following criteria:

- Severity/impact
- Scale

- Scope
- Repairability
- Probability (for potential impacts)

To determine financial materiality, the topics were weighted based on two criteria:

- Impact
- Probability

In addition, for each topic, the impacts, risks and opportunities were identified and then assessed by

internal experts. We organised a panel session for external experts and conducted individual interviews with both internal and external experts to assess and discuss the results of the analysis. Based on the desk research, interviews and panel discussions, the following topics were identified as material:

### Prioritisation impact

Security of supply

Financial position

Policy advisory

Sustainable energy supply

Public interests

GHG Emissions

Safety

Cybersecurity

Dismantling and reuse

Good employment practices

### Prioritisation financial

Sustainable energy supply

GHG emissions

Public interests

Security of supply

Financial position

Quality of living environment

Dismantling and reuse

Policy advisory

Good employment practices

Safety





### 3. Selection of topics

Based on this process, the Board of Directors has identified six overarching material topics. The above topics that were determined to be material from an impact and financial perspective are included in these overarching topics:

#### Management and reporting

The Board of Directors is ultimately responsible for managing the material topics and their associated long-term goals and business objectives. The Board of Directors is therefore ultimately responsible for the impact of EBN's activities on people, the environment and society.

The Communication and Public Affairs department coordinates the triennial materiality analysis and the annual update. The annual update of the double materiality analysis will be conducted in mid-2024. The Strategy department coordinates the realisation of the corporate objectives and the long-term goals determined by the Board of Directors.

The corporate objectives are formulated by the Board of Directors based on input from the directors and managers. The Strategy and Accounting & Reporting departments monitor the progress made on business objectives. Every quarter, they interview the director or manager who is responsible for the relevant corporate

objective and report their results to the Board of Directors. The Board of Directors evaluates these reports and makes adjustments where necessary.

[Chapter 3](#) contains more information on our activities and results for 2023.

The connectivity matrix in [section 2.8](#) shows how the material topics are linked to our strategic pillars and their connection with our strategic long-term goals. For each material topic, objectives and one or more KPIs have been established and coordinated with the departments involved.

#### Material topic

#### Definition

Energy transition

We help to create a sustainable energy system in which the transition takes place as sustainably as possible, and we actively reduce greenhouse gas emissions throughout the entire value chain.

Security of supply

We help to ensure the security of our energy supply, now (based on current sources and applications) and in the future (with the future energy system).

Public interests

We safeguard the public interest in our current and future energy system by putting public interests first in our decision-making process and conducting socially responsible business with an eye for the interests of our stakeholders.

Safety and the environment

We actively reduce safety and environmental incidents and environmental damage throughout the operation.

Good employment practices

We create a working environment in which everyone can contribute to our goals, and we pay attention to training and development, diversity and inclusion, appropriate working conditions, and the ability to attract, retain and engage the right people.

Good governance

We carry out our tasks in an honest and transparent manner in line with laws and regulations and our Code of Conduct.

## 6.4 Frameworks

All results included and described in this annual report follow specific frameworks. For example, some indicators have a clear relationship with the annual oil and gas production. And several other indicators, there is a connection with the number of drillings. Legislation and regulation also provide frameworks for EBN. If relevant, these frameworks are described in further detail.

The results provide an overview of EBN's share in the performance of the entire oil and gas extraction industry, unless stated otherwise. References to the Dutch production of gas, oil, and condensate concern the gas, oil,

and condensate production figures as reported by the operators for tax purposes. The reporting of gas production figures coincides with the delivery of gas to third parties. Energy consumption from drilling activities is not included, but the CO<sub>2</sub> and CH<sub>4</sub> emissions from drilling activities are. The injection and production volumes in gas storage are considered internal operational activities.

EBN's share is based on a percentage of the total Dutch gas, condensate and oil production as reflected in the environmental and economic performance results. We

report the total industry share (100%) when it comes to safety incidents that pertain specifically to operators' activities, because it is not relevant to report EBN's share.

of these changes, some KPIs reported in 2022 are no longer relevant and have been omitted. A number of new KPIs have been added, which are further explained below along with the existing KPIs. For each material topic, we formulated strategic goals to be achieved by 2025. These strategic goals are accompanied by key performance indicators (KPIs). Some topics, such as the production of hydrogen and green gas, are more forward-looking and in an exploratory phase. As such, EBN's exact role in those activities is not yet known.

## 6.5 Measurement methods material topics

The strategic goals were refined in 2023. The changes are reflected in the updated KPIs per material topic. As a result

Material topic	Indicator/KPI	Measurement method
<b>Energy transition:</b> We help to create a sustainable energy system in which the transition takes place as sustainably as possible, and we actively reduce greenhouse gas emissions throughout the entire value chain.	The absolute CO <sub>2</sub> equivalent emissions for business unit Gas Transition (from drilling and production activities) <sup>1</sup>	The actual CO <sub>2</sub> equivalent emissions from business unit Gas Transition are determined using the most recent data from operators (based on the data added by operators in the eMJV).  All emissions of carbon dioxide and methane related to production and drilling activities are included. The CO <sub>2</sub> equivalent of one kilogram of methane is 28 kilograms of CO <sub>2</sub> .
	Reduction of CO <sub>2</sub> emissions per year due to geothermal energy in Kton	The measurement method is the projected annual cumulative production of geothermal energy in GJ * 55,825 kg CO <sub>2</sub> / GJ from projects for which an FID (Final Investment Decision) has been taken by the consortium (co-investors) or, at minimum, a budget has been reserved (see KPI 'Number of PJ developed by geothermal energy' for the definition).  The saving of 55,825 kg CO <sub>2</sub> per produced GJ of geothermal energy is consistent with the whitepaper 'Sustainability of geothermal energy in heat networks' by TNO. EBN applies an average saving for the Perm & Jura/Krijt formations for the years 2020 to 2030. The result represents the total avoided CO <sub>2</sub> emissions from geothermal energy projects and not just EBN's share in a project.  Restatement comparative figures: In 2023, we identified an error in the calculation of this KPI. In 2022, the calculation of the avoided CO <sub>2</sub> emissions was based on technical lifespan of 15 years instead of a single year. In 2023, we identified this error and adjusted the comparative figures and revised the measurement method.

Material topic	Indicator/KPI	Measurement method
	Number of participations in geothermal energy projects	<p>The number of participations in geothermal projects is determined as follows:</p> <ol style="list-style-type: none"> <li>1. A notarial deed is present;</li> <li>2. Both participations in which EBN has a direct interest and participations in which EBN has an indirect interest through a holding company, are included in the calculation.</li> </ol> <p>In 2023, the Mining Act was amended on several aspects. As of July 1, 2023, the act prescribes the mandatory participation of Energie Beheer Nederland (EBN) in geothermal projects is. This is in addition to a more streamlined permitting system for geothermal energy projects. The amendment prompted the update of the measurement method. From 2023 onwards, the presence of a notarial deed is counted as a participation. The comparative figures have not been adjusted because an adjustment was not necessary. Notarial deeds are present for these participations.</p>
	Geothermal energy generated in PJ	<p>This concerns the total of all geothermal energy projects from 2020 until now for which EBN Geothermal B.V., as co-investor and developer, and its partners have made an FID (Final Investment Decision) and signed an SOK (Cooperation Agreement) or shareholders' agreement, as well as projects that have already progressed towards the realisation and exploitation phase.</p> <p>The number of PJ per project represents the expected amount of heat that will be delivered annually by the time the ramp-up phase of the doublet, if any, is over. The data points for this KPI are the energy estimates at the time of signing the FID and SOK. The result represents the number of PJ developed by geothermal energy projects and not just EBN's share in a project.</p>
	Number of SCAN drillings	<p>The number of drillings carried out by the contractor to collect subsurface data in order to better assess the potential of geothermal energy and thus accelerate the development of geothermal energy projects. A SCAN drilling is recorded when the maximum depth has been reached and the dismantling of the drilling installation has been initiated.</p>
	Number of participations in CO <sub>2</sub> -transport and -storagesystem projects	<p>CO<sub>2</sub>-transport and -storagesystem projects are counted when:</p> <ol style="list-style-type: none"> <li>1. the project is already ongoing;</li> <li>2. a signed shareholders' agreement is present.</li> </ol> <p>To provide better insight into our CO<sub>2</sub>-transport and -storagesystem projects, the measurement method was revised in 2023. In 2022, subprojects of CO<sub>2</sub> storage systems were not included as part of this indicator. From 2023 onwards, these subprojects are included as part of this indicator. Examples of subprojects include the CO<sub>2</sub> storage locations L10CCS, L4A, K14, and L9. Comparative figures have been adjusted based on the revised definition.</p>

Material topic	Indicator/KPI	Measurement method
	The cumulative number of reused mining structures, cables, and pipelines deployed for sustainable energy storage and/or sustainable energy production	The cumulative number of mining structures reused by the end of each year in which EBN is involved. We speak of the reuse of a mining structure when, after or during its use for hydrocarbon extraction, it is (also) used for purposes related to the energy transition. A location or pipeline is designated as "reused" when the contractual transfer of the asset has been completed and ownership has been legally transferred.
	Number of joint decommissioning campaigns included in the operator's work programme & budget for the next financial year	<p>A joint campaign is defined as a partnership between 2 or more operators in activities related to the decommissioning of assets. A joint campaign can be initiated by Nexstep or by the operators themselves.</p> <p>We speak of a joint campaign through Nexstep when:</p> <ul style="list-style-type: none"> <li>a contractually agreed upon partnership is in place.</li> </ul> <p>A joint campaign through an operator is determined based on:</p> <ul style="list-style-type: none"> <li>the operator's work programme and budget, which includes a budget allocated for decommissioning activities; or</li> <li>external confirmations (including written confirmation from the operator) and/or publicly available data (such as press releases).</li> </ul>
<b>Security of supply:</b> We help to ensure the security of our energy supply, now (based on current sources and applications) and in the future (with the future energy system).	Meet the desired filling requirement of the gas storage by the end of the injection season	The extent to which EBN has fulfilled its role in achieving the desired filling rate as assented to by the Ministry of Economic Affairs and Climate Policy (EZK). This involves reviewing the reported filling rate according to AGSI ( <a href="https://agsi.gie.eu/">https://agsi.gie.eu/</a> ), whether the desired filling rate has been achieved, and whether or not EBN played a role in this.
	Small fields production 100% billion Nm <sub>3</sub> TQ	The 100% field production of small fields (SF production) is calculated using the most recent operator data. It is measured using the common industry measurement standard (TQ). The gas volume is reported in Nm <sub>3</sub> (0°C at 1.01325 bar).
	Small fields maturation 100% billion Nm <sub>3</sub> TQ	The 100% field maturation of the reserves of small fields (SF maturation) is calculated using the most recent operator data. It is measured using the common industry measurement standard (TQ). The gas volume is reported in Nm <sub>3</sub> (0°C at 1.01325 bar).
	Unit OPEX in EUR ct/Nm <sub>3</sub> GE	The operational costs (or OPEX) are calculated using the most recent operator data and compared to the number of cubic metres of gas produced, measured in Groningen equivalent (GE).
	Number of gas futures from prospects and leads in BCM	The number of gas futures from prospects and leads is measured using the Petroleum Resources Management System (PRMS). This is the system for specifying production profiles established by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE). Within the PRMS, a prospect or lead refers to reserves in categories 8 and 9. The KPI is measured in Expectation Reserves (Pos*MSV, Possibility of Success * Mean Success Volumes) in BCM (Billion Cubic Meters).

Material topic	Indicator/KPI	Measurement method
<b>Public interests:</b> We safeguard the public interest in our current and future energy system by putting public interests first in our decision-making process and conducting socially responsible business with an eye for the interests of our stakeholders.	Score in the stakeholder survey (conducted once every two years).	Outcome (reputation score) of stakeholder survey conducted by an external agency (reputation group). The reputation score from the stakeholder monitor is the score of the following reputation statements: <ol style="list-style-type: none"> <li>1. I have confidence in EBN.</li> <li>2. EBN has a good reputation.</li> <li>3. I view EBN positively.</li> </ol>
<b>Safety and the environment:</b> We actively reduce safety and environmental incidents and environmental damage throughout the operation.	Number of occupational accidents in operations/participations resulting in absenteeism (expressed in Lost Time Accidents or LTA) - only for business unit Gas Transition <sup>1</sup>	The indicator concerns occupational accidents that occur in operations in which we participate as a non-operating partner. The measurement method for this indicator is the number of days of absenteeism from the first day the occupational accident is reported. We rely on information obtained from the SoDM (State Supervision of Mines). The result pertains to the previous financial year.
	CO <sub>2</sub> emissions <sup>1</sup>	Total CO <sub>2</sub> emissions from drilling and production activities * EBN share of 40%
	Methane emissions <sup>1</sup>	Total CH <sub>4</sub> emissions from drilling and production activities * EBN share of 40%
	Fatal accidents <sup>1</sup>	Based on information obtained from the SoDM (State Supervision of Mines).
<b>Good employment practices:</b> We create a working environment in which everyone can contribute to our goals, and we pay attention to training and development, diversity and inclusion, appropriate working conditions, and the ability to attract, retain and engage the right people.	Great Place to Work employee satisfaction survey score (conducted once every two years).	Public rating from the employee satisfaction survey among EBN's own employees conducted by the Great Place to Work organisation. The rating is the Trust Index Score.
	Employee retention rate	Number of employees (headcount) leaving the organisation minus the employees leaving due to retirement or medical reasons divided by the total number of employees (headcount) is the retention and talent retention rate.
<b>Good governance:</b> We carry out our tasks in an honest and transparent manner, in line with laws and regulations and our Code of Conduct.	Sector ranking in the Transparency benchmark	The Ministry of Economic Affairs and Climate Policy carries out a biennial Transparency Benchmark, an assessment of transparency in CSR reporting among the approximately 500 largest companies. The outcome is a public ranking per sector. We use the Transparency Benchmark Report 2023 and De Kristal 2023.
	ESG Issuer Profile Scores (Governance score) based on credit opinion Moody's	Score based on Moody's ESG Rating Scale related to governance. Environmental and social aspects are not in scope. The score is based on Moody's ESG Rating Scale for Governance (G), indicated by the letter G followed by a number on a scale of 1 to 5, where 1 represents the highest rating.
	Net management costs (excl. project costs)	EBN's organisational costs for, among other things, personnel, professional services, office (excluding project costs), presented in million EUR.

Material topic	Indicator/KPI	Measurement method
	Solvency (equity / total assets)	Solvency is calculated by dividing equity by the total assets. Equity consists of share capital, share premium reserves, retained earnings, and financial year's result. The total balance sheet of EBN consists of the sum of all liabilities and assets. Both are derived from the balance sheet in EBN's consolidated financial statements.
	Results after tax	Taken from EBN's consolidated statement of comprehensive income.
	Focus on reputation benchmark as part of the stakeholder survey (conducted once every two years)	<p>Reputation score from the stakeholder monitor, with a focus on the average score of the following reputation statements:</p> <ol style="list-style-type: none"> <li>1. Good Governance <ul style="list-style-type: none"> <li>• Is well-governed.</li> <li>• Acts transparently, honestly, and with integrity.</li> <li>• Makes responsible use of financial resources.</li> <li>• Always acts in the public interest (core value "Stand for the public interest").</li> <li>• Is open about its actions and the choices it makes.</li> </ul> </li> <li>2. Collaboration <ul style="list-style-type: none"> <li>• Works well with all parties in the energy sector.</li> <li>• Creates connections - brings together knowledge, financing, and people to accelerate the energy transition (core value).</li> <li>• Apleasant partner to collaborate with.</li> </ul> </li> </ol>

1 These indicators are reported on the basis of declaration by third parties - operators and SodM. These figures relate to EBN's calculated share of Dutch gas production and annual drilling activity. The figures presented in 2023 therefore relate to the figures from 2022.

# 7. Financial Statements

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## Consolidated Statement of Comprehensive Income

in EUR million

	note	2023	2022
<b>Revenue</b>	<a href="#">2</a>	2,891	11,967
<b>Other income</b>	<a href="#">2</a>	76	31
<b>Operating expenses</b>			
levies		-6	-6
operational costs	<a href="#">3</a>	-2,692	-1,568
depreciation	<a href="#">4</a>	-185	-608
operating expenses		-2,883	-2,182
<b>Operating result</b>		<b>84</b>	<b>9,816</b>
financial income	<a href="#">5</a>	380	83
financial expense	<a href="#">5</a>	-170	-148
share of profit from investments in associates and joint ventures	<a href="#">6</a>	26	29
<b>Profit/loss before income tax</b>		<b>320</b>	<b>9,780</b>
tax	<a href="#">7</a>	-75	-5,692
<b>Profit/loss for the period</b>	<a href="#">8</a>	<b>245</b>	<b>4,088</b>
other comprehensive income	<a href="#">14</a>	1	-1
<b>Total comprehensive income for the period</b>		<b>246</b>	<b>4,087</b>



## Consolidated Statement of Financial Position

in EUR million

ASSETS	note	31 December 2023	31 December 2022
<b>Non-current assets</b>			
property, plant and equipment	<a href="#">9</a>	1,301	1,064
investments in associates and Joint Ventures	<a href="#">10</a>	190	152
other financial assets	<a href="#">11</a>	897	959
deferred tax asset	<a href="#">7</a>	50	273
derivatives	<a href="#">19</a>	32	40
		<b>2,470</b>	<b>2,488</b>
<b>Current assets</b>			
inventories	<a href="#">12</a>	674	1,429
trade- and other receivables	<a href="#">13</a>	346	1,084
tax receivables	<a href="#">7</a>	800	5
derivatives	<a href="#">19</a>	31	27
other financial assets	<a href="#">11</a>	3,141	7,666
cash and cash equivalents	<a href="#">11</a>	2,200	3,277
		<b>7,192</b>	<b>13,488</b>
<b>Total</b>		<b>9,662</b>	<b>15,976</b>

in EUR million

LIABILITIES	note	31 December 2023	31 December 2022
<b>Shareholder's equity</b>			
share capital	<a href="#">14</a>	128	128
share premium		450	450
retained earnings		2,261	470
result of the year		246	4,087
		<b>3,085</b>	<b>5,135</b>
<b>Non-current liabilities</b>			
provisions	<a href="#">15</a>	3,554	3,392
borrowings	<a href="#">16</a>	228	326
other non-current liabilities	<a href="#">17</a>	69	80
		<b>3,851</b>	<b>3,798</b>
<b>Current liabilities</b>			
provisions	<a href="#">15</a>	776	825
borrowings	<a href="#">16</a>	522	177
tax payables	<a href="#">7</a>	125	4,230
trade payables	<a href="#">18</a>	152	1,106
other current liabilities	<a href="#">18</a>	1,151	705
		<b>2,726</b>	<b>7,043</b>
<b>Total</b>		<b>9,662</b>	<b>15,976</b>

## Consolidated Statement of Changes in Equity

in EUR million

	Share capital	Share premium	Retained earnings	Earnings for the year	Total equity
<b>balance at 1 January 2022</b>	128	450	470		1,048
profit for the period				4,290	4,290
2022 adjustment				-202	-202
other comprehensive income				-1	-1
<b>balance at 31 December 2022</b>	<b>128</b>	<b>450</b>	<b>470</b>	<b>4,087</b>	<b>5,135</b>
distribution retained earnings			4,087	-4,087	
other comprehensive income				1	1
result for the period				245	245
dividends 2022			-1,381		-1,381
interim dividend			-915		-915
<b>balance at 31 December 2023</b>	<b>128</b>	<b>450</b>	<b>2,261</b>	<b>246</b>	<b>3,085</b>

## Consolidated Statement of Cash Flows

in EUR million

	note	2023	2022
<b>Operating activities</b>			
total result for the period	<a href="#">8</a>	246	4,087
adjustment for:			
- deferred and current tax	<a href="#">7</a>	75	5,692
- decrease/(increase) in property, plant & equipment (excluding investments)		-84	1,032
- share of profit of Joint Ventures and associates	<a href="#">6</a>	-26	-29
- decrease/(increase) in current receivables and inventories	<a href="#">12, 13</a>	1,489	-1,780
- (decrease)/increase in liabilities (excluding borrowings and Government payments)		-377	971
- changes in provisions	<a href="#">15</a>	113	-994
- unrealized financial income and expenses		-333	-12
interest paid		-47	-63
interest received		380	79
payments for corporate tax		-4,874	-1,388
		-3,684	3,508
<b>net cash from operating activities</b>		<b>-3,438</b>	<b>7,596</b>

in EUR million

	note	2023	2022
<b>Investing activities</b>			
investments in property, plant and equipment	<a href="#">9</a>	-152	-165
investments in associates and Joint Ventures	<a href="#">10</a>	-41	-44
dividend received from associates and Joint Ventures	<a href="#">10</a>	29	31
change in other financial assets	<a href="#">11</a>	4,587	-4,645
<b>net cash used in investing activities</b>		<b>4,423</b>	<b>-4,823</b>
<b>Financing activities</b>			
paid dividend	<a href="#">14</a>	-2,297	-
repayment of borrowings		-155	-181
settlement of derivatives of borrowings		30	36
proceeds from borrowings		360	61
increase/(decrease) in collateral derivatives		-	-8
<b>net cash used in financing activities</b>		<b>-2,062</b>	<b>-92</b>
<b>Change in cash and cash equivalents</b>		<b>-1,077</b>	<b>2,681</b>
Cash and cash equivalents at 1 January		3,277	596
Cash and cash equivalents at 31 December		2,200	3,277

## Notes to the Consolidated Financial Statements

### 1 General

EBN B.V. has its registered principal office at Daalsesingel 1, 3511 SV Utrecht, in the Netherlands. The company is registered with the Trade Register of the Chamber of Commerce under number 14026250. The consolidated financial statements for the year ended 31 December 2023 include EBN B.V. and its subsidiaries; EBN Capital B.V., EBN Aardwarmte B.V., EBN CCS B.V., EBN Porthos Deelnemingen B.V. and EBN CCS LP B.V. (collectively referred to as EBN). All shares of EBN B.V. are held by the Dutch State.

EBN focuses on participation in oil and gas exploration and production activities in the Netherlands and on the Dutch Continental Shelf. EBN also participates in geothermal energy projects, underground gas storage facilities, transport- and gas treatment facilities and CO<sub>2</sub> capture- and storage projects.

### Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable on 31 December 2023 and as endorsed by the European Union and, where applicable

with Part 9, Book 2 of the Dutch Civil Code, applicable in the Netherlands.

The Parent Company Statement of Comprehensive Income has been prepared using the exemption in Section 2:402 of the Dutch Civil Code. The Financial Statements of EBN B.V. as at 31 December 2023 were prepared by the Board of Directors and authorised by the CEO and the Supervisory Board Members on 12 March 2024. The Annual General Meeting of Shareholders intends to adopt the Financial Statements on 28 March 2024.

### Basis for consolidation

The consolidated Financial Statements include the figures of EBN and the entities controlled by EBN. EBN controls a subsidiary when, based on its involvement with the entity, it is exposed to or entitled to variable results and has the ability to influence those results through its control over the entity. The Financial Statements of the subsidiaries are prepared on the same accounting principles as EBN's. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The results of subsidiaries acquired or disposed during the year are included in the Consolidated Statement of Comprehensive Income as of the date of acquisition of control or the date of disposal.

EBN Capital B.V. ('EBN Capital'), EBN Aardwarmte B.V. ('EBN Aardwarmte'), EBN CCS B.V. ('EBN CCS'), EBN Porthos Deelnemingen B.V. ('EBN Porthos Deelnemingen') and EBN CCS LP B.V. ('EBN CCS LP') in Utrecht are the only subsidiaries of EBN. EBN Capital (100% owned subsidiary) participates in aggregate pipelines for gas transport (F3/A6 extension pipeline, K13-Den Helder pipeline, K13 extension pipeline, NGT-extension and NOGAT), the Bergermeer Gas Storage facility and CCUS Project Aramis. EBN Aardwarmte (100% participation) participates in geothermal projects. EBN CCS (100% owned subsidiary) participates in several CO<sub>2</sub> capture and storage activities. EBN Porthos Deelnemingen and EBN CCS LP participate in one or more companies involved in the development and implementation of the 'Porthos' project.

### Partnerships

EBN conducts its activities through partnerships governed by contractual agreements (partnership agreements or 'Joint Operating Agreements'). EBN has assessed the control, voting rights, duties and obligations arising from these agreements. With the exception of the NGT-Extension, EBN has joint control with one or more partners in the agreements and therefore qualifies them as Joint Operations under IFRS 11. EBN is entitled to the assets and liabilities related to the agreements together with the other parties to the joint agreement. EBN's

Financial Statements reflect its interest in those joint operations by recognising the assets, liabilities, income and expenditure for its share.

### Associates and joint ventures

EBN has a 40% share in GasTerra B.V. ('GasTerra'), which is based in Groningen and whose main activity is trading in natural gas. In addition, EBN has a 45% participation in NOGAT B.V. ('NOGAT') is based in The Hague and its main activity is the transport of natural gas from the North Sea.

Together with its partners, EBN has invested in a total of five geothermal energy companies: Geothermie Plukmade B.V. ('Geothermie Plukmade'; 30% participation) in Breda, Geocombinatie Leeuwarden B.V. ('Geocombinatie Leeuwarden'; 30% participation) in Dokkum, Warmtebron Zwolle B.V. ('Warmtebron Zwolle'; 30% participation) in Zwolle, Geothermie Delft B.V. ('Geothermie Delft'; 40% participation) in Dordrecht and Haagse Aardwarmte B.V. ('Haagse Aardwarmte'; 25% participation) in The Hague. The main activity of these five geothermal companies is the research and development of geothermal energy in respectively North Brabant, Friesland, Overijssel and South Holland. The geothermal companies, with the exception of Haagse Aardwarmte, are regarded as joint ventures.

In order to participate in the 'Porthos' project, EBN established EBN Porthos Deelnemingen B.V. in Utrecht and EBN CCS LP B.V. in Utrecht on 12 December 2021. Both have a share in the following associated entities:

Porthos CO<sub>2</sub> Transport and Storage GP B.V. (33.3%) in Rotterdam, Porthos Offshore Transport and Storage GP B.V. (50%) in Rotterdam and Porthos System Operators B.V. (50%) in Rotterdam. In addition, these associates have a total (direct & indirect) share in the joint ventures established specifically for these 'Porthos' activities. These are: Porthos CO<sub>2</sub> Transport and Storage C.V. (33.3%) and Porthos Offshore Transport and Storage C.V. (50%).

EBN does not have joint control as defined by IFRS 11 in the NGT-Extension joint venture. As a result its interest is recognised in accordance with IAS 28. EBN exerts significant influence over the business and financial policies of the participation. The 12% participation in the NGT-Extension is recognised using the equity method and presented as an associate. NGT-Extension is based in The Hague and its main activity is the transport of natural gas from the North Sea.

### EBN as designated party

The Ministry of Economic Affairs and Climate Policy (EZK) has appointed EBN as designated party to ensure the target fill rate of the Bergermeer gas storage facility is achieved during the winter period 2023/2024 and 2024/2025. This is important for ensuring the security of gas supply in the Netherlands. The Ministry has appointed EBN until 31 March 2025 as the designated party to fill the commercial gas storage facility.

EBN has contracted TAQA as the Bergermeer filling agent to purchase gas on behalf of EBN during the injection period and to sell during the production period. At the end of 2023, EBN's physical gas-in-store position amounts to total 14.1 TWh. As of 31 December 2023, the storage facility is 82% full.

Market price risks on purchased gas have been fully hedged as EBN has entered into forward contracts. The inventory recognised at balance sheet date has been fully sold and will be delivered in the period up to 31 March 2025.

Any positive trading results are remitted to the shareholder at the end of filling activities. EZK has granted a government grant up to a maximum of EUR 520.4 million for any trading losses, management costs and other expenses incurred by EBN.

### Key accounting estimates, judgements and prior year adjustment

The preparation of Financial Statements requires estimates and judgements. These have consequences for the carrying amount of assets and liabilities, reported income, costs and the related reporting of contingent assets and liabilities at the date of the Financial Statements. The results can be influenced by such estimates and judgements. The paragraphs below explain the matters management considers most important and which, due to intrinsic uncertainties,

are often the most difficult to estimate. In addition, we refer to the 'Impairment' section which also includes information about assumptions and estimation uncertainties underlying the recoverable amount of non-current assets. In addition, explanations have been provided where adjustments to comparative figures in the financial statements have been made.

### **Decommissioning and restoration costs**

The provision for decommissioning costs and the capitalisation of decommissioning costs on the balance sheet is based on information from operators. EBN assesses this information based on its own knowledge and experience and amends it where it is deemed necessary. The ultimate decommissioning and restoration costs are uncertain and cost estimates can vary as a result of numerous factors, such as market prices, changes in legal requirements, new decommissioning techniques or experience. The anticipated timing and scope of the costs can change as a result of, for example, changes in oil and gas reserves and changes to legal and regulatory requirements and their interpretation. Significant estimates and assumptions are made when establishing the provision for decommissioning and restoration costs; these estimates are processed prospectively in the period to which they relate. Substantial revisions of the provision can therefore influence future results (refer to note [15](#)).

### **Reserves and depreciation**

The Unit of Production (UOP) method is based on EBN's estimates of the oil and gas reserves and production profiles. EBN determines the oil and gas reserves in accordance with the definitions laid down by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE) in the Petroleum Resources Management System 2018 (PRMS). The reserves used for depreciation are based on EBN's current estimations of proven and probable developed reserves (PRMS category 1) and the associated production profiles. Estimates of reserves are by definition inaccurate and based on interpretations that can, over time, change on the basis of new information obtained from drilling new wells, reservoir production behaviour and changes in economic factors (such as price expectations). This can result in upward or downward revisions to the reserves. Changes in reserves have an effect on the future depreciation and the recoverable amount of production assets (see also notes to the significant accounting policies of 'property, plant and equipment' in note [9](#)).

### **Provision for earthquake-related costs**

The provision for costs as a result of earthquakes in the province of Groningen is based on public information and information from the operator. This provision relates mainly to damage repair as a result of earthquakes, architectural reinforcements of buildings, strengthening

the infrastructure, compensation measures and decline in value. The assumptions used for the estimates for the provision are based on payments already made, experience, statistical information and calculation models, internal and external investigations and information from the operator. Changes in laws and regulations, expected resource outflows and the discount rate used, affect the nominal value of the provision. The ultimate amount of the costs depends among other things on the extent of the damage and advice, valuation by experts and/or bilateral agreements and can therefore differ from the current expected cost (see note [15](#)).

### **Recoverable amount**

The calculation of the recoverable amount of assets is partly based on estimates of reserves, production profiles, future selling prices, operating costs, exploration potential, expected future investments, and earthquake-related expenditure and the discount rate. Future events may have an impact on these forecasts and estimates which may change the recoverable amounts.

### **Previous year adjustment**

In the 2022 financial statements, EBN incorrectly calculated the current corporate tax expense. As a result, the current tax expense has been understated whilst the deferred tax expense is overstated. This calculation has also led to an adjustment of the basis for calculating the 2022 solidarity contribution. This effect has been retrospectively adjusted in the balance sheet, profit and

loss account and in the cash flow statement of 2022. For further explanation, including the impact on the clear tax position and the tax results for 2022, see note [7](#).

Due to the adjustment of the tax result for 2022, the result for the financial year and the shareholders' equity also changes. Additionally, the 2022 financial year result per share changes from EUR 15,601 per share to EUR 14,354 per share. The impact on the financial year result and equity is made visible with the wording 'adjustment 2022' in [the consolidated statement of changes in equity](#) and in note [14](#).

## 2 Summary of significant accounting policies

The Financial Statements have been prepared in accordance with the historical cost convention, and on a 'going concern' basis, unless stated otherwise.

### International Financial Reporting Standards (IFRS)

The following standards, amendments to standards and interpretations, have been approved by the European Commission and are mandatory for the financial year starting on 1 January 2023.

#### IFRS 17: Insurance contracts

IFRS 17 is effective as of January 1, 2023. A new standard focused on the processing and disclosure obligations of all forms of insurance contracts. EBN has no insurance contracts and therefore this new standard has no impact on EBN's 2023 financial statements.

#### Adjustments in IAS 1 and IFRS Practice Statement 2: Significant/material adjustment

The changes in the standard lead to a change in concept from the term 'significant' to 'material'. Entities must disclose their material accounting policies in the notes, whereas previously only the significant accounting policies had to be disclosed. EBN will report on its material principles in 2023, taking into account the size of the transactions, other events or circumstances and their nature.

## New and amended standards which are not yet effective

The new standards, amended standards and interpretations are not yet effective or have not yet been ratified by the European Union are not applied by EBN (e.g. alterations in IAS 1, IFRS 1 and changes in IAS 7/ IFRS 7). It is expected this will not apply or have limited consequences for EBN's Financial Statements from the year of application.

### Foreign currency translation

The functional currency and presentation currency of EBN is Euro. Commercial transactions and borrowings in foreign currencies are converted at the spot exchange rates as applicable on the transaction dates. Monetary balance sheet items denominated in foreign currencies are converted at the exchange rates applying on the balance sheet date. Differences in exchange rates resulting from settlement of these transactions and conversion of balance sheet items are recorded directly in the Statement of Comprehensive Income.

### Distinction between current and non-current assets and liabilities

An asset is classified as current when it is expected to be realised within twelve months after the balance sheet date. A liability is classified as current when it will be settled within twelve months of the balance sheet date. When an unconditional right to postpone payment for at least twelve months exists then such a liability is classified as non-current.

### Comparison with previous reporting period

The principles of valuation and result determination remained unchanged compared to the previous reporting period. Where necessary, the comparative figures for the previous financial year have only been adjusted in terms of classification for comparative purposes.

### Property, plant and equipment

Property, plant and equipment are stated at the acquisition cost less depreciation and any impairment losses. Replacement investments are capitalised in accordance with the general capitalisation criteria.

The estimated costs for decommissioning, dismantling and removal of platforms and other underground installations are capitalised as part of the acquisition costs of the applicable property, plant and equipment.

Property, plant and equipment is no longer included in the balance sheet when it is disposed of or when no future economic benefits are expected from its further use, or in case the licence is relinquished or sold. Any profit or loss from the asset that is no longer included in the balance sheet is generally recognized in income.

### Assets under construction

Expenditure for the following activities is capitalised as part of the exploration and evaluation assets under construction: acquisition of exploration licences, exploration drilling including test, sampling and activities

in relation to evaluation of the technical and commercial possibility of extracting hydrocarbons. In the event an exploration well is dry then costs incurred are charged to the consolidated statement of comprehensive income and disclosed under write-offs in the operational costs (note 3).

The following costs are not capitalized: topographical, geological, geochemical and geophysical surveys, unless they are related to existing and proven reserves.

Exploration and evaluation costs that are on the balance sheet for more than twelve months are charged to the result (under depreciation, classified under note 3 ‘Operational costs’) unless:

- they are in an area where substantial investments are required before production can start, or
- commercially recoverable quantities have been found, or
- further exploration or evaluation activities take place, i.e. additional exploration wells are drilled or firm plans to do so in the near future exist.

EBN regularly assesses whether capitalization of the expenditure for exploration drilling still meets the criteria listed above and whether the drilling activities are expected to continue. Exploration wells which have been on the balance sheet for more than twelve months are re-evaluated to determine whether any facts or circumstances have changed and whether the above criteria still apply.

Exploration and evaluation costs under construction and investments under construction are categorised as drilling or production, transport and storage facilities from the start of production or commissioning.

### Reimbursements

Reimbursements of ‘farm in’ costs in exploration licences are capitalised and depreciated based on the Unit of Production (UoP) method.

### Depreciation

Property, plant and equipment are depreciated on the basis of the Unit for Production method or on a straight-line basis over the expected useful life. The depreciation method per category is as follows:

Categories	Depreciation method
Production	Unit of Production method
Drilling	Unit of Production method
Transport and Storage	Straight-line basis
Decommissioning Assets	Unit of Production method and straight-line basis
Other Assets	Straight-line basis

Property, plant and equipment for gas and oil drilling are depreciated based on the Unit of Production method (UoP).



This method is based on EBN's estimates of the proven probable to be developed reserves (PRMS category 1) and production profiles in accordance with the definitions laid down by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE) in the Petroleum Resources Management System 2018.

The UoP rates for the financial year indicate the ratio between the production over the year and the proven and probable developed reserves (PRMS category 1) at the beginning of the year. These reserves are determined by increasing the reserves as established at the end of the financial year with the production for the year.

The other property, plant and equipment are depreciated over the estimated useful life on a straight-line basis. Twenty years is taken as the initial basis for main transport pipelines and thirty years for facilities for underground storage of natural gas. A ten year useful life applies to industrial buildings. Land is not depreciated.

The estimated remaining useful life of property, plant and equipment is reviewed each year based on the future pattern of use. If changes occur, the depreciation method is adjusted in order to reflect the adjusted useful life and the associated future usage pattern. The effect thereof is incorporated in the income statement of the current and/or future periods (prospective).

### **Borrowing costs**

Borrowing costs of projects are capitalized. The interest rate used for the financial year is based on the average interest rate applicable to non-current borrowings in the financial year under review.

### **Leases**

For each lease agreement, EBN assesses whether it contains a lease component. A contract is, or contains, a lease if, in exchange for consideration, the contract grants the right to exercise control over the use of an identified asset for a specified period of time. For each lease agreement where EBN is a lessee, EBN calculates a right of use and a corresponding lease obligation, except for short-term lease agreements (defined as leases with a lease term of twelve months or less) and lease agreements with a value of EUR 5,000 or less. For these lease contracts, EBN recognises the lease payments on a straight-line basis as operating costs in the income statement.

The right to use a lease is initially valued at the present value of the lease payments and is amortised on a straight-line basis over the lease term. The right of use asset is presented under property, plant and equipment.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease. If this percentage cannot be easily determined, the lessee uses the marginal interest rate. The marginal interest rate is determined

on the basis of the risk-free market interest rate, plus a specific risk premium for EBN for the same duration and with the same certainty as EBN Group would finance the acquisition of a comparable asset.

### **Associates and joint ventures**

An associate is an interest in an entity on which EBN has significant influence, but not control or joint control. A joint venture is an interest in which EBN has joint control together with its partner(s).

Associates and joint ventures are accounted for using the equity method. This means EBN's share in an associate is initially recognised at cost and adjusted thereafter to recognise EBN's share in the net assets of this entity, less any impairment.

EBN's share in the profit or loss of an associate or joint venture is included in the result. When EBN's share in the loss of an associate or joint venture exceeds the carrying amount of that associate or joint venture – including any other long-term receivables that are part of the net investment – the carrying amount is reduced to zero. No further losses are accounted for unless EBN has assumed responsibility for the associate or joint venture through a guarantee or other commitments. Unrealised gains and losses on transactions with associates and joint ventures are eliminated in proportion to EBN's share in these associates or joint ventures.

## Impairment

Annually at balance sheet date an assessment is made as to whether the carrying amount of a non-current asset (property, plant and equipment or investment in associates or joint ventures) exceeds its recoverable amount (higher of fair value less cost to sell and value-in-use). In that case, an analysis to identify possible impairment requirements is carried out.

When an asset does not generate sufficient independent cash flows, the recoverable amount (see also section [‘Key accounting estimates, judgements and prior year adjustment’](#)) is determined for the cash flow generating unit (CGU) to which the asset belongs. In general, for property, plant and equipment, EBN’s cash-generating unit is a sales contract. In addition, ‘hubs’ (main platform and satellites) can be used as a cash generating unit. For value-in-use, estimated future cash flows are discounted at a discount rate before taxes, based on the market interest rate plus a mark-up for the asset specific risks. EBN uses the WACC (Weighted Average Cost of Capital) for this calculation, for exploration and production activities the WACC is determined at 6.5% (pre-tax). The WACC for midstream operations is 5.0% (pre-tax). For other activities this varies between 6.0% and 8.5%.

When the recoverable amount of an asset is less than the carrying amount, the carrying amount is written down to the recoverable amount. An impairment can either wholly or partially be reversed, in the event of a change

in the estimate that is of significance for determining the recoverable amount. Impairment is presented as a separate item in the Consolidated Statement of Comprehensive Income.

For more details about the assumptions, uncertainties in estimates and a sensitivity analysis with respect to impairments we refer to note [9](#).

## Financial instruments

### Classification

All financial assets are stated at amortised cost, fair value through other comprehensive income or fair value through profit and loss. The classification depends on the business model that EBN uses for holding these financial assets and the characteristics of the cash flows generated with the financial assets.

### Initial recognition

Purchases and sales of financial instruments are recognised on the transaction date. EBN no longer recognises a financial asset in the balance sheet if the contractual cash flows from the asset expire, or if EBN transfers the contractual cash flows from the financial asset by means of a transaction, resulting in the transfer of all ownership-related risks and benefits. The initial recognition takes place at fair value.

### Financial assets and liabilities stated at amortised cost

This category of financial instruments comprises deposits, money market funds, bonds (including commercial paper), trade receivables and other receivables, loans granted, loans taken out and other financing obligations, trade payables and other payable items. These financial instruments are recognised at fair value upon initial recognition. Subsequent measurement is based on amortised cost and on the effective interest method.

### Financial assets and liabilities at fair value through other comprehensive income

EBN does not hold any interests that are classified at fair value through other comprehensive income.

### Financial assets and liabilities at fair value through profit and loss

EBN only holds derivatives within this category.

### Derivative financial instruments (derivatives)

EBN uses derivative financial instruments to hedge the risk of changes in future periodic interest cash flow payments or risks resulting from foreign currencies. These changes in cash flows can be the result of developments in the market interest rates or in the exchange rates of foreign currencies.

Valuation of derivatives takes place at fair value. The fair value of interest rate derivatives is determined by discounting future cash flows. The fair value of currency

derivatives is determined by discounting future cash flows converted at market rates. The discount rate is determined based on the market interest rate at the end of the financial year. The cash flows are determined on the basis of the contractually agreed upon interest rates, due dates and nominal amounts.

Derivatives are classified under current or non-current other financial assets if the fair value is positive and under current or non-current financial liabilities if the fair value is negative.

### Impairment losses

Any impairment losses are identified by the generic or simplified method. The generic method uses the following model:

- 12 months' expected credit loss; or
- Lifelong expected credit losses for financial assets when the credit risk increases significantly due to circumstances. All expected credit losses are recognised for the life span of the asset; or
- Lifelong expected credit losses, where interest is calculated on the net receivable less impairment losses.

The expected credit loss is determined on the basis of a long-term average credit loss rating based on a risk profile assigned by credit rating agencies. The simplified method is applied to the debtors and receivables.

The lifelong expected credit losses are immediately recognised, determined on the basis of a historical set

of average irrecoverable amounts (based on historical collection data).

### Inventories

Supplies of materials are valued at the lower of cost on a weighted average basis and net realisable value. Inventory of oil and condensate is valued at the lower of average purchase prices or net realisable value.

Inventories resulting from Bergermeer filling activities are valued at the lower of cost or net realisable value.

### Receivables

Receivables are recognised at amortised cost less any adjustment for doubtful debts. On first recognition, receivables are presented at fair value.

### Other financial assets

Other financial assets are short-term and/or long-term by nature. Long-term securities are bonds and deposits that cannot be converted into cash within one year without additional costs and/or loss of return. This also relates to long-term receivables from loans granted. Short-term securities are short-term money market instruments that can be converted into cash over three months but within one year. Short-term receivables from financing provided are also presented as other financial assets.

### Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current bank balances and short-term money market instruments that can be converted into cash in the short term (within three months), of which the amount is known.

### Shareholder's equity

EBN's equity consists of share capital, share premium and retained earnings. The Dutch State is EBN's sole shareholder.

### Provisions

Provisions are recognised in the balance sheet if the following conditions are satisfied:

- there is a legal or constructive obligation as a result of a past event, and
- it is likely that cash outflow will be required to settle the present obligation, and
- a reliable estimate of the amount of the obligation can be made.

When the effect of the time value of money is material, provisions are determined by calculating the present value of the expected cash flows at a discount rate (before tax). Once the present value has been calculated, any increase in provisions as a result of the passing of time is presented as interest expense.

The provision for decommissioning and restoration costs is designed to cover the estimated costs of

decommissioning, dismantling and site recovery based on the current requirements, technology and cost estimates. The amount of this provision is based on information from the operators, and any changes in estimates will, after EBN has made its own assessment, usually result in a corresponding change in the capitalised decommissioning and restoration costs of the relevant property, plant and equipment. Any changes in the provision, other than the periodic unwinding of discount or utilization of the provision, that result in changes in the present value or expected outflow of resources are adjusted to the carrying amount of the related asset. In case the reversal of decommissioning provision exceeds the carrying amount of the related asset, the excess amount is recognized in the Statement of Comprehensive Income. The depreciation charge of the related asset, is depreciated prospectively over its intended useful life.

The provision for costs as a result of earthquakes in the province of Groningen is based on information from the operator and public information. This provision relates mainly to damage repair as a result of earthquakes, architectural reinforcements of buildings, strengthening the infrastructure, compensation measures and decline in value. The amount of this provision is based on payments already made, experience, statistical information and models, internal or external studies and information from the operator.

In accordance with the guidelines of the Subsidence Committee ('Commissie Bodemdaling'), EBN has created a provision for subsidence. This provision needs to cover future costs and obligations arising from activities to prevent or compensate for subsidence as a result of the gas extraction activities in Groningen.

### Pensions

The pension obligations of EBN are established at the pension fund: Stichting Pensioenfonds ABP ('ABP').

In accordance with IFRS this pension scheme can be classified as a defined benefit plan. However, as the pension fund is not able to break down the share of EBN in a consistent and reliable manner in the underlying pension obligation, plan assets and cost of the plan, the plan is classified as a defined contribution plan.

The pension contribution payable is a percentage of the premium base. The premium base is the pensionable income minus a franchise. The contributions are determined by ABP in accordance with the relevant applicable regulations in the manner as described in the Actuarial and Operating Memorandum ('ABTN') and at a cost-covering level.

There is a shortfall when ABP has a coverage ratio below 126%. In this case, ABP must prepare and submit a recovery plan to the regulator (De Nederlandsche Bank). This recovery plan must show that the financial

position will improve within a maximum of 10 years with the coverage ratio back above 126%. Any adjustment of pension contributions (surcharge) as a result of this recovery plan is applied prospectively and within a certain bandwidth.

The coverage ratio of ABP as at 31 December 2023 was 110.5% (2022: 110.9%). The expected pension costs for 2023 are EUR 2.6 million (2022: 2.5 million).

### Operating Segments

The Board of Directors has been identified as the highest-ranking officer or Chief Operating Decision Maker (CODM), responsible for resource allocation and the assessment of Company performance. EBN does not apply the principles of IFRS 8 segmentation because the CODM bases its decisions on consolidated information.

### Contingent assets and liabilities

Contingent assets and liabilities are not included in the balance sheet.

### Revenue

Revenues from oil and gas production generated from assets in which EBN participates with other producers are accounted for in proportion to EBN's relative share in these assets.

For its 'own' contracts, the transportation of natural gas is seen as inextricably linked to the supply of gas, as a result

of which both obligations are treated as one performance obligation. Subsequent price corrections and settlement of more / less delivery can be considered as a variable component. The transaction price includes transport costs (net) and the sales will be disclosed net. Delivery of natural gas is characterised by a transfer at specific moments; the revenues from the sale of gas are therefore recognised at the time of delivery to the buyer. The average payment term is one month.

Revenue related to the sale of gas on behalf of the Bergermeer Filling Operations is recognised at the contractually agreed pricing at the time of delivery. All revenue arising from these forward contracts are recognised as revenue from contracts with customers.

Revenue arising from the 'Norg Akkoord' is recognised when the performance obligations have been met and are accounted for as IFRS 15 revenue. As part of the 'Akkoord op Hoofdlijnen' (AoH) and 'Norg Akkoord', EBN will receive compensation for gas years 2019/2020 through 2023/2024 for the modified deployment of the Norg Underground Gas Storage Facility.

### Other income

Other income consists of Government Grants as well as revenues that do not fall within the scope of IFRS 15. These are recognised at fair value if there is reasonable assurance that the grants will be received and that all related conditions are met. Grants are recognised as other

income and allocated to the same period in which the related costs are recognised.

### Financial income and expense

Financial income and expense are recognised on the basis of the effective interest method. This item also includes periodic costs relating to the unwinding of provisions.

### Valuation at fair value

EBN recognises its derivatives on the balance sheet date at fair value. The fair values of the interest-bearing liabilities are explained in note 19 'Risk management'. Fair value is the price that would be received if the asset were sold at the measurement date or that would be paid to transfer a liability if regular transactions between market participants took place. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place:

- in the most important market for the asset or liability; or, if there is none,
- in the most advantageous market for the asset or liability.

The fair value of an asset or liability is determined using the assumptions that market participants would assume when valuing the asset or liability, assuming that market participants act in their economic interest. The valuation of a non-financial asset at fair value takes into account the ability of an economic market participant to generate economic benefits by using the asset to the maximum and

optimally or by selling it to another economic operator that would maximise and optimally utilise the asset.

EBN uses valuation techniques that are appropriate in the given circumstances and for which sufficient data is available to determine the fair value, and whereas many relevant observable inputs as possible and as few unobservable inputs as possible are used. All assets and liabilities for which the fair value is determined or stated in the Financial Statements are classified in the following fair value hierarchy, based on the input of the lowest level that is significant for the entire valuation:

- Level 1: The fair value is equal to quoted prices in an active market.
- Level 2: The fair value is based on parameters that can be observed directly or indirectly in the market.
- Level 3: The fair value is based on parameters that are not observable in the market.

For assets and liabilities that are recognised on a recurring basis in the Financial Statements at fair value, EBN determines at the end of each reporting period by reassessment whether there are any changes in the level classification of the hierarchy (based on the input from the lowest level that is significant for the entire valuation).

For the purpose of reporting fair value, EBN has determined categories of assets and liabilities based on the nature, characteristics and risks of the assets and

liabilities and the level in the fair value hierarchy as explained above.

### Share of profit from investments in associates and Joint Ventures

The share in the profit from associates is recognised as the share of the profit for the year under review corresponding with EBN's share, after deduction of taxes.

### Taxation

Income tax is determined according to the 'balance sheet method'. Tax expense is recognised in profit or loss except to the extent that it relates to an item recognised directly in other comprehensive income.

Current income tax expenses are taxes that are expected to be payable on the taxable profit for the year, based on the tax rates applying on the balance sheet date, net of any adjustments for taxes payable in respect of previous years.

Deferred tax assets and liabilities are recognised based on the expected tax consequences of temporary differences between the carrying amounts of assets and liabilities relating to the ground subsidence and restoration costs for financial reporting purposes and their tax bases. Deferred tax assets and liabilities are calculated on the basis of the tax rates that are applicable or materially enacted on the balance sheet date, and in accordance with the tax regulations expected to apply when the specific

deferred assets and liabilities are settled. Deferred tax assets and liabilities are settled on a net basis.

## Notes to the Consolidated Statement of Comprehensive Income

### 1 General information

All amounts in these explanatory notes are in millions of euros unless otherwise stated.

### 2 Revenue and other income

EBN's revenue is generated by its share in partnerships related to the exploration and production of oil and gas. All revenue is realised in The Netherlands. The assets in which EBN participates are all located in The Netherlands. Information on the main debtors can be found in note [13](#).

The 2023 sales from operations amounted to EUR 3 billion. Compared to 2022, this is a decrease of EUR 9 billion. This decline is explained by negative price developments and a decrease in produced volumes. The decline in regular oil and gas turnover is caused by a sharp drop in oil and gas prices in 2023 compared to the extremely high yield prices in 2022. The closure of the Groningen field and the natural depletion of the other gas fields also cause a decline in number volumes produced.

The following table shows the split of sales and other income by activities:

In EUR million

	2023	2022
revenue	2,891	11,967
other income	76	31
<b>total</b>	<b>2,967</b>	<b>11,998</b>

#### Sales

Revenue realised from the Bergermeer Filling Activities amounts to EUR 1.8 billion (2022: EUR 1.1 billion). Revenue arising from the 'Norg Akkoord' contract amounts to EUR 136.1 million (2022: EUR 3.2 billion).

#### Other Income

The government grants mainly relate to the SCAN-project, Bergermeer Filling Activities 23/24, Porthos- and Aramis project. The government grants consist of contributions from the European Union and the Ministry of Economic Affairs and Climate Policy.

### 3 Operational costs

In EUR million

	2023	2022
G&G costs	21	28
write-offs (unsuccessful wells)	18	12
earthquake related costs	243	73
production, transport and other costs	2,376	1,699
research and development cost	40	-
remeasurement of provision for decommissioning costs	-6	-244
<b>total</b>	<b>2,692</b>	<b>1,568</b>

Geological and geophysical (G&G) costs comprise the cost of geological, geochemical and geophysical surveys and studies (including seismic surveys). The earthquake-related costs relate to both actual costs and additions to the provision as a result of earthquakes and subsidence in the province of Groningen. For further explanation, see note [15](#).

The production, transport and other costs also include the labour costs of the operators from the cooperation agreements or 'Joint Operating Agreements'. Total operating costs on behalf of the Bergermeer Filling activities are accounted for under production, transport and other costs and amount to EUR 1.7 billion. Research

and development costs concern costs relating to various CO<sub>2</sub> storage and geothermal energy projects.

EBN's total salary costs as included under operational costs can be specified as follows:

In EUR million

	2023	2022
gross salaries	19	17
social securities	3	1
pension related costs	3	3
other costs	10	7
<b>total</b>	<b>35</b>	<b>28</b>

The average number of FTEs in 2023 is 168.1 (2022: 152.3). The total number of FTEs at the end of 2023 is 180.4 (2022: 158.0), of which 117.7 (2022: 108.2) FTEs work in the Business Units and 62.7 (2022: 49.8) FTEs work in Corporate departments, all working in The Netherlands.

## 4 Depreciation

In EUR million

	2023	2022
depreciation of property, plant and equipment	185	608
<b>total</b>	<b>185</b>	<b>608</b>

See note [9](#) for further details on the depreciation of property, plant and equipment.

## 5 Financial income and expense

In EUR million

	2023	2022
interest income on cash, cash equivalents and securities	257	16
interest income on derivatives	5	6
revaluation results on derivatives	23	26
interest income on external loans	-	3
interest income related to Filling Agreements Gas Storage	94	31
other financial income	1	1
<b>total financial income</b>	<b>380</b>	<b>83</b>
interest costs on cash, cash equivalents and securities	-1	-15
interest costs on derivatives	-5	-6
exchange differences on other financial instruments	-20	-32
interest cost on external borrowings	-16	-11
interest cost related to Filling Agreements Gas Storage	-	-3
other finance expense	-5	-4
unwinding of discount provisions	-123	-77
<b>total financial expense</b>	<b>-170</b>	<b>-148</b>
<b>net financial expense</b>	<b>210</b>	<b>-65</b>

The revaluation income on derivatives and the exchange rate differences on bond loans mainly concerns the revaluation results on the long-term loans and the directly related derivatives. In 2023 the net result realised amounts to EUR 3 million (2022: EUR -6 million), of which EUR 23 million revaluation income on derivatives and EUR -20 million exchange differences on other financial instruments. This result on revaluations of loans and related derivatives is mainly due to developments in the CHF yield curves against the euro. Interest income and expense arising from the filling orders of Gas Storage Facilities relate to the financing result for the filling of the Bergermeer and Norg Gas Storage Facilities.

## 6 Share of net profit from associates and joint ventures

In EUR million

	2023	2022
GasTerra B.V.	14	14
NOGAT B.V.	13	15
NGT-Extension	2	2
Haagse Aardwarmte	-1	-
Porthos Group	-2	-1
Other	-	-1
<b>total</b>	<b>26</b>	<b>29</b>

See note [10](#) for further details regarding the result of associates and joint ventures.



## 7 Taxation

In EUR million

	2023	2022
current income tax on results for the year	-148	2,479
current income tax on results for the year - 2022 adjustment	-	157
income tax related to results prior year	-	60
solidarity contribution	-	2,974
solidarity contribution - 2022 adjustment	-	202
<b>current tax</b>	<b>-148</b>	<b>5,872</b>
deferred tax arising from temporary differences - 2022 adjustment	-	-157
deferred tax arising from temporary differences	223	-23
<b>deferred tax</b>	<b>223</b>	<b>-180</b>
<b>total</b>	<b>75</b>	<b>5,692</b>

In EUR million

	2023		2022	
	EUR million	%	EUR million	%
profit before tax	320	-	9,780	-
<b>taxation based on Dutch tax rate</b>	<b>83</b>	<b>25.8%</b>	<b>2,523</b>	<b>25.8%</b>
solidarity contribution	-	0.0%	2,975	30.4%
solidarity contribution - 2022 adjustment	-	0.0%	202	2.1%
participation exemption	-8	-1.9%	-7	-0.1%
effect tax rate change	-	0.0%	-1	0.0%
<b>total</b>	<b>75</b>	<b>23.9%</b>	<b>5,692</b>	<b>58.2%</b>

On 21 December 2022 a temporary one-off solidarity contribution for companies with activities in the field of crude oil, natural gas, coal and oil refining (Temporary Solidarity Contribution Bill) was introduced retroactively for the year 2022. This tax scheme no longer applies for 2023.

In the 2022 financial statements, EBN incorrectly calculated the current tax charge for the 2022 corporate tax. This has no impact as a result of the fact that the current tax charge in favour of the deferred tax charge is understated by EUR 157 million. This calculation has also led to an adjustment of the basis for calculating the 2022 solidarity contribution and results in an additional charge tax charge of EUR 202 million. EBN has adjusted the comparative figures of the following balance sheet items for these adjustments: equity, deferred tax assets and tax debts. EBN has also adjusted the comparative tax

figures in the profit and loss account. The adjustments in the comparative figures are referred to in the tables as '2022 adjustment'.

The effective tax rate for 2023 is 23.9% (2022: 58.2%). The lower effective tax rate in 2023 is mainly due to the one-time effect of the solidarity contribution of 2022.

The balance of deferred tax assets and liabilities decreased by EUR 223 million to an amount of EUR 50 million.

In EUR million

	property, plant and equipment	provisions	carry forward tax losses	gas year settlement	total
<b>balance at 1 January 2021</b>	-72	165	-	-	93
charged to the statement of comprehensive income - 2022 adjustment	157	-	-	-	157
charged to the statement of comprehensive income	28	-131	-	126	23
<b>balance at 31 December 2021</b>	<b>113</b>	<b>34</b>	<b>-</b>	<b>126</b>	<b>273</b>
charged to the statement of comprehensive income	-85	-50	-	-88	-223
<b>balance at 31 December 2022</b>	<b>28</b>	<b>-16</b>	<b>-</b>	<b>38</b>	<b>50</b>

The deferred tax liability relates to the tax valuation of property, plant and equipment. The deferred tax asset relates, on the one hand, to the commercially and fiscally different treatment of the provisions. On the other hand, a deferred tax asset has been recognised on a difference in timing of taking the 'Norg Akkoord' into account. As part of the 'Akkoord op Hoofdlijnen' (AoH) and 'Norg Akkoord', EBN will receive compensation for gas years 2019/2020 through 2023/2024 for the modified deployment of the Norg Underground Gas Storage Facility. For fiscal purposes, the grant for gas year 2023/2024 will be processed in the 2023 return. The calculation of the current tax charge as well as the deferred tax asset arising from the Norg grant relies on an estimate based on the same assumptions used commercially for expected revenue for the 2023/2024 gas year.

In EUR million

	2023	2022
current tax claim/ tax debt	-800	897
current tax claim/ tax debt - 2022 adjustment	-	157
solidarity contribution	-	2,974
solidarity contribution - 2022 adjustment	-	202
<b>total tax debt</b>	<b>-800</b>	<b>4,230</b>

The current tax claim for 2023 amounts to EUR 0.8 billion (2022: EUR 4.2 billion tax debt) and arises from the tax on the fiscal loss in 2023 and the prepaid corporate tax that was based on the expected budgeted taxable profit. The 2022 tax debt was fully paid in 2023.

The 2023 tax payable concerns EUR 125 million (2022: nil) in dividend tax to be paid. See note [14](#) for further explanation.

## 8 Result of financial year

The total result from continuing operations in 2023 is EUR 246 million. This is EUR 3.8 billion lower compared to the 2022 result.

## Notes to the Consolidated Statement of Financial Position

### 9 Property, plant and equipment

In EUR million

2023		Assets under construction	Producing Assets	Transport and Storage	Decommissioning Assets	Other Assets	Total
<b>cost</b>							
	balance at 1 January 2023	115	12,681	973	1,724	34	15,527
	investments	142	10	0	-	-	152
	transfers	-27	27	-	-	-	-
	revision/adjustments in decommissioning and restoration cost	-	-	-	285	-	285
	sale, retirement and other changes	-14	-	-1	-	-	-15
	<b>balance at 31 December 2023</b>	<b>216</b>	<b>12,718</b>	<b>972</b>	<b>2,009</b>	<b>34</b>	<b>15,949</b>
<b>depreciation and impairments</b>							
	balance at 1 January 2023	-	11,776	777	1,902	8	14,463
	depreciation	-	199	30	-45	1	185
	revision/adjustments in decommissioning and restoration cost	-	-	-	-	-	-
	sale, retirement and other changes	-	-	-	-	-	-
	<b>balance at 31 December 2023</b>	<b>-</b>	<b>11,975</b>	<b>807</b>	<b>1,857</b>	<b>9</b>	<b>14,648</b>
	<b>carrying amount at 31 December 2023</b>	<b>216</b>	<b>743</b>	<b>165</b>	<b>152</b>	<b>25</b>	<b>1,301</b>

In EUR million

2022	Assets under construction	Producing Assets	Transport and Storage	Decommissioning Assets	Other Assets	Total
<b>cost</b>						
balance at 1 January 2022	47	12,826	972	2,186	35	16,066
investments	158	7	-	-	-	165
transfers	-78	77	1	-	-	-
revision/adjustments in decommissioning and restoration cost	-	-	-	-412	-	-412
sale, retirement and other changes	-12	-229	-	-50	-1	-292
<b>balance at 31 December 2022</b>	<b>115</b>	<b>12,681</b>	<b>973</b>	<b>1,724</b>	<b>34</b>	<b>15,527</b>
<b>depreciation and impairments</b>						
balance at 1 January 2022	-	11,745	747	1,635	7	14,134
depreciation	-	260	30	317	1	608
revision/adjustments in decommissioning and restoration cost	-	-	-	-	-	-
sale, retirement and other changes	-	-229	-	-50	-	-279
<b>balance at 31 December 2022</b>	<b>-</b>	<b>11,776</b>	<b>777</b>	<b>1,902</b>	<b>8</b>	<b>14,463</b>
<b>carrying amount at 31 December 2022</b>	<b>115</b>	<b>905</b>	<b>196</b>	<b>-178</b>	<b>26</b>	<b>1,064</b>

Total investment in 2023 amounts to EUR 152 million, a decrease of 8% compared to 2022. Onshore investments amounted to EUR 16.1 million (2022: EUR 18.0 million) and offshore investments totalled EUR 136.0 million (2022: EUR 147 million). The right-of-use asset (IFRS 16) with a carrying amount of EUR 6.9 million (2022: EUR 8.0 million) is presented under Other Assets and relates to an office building and vehicles.

The decrease in the capitalisation of estimated decommissioning and restoration costs in 2023 is EUR 285 million (2022: EUR -412 million). Due to revisions in the provision for decommissioning and restoration costs, total capitalised decommissioning and restoration costs may have a positive or negative value at the balance sheet date. At the end of 2023, the carrying amount of the decommissioning asset is EUR 152 million (2022:

EUR -178 million), which is a direct consequence of the movements in the decommissioning and restoration provision mentioned above. Changes in decommissioning assets are directly related to investments in construction, production, drilling and transport and storage, but are not recognised separately for these assets categories as they are not individually identifiable. For a further explanation

of the provision for decommissioning and restoration costs, please refer to note [15](#).

The cumulative acquisition value of assets already fully depreciated but still in use is EUR 1.0 billion (2022: EUR 2.4 billion).

No triggering events for impairment were identified for property, plant and equipment.

## 10 Associates and joint ventures

Associates comprise of the 40% share in GasTerra, the 45% share in NOGAT, the 12% share in the NGT-

Extension joint venture and the 25% share in Haagse Aardwarmte B.V.

Joint ventures in CCUS activities relate to the 33.33% share in Porthos CO<sub>2</sub> Transport and Storage GP B.V., the 50% share in Porthos Offshore Transport and Storage GP B.V., the 50% share in Porthos System Operator B.V., the 33.33% share in Porthos CO<sub>2</sub> Transport and Storage C.V and the 50% share in Porthos Offshore Transport and Storage C.V., collectively known as 'Porthos Group'.

Other joint ventures relate to partnerships in geothermal energy and consist of the 30% share in Geocombinatie

Leeuwarden B.V., the 30% share in Geothermie Plukmade B.V., the 30% share in Warmtebron Zwolle B.V. and the 40% share in Geothermie Delft B.V. The joint ventures for the purpose of geothermal energy are not further specified due to their limited size and are disclosed under the category Other Joint Ventures.

Associates as well as participations in joint ventures are accounted for using the equity method. The result is distributed annually.

In EUR million

	Associates				Joint Ventures		Total 2023	Associates			Joint Ventures		Total 2022
	GasTerra	NOGAT	NGT- Extension	Haagse Aardwarmte	Porthos Group	Other		GasTerra	NOGAT	NGT- Extension	Porthos Group	Other	
<b>balance at 1 January</b>	86	13	4	1	41	7	152	86	13	4	1	6	110
				-	-	-		-	-	-	-	-	-
profit share	14	13	2	-1	-2	-	26	14	15	2	-1	-1	29
dividend received	-14	-13	-2	-	-	-	-29	-14	-15	-2	-	-	-31
investment				1	33	7	41	-	-	-	41	3	44
				-	-	-		-	-	-	-	-	-
<b>balance at 31 December</b>	<b>86</b>	<b>13</b>	<b>4</b>	<b>1</b>	<b>72</b>	<b>14</b>	<b>190</b>	<b>86</b>	<b>13</b>	<b>4</b>	<b>41</b>	<b>8</b>	<b>152</b>

The following table provides a summary of financial information on the associates GasTerra, NOGAT, NGT, Haagse Aardwarmte as well as the joint ventures in the 'Porthos Group' and other partnerships in geothermal projects on a 100% basis.

In EUR million

		Associates				Joint Ventures		Total 2023	Associates			Joint Ventures		Total 2022
		GasTerra	NOGAT	NGT- Extension	Haagse Aardwarmte	Porthos Group	Other		GasTerra	NOGAT	NGT- Extensie	Porthos Group	Other	
assets	Short-term	4,292	5	-	3	87	5	4,392	16,030	36	-	27	5	16,098
	Long-term	4	59	21	15	136	46	281	4	59	30	62	35	190
liabilities	Short-term	4,048	5	-	1	61	9	4,124	15,789	4	-	4	5	15,801
	Long-term	32	31	-	11	12	-	86	30	63	-	1	13	107
Equity Value		216	28	21	6	150	42	463	215	28	30	84	22	379
EBN's share		40%	45%	12%	25%				40%	45%	12%			
<b>equity value</b>		<b>86</b>	<b>13</b>	<b>4</b>	<b>1</b>	<b>72</b>	<b>14</b>	<b>190</b>	<b>86</b>	<b>13</b>	<b>4</b>	<b>41</b>	<b>8</b>	<b>152</b>

In EUR million

	Associates				Joint Ventures		Total 2023	Associates			Joint Ventures		Total 2022
	GasTerra	NOGAT	NGT- Extension	Haagse Aardwarmte	Porthos Group	Overige		GasTerra	NOGAT	NGT- Extension	Porthos Group	Overige	
Revenue	20,330	63	-	1	-	2	20,396	35,501	65	27	-	3	35,596
Net Result (100%)	36	28	12	-2	-3	-2	69	36	33	17	-4	-3	79
Other non-realised results (100%)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total result	36	28	12	-2	-3	-2	69	36	33	17	-4	-3	79
<b>EBN's share in total result</b>	<b>14</b>	<b>13</b>	<b>2</b>	<b>-1</b>	<b>-2</b>	<b>-</b>	<b>26</b>	<b>14</b>	<b>15</b>	<b>2</b>	<b>-1</b>	<b>-1</b>	<b>29</b>

## 11 Other financial assets, cash and cash equivalents

Part of the liquidity is intended for future long-term obligations, such as repaying long-term loans, decommissioning the mining installations and meeting earthquake damage obligations. The average term of these obligations is usually longer than one year. As a result there are investments in bonds with a remaining term of more than one year in order to optimally align them with the term of the long-term obligations.

In EUR million

	2023	2022
securities (non-current assets)	797	755
issued loans (non-current assets)	100	204
securities (current-assets)	2,428	3,262
issued loans (current assets)	353	664
amounts due from associates	360	3,740
cash and cash equivalents	2,200	3,277
<b>total at 31 December</b>	<b>6,238</b>	<b>11,902</b>

Other financial assets (current assets) include a receivable from GasTerra under the Restated Deposit and Loan Facility Agreement (RDLFA) amounting to EUR 360 million. See note [21](#) for further explanation.

## 12 Inventories

In EUR million

	2023	2022
gas	640	1,396
oil and condensate	8	11
materials	26	22
<b>total at 31 December</b>	<b>674</b>	<b>1,429</b>

The total gas inventory position refers to inventories arising from the Bergermeer Filling Operations. This position will be fully sold by 31 March 2025.

In EUR million

oil and gas	provision matrix	current	>30 days	31-60 days	>90 days
31 December 2023	expected loss rate	0%	0%	0%	0%
	gross carrying amount- trade receivables (EUR million)	111	0	-	-
	loss allowance (EUR million)	-	-	-	-
31 December 2022	expected loss rate	0%	0%	0%	0%
	gross carrying amount- trade receivables (EUR million)	375	-	-	-
	loss allowance (EUR million)	-	-	-	-

The table above shows the ageing of the trade receivables (all in the Netherlands). For the oil and gas activities the percentage for doubtful debt (taking account of forward looking information) is rounded off to 0%. There is no provision for doubtful debts recorded as per balance sheet date (2022: nihil).

## 13 Trade receivables and other current receivables

In EUR million

	2023	2022
receivables from associates	103	366
other trade debtors	8	9
<b>total trade receivables</b>	<b>111</b>	<b>375</b>
other receivables and accruals	235	709
<b>total at 31 December</b>	<b>346</b>	<b>1,084</b>

The trade receivable from associates refers to GasTerra, in which EBN has a 40% stake. The fair value of the trade receivables and other current receivables is about equal to the carrying amount. The other receivables consist mainly of sales to be invoiced from regular activities.

## 14 Equity

In EUR million

	2023	2022
<b>balance at 1 January</b>	5,135	<b>1,048</b>
dividend 2023	-1,381	-
interim dividend 2023	-915	-
	<b>-2,296</b>	-
net result	245	4,290
2022 adjustment	0	-202
other comprehensive income	1	-1
<b>total result for the period</b>	<b>246</b>	<b>4,087</b>
<b>balance at 31 December</b>	<b>3,085</b>	<b>5,135</b>

For a detailed overview, we refer to the [Consolidated statement of changes in equity](#).

### Share capital

The authorised, also issued and paid-up share capital in 2023 amounts to EUR 128 million (2022: EUR 128 million) and consists of 284,750 shares (2022: 284,750 shares), each with a nominal value of EUR 450.

### Retained earnings and profit for the year

Retained earnings consists of the balance of accumulated results that have not been distributed to the shareholder. Under Article 23 part 2 of the articles of association, profits are at the free disposal of the General Meeting; under Article 23 part 3, the company may only make distributions to the extent that its equity exceeds the statutory reserves.

The total realized trading result from the Bergermeer filling activities amounts to EUR 31.3 million and is fully available to the shareholder and will be paid out as dividend after the filling order has been completed. EBN Capital has paid out EUR 81 million as a first interim dividend to EBN for the first filling order for the 'gas year' from April 2022 to March 2023. EBN has paid out this amount to its shareholder after deduction of 15% dividend tax as part of its 2023 interim dividend.

After carrying out both a successful balance sheet test and a successful distribution test, EBN has determined the final dividend for 2022 at EUR 1,381 million. EBN has decided in 2023 to pay a second 2023 interim dividend of EUR 834 million in line with its solvency commitment. This amount was paid out to the shareholder after deduction of 15% dividend tax. The related dividend tax of EUR 125 million was paid in January 2024 and is presented in the balance sheet as a tax liability.

The result for the 2022 financial year (EUR 4,087 million) has been added to the retained earnings after deduction of the 2022 final dividend (EUR -1,381 million). The retained earnings subsequently decrease due to the two interim dividends paid out totalling EUR 915 million. The retained earnings totalled EUR 2,261 million at year-end 2023 (2022: EUR 470 million).

The net result of EUR 246 million is added to the result for the financial year before profit appropriation. The result for the financial year amounts to EUR 864 per share (2022: EUR 14,354 per share).

The proposal for profit appropriation has not been included in the balance sheet as of December 31, 2023.

### Share premium reserve

The share premium reserve of EUR 450 million consists of a Capital Contribution from EBN's shareholder, the Ministry of Economic Affairs and Climate Policy, to strengthen the company's equity and solvency position.



## 15 Provisions

Total provisions have been increased by EUR 113 million in 2023.

Out of the total provision, EUR 776 million is expected to be short-term (2022: EUR 825 million).

### Provision decommissioning and restoration

The provision for decommissioning and restoration costs covers obligations with a term depending on the useful life of the fields. The provision for decommissioning and restoration costs is based on information from operators at 31 December 2023 and EBN's own analyses performed. These analyses were determined by estimating costs on the basis of the current price level, taking into account an inflation rate of 1.60% (2022: 2.11%) and discounted at a nominal interest rate of 3.005% (2022: 3.632%). The equivalent of the provision stated at the present value is recognised under property, plant and equipment and depreciated (depending on the asset) based on the UoP method or on a straight-line basis. A discount rate of 3.005% (2022: 2.300%) is used to unwind the discount rate.

The remeasurement of the provision for decommissioning and restoration is on the one hand caused by the estimated costs for decommissioning and restoration of installations and by insights into the time of termination for an amount of EUR 238.7 million and, on the other hand, adjustments in discount rate and inflation rates for a total of EUR 20.2 million.

In EUR million

	Decommissioning and restoration	Subsidence	Earthquakes	Total
<b>balance at 1 January 2022</b>	<b>2,953</b>	<b>303</b>	<b>1,954</b>	<b>5,210</b>
additions	8	29	290	327
amount charged against provision	-54	-1	-415	-470
release	-	-	-	-
remeasurements and other movements	-664	-71	-192	-927
unwinding of discount (accretion)	67	10	-	77
<b>balance at 31 December 2022</b>	<b>2,310</b>	<b>270</b>	<b>1,637</b>	<b>4,217</b>
additions	19	18	244	281
amount charged against provision	-126	-2	-396	-524
release	-	-	-	-
remeasurements and other movements	258	-7	-18	233
unwinding of discount (accretion)	69	8	46	123
<b>balance at 31 December 2023</b>	<b>2,530</b>	<b>287</b>	<b>1,513</b>	<b>4,330</b>

### Subsidence provision

The provision for ground subsidence also includes obligations with a duration depending on the lifespan of the gas fields. The Soil Subsidence Commission was established in 1984 as a result of an agreement between the province of Groningen, the Dutch State and NAM, with the aim of regulating the compensation for damage resulting from subsidence caused by gas extraction in the province of Groningen. The accelerated phasing out of

the Groningen gas field results in an adjustment to this provision as at end of 2023.

The increase in the provision is mainly explained by an addition of EUR 18 million, partly offset by charged amounts of EUR 2 million.

The remeasurement of the provision is mainly explained by a lower discount rate used compared to previous year (2023: 2.822% and 2022: 3.504%) as well as the effect

of a decrease in the expected inflation rate to 1.60% (2022: 2.11%). The total unwinding of the provision is EUR 8 million (2022: EUR 10 million).

### Earthquake provision

The provision for costs as a result of earthquakes in the province of Groningen is based on information from the operator and public information. This provision relates to damage repair as a result of earthquakes related to production up to and including the balance sheet date, structural reinforcements of buildings, reinforcement of the infrastructure, compensation measures and depreciation. The provision for costs as a result of earthquakes is expected to run until 2029.

The portion of the provision for damage claims is based on the number of outstanding claims as at 31 December 2023 as specified by the TCMG (Tijdelijke Commissie Mijnbouwschade Groningen) and an estimate of the expected claims based on historical information and internal models of the operator. The expected average pay-out amount is based on historical data. The provision for damage claims decreased due to payments over the year as well as new estimates for an amount of EUR 31.6 million.

Part of the provision is based on the estimate of possible future claims related to the production up to and including 1 October 2023. An estimate is made of the delay

(‘remweg’) between production and the earthquake and an estimate of the time required to submit a claim.

The part of the provision for strengthening is based on an estimate of the costs for the number of objects to be strengthened. Based on the 2018 Outline Agreement (‘Akkoord op Hoofdlijnen’), the Dutch State has set up an independent body to handle strengthening claims. Following the advice of the Mining Council (Mijnraad), the NCG presented an action plan (basis for the number of addresses). An amount of EUR 92.8 million has been added in 2023 to the provision for changes in reinforcement standards that will result in higher reinforcement costs, including implementation costs. Also, these costs were reassessed and further indexed during the year. During the year, a total of EUR 234 million was charged against the provision. Our shareholder has indicated that, if necessary, it will strengthen EBN’s balance sheet to meet all obligations under the Outline Agreement it entered into in 2018.

The part of the provision for compensation measures, including value loss and compensation for immaterial damage and loss of living enjoyment, is based on the expected number of households that are entitled to the compensation. The estimate of the expected compensation amount is based on internal and/or external information.

At balance sheet date the provision is discounted over the period up to 2029 at a discount rate of 2.822% (2022: 3.504%) based on the expected outflow of funds. The total discounting effect is EUR 46.2 million, with the effect of unwinding of the provision first recognised in 2023.

In view of the range of the various scenarios that could lead to a possible positive or negative effect on the amount to settle the obligations, EBN has assessed that the provision as included in the financial statements is the most plausible and substantiated outcome based on the currently available information.

### 16 Current and non-current borrowings

No collateral has been provided for the outstanding loans. The bond loan agreements contain clauses limiting the provision of collateral. EBN has a commercial paper programme of EUR 2 billion. This is unchanged from 2022. As of year-end 2023, no commercial paper has been issued.

In 2019, a loan facility was agreed upon with the Ministry of Economic Affairs and Climate Policy, for a maximum private loan of EUR 48 million. This loan facility is specifically intended for investments in geothermal energy projects. This loan facility is withdrawn in instalments. Drawdowns on this loan facility are transferred by EBN as capital contributions to the share premium reserve of EBN Aardwarmte B.V. At year-end 2023, an amount of EUR 29 million was withdrawn and paid in five annual

instalments. Collateral has not been provided for this facility and the relevant agreement does not include financial ratio covenants. The fixed interest rate is 0% per year. Repayment of this facility will take place in six annual instalments from 2027.

A loan facility was agreed upon in 2020 between the Ministry of Economic Affairs and Climate Policy for a maximum private loan of EUR 53.4 million. This loan facility is specifically intended for investments in the CCS project Porthos. This loan facility is withdrawn in total in 2022 and is paid through to the share premium reserve of EBN Porthos Deelnemingen B.V. as a capital contribution. Of this, EUR 53.0 million was paid through as a capital contribution to the share premium reserve of EBN CCS LP B.V. Collateral has not been provided for this facility and the relevant agreement does not include financial ratio covenants. The fixed interest rate is 1.89% per year. Repayment of this facility will take place in 12 annual instalments starting from 2027.

The collateral on derivatives concerns money deposited by banks on the amount of the difference between the market value of the portfolio concerned and the limit amount agreed per bank. This collateral deposited is interest-bearing and is included in cash and cash equivalents and will not be used for commercial purposes.

In EUR million

	2023			2022		
	total	non-current	current	totaal	non-current	current
exchange-traded loans	270	135	135	402	252	150
private loans	93	93	-	87	87	-
<b>total borrowings</b>	<b>363</b>	<b>228</b>	<b>135</b>	<b>489</b>	<b>339</b>	<b>150</b>
cash loans	360	-	360	-	-	-
collateral on derivatives	27	-	27	27	-	27
<b>total at 31 December</b>	<b>750</b>	<b>228</b>	<b>522</b>	<b>516</b>	<b>339</b>	<b>177</b>

Agreements on the exchange of collateral are set out in Credit Support Annexes (CSA's) as an addendum to the International Swaps and Derivatives Association (ISDA) agreements with the relevant banks. CSA's have been agreed with all banks with which current derivatives have been concluded.

On 15 December 2021, a committed revolving credit facility was agreed with two banks (ING Bank and BNP Paribas) for a period of five years. In 2022 and 2023, this facility was extended by one year both times to an end date of December 15, 2028. No further extension options remain. This facility offers EBN the possibility to make withdrawals up to EUR 300 million in credit for

general businesses purposes. This was not used in 2023 (2022: nil). The interest charge on any drawn portion of the credit facility depends on the EURIBOR rate applicable for the relevant credit period, plus a margin. Because of the facility made available, an annual commitment fee is payable to the banks on the outstanding and unused portion of the facility. Collateral has not been provided to the banks for this facility and the relevant agreement does not include financial ratio covenants. Clauses are included in the relevant agreement that limit the provision of collateral.

Long-term loans, including those maturing within 1 year, are as follows:

currency	principal	interest	type	tenure	2023	2022
CHF	150 million	1.625%	debenture loan	2011/2023	-	150
CHF	125 million	1.125%	debenture loan	2012/2024	136	126
CHF	175 million	0.500%	debenture loan	2014/2022	-	-
CHF	125 million	0.875%	debenture loan	2014/2026	135	127
EUR	48 million	0.000%	private loan	2019/2032	29	20
EUR	53 million	1.890%	private loan	2022/2038	53	53
EUR	32 million	4.640%	private loan	2023/2042	10	-
<b>total at 31 December</b>					<b>363</b>	<b>476</b>

The movements in the outstanding non-current borrowings at the end of 2023 compared to the end of 2022, mainly relate to exchange differences occurred. Exchange rate differences on other financial instruments are directly recorded in the Statement of Comprehensive Income and presented as financial income and expenses (see note 5). For an overview of the estimated fair value, we refer to note 19.

By contracting derivatives for these borrowings, the currency and interest rate risk is hedged by means of an economic hedge. The average interest rate of all non-current borrowings outstanding at year-end is 2.95% (2022: 1.53%). This includes the effects of the cross currency interest rate swaps

With the exception of the cross currency interest rate swaps related to the CHF 2014/2026 loans, the interest

type of the cross currency interest rate swaps is fixed. At year-end 2023, 50% (year-end 2022: 31%) of the loans had a variable interest rate after hedging by means of cross currency interest rate swaps.

The following table provides an overview of the private and listed bond loans drawn down by maturity date.

In EUR million

	2023	2022
within 1 year	136	150
within 1 to 2 years	-	126
within 2 to 3 years	135	-
within 3 to 4 years	4	127
within 4 to 5 years	4	4
after 5 years	84	69
<b>total</b>	<b>363</b>	<b>476</b>

Of the total of these borrowings, 26% have a remaining term of more than three years. Loans due within one year are included under current liabilities.

## 17 Other non-current liabilities

Other non-current liabilities totalled EUR 69 million at the end of 2023 (2022: EUR 80 million). This category mainly includes the provision for payments to the National Program Groningen for an amount of EUR 50 million (2022: EUR 60 million). This is the outcome from the agreement between the Dutch State and NAM. In addition, this item includes the long-term part of the NOGAT provision loan agreement for an amount of EUR 13 million (2022: 13 million) and the long-term lease obligation for the 'right to use asset' (IFRS 16) for an amount of EUR 6 million (in 2022: EUR 7 million).

## 18 Trade payables and other current liabilities

Trade payables amount to EUR 152 million at the end of 2023 (2022: EUR 1.106 million). This mainly relates to the December joint interest billings positions to be paid to operators.

Other current liabilities consist of:

In EUR million

	2023	2022
interest payments due	4	4
other liabilities	1,147	701
<b>total per 31 December</b>	<b>1,151</b>	<b>705</b>

The other liabilities include short-term debt of EUR 10 million (2022: EUR 10 million) relating to the National Programme Groningen, EUR 62.5 million of Government grants received (2022: EUR 45 million) and EUR 896 million (2022: EUR 469 million) of operator reserves. The short-term part of the NOGAT loan agreement is also included here for an amount of EUR 13.4 million (2022: 13.5 million). The remaining amount mainly relates to accruals.

## Policy to control financial risks

### 19 Risk management

#### General

The main financial risks for EBN are liquidity, (re)financing, credit, interest rate, currency and market price risks. EBN's financial policy focuses on limiting the effects of currency and interest rate fluctuations on assets and liabilities. EBN uses financial derivatives to manage interest and currency risks, specifically those relating to the funding of its operations. The company does not take any speculative positions using financial derivatives.

#### Liquidity and (re)financing risks

A liquidity or (re)financing risk is the risk that EBN does not have, or cannot raise, sufficient financial resources to meet its financial obligations. The objective is that EBN will always have the cash required for its operational processes at its disposal under normal circumstances at all times.

The selection of the (duration of) cash management and financial instruments ensures that at all times sufficient immediately retrievable liquidity is present or can be made available to meet financial obligations.

Profound trust in EBN on the part of the capital and money markets, and financial institutions, is crucial for optimal funding. The following are important tools for this:

- the optimal management of all financial stakeholders; and
- maintaining EBN's considerable level of creditworthiness in the long and short term, among other things, by means a focused credit rating and dividend policy, and
- continuously monitoring and controlling financial credit ratios.

EBN has a commercial paper programme of EUR 2 billion. EBN also has a committed revolving credit facility with reputable and creditworthy banks in the amount of EUR 300 million. For further information, please see note [16](#). This enables quick and sufficient short-term funding where necessary. When determining the duration of new non-current borrowings an effort is made to prevent the concentration of redemptions within a specific future year so as to spread the maturity profile.

EBN's solvency target is in line with the 'standard solvency requirement' of the Dutch State of 25%. In 2023, the net result and the paid (interim) dividends reduced the reserves by EUR 2.1 billion and the solvency remained constant at 32% due to a lower balance sheet total.

The table shows the expected annual contract based cash flows from the repayments of and interest payable on borrowings and the associated derivatives. In addition to the above mentioned cash flows from borrowings and related derivatives, there are cash flows from trade payables and other current liabilities. They will expire within one year.

In EUR million

	2023					
	borrowings loans	net interest on loans & derivatives	payment at redemption	cash flow derivatives		total
within 1 year	136	-3	-135	31		-107
within 1 to 2 years	-	-1	-	-		-1
within 2 to 3 years	135	-1	-135	32		-105
within 3 to 4 years	4	-	-4	-		-4
within 4 to 5 years	4	-	-4	-		-4
after 5 years	84	-	-84	-		-84
<b>total</b>	<b>363</b>	<b>-5</b>	<b>-362</b>	<b>63</b>		<b>-305</b>

In EUR million

	2022					
	borrowings loans	net interest on loans & derivatives	payment at redemption	cash flow derivatives		Total
within 1 year	150	-8	-150	25		-133
within 1 to 2 years	126	-4	-126	22		-108
within 2 to 3 years	-	-1	-	-		-1
within 3 to 4 years	127	-1	-127	23		-105
within 4 to 5 years	4	-	-4	-		-4
after 5 years	82	-	-69	-		-69
<b>total</b>	<b>489</b>	<b>-14</b>	<b>-476</b>	<b>70</b>		<b>-420</b>

### Credit risks involving financial instruments

Credit risk is the risk for EBN that a counterparty cannot fulfill its contractual financial obligations. Credit risk involving a counterparty may occur as a result of a cash management transaction. This may occur in the case of bank balances, deposits, bonds (including commercial paper), money market funds, derivatives and receivables from funding. As a result of the pronounced liquidity position and market values of derivatives too much of a concentration of funds amongst too limited a number of parties would amount to a significant financial risk for EBN. Our policy is therefore focused on reducing the counterparty risk by only doing business with parties with a healthy credit rating to a level deemed acceptable in relation to the creditworthiness of the relevant counterparty.

The limits allowed in the case of each counterparty that apply to the overall balances on bank accounts, and of deposits and (short-term) bonds (including commercial paper) plus the market value of derivatives less associated collateral, depend on the counterparty's credit rating. If funds are to be invested in these instruments, at least a P-1, A-1 or F1 short-term rating from Moody's, Standard and Poor's or Fitch respectively and a minimum long-term rating of A2 from Moody's or A from Standard & Poor's or Fitch applies. In addition and subject to additional conditions, funds may be invested in fully public companies that have a long-term and short-term credit rating which is one level lower than the level shown above.

Money market funds have a minimum credit rating of AAA from Moody's and AAA from Standard & Poor's or Fitch, while EBN's investment in the case of each money market fund amounts to a maximum of 5% of the relevant fund. Where derivative transactions are carried out in the context of long-term financing, this is only done with counterparties that have at least an A2, A or A long-term rating from Moody's, Standard & Poor's or Fitch respectively and with whom EBN is party to an International Swaps and Derivatives Association (ISDA) agreement. New long-term derivatives are agreed upon with a credit support annex (CSA). This is an agreement by means of which it is agreed with a counterparty that collateral will be tendered if a derivatives position has a substantial value in order to reduce the counterparty risk.

The total credit losses in 2023 on financial instruments amount to EUR 1.7 million (2022: nil).

CSA's have been agreed to with the relevant counterparties in relation to all the cross currency interest rate swaps with a nominal value of EUR 208 million (CHF 250 million) that were current as at 31 December 2023. Based on this, banks had deposited collateral with EBN amounting to EUR 27 million on balance by the end of 2023 (year-end 2022: EUR 26 million). The collateral on derivatives involves funds deposited by banks amounting to the difference between the market value of the relevant portfolio and the limit stipulated in the CSA. Most of this collateral is interest-bearing and included in cash

and cash equivalents. It will not be used for commercial purposes. The corresponding liability is accounted for as part of current liabilities. The maximum credit risk on the outstanding derivatives at the end of 2023 amounted to EUR 35 million (consisting of derivatives with a market value of EUR 62 million less collateral of EUR 27 million).

When valuing derivatives, allowances are made for the credit risk on counterparties in the event of a favourable market value and the credit risk for the banks on EBN in the event of an adverse market value. Where the market value of the total derivatives is positive or negative in the case of each counterparty (IFRS 13.48 – portfolio exception), a credit valuation adjustment (CVA) or a debit valuation adjustment (DVA) is accounted for in the valuation. These adjustments are based on credit default swap (CDS) spreads related to the weighted average remaining term of the portfolio and the market value of the derivatives in the case of each counterparty. On balance the value of the derivatives has been reduced by EUR 0.18 million for this purpose at the end of 2023 (in 2022 the decrease was EUR 0.77 million).

### Credit risk on receivables

The credit risk on receivables and those from associated companies is low. EBN mainly sells to counterparties with a high credit rating. GasTerra (long-term credit rating – Standard & Poor's AA +) accounts for 92.5% of the receivables. EBN periodically monitors the

creditworthiness of all customers and applies credit limits per customer.

### Interest rate risk

Interest rate risk is the risk of financial results or changes in the balance sheet due to fluctuations in market interest rates. EBN's interest rate risk policy is aimed at limiting interest rate risks associated with the financing of the company and at the same time achieving minimal net interest charges. In accordance with internal guidelines, a maximum of 60% of long-term loans and financial derivatives is held as variable interest-bearing. At year-end 2023, 50% (2022: 31%) of the loans were subject to a variable interest rate after hedging.

The table shows the interest rate sensitivity of the financial instruments in relation to shareholders' equity and the result. The analysis of the sensitivity of borrowings and related financial derivatives to interest rate movements assumes an immediate variation of interest rates by 2% compared to the level on 31 December 2023. All other variables are held constant in this respect. A reduction of interest rates by 2% would produce an estimated decline of net funding charges by EUR 7 million based on the portfolio of financial instruments as at 31 December 2023. An increase in interest rates by 2% would result in an estimated increase in net financing charges of EUR 6 million. These effects would mainly arise because any fluctuation in the market value of the



derivatives occasioned by an interest rate variation is directly recognised in the result.

### Currency risks

A currency risk is the risk caused by fluctuations in a foreign exchange rate in the currency market affecting financial results or changes in the balance sheet. It is EBN's objective to eliminate or reduce such fluctuations.

The foreign currency management includes spot currency transactions, forward currency transactions as well as currency swaps. EBN fully hedges currency risks arising from sales and purchases when trade receivables or trade liabilities arise. Expected transactions that have not yet taken place are not hedged. Where an investment or financing occurs in a foreign currency, the currency risk is fully hedged immediately after the time of the investment or financing transaction. When financing in a foreign currency, the currency risk is fully hedged in terms of both principal and all future interest liabilities.

Currency risks in relation to short-term loans in foreign currencies are hedged with forward exchange contracts. At the end of 2023 there were no current foreign exchange forward contracts related to short-term loans provided in a foreign currency (year-end 2022: nil).

Currency risks on long-term loans in foreign currencies are hedged with cross currency interest rate swaps.

In EUR million

2023	carrying amount	fair value	effect change interest rate +2%	effect change interest rate -2%
cash and cash equivalents	2,200	2,198	-	-
investments (current assets)	3,141	3,129	-	-
receivables	346	346	-	-
investments (non-current assets)	897	855	-	-
current borrowings	-522	-522	-	-
other current and non-current liabilities	-1,304	-1,304	-	-
non-current borrowings	-228	-225	-	-
cross currency swaps positive used for non-current borrowings	32	32	-6	7
cross currency swaps positive used for current borrowings	31	31	-	-
<b>total</b>	<b>4,593</b>	<b>4,540</b>	<b>-6</b>	<b>7</b>

In EUR million

2022	carrying amount	fair value	effect change interest rate +2%	effect change interest rate -2%
cash and cash equivalents	3,277	3,277	-	-
securities (current assets)	7,666	7,663	-	-
receivables	1,084	1,084	-	-
securities (non-current assets)	959	884	-	-
current borrowings	-150	-151	-	-
other current and non-current liabilities	-27	-27	-	-
non-current borrowings	-339	-334	-	-
cross currency swaps positive used for non-current borrowings	40	40	-9	10
cross currency swaps positive used for current borrowings	27	27	-1	1
<b>total</b>	<b>12,537</b>	<b>12,463</b>	<b>-10</b>	<b>11</b>

The adjacent table shows the sensitivity of the financial instruments to exchange rate changes reflected in equity and the result. This assumes a 10% variation in all exchange rates against the euro based on the rates as at 31 December 2023 with all other variables held constant. A variation of +10% means that the relevant foreign currency becomes stronger against the euro. A variation of -10% means that the relevant foreign currency becomes weaker against the euro.

### Fair value of financial instruments

Derivatives for hedging non-current financial instruments (and are therefore also non-current) are accounted for under fixed assets or non-current liabilities.

The fair values of listed non-current loans are based on published prices (level 1 in accordance with the IFRS). The other fair market values are calculated on the basis of available market information, including interest rates and price levels (level 2 in accordance with the IFRS). All financial assets and liabilities carried at fair value that varies in accordance with the result are classified as level 2. These valuation techniques are assessed on an annual basis. The valuation techniques were not adjusted in 2023.

The fair value of the non-current loans amounted to EUR 225 million as at 31 December 2023 (2022: EUR 339 million). The valuation is in accordance with level 1 (as in 2022). The carrying value of the above mentioned non-current loans amounted to EUR 228 million as at

In EUR million

2023	carrying amount	fair value	effect change in exchange rate +10%	effect change in exchange rate -10%
cash and cash equivalents	2,200	2,198	-	-
securities (current assets)	3,141	3,129	-	-
receivables	346	346	-	-
securities (non-current assets)	897	855	-	-
current borrowings	-522	-522	-15	12
other current and non-current liabilities	-1,304	-1,304	-	-
non-current borrowings	-228	-225	-15	12
cross currency swaps positive used for non-current borrowings	32	32	15	-12
cross currency swaps positive used for current borrowings	31	31	15	-12
<b>total</b>	<b>4,593</b>	<b>4,540</b>	<b>-</b>	<b>-</b>

In EUR million

2022	carrying amount	fair value	effect change exchange rate +10%	effect change exchange rate -10%
cash and cash equivalents	3,277	3,277	-	-
securities (current assets)	7,666	7,663	-	-
receivables	1,084	1,084	-	-
securities (non-current assets)	959	884	-	-
current borrowings	-150	-151	-17	14
other current and non-current liabilities	-27	-27	-	-
non-current borrowings	-339	-334	-28	23
cross currency swaps positive used for non-current borrowings	40	40	28	-23
cross currency swaps positive used for current borrowings	27	27	17	-14
<b>total</b>	<b>12,537</b>	<b>12,463</b>	<b>-</b>	<b>-</b>

31 December 2023 (2022: EUR 334 million). The fair value of the current component of these loans amounted to EUR 522 million as at 31 December 2023 (2022: 151 million). The associated carrying value amounted to EUR 522 million (2022: EUR 150 million). These foreign currency loans are recognised at mid-market rates as published by Refinitiv. The associated derivatives are stated at their market value. As a result, fluctuations in market interest rates of the different currencies against each other may create temporary unrealised results in the income statement. Current receivables, cash and cash equivalents and current liabilities are stated at amortised cost. Given the short term of these instruments, the amortised cost approximates their fair value.

Market price risks pertaining to investments in bonds and commercial paper comprising part of other financial assets are hedged in that these securities are held until the end of their term.

The attached table provides an overview of the carrying amount of financial derivatives broken down by type and purpose:

	<b>total</b>
cross currency interest rate swaps	63
forward currency contracts	
<b>Balance at 31 December 2022 for the total financial derivatives in relation to borrowings</b>	<b>63</b>

### Market price risk

It is EBN's policy not to hedge against the risk of fluctuations in oil and gas prices in the oil or gas markets, because such market price fluctuations can have a significant impact on EBN's results. These risks are not hedged, because they are caused by EBN's core activities directly.

Market price risks caused by the gas purchased on the Bergermeer Gas Storage Facility is mitigated and sold directly through forward contracts.

## Other notes

### 20 Contingent Liabilities and Commitments

#### Investment commitments

EBN participates in a multitude of joint ventures. The basis of these partnerships is laid down in partnership agreements or joint operating agreements, from which multi-year financial rights and obligations arise. Investment commitments totalled EUR 239.3 million (2022: EUR 250.0 million) at the end of 2023, the bulk of them falling due within one year.

#### Share of gas reserves

Furthermore, EBN's (in)direct share of the proven and probable gas reserves in the fields in which it participates amounted at 31 December 2023 to: 19.6 billion Nm<sup>3</sup> GE (2022: 26 billion Nm<sup>3</sup> GE).

Continuous renegotiations are taking place about the pricing of sales contracts. This is customary in the industry and mainly takes place through the associate GasTerra. It is impossible to provide a reliable forecast on the outcome of these renegotiations or related arbitration proceedings, so it can have significant effect on EBN's future results.

#### Corporate guarantee

On 30 June 2022 EBN issued a corporate guarantee to TAQA Gas Storage B.V., pursuant to which EBN B.V. is

to provide credit support to TAQA in relation to the trading operations which involve filling the Bergermeer Gas Storage Facility.

#### Ocean Bottom Nodes

EBN is carrying out a seismic acquisition in parts of the North Sea together with various licensed partners. The seismic acquisition aims to reduce the geological uncertainties of the area. EBN will initially bear the majority of the costs in this project. If, as a result of this study, it is decided to drill one or more wells, the parties are obliged to compensate EBN for the risk borne by EBN. This contingent asset has an estimated value of approximately EUR 23.2 million as of December 31, 2023.

#### Gas supply commitments

As part of EBN's task as a designated party for filling the Bergermeer gas storage, in addition to purchasing gas, EBN concludes various forward contracts, in which gas prices are naturally hedged. EBN hereby covers itself against any negative price fluctuations on the commodity market. The contracted forward contracts expire on March 31, 2025 at the latest. The total value of these contracts for a total of 14.2 TWh of gas to be sold amounts to EUR 762 million. The forward contracts as mentioned above do not meet the criteria of financial instruments for accounting purposes. They do, however meet the

requirements for the 'own-use exemption'. In this respect, the forward contracts are recorded as executory contracts and are therefore accounted for once the contractual obligations has been satisfied.

#### Season-ahead pricing

EBN has entered into a price agreement in collaboration with GasTerra for the summer period of 2024. During a period of six months, an amount of 660 million kWh of gas will be supplied to Kleine Velden every month. This quantity is traded by the Norm Purchasing Price, which can be compared to the summer price for 2024 that has yet to be determined.

## 21 Related parties

EBN has a 40% stake in GasTerra and they are therefore related parties under IFRS. EBN is a partner in 49 active (2022: 51) gas sales contracts with GasTerra. GasTerra accounted for EUR 1.3 billion (2022: EUR 4.5 billion) of the total turnover of EUR 2.9 billion. In 2023 receivables from supplies to GasTerra accounted for a sum of EUR 103 million (2022: EUR 366 million).

EBN and the Nederlandse Aardolie Maatschappij B.V. (NAM) entered into a Restated Deposit and Loan Facility Agreement (RDLFA) with GasTerra in 2023. The RDLFA has an end date of December 31, 2024. Based on this agreement, GasTerra can propose to place a sum of money for a term of 3 days to 3 months as a time deposit to EBN and NAM (as joint parties). Based on this agreement, GasTerra can also enter into a loan agreement with EBN and NAM (as joint parties) under the same terms and conditions for working capital needs, purchases of working gas and clearing obligations up to a maximum of EUR 1,760 million (EBN share loan facility as of December 31, 2023). The loan facility in the RDLFA has been committed. The compensation fee GasTerra pays to EBN with regards to the relevant financial services amounts to EUR 2 million per year.

In its capacity as a shareholder, the Dutch State are considered as related party. Levies, corporation tax and distributions of profit after tax are remitted to the State. You are referred to Note [7](#) and [14](#) of the Financial

Statements in this respect. In addition, EBN received a loan from its shareholder subject to market conditions (see note [16](#)).

In their capacity as associated companies NOGAT and NGT-Extension may be deemed to be related parties. EBN pays transport costs to NOGAT and NGT-Extension within the framework of its joint business operations. This takes place as part of normal business operations subject to market conditions.

Geothermie Plukmade B.V., Geocombinatie Leeuwarden B.V., Warmtebron Zwolle B.V., Porthos Development B.V., Porthos Offshore Transport and Storage GP B.V., Porthos CO<sub>2</sub> Transport and Storage GP B.V., Porthos System Operators B.V., Porthos Offshore Transport and Storage C.V., and Porthos CO<sub>2</sub> Transport and Storage C.V. are also related parties and are in the start-up phase.

In 2021 the EBN CEO joined Bonaire Brandstof Terminal B.V. (BBT), a company established by the state, with the state as its sole shareholder. On 1 February 2023 Jan Willem van Hoogstraten resigned as a member of the BBT executive board. In 2022 he held this position alongside his position on EBN's Board of Directors.

For an additional explanation we refer to Note [10](#) in the consolidated Financial Statements. All transactions with related parties or under joint management are conducted at arm's length and pertain to normal business operations.

## 22 Key Management

The overall charges for remuneration, pensions and other salary costs of Key Management team amounted to EUR 1.0 million as at 31 December 2023 (2022: EUR 1.0 million). The key management team consists of three members of the Board of Directors, of which one is an executive director, and five members of the Supervisory Board.

The total remuneration costs of the Board of Directors is:

In EUR

	2023	2022
regular remuneration	822,736	824,133
reteriment benefits	73,179	67,017
<b>total</b>	<b>895,915</b>	<b>891,150</b>

The remuneration of the Supervisory Board is as follows;

In EUR

	2023	2022
J.G. Huijskes	24,500	24,500
E.M. Kneppers-Heijnert	20,000	20,000
W.S. de Vries	20,000	20,000
J.W. Weck (resigned as per 1 March 2023)	3,333	20,000
C.G. Gehrels	20,000	20,000
R.M. Bergkamp (appointed as per 13 March 2023)	16,641	-
<b>total</b>	<b>104,474</b>	<b>104,500</b>

In addition to their gross remuneration, each Supervisory Board member receives an expense allowance of EUR 2,400 per year.

### 23 Events after the balance sheet date

There have been no events after the balance sheet date.

Utrecht, 12 March 2024

#### Board of Directors

J.W. van Hoogstraten

#### Supervisory Board

F. Eulderink

A.H. Mulder

W.S. de Vries

C.G. Gehrels

R.M. Bergkamp

## Parent Company Financial Statements

### Company Statement of Comprehensive Income

In EUR million

	2023	2022
share of profit from associates	194	70
other results, after tax	51	4,018
<b>Profit/loss for the period</b>	<b>245</b>	<b>4,088</b>
other comprehensive income	1	-1
<b>total comprehensive income for the period</b>	<b>246</b>	<b>4,087</b>

## Company Statement of Financial Position (before profit appropriation)

In EUR million

ASSETS	note	31 December 2023	31 December 2022
<b>Non-current assets</b>			
property, plant and equipment	<a href="#">2</a>	1,198	979
financial fixed assets	<a href="#">3</a>	586	468
other financial assets	<a href="#">4</a>	897	959
deferred tax asset	<a href="#">5</a>	56	273
derivatives	<a href="#">3</a>	32	40
		<b>2,769</b>	<b>2,719</b>
<b>Current assets</b>			
inventories	<a href="#">6</a>	34	32
trade and other receivables	<a href="#">7</a>	1,008	2,180
tax receivables	<a href="#">5</a>	800	5
derivatives	<a href="#">3</a>	31	26
other financial assets	<a href="#">4</a>	3,141	7,666
cash and cash equivalents	<a href="#">4</a>	2,180	3,225
		<b>7,194</b>	<b>13,134</b>
<b>total</b>		<b>9,963</b>	<b>15,853</b>

In EUR million

LIABILITIES	note	31 December 2023	31 December 2022
<b>Shareholder's equity</b>			
share capital	<a href="#">8</a>	128	128
share premium		450	450
retained earnings		2,261	470
result of the year		246	4,087
		<b>3,085</b>	<b>5,135</b>
<b>Non-current liabilities</b>			
provisions	<a href="#">9</a>	3,503	3,355
borrowings	<a href="#">11</a>	217	326
other non-current liabilities		56	67
		<b>3,776</b>	<b>3,748</b>
<b>Current liabilities</b>			
provisions	<a href="#">9</a>	776	825
borrowings	<a href="#">11</a>	522	177
tax payables	<a href="#">7</a>	125	4,230
trade payables	<a href="#">10</a>	139	1,106
other payables	<a href="#">10</a>	1,540	632
		<b>3,102</b>	<b>6,970</b>
<b>total</b>		<b>9,963</b>	<b>15,853</b>



## Notes to the Parent Company Financial Statements

### 1. General

EBN's unconsolidated financial statements are prepared in accordance with the principles for financial reporting generally accepted in the Netherlands and the legal provisions governing financial statements set out in Part 9, Book 2 of the Dutch Civil Code. The unconsolidated income statement has been drawn up subject to the exemption stipulated in Article 2:402 of the Civil Code.

The option stipulated in Article 2:362(8) of the Civil Code is relied on for the purposes of determining the policies governing the valuation of the assets and liabilities, and the result in the unconsolidated financial statements. This means that the policies governing the valuation of the assets and liabilities, and the result for the purposes of the unconsolidated financial statements are identical to those applied in the case of the consolidated financial statements. In this respect, group companies are recognised on the basis of their net asset value and associates in accordance with the equity method.

The consolidated financial statements are prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. For a description of the principles used, you are referred to page [109](#) until page [120](#).

### 2. Property, plant and equipment

Property, plant and equipment which are related to regular oil and gas operations are held in EBN B.V. and represent an amount of EUR 1.198 million (2022: EUR 979 million) in total. For a breakdown of the Property, plant and equipment we refer to the movement schedule in note [9](#) to the Consolidated Financial Statements.

Difference in relation to the Consolidated Financial Statements pertain to assets relating to transport and storage operations. These activities and related assets are included in the Financial Statements of EBN Capital B.V. The capitalised decommissioning and restoration costs pertaining to transport and storage operations amount to EUR 22.8 million (2022: EUR 4.6 million).

### 3. Financial fixed assets

The financial fixed assets comprising part of the unconsolidated balance sheet include, amongst other things, the fully owned associated companies, EBN Capital B.V., EBN CCS B.V., EBN Aardwarmte B.V., EBN Porthos Deelnemingen B.V. and EBN CCS LP B.V., which have been accounted for as group companies in the Consolidated Financial Statements.

Associated companies refers to the value of the participating interest held by EBN B.V. in GasTerra B.V. For

more details we refer you to Note [10](#) of the Consolidated Financial Statements.

A position held with EBN Capital B.V. for investments in the Bergermeer Gas Storage Facility are accounted for under loans. This loan facility is subject to a maximum of EUR 200 million and its term runs from 1 January 2013 to 31 December 2041. No collateral has been provided. The annual interest rate is annually determined based on the 12-month EURIBOR plus a markup of 250 basis points. The total outstanding amount as per balance sheet date amounts to EUR 17.7 million (2022: EUR 21.7 million).

EBN B.V. provided a loan to EBN CCS LP B.V. in connection with investments in CCS operations representing a maximum facility of EUR 441.1 million with a term that runs from 1 February 2022 to 31 December 2042. The total outstanding loan amounted to EUR 34.7 million (2022: EUR 34.7 million) at the end of 2023. No collateral has been provided. The annual interest rate is annually determined based on the 12-month EURIBOR plus a markup of 325 basis points.

Derivatives mainly involve cross currency swaps used for current and non-current loans. For additional explanation we refer to Note 19 of the Consolidated Financial Statements.

Financial fixed assets cover the following components:

In EUR million

	group companies	associates	loans	total
<b>balance per 1 January 2023</b>	325	86	57	468
changes	9	-	-4	5
profit share	194	14	-	208
dividend paid	-81	-14	-	-95
<b>balance per 31 December 2023</b>	<b>447</b>	<b>86</b>	<b>53</b>	<b>586</b>

In EUR million

	group companies	associates	loans	total
<b>balance per 1 January 2022</b>	194	86	26	306
changes	61	-	31	92
profit share	70	14	-	84
dividend paid	-	-14	-	-14
<b>balance per 31 December 2022</b>	<b>325</b>	<b>86</b>	<b>57</b>	<b>468</b>

#### 4. Other financial assets, cash and cash equivalents

For more detail relating to other financial assets, cash and cash equivalents we refer to Note 11 to the Consolidated Financial Statements.

#### 5 Taxation

The deferred tax assets at the end of 2023 of EUR 56 million (EUR 273 million) comprises of temporary differences arising as a result of the valuation of property, plant and equipment and related decommissioning and restoration provision. In addition, a tax receivable has

been recognised in the case of the modified deployment of the Underground Gas Storage Facility in Norg. For an overview of the deferred tax position and current tax liabilities we refer to Note 7 to the Consolidated Financial Statements.

#### 6. Inventories

In EUR million

	2023	2022
oil and condensate	8	11
material	26	21
<b>total per 31 December</b>	<b>34</b>	<b>32</b>

#### 7. Trade and other receivables

In EUR million

	2023	2022
amounts due from associates	103	366
other trade debtors	8	2
<b>total trade receivables</b>	<b>111</b>	<b>368</b>
other receivables, deferred income and accruals	76	213
amounts due from group companies	821	1,599
<b>total per 31 December</b>	<b>1,008</b>	<b>2,180</b>

In connection with the financing of the filling activities of the Bergermeer Underground Gas Storage Facility, an additional credit has been made available to EBN Capital as tranche 2 of the general credit facility (see note 3). This

additional facility has a maximum of EUR 3.5 billion and has a term from January 1, 2023 to May 31, 2024. The interest rate payable on the credit facility is based on the 6-month EURIBOR rate, increased by a surcharge of 20 basis points. This credit facility presented as an amount due from group companies is of a short-term nature and amounted to EUR 800 million (2022: EUR 1.2 billion) as per balance sheet date.

## 8. Equity

The profit after tax for 2023 is included in the result for the year, as part of equity. For more details, we refer to Note [14](#) of the Consolidated Financial Statements.

## 9. Provisions

The provisions consist of those for decommissioning and restoration costs, soil subsidence and earthquakes related cost. Differences in comparison the Consolidated Financial Statements pertain to the provision for decommissioning and restoration related to transportation and storage assets representing a total sum of EUR 50.8 million (2022: EUR 37.0 million).

## 10. Trade payables and other current liabilities

Trade payables totalled EUR 139 million at the end of 2023 (2022: EUR 1.1 billion), mainly relate to the December joint interest billings to be paid to operators.

Other non-current liabilities totalled EUR 1.540 million at the end of 2023 (2022: EUR 632 million) and consist

mainly of reserves for operators amounting to a sum of EUR 863 million (2022: EUR 469 million), a current account debt with EBN Capital of EUR 498 million, a current debt payable under the Groningen National Programme amounting to a total of EUR 10 million (2022: EUR 10 million), as well as a total sum of EUR 61 million (2022: EUR 45 million) in received Government grants. Other remaining items mainly relate to accruals.

## 11. Borrowings

For a breakdown of the borrowings including their classification as current or non-current, we refer you to Note [16](#) to the Consolidated Financial Statements.

## Proposed appropriation of profit

A net profit is realized in 2023. This net result will be fully paid out in 2023 through the interim dividend. In accordance with the applicable legal regulations, EBN's dividend policy and taking into account a solvency ratio of 32%, it is proposed to pay out an amount of EUR 670 million from the balance of retained earnings from previous years in 2024 as a final dividend for the 2023 financial year to the shareholder.

## Security

EBN has issued a declaration of liability in respect of EBN Aardwarmte B.V. and EBN Capital B.V. in accordance with Article 403 of Book 2 of the Civil Code.

## Fiscal Unity

EBN B.V. constitutes a fiscal unity together with EBN Capital B.V., EBN Aardwarmte B.V., EBN CCS B.V., EBN Porthos Deelnemingen B.V. and EBN CCS LP B.V. for the purposes of Corporate and Value Added Tax. Together EBN and its subsidiaries constitute a Fiscal Unity and are jointly and severally liable for any taxes owed by the entity. Any tax liabilities are calculated on the basis of the commercial result that has been achieved as set out in the subsidiaries' Financial Statements. EBN B.V. settles these tax liabilities with its subsidiaries through a current account.

## Events after the balance sheet date

Refer to Note [24](#) to the consolidated Financial Statements.

## Fees paid to external auditors

The total fee charged by the external auditors, PricewaterhouseCoopers Accountants N.V., for their statutory auditing services amounted to EUR 489,000 in 2023 (2022: EUR 417,000). Fees for assurance and non-audit services (e.g. subsidy audits) amounted to a total of EUR 41,600 in 2022 (2022: EUR 63,800). PricewaterhouseCoopers Accountants N.V. did not provide any tax services in 2023.

## Directors' Remuneration

The remuneration of the Company's Directors is in line with the remuneration policy adopted by the Shareholder and was as follows.

In EUR

J.W. van Hoogstraten	2023	2022
regular remuneration	316,420	300,319
variable remuneration	48,162	47,380
pension	25,828	21,419
<b>total</b>	<b>390,410</b>	<b>369,118</b>

The remuneration shown in the table above includes compensation for retirement benefits. See section 10.4 remuneration report for more information.

In 2023 the remuneration of the Supervisory Board Members amounted to EUR 104,474 (2022: EUR 104,500). See Note [22](#) for additional details concerning the remuneration of the individual Supervisory Board Members.

Utrecht, 12 March 2024

### Board of Directors

J.W. van Hoogstraten

### Supervisory Board

F. Eulderink

A.H. Mulder

W.S. de Vries

C.G. Gehrels

R.M. Bergkamp

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## Other information

### Appropriation of profit

Profit is appropriated in accordance with the provisions of Article 23(2) of the Company's Articles of Association and any current arrangements with the Shareholder.

# 8. Independent Auditor's Report

8.1 Independent auditor's report

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8.2 Assurance report of the independent auditor

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## 8.1 Independent auditor's report

This assurance report is an unofficial translation of the original auditor's report accompanying the original annual report 2023, both stated in Dutch. In case of any conflict between this translation and the original assurance report, the latter will prevail. The original assurance report can be found on the website of EBN B.V.

To: the general meeting and the supervisory board of EBN B.V.

### Report on the financial statements 2023

#### Our opinion

In our opinion:

- the consolidated financial statements of EBN B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2023 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted in the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;

- the company financial statements of EBN B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

#### What we have audited

We have audited the accompanying financial statements 2023 of EBN B.V., Utrecht. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the following statements for 2023: the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2023;
- the company profit and loss account for the year then ended; and

- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

#### The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the Financial Statements'.

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

#### Independence

We are independent of EBN B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional

Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

### Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

### Overview and context

As stated in the annual report EBN B.V. is a company that invests in the exploration, extraction and storage of gas and oil on behalf of the Dutch State. EBN is a partner in participation with various oil and gas companies. EBN's share in these joint arrangements is generally 40% and comprises non-operates ventures (NOV's). As partner EBN is involved in projects in which they invest, however the operator is responsible for the day to day operations. EBN's core activities are investing in and managing NOV's and the development and application of knowledge

for these NOV's. EBN also participates in geothermal energy projects, underground gas storage facilities and in transport and gas treatment installations and in CO<sub>2</sub> capture and storage projects. EBN has a 40% interest in Gasterra B.V. Via this gas wholesaler the gas production of EBN is sold.

EBN is dependent on the development of oil- and gas prices, as a result of which volatility in the annual results can occur. In addition, the results are impacted by the filling activities from EBN in the underground storage Bergermeer, earthquake related expenses and movements in the decommissioning provision. At the same time the volume and scale of the business operations are impacted in an important manner by the number of joint arrangements and financing activities. The financial performance of the Company is reflected in the total assets. These aspects have influenced the determination of our materiality as described in the section 'Materiality' of this audit opinion. The financial statement line items related to property, plant and equipment and earthquake related expenses that cause volatility of the results have been subject to specific focus in our audit, reference is made to the section 'Key audit matters' of this audit opinion.

The group comprises of six components, EBN B.V. and EBN Capital B.V., EBN CCS B.V. and EBN Aardwarmte B.V., EBN Porthos Deelnemingen B.V. and EBN CCS LP B.V. Our

group audit scope is set out in the scope of our group audit section.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In paragraph 'key accounting estimates and judgements' of the financial statements the Company describes the areas of judgment in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty in the impairment assessment of fixed assets and the determination of the provision for decommissioning and restoration and costs as a result of earthquakes we considered these matters as key audit matters as set out in the section 'Key audit matters' of this report.

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a company operating in the energy industry with non-operated venture interests. We therefore included specialists in the areas of the oil & gas industry, treasury, IT and taxation in our team.

The outline of our audit approach was as follows:





**Materiality**

- Materiality: €96,000,000 based on 1% of total assets.

**Scope of the audit**

- We have performed audit procedures on EBN B.V., EBN Aardwarmte B.V., EBN Capital B.V., EBN CCS B.V., EBN Porthos Deelnemingen B.V. and EBN CCS LP B.V.
- Determination of the provision for decommissioning and restoration and costs as a result of earthquakes include significant management estimates

**Materiality**

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the Financial Statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

<b>Overall group materiality</b>	€96,000,000 (2022: €158,190,000).
<b>Basis for determining materiality</b>	We used our professional judgement to determine overall materiality. As a basis for our judgement we used 1% of total assets.
<b>Rationale for benchmark applied</b>	We have used the total assets as primary, generally accepted, benchmark based on our analysis of the common information needs of users of the financial statements. On this basis we believe that the selected benchmark is an important key indicator for the financial performance of the company.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €4,800,000 (2022: €7,909,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

**The scope of our group audit**

EBN B.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of EBN B.V.

We tailored the scope of our audit to ensure that we, in aggregate, provide sufficient coverage of the financial statements for us to be able to give an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of

operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate. In establishing the overall group audit strategy and plan, we determined the type of work required to be performed at component level by the group engagement team and by each component auditor.

The audit is performed on a consolidated level by the group audit team, whereby the financial information of all consolidated components was included in the

audit procedures. As a result we were able to obtain sufficient and appropriate audit evidence with respect to the financial information of the Group the basis for our opinion on the financial statements.

### Audit approach fraud risks

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

## Identified fraud risk

### The risk of management override of controls

The board of directors are in a unique position to commit fraud, as they are able to manipulate the administrative records and to draft fraudulent financial overviews by overriding controls that otherwise seem to operate effectively.

That is why in all our audits, we pay attention to the risk of management override of controls, with respect to

- Journal entries and other adjustments made during the preparations of the financial statements.
- Estimates.
- Significant transactions outside the normal course of business.

We pay particular attention to tendencies arising from possible interests or stakes of the board of directors.

## Our audit work and observations

Where relevant to our audit, we evaluated the design of the internal control measures that are intended to mitigate the risk of management override of controls and assessed the effectiveness of the measures in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties.

We concluded that we, in the context of our audit, could rely on the internal control procedures relevant to this risk.

We have selected journal entries based on risk criteria and conducted specific audit activities for these entries.

We also performed specific audit procedures related to important estimates of management, including the valuation of fixed assets and the valuation of the provisions for decommissioning and earthquake related costs. For these procedures we refer to the key audit matters. We specifically paid attention to the inherent risk of potential bias of management in estimates.

Our audit procedures did not identify any material misstatement in the information provided by management in the financial statements and the directors' report.

Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of the internal controls.

### Audit approach going concern

As disclosed in section 3.8.1 of the directors' report, management performed their assessment of the entity's ability to continue as a going concern for the foreseeable future and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks).

We determined our audit procedures in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. The following information should be read in this context and not as a separate opinion or conclusion.

Our procedures to evaluate the board of directors' going concern assessment included, amongst others:

- considering whether management's going concern assessment includes all relevant information of which we are aware as a result of our audit and inquire with management regarding management's most important assumptions underlying their going concern assessment;
- analysing the financial position per balance sheet date in relation to the financial position per prior year balance sheet date to assess whether events or circumstances exist that may lead to a going concern risk;
- evaluating management's current budget including cash flows in comparison with last year, current

developments in the industry and all relevant information of which we are aware as a result of our audit;

- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations;
- performing inquiries of management as to their knowledge of going concern risks beyond the period of management's assessment.

Based on our procedures performed, we concluded that the board of directors' use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

The risk related to the valuation of property, plant and equipment has materialised as a consequence of the fact that the Groningen field has stopped production as of 1 October 2023 and the remaining book value has been depreciated in 2023. Therefore this is no longer a key audit matter.

## Key audit matter

### Determination of the provision for decommissioning and restoration and costs as a result of earthquakes include significant management estimates

*Please refer to 'Key accounting estimates and judgements' and noot 15 Voorzieningen.*

The valuation of provisions for decommissioning and restoration and costs as a result of earthquakes is complex. Provisions related to these costs are 42% (EUR 4,043 million) of EBN's balance sheet total. Significant estimates and assumptions of management are needed to determine these provisions.

The main estimates in the provision for decommissioning and restoration are the expected costs per individual asset and the timing of the decommissioning activities; which is dependent on the expected end date of the production of the field to which the asset is related. In 2023 the provision has increased with €19 million. The most important change is the remeasurement of €258 million, predominantly due to an increase in the expected costs for decommissioning of installations and insights about the timing of decommissioning.

Estimates and assumptions for costs as a result of earthquakes comprise the total number of expected claims and the amount of these claims, the expected payment of compensation for the decrease in value of real estate and immaterial damage, the expected amount that needs to be paid for building new / strengthening of schools and infrastructure, the expected amount that needs to be paid for strengthening of houses and the expected organisation, inspection and engineering costs. Expected costs as a result of earthquakes are dependent on cost estimations from various sources and the outcome of (ongoing) legal procedures.

Due to the long duration of the provision, the provision is discounted using a discount rate of 2.8%.

We have marked this area as key audit matter due to the material importance of the provisions compared to the balance sheet total and given the valuation requires significant estimates.

## Our audit work and observations

Our audit procedures for the provision for decommissioning and restoration comprise amongst others the evaluation of estimates and assumptions of management. We have done this by reconciling the information used by management to information received from operators for estimated costs, comparing cost estimates between operators and reconciling to information with regards to oil and gas reserves.

We have assessed the reasonableness of the used discount rate and have evaluated managements process for adjusting operator information. For adjustments made from operator information we have obtained audit evidence assessed the reasonableness.

We have verified cost estimates for earthquake damages, based on the operator information, to external available information from other sources. Next to that we have analysed the process related to the assurance engagement on the estimation of costs as a result of earthquakes as reported by the operators and evaluated the results of this assurance engagement. We have assessed the acceptability of the supporting information from operators and assessed the reasonability of the used discount rate.

Next to that we have re-performed managements' calculations and assessed whether these are performed in accordance with the standards and consistent with prior periods. Finally, we have assessed the reasonableness of the disclosures and the uncertainties included in those disclosures.

## Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report

and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

## Report on other legal and regulatory requirements

### Our appointment

We were appointed as auditors of EBN B.V. on 16 November 2015 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 16 November 2015. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 8 years.

## Responsibilities for the financial statements and the audit

### Responsibilities of the board of directors and the supervisory board for the financial statements

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

### Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Rotterdam, 12 March 2024

PricewaterhouseCoopers Accountants N.V.

Originally signed by drs. W.A. Schouten RA

## Appendix to our auditor's report on the financial statements 2023 of EBN B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

### The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the

purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## 8.2 Assurance report of the independent auditor

This assurance report is an unofficial translation of the original assurance report accompanying the original annual report 2023, both stated in Dutch. In case of any conflict between this translation and the original assurance report, the latter will prevail. The original assurance report can be found on the website of EBN B.V.

To: the general meeting and the supervisory board of EBN B.V.

### Assurance report on the selected sustainability indicators in the annual report

#### Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected sustainability indicators in the annual report over 2023 of EBN are not prepared in all material respects, in accordance with the Sustainability Reporting Standards as set by the Global Reporting Initiative (GRI, reporting method 'in reference to') and the additionally applied reporting criteria as set out in the section 'Applicable criteria'.

#### What we have examined

The object of our assurance engagement contains the selected sustainability indicators in the annual report 2023, as indicated with the symbol '✓' (hereafter: the indicators). We have examined the indicators that are included in the annual report 2023 of EBN B.V., Utrecht. The following indicators have been examined:

- The absolute CO<sub>2</sub> equivalent emissions for BUG operations (drilling and production activities).
- Reduction of CO<sub>2</sub> emissions per year due to geothermal heat in Kton.
- Number of participations in geothermal projects.
- Number of PJ developed by geothermal energy.
- Number of SCAN drillings.
- Number of participations in CTOS projects.
- Number of cumulatively reused mining works, cables and pipelines used for sustainable energy storage and/or sustainable energy production.
- Number of joint decommissioning campaigns included in operator's work program and budget for the next financial year.
- Meeting the desired filling requirement of the Bergermeer gas storage facility at the end of the injection season.
- Small fields production 100% billion Nm<sup>3</sup> TQ.
- Small field maturation 100% billion Nm<sup>3</sup> TQ.
- Unit OPEX in EUR ct/Nm<sup>3</sup> GE.

- Number of gas futures from prospects and leads in BCM.
- Score in the stakeholder survey (conducted once every two years).
- Number of occupational accidents in the operations/ participations that led to absenteeism – only for BUG (expressed in Lost Time Accidents or LTA)
- Score 'Great Place to Work' employee satisfaction survey (conducted once every two years).
- Outflow rate.
- Place in the sector of the Transparency Benchmark.
- ESG Issuer Profile Scores (Governance score) based on the Moody's credit opinion.
- Net management costs (excluding project costs).
- Solvency (equity/balance sheet total).
- Result after tax.
- Focus on reputation benchmark as part of the stakeholder survey (conducted once every two years).

#### The basis for our conclusion

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described

in the section 'Our responsibilities for the examination' of our report.

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

### Independence and quality control

We are independent of EBN B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

PwC applies the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality systems) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other applicable legal and regulatory requirements.

### Applicable criteria

The applied criteria for compiling the indicators are the Sustainability Reporting Standards as set by the Global

Reporting Initiative (GRI, reporting method 'in reference to') and the additionally applied reporting criteria as set out in the paragraphs '6.1 scope' and '6.5 Measurement methods for material issues' of section '6. About this report' of the annual report 2023. The applied GRI-standards are included in the GRI Content Index as disclosed in appendix '9.5 GRI-index 2023' supplied with the annual report 2023.

The absence of an established practice on which to draw, to evaluate and measure the indicators allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Consequently, the indicators needs to be read and understood together with the reporting criteria used.

### Responsibilities for the indicators and the examination thereof

#### Responsibilities of the board of directors and the supervisory board

The board of directors of EBN B.V. is responsible for the preparation of the indicators in accordance the Sustainability Reporting Standards as set by the Global Reporting Initiative (GRI, reporting method 'in reference to') and the additionally applied reporting criteria as set out in in the paragraphs '6.1 scope' and '6.5 Measurement methods for material issues' of section '6. About this report' of the annual report 2023, including the

identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the board of directors are responsible for such internal control as it determines is necessary to enable the preparation of the indicators that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the EBN's reporting process on the indicators.

### Our responsibilities for the examination

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

Our conclusion aims to provide limited assurance. The procedures performed in this context consisted primarily of making inquiries with officers of the entity and determining the plausibility of the information included in the indicators. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the

Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Evaluating the appropriateness of the reporting criteria used and their consistent application. This includes the evaluation of the reasonableness of estimates made by the board of directors.
- Through inquiries, obtaining a general understanding of the control environment, processes and information relevant to the preparation of the indicators, but not for the purpose of obtaining assurance evidence about their implementation or testing their operating effectiveness.
- Identifying areas of the indicators with a higher risk of misleading or unbalanced information or material misstatement, whether due to fraud or error. Designing and performing further assurance procedures aimed at determining the plausibility of the indicators in response to our risk assessment. Those other procedures consisted amongst others of:
  - conducting interviews with management (and/or relevant employees) responsible for the (sustainability) strategy and policy and performance;
  - conducting interviews with relevant employees responsible for providing information for, carrying out internal controls on, and consolidating data in the sustainability indicators;

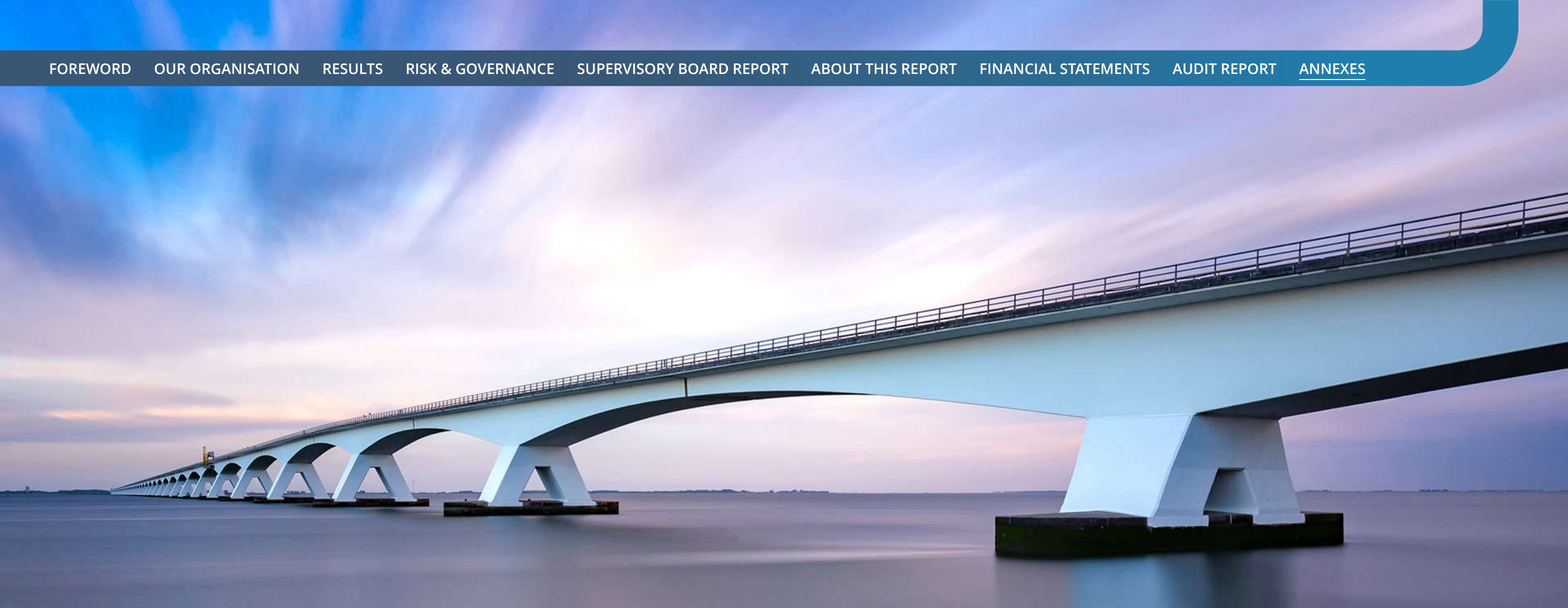
- obtaining assurance information that the indicators are consistent with the underlying records of the entity;
- assessing relevant internal and external documentation on the basis of limited samples;
- considering data and trends.
- Reconciling the relevant financial information with the financial statements.
- Evaluating the consistency of the indicators with the other information in the annual report outside the scope of our assessment.
- Evaluating the overall presentation of the indicators.

We communicate with the supervisory board among other things on the planned scope and timing of our examination and the significant findings forthcoming of our examination.

Rotterdam, 12 March 2024

PricewaterhouseCoopers Accountants N.V.

Originally signed by drs. W.A. Schouten RA



# 9. Annexes

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## 9.1 Interaction with our stakeholders

Stakeholder	Organisation	Interaction format	Points of discussion
National government	Shareholder: Ministry of Economic Affairs and Climate Policy / Secretary general	Annual AGM	Annual report, results, dividend, Corporate governance
		Informal consultations	Current developments
		Biannual alignment & strategy update Stakeholder monitor	
	Policy maker:	Regular:	Information to assess feasibility of planned energy policy Collaboration/partnerships
	Ministry of Economic Affairs and Climate Policy / (Director General of Climate and Energy)	Strategic consultations and Management consultations Mining and Gasgebouw consultations	Current developments Decommissioning and reuse
Policy maker: Ministry of Infrastructure and Water Management		Ad hoc consultations	
		Workshops	Structural vision, Subsurface Decommissioning and reuse
Policy maker: Ministry of Economic Affairs and Climate Policy, Ministry of the Interior and Kingdom Relations		Ad hoc consultations	Mining and water protection
		Ad hoc consultations	Development of geothermal energy and district heating grids in the Netherlands Master Plan, Geothermal energy in the Netherlands
Ministry of Finance		Ad hoc consultations	Current developments
Local authorities	Provinces/IPO	Ad hoc consultations Networking meetings Conferences/symposia Stakeholder monitor	Development of geothermal energy in the Netherlands Collaboration Potential for Geothermal energy Geothermal energy in the RES Implementation of SCAN programme

Stakeholder	Organisation	Interaction format	Points of discussion
	Water authorities	Ad hoc consultations Networking meetings	Development of geothermal energy in the Netherlands Implementation of SCAN programme
	Municipalities / Association of Netherlands Municipalities (VNG)	Ad hoc consultations Meetings/conferences/symposia VNG-conference Stakeholder monitor	Development of geothermal energy in the Netherlands Potential for Geothermal energy Implementation of SCAN programme
Regulatory agencies	State Supervision of Mines	Regular consultations Ad hoc consultations Stakeholder monitor	Safety, efficient extraction, decommissioning and reuse Development of (ultra-deep) geothermal energy, HSE benchmark, implementation of SCAN programme, development of CO <sub>2</sub> storage
	Authority for Consumers and Markets	Ad hoc consultations	Competition
Operators/ license holders	Oil and gas companies operating in the Netherlands Foreign (non-) operators	Regular consultations (TCMs, OCMss) Handling of investment proposals Strategic consultations Informal contacts Workshops Conferences Ad hoc consultations Stakeholder monitor	Projects Collaboration Investments Cost management Reserves Decommissioning and reuse Long-term strategies of operators Public support Promotion of exploration potential in the Netherlands HSE-benchmark
	Geothermal energy companies operating in the Netherlands	Strategic consultations Informal consultations Ad hoc consultations Workshops Conferences Stakeholder monitor	Development of geothermal energy in the Netherlands Collaboration Implementation of the Master Plan Geothermal Energy in the Netherlands
North Sea Consultation	Greenpeace, TenneT, NWEA, Visned, Nederlandse Vissersbond, Port of Rotterdam, EBN, WNF, Vogelbescherming Nederland, Element NL, Natuur & Milieu, Stichting De Noordzee, KNAW, and the ministries of Economic Affairs and Climate Policy, of Agriculture, Nature and Food Quality and of Infrastructure and Water Management	Stakeholder monitor	The North Sea Consultation, which is made up of the national government and civil society organisations, has the objective of drafting an agreement for the North Sea. The agreement contains broadly supported decisions and agreements for challenges related to food, nature and energy, taking into account the interests of other users, such as in shipping and sand extraction.

Stakeholder	Organisation	Interaction format	Points of discussion
Trade associations / industry organisations	Trade association Element NL	Regular consultations Informal contacts Reports Workshops Conferences Stakeholder monitor	Collaboration Cost management Decommissioning and reuse Public support Role of natural gas Energy transition Communication
	Nexstep	Regular consultations Supervisory Board Committee participation Workshops Stakeholder monitor	Decommissioning and reuse of onshore and offshore oil and gas infrastructure in the Netherlands Innovation Reducing the cost of decommissioning and reuse
	Geothermie Nederland	Regular consultations Informal contacts Workshops Ad hoc consultations Stakeholder monitor	Development of geothermal energy in the Netherlands Projects Collaboration Public policy Communication and stakeholder management Implementation of the Master Plan Geothermal Energy in the Netherlands
	NVDE (Dutch Association for Sustainable Energy)	Working group	Sustainable development
Gasgebouw	NAM, GasTerra, Shell, ExxonMobil	Regular consultations (CVG, RVC, AwwA, AC, CBM, Budget Committee) Expert consultations Informal contacts Stakeholder monitor	Collaboration Investments Cost management Role of natural gas Energy transition Earthquakes
Financial institutions	Credit providers: ING, Rabobank and BNP Paribas	Annual meetings Ad hoc consultations	Financing requirement Credit conditions
	Capital market: banks and advisers	Ad hoc consultations	Financial requirement Capital market developments
	Money market: banks, commercial paper dealers and money market traders	Ad hoc consultations	Investment opportunities Money market developments

Stakeholder	Organisation	Interaction format	Points of discussion
	Moody's credit rating agency	Annual meetings Ad hoc consultations	Financial and operational developments and expectations
Insurance	Insurance brokers and companies	Ad hoc consultations	Damage claims Inspections of installations
Wholesale	GasTerra (gas buyer)	Regular consultations (CVG, RVC, AC, AvvA) GILDE, KVG Ad hoc consultations Stakeholder monitor	Selling prices Processing and transportation Liabilities Guarantees Public support Role of natural gas Energy transition
Gas transport	Gasunie/GTS	Regular consultations GILDE, KVG Ad hoc consultations Stakeholder monitor	Import conditions Public support Role of natural gas Energy transition
Gas storage	TAQA (Bergermeer)	Regular consultations (TCM's, OCM's) Ad hoc consultations	Projects Collaboration Investments HSE-benchmark
	Gasgebouw (Norg, Grijskerk, Alkmaar)	Regular consultations	Projects Collaboration Investments
Buyers	Oil/condensate Oil and petrochemicals companies (midstream)	Regular consultations Ad hoc consultations	Selling prices Processing and transportation Liabilities Guarantees
	Gas: Energy companies	Via wholesale (GasTerra)	Selling prices Processing and transportation Liabilities Guarantees



Stakeholder	Organisation	Interaction format	Points of discussion
Supply	E&P service companies in the oil and gas industry Trade organisation IRO	Project basis (Joint Industry Projects, JIP's) Workshops Conferences	Projects Cost management Decommissioning and reuse
CCS	Gasunie and Port of Rotterdam (joint venture partners in Porthos project), emitters  Gasunie, Shell and Total Energies (partners in Aramis project), emitters	Project basis Regular consultations (steering group, CEO consultation, consultation with emitters)  Projectbasis Regular consultations (steering group, consultation with emitters, consultation with offshore operators)  Stakeholder monitor	JV terms Customer acquisition (emitters) Project execution Agreements with operator(s), service providers, such as TAQA
Advisory bodies	Berenschot Deloitte McKinsey PwC RHDHV EY Darel TNO	Sporadic and upon request Stakeholder monitor	Consultancy Support Research
Civil society organisations	NGO's Stichting Natuur en Milieu (Nature and Environment foundation)	Sporadic Stakeholder monitor	EBN's role and strategy Natural gas in the energy transition Decommissioning and reuse Development of geothermal energy in the Netherlands
Local residents	Local residents Interests groups	Via operators Of via municipalities/provinces	Impact of drilling and production sites on the living environment Safety and possible damage Benefit and necessity Involvement in decision-making Local compensation Information sessions for local residents Geothermal energy development Implementation of SCAN programme

Stakeholder	Organisation	Interaction format	Points of discussion
Knowledge- and educational institutions	Knowledge institutions: CIEP, NEC, TNO, TKI, ESTRAC	Board of TKI-Gas Supervisory Board Strategic Advisory Board (NEC) Regular consultations JIP's (TNO) Ad hoc consultations Stakeholder monitor	Collaboration Consultancy Support Research (academic) TKI projects
	Educational institutions: Universities Training institutes Students	Student congress Internships at EBN 3TU's, UU, VUA, RUG Workshops	University career fairs Social trade-offs around projects Career opportunities Decommissioning and reuse
Employees	HR:  Great Place To Work, InContext, Arbobutler, AWWN (trade assoc.), Lawyers, tax advice, training and educational institutions  Berenschot	Surveys, off-site retreats, personality tests Absenteeism guidance, coaching, advice, PMO, workstation assessment Development of labour markets Consulting Coaching, mentoring, advice, project guidance Buddy programme	Satisfaction Well-being Physical and mental well-being, complaints. Social developments Training and education Implementation strategy Cultural trajectory
	Works Council	Regular consultation with CEO four times a year (Supervisory Board member present twice a year) Ad hoc consultation with CEO (formal and informal) Consultation with employees Survey	Strategy and market developments General state of affairs at EBN Request for advice on implementation of new strategy (reorganisation) Request for consent on Working from Home Policy, Absenteeism Policy, HR cycle, Time Registration System Staff well-being Vacancies and staff turnover

## 9.2 The people of EBN

### Employees (as of 31-12-23)

	Total	Female	Male
Number of FTEs employed by EBN	180	73	107
Number of people employed by EBN	193	81	112
Number of employees with permanent contracts	141	55	86
Number of employees with temporary contracts	52	26	26
Number of employees with full-time contracts	121	40	81
Number of employees with part-time contracts	72	41	31
Age group < 25 jaar	1	0	1
Age group 25-34	48	23	25
Age group 35-44	48	23	25
Age group 45-54	60	26	34
Age group 55-64	34	9	25
Age group 65 >	2	0	2

### Interns

	Total	Female	Male
Number of interns at EBN (average FTE)	10	2	8
Number of interns at EBN (headcount)	10	2	8

### External workers

	Total	Female	Male
Number of external workers in staff positions (average FTE)	43	8	35
Number of external workers in staff positions (headcount)	60	15	45

### Joining and leaving the company in 2023

	Total	Female	Male
Number of new hires	45	21	24
Number of terminations	22	9	13

## About EBN employees

	2023	2022	2021
Percentage of women employed at EBN	42,0%	40,2%	40,0%
Percentage of women in senior management positions	46,2%	53,3%	50,0%
Average age	43,9	44	43,8
Percentage under the age of 45	50,3%	52,1%	52,3%
University	82,9%	84,6%	83,9%
HBO (higher professional education)	11,9%	8,9%	9,0%
MBO (secondary vocational education)	5,2%	6,5%	7,1%
Absenteeism (throughout 2023)	3,9%	3,3%	3,5%
Short-term absenteeism	0,70%	0,9%	0,4%
Medium-term absenteeism	0,22%	0,4%	0,3%
Long-term absenteeism	3,0%	2,1%	2,8%
Average reporting frequency	0,9	0,8	0,5

## 9.3 Governance table

### Board of Directors Governance table

(Age on the date of the Supervisory Board meeting on 12 March 2024)

Name	Age	Profile/area of expertise	Task within EBN	Term of appointment	(Relevant) Ancillary activities
J.W. van Hoogstraten (m, nationality: Dutch)	59	<ul style="list-style-type: none"> <li>Mining engineering &amp; petroleum production (MEng), Delft University of Technology</li> <li>Worked in the energy sector for various oil and gas companies</li> <li>CEO TAQA Energy</li> <li>Chairman Element NL (previously NOGEPA), the trade association of oil and gas producers in the Netherlands</li> </ul>	CEO: Jan Willem heads the Board of Directors and liaises with the Supervisory Board and the shareholder. The Development Director of the corporate managers of the HR, Legal and Communications & Public Affairs departments report to him directly.	Since 1 March 2016, the current term runs from 1 March 2024 to 1 March 2026.	Member of the Supervisory Board of GasTerra B.V. Member of the Board of Delegated Supervisory Board members of GasTerra B.V. Member of the Management Board of the Maatschap Groningen Member of the Advisory Council of the Clingendael International Energy Programme Member of the Strategic Advisory Council of TNO Energy & Materials Chairman of the Supervisory Board of the Nexstep association Member of the Strategic Advisory Council of TNO Geological Service Netherlands Member of the New Energy Coalition (NEC) Foundation Board
B. Brouwer (m, nationality: Dutch)	51	<ul style="list-style-type: none"> <li>Econometrics (drs.), University of Amsterdam</li> <li>Worked in various positions at Euronext (1997-2003), Essent (2003-2008) and EBN (since 2008)</li> </ul>	Chief Financial Officer: Bas is responsible for EBN's financial economic policy and for overseeing all finance-related function areas. The corporate managers of the Accounting & Reporting, Business Control, Treasury, and Facility departments report to him directly.	Since 14 October 2019.	-

Name	Age	Profile/area of expertise	Task within EBN	Term of appointment	(Relevant) Ancillary activities
Y. Verbeek (f, nationality: Dutch)	54	<ul style="list-style-type: none"> <li>MSc Chemical Engineering, Delft University of Technology, and MSc Chemistry, Leiden University</li> <li>Various positions, including roles at AkzoNobel and Duyvis.</li> <li>From 2018 to 2023, statutory director of Benelux Holding and plant manager of the power plant at Maasvlakte.</li> </ul>	Chief Operations Officer: Yolande is responsible for all activities in the business units that focus on business development, technical management, operations and asset management. The BU Directors for Gas Transition, CCS and Heat Transition, the HSE Advisor, the Competences & Capabilities Advisor and the IM & Procurement Manager report to her directly.	Since 1 March 2023.	Member of the Strategic Advisory Board of VoltaChem (TNO) Member/Chair of the Supervisory Committee of SIKO (primary schools Schiedam/Vlaardingen/Maassluis)

## Supervisory Board Governance table

Name	Age	Profile/area of expertise	Task within EBN	Year first appointment	Re-appointments	End of current term	(Relevant) Ancillary activities
R.M. Bergkamp (f, nationality: Dutch)	64	Profile: Public sector organisations	Member of the Supervisory Board, member of the Audit Committee and Chair of the Remuneration/Selection and Appointment Committee	2023		2027	Primary role: N/A Ancillary activities: <ul style="list-style-type: none"> <li>Member of the Executive Committee of the Dutch Milk Foundation</li> <li>Chair of the Supervisory Board of the Dutch Nutrition Centre (Voedingscentrum)</li> <li>Chair of the Board of Skal independent Chair of the ADW-CBS trust office</li> <li>Member of the Supervisory Board of KWH / KWR</li> </ul>

Name	Age	Profile/area of expertise	Task within EBN	Year first appointment	Re-appointments	End of current term	(Relevant) Ancillary activities
F. Eulderink (m, nationality: Dutch)	62	Profile: Knowledge of the energy sector	Chairman of the Supervisory Board, member of the Audit Committee and member of the Remuneration/Selection and Appointment Committee	2023		2027	Primary role: COO Vopak Ancillary activities:  <ul style="list-style-type: none"> <li>• Member of the Supervisory Board and member of the Audit Committee of Alliander</li> <li>• Member of the Advisory Board of the Leiden University Astronomical Institute</li> <li>• Member of the International Review Board of the Dutch Research School for Astronomy</li> </ul>
C.G. Gehrels (f, nationality: Dutch)	56	Profile: government organisations	Member of the Supervisory Board, member of the Audit Committee and member of the Remuneration Committee/Selection and Appointment Committee	2021		2025	Primary role: Global Director for the Energy Transition Arcadis Ancillary activities:  <ul style="list-style-type: none"> <li>• Chair of the Dutch Climate Agreement implementation dialogue committee for industry (Uitvoeringsoverleg Industrie van het Klimaatakkoord)</li> <li>• Member of the Supervisory Board of Delft University of Technology (till June 1st 2023)</li> <li>• Member of the Executive Committee of the Forum for Urban Renewal</li> <li>• Member of the Advisory Board of MIT Senseable City lab</li> </ul>
A.H. Mulder (f, nationality: Dutch)	50	Profile: Public affairs & communication	Member of the Supervisory Board, member of the Audit Committee and member of the Remuneration/Selection and Appointment Committee	2023		2027	Primary role: Director VNO-NCM MKB Noord Ancillary activities: N/A
W.S. de Vries (m, nationality: Dutch)	70	Profile: Financial- economic, knowledge of the oil and gas sector	Member of the Supervisory Board, Chair of the Audit Committee and member of the Remuneration/Selection and Appointment Committee	2017	2021	2025	Primary role: N/A Ancillary activities: N/A

Name	Age	Profile/area of expertise	Task within EBN	Year first appointment	Re-appointments	End of current term	(Relevant) Ancillary activities
J.G. Huijskes (m, nationality: Dutch) <sup>1</sup>	59	Profile: Knowledge of the oil and gas sector	Chair of the Supervisory Board, member of the Audit Committee and member of the Remuneration/Selection and Appointment Committee	2016	2020	2024	Primary role: N/A Ancillary activities: Non-Executive Director Gulf Keystone Petroleum
E.M. Kneppers-Heijnert (f, nationality: Dutch) <sup>1</sup>	72	Profile: Communication and HR	Member of the Supervisory Board, member of the Audit Committee and member of the Remuneration/Selection and Appointment Committee	2016	2020	2024	Primary role: N/A (Professor Emeritus of Business Administration, in particular the legal aspects, at the University of Groningen) Ancillary activities: <ul style="list-style-type: none"> <li>• Member of the Supervisory Board of Wolters Kluwer Holding Nederland B.V.</li> <li>• Chair of the Advisory Board of Stichting Instituut GAK</li> <li>• Board member of St. Fonds Bijzondere Voorzieningen Martini Ziekenhuis Groningen (fund for financial advice and assistance at Groningen hospital)</li> </ul>
J.W. Weck (m, nationality: Dutch) <sup>1</sup>	76	Profile: Government organisations	Member of the Supervisory Board, member of the Audit Committee, Chair of the Remuneration/Selection and Appointment Committee	2015	2019	2023	Primary role: N/A Ancillary activities: <ul style="list-style-type: none"> <li>• Chair of the Supervisory Board of Economische Impuls Zeeland N.V.</li> <li>• Member of the Board of Stichting Talent naar de Top</li> <li>• Chair of the Supervisory Board of Stichting Buddy Netwerk</li> </ul>

<sup>1</sup> These previous members of the Supervisory Board resigned in the past year, 2023.



## 9.4 Remuneration report

This remuneration report provides an overview of the remuneration policy applied to the CEO and the Supervisory Board of EBN in 2023.

Mr. J.W. van Hoogstraten was the CEO of EBN in 2023. The shareholder appointed Mr. Van Hoogstraten for a four-year term, which began on 1 March 2016. This was followed by a reappointment on 1 March 2020 for another four-year term and subsequently a reappointment on 1 March 2024 for a two-year term. At the time of Mr. Van Hoogstraten's appointment in 2016, the shareholder also established the remuneration policy for the CEO as proposed by the Supervisory Board. In establishing the policy, the shareholder took into account the advice of the Remuneration Committee. The Works Council was also given the opportunity to provide input on the remuneration policy. The remuneration policy established in 2016 was used by the Supervisory Board to determine the remuneration and other terms and conditions of employment for of the CEO. The remuneration policy remained unchanged upon Mr. Van Hoogstraten's reappointments on 1 March 2020 and 1 March 2024.

In line with the remuneration policy for the CEO, a separate remuneration policy was established for the two directors who together with the CEO make up the Board of

Directors. This remuneration report exclusively concerns the remuneration policy for the CEO.

### General

The remuneration policy in place at EBN is based on the following principles of the Dutch government's shareholdings policy:

1. The remuneration policy should allow shareholdings to attract qualified CEOs, however, shareholdings are expected to exercise restraint;
2. The total remuneration package is determined by assessing both the private and public sector remuneration standards. To this end, private and public reference groups are established as well as the shareholding's ratio of private to public activities;
3. Variable remuneration is capped at 20% of the base salary.

Under the Mining Act, EBN participates in exploration and production activities for oil and offshore and onshore gas reserves. In addition to the above principles, EBN places significant importance on the CEO's knowledge of and experience in the oil and gas sector.

In formulating the remuneration policy, the fact that long-term variable remuneration is no longer awarded was taken into account. This is consistent with the Dutch

government's 2013 shareholdings policy document (Nota Deelnemingenbeleid Rijksoverheid 2013). In accordance with government policy, a factor of 0.4 was used to convert the long-term variable remuneration. The nature of EBN's overall objectives indicates a long-term perspective, as they contribute to the continuity of the company. All objectives pertain to one or more of EBN's material topics.

In determining the total remuneration, the Supervisory Board has taken into account that the compensation level can be a sensitive issue in the public debate. A modest approach is therefore appropriate. At the same time, the Supervisory Board must act in the interest of EBN by ensuring that the CEO has the required qualifications and experience.

### Remuneration package elements

For the remuneration of the company's CEO in 2023, EBN refers to the 'remuneration of directors' item in the annual financial statements. The financial statements distinguish between fixed remuneration, variable compensation and any other remuneration components where applicable. The Supervisory Board determines the growth of the annual fixed income, if any. If the maximum fixed annual income is reached, further growth is limited to indexation of the fixed annual income.

As of 2016, any indexation takes place in accordance with EBN's terms of employment (a combination of the derived Consumer Price Index, indexation in the Dutch oil and gas industry, and indexation by the shareholder). Indexation can vary between 0% and up to the derived CPI percentage.

### Variable income

The remuneration structure also includes a variable component. If all objectives are fully met, the variable compensation elements can reach up to a maximum of 14% of the fixed annual income. In exceptional circumstances, the Supervisory Board may grant an additional 6% in variable compensation, bringing the maximum variable compensation to 20%. This is in line with the Dutch government's shareholdings policy.

The Supervisory Board determines the variable compensation objectives annually. These consist of objectives for EBN as a whole (company objectives). The objectives are based on the company's strategy. The Supervisory Board sets the objectives to be both realistic and challenging. The objectives must be measurable, within the director's realm of influence and linked to the strategy. Progress is discussed with the Supervisory Board through quarterly reports.

The objectives are discussed in the Remuneration Committee in the first quarter of the year following the year to which the objectives pertained. Following

the Remuneration Committee meeting, the Supervisory Board determines the extent to which the variable compensation objectives have been met. Payment of variable compensation takes place after the approval of the annual financial statements by the general meeting of shareholders.

1. Results after tax: EUR 2,472 million
2. Net management costs (excl. project costs): EUR 23.10 million
3. Transparency benchmark: 4th place in the energy sector equals a realisation score of 70%
4. Great Place to Work : Overall score of 7.8
5. EBN as an impactful company: Score of 7.8 in the stakeholder survey
6. Accelerating the heat transition: Three projects with defined target outcomes identified
7. Contribution to security of supply: Five projects with defined target outcomes identified
8. Circularity of EBN assets: Six projects with defined target outcomes identified

In determining whether the objectives have been met, all objectives are weighted equally. Partial achievement of objectives is possible. The extent to which this is possible is determined in advance.

The Remuneration Committee is also entitled to adjust the overall score positively or negatively. Objectives 1 and 2 are determined based on the work programme and budget that were established in December 2022.

Whether these objectives have been met is determined at the end of the financial year. External research is used to determine whether objectives 4 and 5 have been met. Objectives 6, 7, and 8 relate to various projects with predefined target outcomes. These apply specifically to 2023.

### Pension

The CEO is enrolled in a pension scheme with the General Pension Fund for Public Employees (ABP) in accordance with the terms and conditions for EBN employees.

### Other secondary employment benefits

EBN offers a package of secondary employment benefits that also applies to the CEO. No stock options or shares have been granted to the CEO. Additionally, no loans, advances, or guarantees have been provided by the company to the CEO.

In addition to the secondary employment benefits, the CEO is entitled to reimbursement of expenses and the use of a car (for business and personal use). EBN has taken out directors' liability insurance for the CEO.

### Remuneration policy additional principles

#### Appointment term

The CEO's appointment is governed by a four-year term, with the possibility of reappointment for another four years at the conclusion of each term. In accordance with the Dutch government's 2033 shareholdings policy

document (Nota Deelnemingenbeleid Rijksoverheid 2033), additional reappointments are limited to two two-year terms.

### Notice period

The CEO is required to provide three months' notice to terminate the employment contract, while EBN must give six months' notice.

### Severance pay

Severance pay is only granted to the CEO in case of involuntary termination. Except in the event of manifest unreasonableness, the severance pay for the CEO is limited to a fixed annual income, in accordance with the Corporate Governance Code. The maximum compensation mentioned encompasses the transition allowance, provided it is owed to the CEO in accordance with the Work and Security Act (WWZ) effective as of 1 July 2015.

### Claw back and adjustment of variable remuneration

The employment contract with the CEO contains a clawback clause (Corporate Governance Code 2009 provision II.2.11), as well as a provision under which the Supervisory Board has the authority to amend any

variable remuneration if this leads to unfair outcomes due to exceptional circumstances during the performance period (Corporate Governance Code 2009 provision II.2.10). Including a clawback clause is in line with the Dutch national government's shareholdings policy.

### Variable compensation for 2023

The Remuneration Committee receives quarterly reports, which offer updates on the progress toward the objectives throughout the calendar year. On 12 March 2024, it is determined whether the 2023 objectives have been.

### EBN compensation ratio

In 2023, the median total compensation for EBN employees was EUR 114.169 gross. This figure encompasses gross salary, including variable compensation, holiday allowance, paid vacation days, expense reimbursements, and pension cap compensation. When comparing this amount to the gross salary received by Mr. Van Hoogstraten, (including the aforementioned elements), it yields a compensation ratio of 1:3.4. This ratio has remained constant over the past five years, with the exception of 2020 (1: 3.5) and 2019/2021 (1: 3.3).

## Remuneration of the Supervisory Board

The remuneration for members of the Supervisory Board is fixed and independent of the company's results. The shareholder determines the remuneration for the members of the Supervisory Board at the time of their appointment. The remuneration of the chair of the Supervisory Board amounts to EUR 24,500 per year (2022: EUR 24,500). The other members receive EUR 20,000 (2022: EUR 20,000) per year. All members of the Supervisory Board are entitled to expense reimbursement. The remuneration of the chair of the Supervisory Board differs from that of the other members of the board due to the chair's additional duties.

No loans, advance payments or guarantees were provided to the members of the Supervisory Board by the company. A liability insurance policy was taken out for the members of the Supervisory Board.

The total remuneration of the Supervisory Board for 2023 is listed in the financial statements under '23 Key management'.

Utrecht, 12 March 2024

Subject	Material topic	Description <sup>1</sup>	Goal
1 Results after tax	Good Governance	EBN's profit (+) or loss (-) after tax shown in million EUR. ✓	≥ 2.472
2 Net management costs (excl. project costs)	Good Governance	EBN's organisational costs to include staff, hiring in expertise, office (excluding project costs), shown in million EUR. ✓	≤ 23,1
3 Place in the sector of the Transparency Benchmark	Good Governance	EBN is transparent in its corporate reporting on its CSR policy and activities. ✓	At least 4th place in the sector
4 Great Place to Work	Good employment practices	EBN is considered a Great Place To Work (GPTW). The people at EBN work with commitment, enthusiasm, and are committed to achieving the organisational goals. This is expressed as a score from 0 to 10. ✓	Score of 7.8 or higher
5 EBN as an impactful public company	Public interests	EBN is recognised and acknowledged by Stakeholders, both in general and with regard to its material topics, as a party that provides connective power to and within the energy transition. This is expressed as a score from 0 to 10. ✓	Score of 7.8 or higher
6 Accelerate heat transition	Energy transition	<p><b>Launch of geothermal knowledge platform:</b> Clarification of how EBN will further develop as a knowledge partner with regard to the surface and subsurface. EBN has drawn up an action plan in consultation with partners and the external activities have been carried out.</p> <p><b>4 Regional development strategies:</b> Action plans for the 4 REDS areas are ready. Components of the plan: governance, financing, resources, and budgets.</p> <p><b>Participation in the Heating Infrastructure Fund:</b> Clarification on which role EBN will play in the coming years in integrated heating chains, with a mandate and implementation plan.</p>	Planned activities completed
7 EBN contributes to security of supply	Security of supply	<p><b>Progress on Bergermeer filling operation:</b> 90% filled as on 1 November 2023. Good communication with Ministry of Economic Affairs and Climate Policy and filling agent about developments and adjustments (based on Ministry of EACP assessment).</p> <p><b>Detailed gas extraction acceleration plan:</b> EBN and Ministry of Economic Affairs and Climate Policy have put together a joint report containing a realistic picture of the project funnel.</p> <p><b>Delivery of a vision for long-term security of supply:</b> EBN and the Ministry of Economic Affairs and Climate Policy deliver a joint report containing a version on long-term security of supply.</p> <p><b>Participation in central energy purchasing in the EU:</b> EBN participates (1) as an advisor in the design of the platform and (2) as a designated party in the tender at Member State level.</p> <p><b>Delivery of roadmap for 'storage facilities in public hands':</b> EBN delivers a roadmap with a plan for public involvement in the creation of gas storage facilities after GasTerra ends.</p>	Planned activities completed

	Subject	Material topic	Description <sup>1</sup>	Goal
8	Circular deployment of EBN assets	Energy transition	<p><b>Central registration of EBN asset data:</b> The setting up of a new infrastructural asset database for portfolio analysis and improvement analysis software.</p> <p><b>Commercial framework reuse assets:</b> deliver a commercial framework for transfer of assets (compensation of missed revenue and provisions).</p> <p><b>Using GEODE platform for CCS:</b> Converting knowledge and data from GEODE into information for CCS.</p> <p><b>Phase 1 of portfolio analysis of offshore assets:</b> Delivery of an analysis of current and possible future functionalities of E&amp;P assets offshore, including a future-proof assessment framework.</p> <p><b>Roadmap for CO<sub>2</sub>-neutral development of new investments:</b> Delivery of roadmap including milestones with aim of EBN being net-zero by 2040.</p> <p><b>Safeguarding Energy Transition Projects in the North Sea:</b> EBN contribution to North Sea Consultation: (1) projects funnel; (2) input into socially and environmentally responsible business.</p>	Planned activities completed

<sup>1</sup> Indicators marked with the symbol fall within the scope of the assurance report with limited assurance of the independent accountant.

## 9.5 GRI-index 2023

**Statement of use** Energie Beheer Nederland B.V. has reported with reference to the GRI 2021 Standards for the period from 1 January 2023 to 31 December 2023.

**GRI 1 used** GRI 1: Foundation 2021

GRI STANDARD	Disclosure	Explanatory notes	Reference	
<b>General disclosures</b>				
GRI 2: General Disclosures 2021	<b>The organization and its reporting practices</b>	2-1 Organizational details	The organization shall: a. report its legal name;	2.1 About EBN
			b. report its nature of ownership and legal form;	2.1 About EBN
			c. report the location of its headquarters;	2.1 About EBN
			d. report its countries of operation.	2.1 About EBN
	2-2 Entities included in the organization's sustainability reporting	The organization shall:	a. list all its entities included in its sustainability reporting;	7. Financial statements - Notes to the consolidated financial statements
			b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting;	b. There is no difference between the entities included in the financial reporting and in the sustainability reporting.
		c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: i. whether the approach involves adjustments to information for minority interests;	6.1 Scope	

GRI STANDARD	Disclosure	Explanatory notes	Reference
		c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities;	6.2 Reporting policies and process - Acquisitions and investments
		c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: iii. whether and how the approach differs across the disclosures in this Standard and across material topics.	6.1 Scope
	2-3 Reporting period, frequency and contact point	The organization shall: a. specify the reporting period for, and the frequency of, its sustainability reporting;	6. About this report
		b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this;	6. About this report
		c. report the publication date of the report or reported information;	6.2 Reporting policies and process - Publication date 2023 Annual Report
		d. specify the contact point for questions about the report or reported information.	9.8 Contact information
	2-4 Restatements of information	The organization shall: a. report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements;	No significant restatements
		The organization shall: a. report restatements of information made from previous reporting periods and explain: ii. the effect of the restatements.	No significant restatements
	2-5 External assurance	The organization shall: a. describe its policy and practice for seeking external assurance, including whether and	6.2 Reporting policies and process - Assurance sustainability information
		b. if the organization's sustainability reporting has been externally assured: i. provide a link or reference to the external assurance report(s) or assurance statement(s);	6.2 Reporting policies and process - Assurance sustainability information

GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. if the organization’s sustainability reporting has been externally assured: ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;	8. Independent auditor's report
		b. if the organization’s sustainability reporting has been externally assured: iii. describe the relationship between the organization and the assurance provider.	8. Independent auditor's report
	<b>Activities and workers</b>		
	2-6 Activities, value chain and other business relationships	The organization shall: a. report the sector(s) in which it is active;	2.1 About EBN 2.3 Value creation model
		b. describe its value chain, including: i. the organization’s activities, products, services, and markets served;	2.1 About EBN 2.2 Our position in the energy value chain 2.3 Value creation model
		b. describe its value chain, including: ii. the organization’s supply chain;	2.1 About EBN 2.2 Our position in the energy value chain
		b. describe its value chain, including: iii. the entities downstream from the organization and their activities;	2.2 Our position in the energy value chain - The development of gas and oil sources
		c. report other relevant business relationships;	2.1 About EBN - EBN and the Dutch State 2.3 Value creation model
		d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	2.2 Our position in the energy value chain - The development of geothermal energy
	2-7 Employees	The organization shall: a. report the total number of employees, and a breakdown of this total by gender and by region;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures



GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. report the total number of: i. permanent employees, and a breakdown by gender and by region;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		b. report the total number of: ii. temporary employees, and a breakdown by gender and by region;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		b. report the total number of: iii. non-guaranteed hours employees, and a breakdown by gender and by region;	Not included in annual report
		b. report the total number of: iv. full-time employees, and a breakdown by gender and by region;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		b. report the total number of: v. part-time employees, and a breakdown by gender and by region;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. in head count, full-time equivalent (FTE), or using another methodology;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures

GRI STANDARD	Disclosure	Explanatory notes	Reference
		e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	No significant fluctuations  The breakdown by region is not applicable because the Netherlands as a whole is considered a region
	2-8 Workers who are not employees	The organization shall: a. report the total number of workers who are not employees and whose work is controlled by the organization and describe: i. the most common types of worker and their contractual relationship with the organization;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		The organization shall: a. report the total number of workers who are not employees and whose work is controlled by the organization and describe: ii. the type of work they perform;	3.6 Good employment practices - 3.6.1 The people of EBN - Investing in Young Professionals, Trainees and Interns  3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE), or using another methodology;	3.6 Good employment practices - 3.6.1 The people of EBN - 2023 figures
		b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;	9.2 The people of EBN
		c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	No significant fluctuations
	<b>Governance</b>		
	2-9 Governance structure and composition	The organization shall: a. describe its governance structure, including committees of the highest governance body;	4.4 Corporate Governance - Shareholder
		b. list the committees of the highest governance body that are responsible for decisionmaking on and overseeing the management of the organization's impacts on the economy, environment, and people;	6.3 Materiality analysis and determination - Management and reporting

GRI STANDARD	Disclosure	Explanatory notes	Reference
		c. describe the composition of the highest governance body and its committees by: i. executive and non-executive members;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: ii. independence;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: iii. tenure of members on the governance body;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: iv. number of other significant positions and commitments held by each member, and the nature of the commitments;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: v. gender;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: vi. under-represented social groups;	Not included in annual report
		c. describe the composition of the highest governance body and its committees by: vii. competencies relevant to the impacts of the organization;	9.3 Governance table
		c. describe the composition of the highest governance body and its committees by: viii. stakeholder representation.	Not included in annual report
	2-10 Nomination and selection of the highest governance body	The organization shall: a. describe the nomination and selection processes for the highest governance body and its committees;	4.4 Corporate Governance - Shareholder - Recruitment and selection of Supervisory Board and Board of Directors

GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders);	4.4 Corporate Governance - Shareholder - Recruitment and selection of Supervisory Board and Board of Directors
		b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: ii. diversity;	4.4 Corporate Governance - Shareholder - Recruitment and selection of Supervisory Board and Board of Directors
		b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: iii. independence;	4.4 Corporate Governance - Shareholder - Recruitment and selection of Supervisory Board and Board of Directors
		b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: iv. competencies relevant to the impacts of the organization.	4.4 Corporate Governance - Shareholder - Recruitment and selection of Supervisory Board and Board of Directors
	2-11 Chair of the highest governance body	The organization shall: a. report whether the chair of the highest governance body is also a senior executive in the organization;	5.2 Composition of the Supervisory Board
		b. if the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	5.2 Composition of the Supervisory Board
	2-12 Role of the highest governance body in overseeing the management of impacts	The organization shall: a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development;	4.4 Corporate Governance - Shareholder 5.7 Strategy EBN
		b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes;	4.4 Corporate Governance - Shareholder - Governance and sustainability

GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. describe the role of the highest governance body in overseeing the organization’s due diligence and other processes to identify and manage the organization’s impacts on the economy, environment, and people, including: ii. how the highest governance body considers the outcomes of these processes;	4.4 Corporate Governance - Shareholder - Governance and sustainability
		c. describe the role of the highest governance body in reviewing the effectiveness of the organization’s processes as described in 2-12-b, and report the frequency of this review.	4.4 Corporate Governance - Shareholder - Governance and sustainability
	2-13 Delegation of responsibility for managing impacts	The organization shall: a., describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts;	6.3 Materiality analysis and determination - Management and reporting
		The organization shall: a., describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: ii. whether it has delegated responsibility for the management of impacts to other employees;	6.3 Materiality analysis and determination - Management and reporting
		b. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization’s impacts on the economy, environment, and people.	4.4 Corporate Governance - Shareholder - Governance and sustainability
	2-14 Role of the highest governance body in sustainability reporting	The organization shall: a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization’s material topics, and if so, describe the process for reviewing and approving the information;	6.3 Materiality analysis and determination - Management and reporting
		b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization’s material topics, explain the reason for this.	Not applicable
	2-15 Conflicts of interest	The organization shall: a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated;	4.4 Corporate Governance - Shareholder - Conflicts of interest

GRI STANDARD	Disclosure	Explanatory notes	Reference
		The organization shall: b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership;	4.4 Corporate Governance - Shareholder - Conflicts of interest
		The organization shall: b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: ii. cross-shareholding with suppliers and other stakeholders;	4.4 Corporate Governance - Shareholder - Conflicts of interest
		The organization shall: b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: iii. existence of controlling shareholders;	4.4 Corporate Governance - Shareholder - Conflicts of interest
		The organization shall: b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: iv. related parties, their relationships, transactions, and outstanding balances.	4.4 Corporate Governance - Shareholder - Conflicts of interest
2-16	Communication of critical concerns	The organization shall: a. describe whether and how critical concerns are communicated to the highest governance body;	5.8 Topics discussed in 2023
		b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	5.8 Topics discussed in 2023
2-17	Collective knowledge of the highest governance body	The organization shall: a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	5.4 Corporate governance - Governance and sustainability
2-18	Evaluation of the performance of the highest governance body	The organization shall: a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people;	5.9 Self-evaluation and evaluation of the Board of Directors

GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. report whether the evaluations are independent or not, and the frequency of the evaluations;	5.9 Self-evaluation and evaluation of the Board of Directors
		c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	5.9 Self-evaluation and evaluation of the Board of Directors
2-19	Remuneration policies	<p>The organization shall:</p> <p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>i. fixed pay and variable pay;</p>	4.4 Corporate Governance - Shareholder - Remuneration
		<p>The organization shall:</p> <p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>ii. sign-on bonuses or recruitment incentive payments;</p>	4.4 Corporate Governance - Shareholder - Remuneration
		<p>The organization shall:</p> <p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>iii. termination payments;</p>	4.4 Corporate Governance - Shareholder - Remuneration
		<p>The organization shall:</p> <p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>iv. clawbacks;</p>	4.4 Corporate Governance - Shareholder - Remuneration
		<p>The organization shall:</p> <p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>v. retirement benefits;</p>	4.4 Corporate Governance - Shareholder - Remuneration
		b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization’s impacts on the economy, environment, and people.	4.4 Corporate Governance - Shareholder - Remuneration

GRI STANDARD	Disclosure	Explanatory notes	Reference
	2-20 Process to determine remuneration	<p>The organization shall:</p> <p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <p>i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration;</p>	<p>4.4 Corporate Governance - Shareholder - Remuneration</p> <p>5.3 Composition of the Board of Directors</p>
		<p>The organization shall:</p> <p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <p>ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration;</p>	<p>4.4 Corporate Governance - Shareholder - Remuneration</p> <p>5.3 Composition of the Management</p>
		<p>The organization shall:</p> <p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <p>iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives;</p>	<p>4.4 Corporate Governance - Shareholder - Remuneration</p> <p>5.3 Composition of the Management</p>
		<p>b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.</p>	<p>Not applicable</p>
	2-21 Annual total compensation ratio	<p>The organization shall:</p> <p>a. report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual);</p>	<p>9.4 Remuneration report - EBN compensation ratio</p>
		<p>b. report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual);</p>	<p>9.4 Remuneration report - EBN compensation ratio</p>
		<p>c. report contextual information necessary to understand the data and how the data has been compiled.</p>	<p>9.4 Remuneration report - EBN compensation ratio</p>



GRI STANDARD	Disclosure	Explanatory notes	Reference
	<b>Strategy, policies and practices</b>		
	2-22 Statement on sustainable development strategy	The organization shall: a. report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	Foreword
	2-23 Policy commitments	The organization shall: a. describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference;	4.4 Corporate Governance - Shareholder - Application of the Dutch Corporate Governance Code
		The organization shall: a. describe its policy commitments for responsible business conduct, including: ii. whether the commitments stipulate conducting due diligence;	4.4 Corporate Governance - Shareholder - Application of the Dutch Corporate Governance Code
		The organization shall: a. describe its policy commitments for responsible business conduct, including: iii. whether the commitments stipulate applying the precautionary principle;	4.4 Corporate Governance - Shareholder - Application of the Dutch Corporate Governance Code
		The organization shall: a. describe its policy commitments for responsible business conduct, including: iv. whether the commitments stipulate respecting human rights;	3.7.2 Integrity - International conventions and guidelines
		b. describe its specific policy commitment to respect human rights, including: i. the internationally recognized human rights that the commitment covers;	3.7.2 Integrity - International conventions and guidelines
		b. describe its specific policy commitment to respect human rights, including: ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment;	3.7.2 Integrity - Code of Conduct, complaints committee, and confidential counsellor
		c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this;	3.7.2 Integrity - Code of Conduct, complaints committee, and confidential counsellor
		d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level;	4.4 Corporate governance - Governance and sustainability

GRI STANDARD	Disclosure	Explanatory notes	Reference
		e. report the extent to which the policy commitments apply to the organization’s activities and to its business relationships;	3.7 Good governance - 3.7.4 Chain responsibility
		f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	3.7 Good governance - 3.7.4 Chain responsibility
2-24 Embedding policy commitments		The organization shall: a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization;	3.7 Good governance - 3.7.4 Chain responsibility - EBN Code of Conduct for suppliers
		The organization shall: a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures;	3.7 Good governance - 3.7.2 Integrity 3.7 Good governance - 3.7.4 Chain responsibility - EBN Code of Conduct for suppliers
		The organization shall: a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: iii. how it implements its commitments with and through its business relationships;	3.7 Good governance - 3.7.4 Chain responsibility - EBN Code of Conduct for suppliers
		The organization shall: a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: iv. training that the organization provides on implementing the commitments.	4.4 Corporate Governance - Shareholder - Application Dutch Corporate Governance Code
2-25 Processes to remediate negative impacts		The organization shall: a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to;	3.7 Good governance - 3.7.2 Integrity - Whistleblower scheme
		b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in;	3.7 Good governance - 3.7.2 Integrity - Whistleblower scheme

GRI STANDARD	Disclosure	Explanatory notes	Reference
		c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to;	3.7 Good governance - 3.7.2 Integrity - Whistleblower scheme
		d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms;	4.4 Corporate Governance - Integrity - Stakeholder involvement
		e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	4.4 Corporate Governance - Integrity - Stakeholder involvement
2-26 Mechanisms for seeking advice and raising concerns		The organization shall: a. describe the mechanisms for individuals to: i. seek advice on implementing the organization’s policies and practices for responsible business conduct;	3.7.2 Integrity - Code of Conduct, complaints committee, and confidential counsellor
		The organization shall: a. describe the mechanisms for individuals to: ii. raise concerns about the organization’s business conduct.	3.7.2 Integrity - Code of Conduct, complaints committee, and confidential counsellor
2-27 Compliance with laws and regulations		The organization shall: a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. instances for which fines were incurred;	3.7.2 - Integrity - Compliance legislation and regulations
		The organization shall: a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: ii. instances for which non-monetary sanctions were incurred;	3.7.2 - Integrity - Compliance legislation and regulations
		b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period;	3.7.2 - Integrity - Compliance legislation and regulations

GRI STANDARD	Disclosure	Explanatory notes	Reference
		b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods;	3.7.2 - Integrity - Compliance legislation and regulations
		c. describe the significant instances of non-compliance;	Not applicable
		d. describe how it has determined significant instances of non-compliance.	Not applicable
	2-28 Membership associations	The organization shall: a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	3.5.1 Dialogue with stakeholders
<b>Stakeholder engagement</b>			
	2-29 Approach to stakeholder engagement	The organization shall: a. describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified;	3.5.1 Dialogue with stakeholders; 6.3 Materiality analysis and determination; 9.1 Interaction with our stakeholders
		The organization shall: a. describe its approach to engaging with stakeholders, including: ii. the purpose of the stakeholder engagement;	3.5.1 Dialogue with stakeholders; 6.3 Materiality analysis and determination; 9.1 Interaction with our stakeholders
		The organization shall: a. describe its approach to engaging with stakeholders, including: iii. how the organization seeks to ensure meaningful engagement with stakeholders.	3.5.1 Dialogue with stakeholders; 6.3 Materiality analysis and determination; 9.1 Interaction with our stakeholders
	2-30 Collective bargaining agreements	The organization shall: a. report the percentage of total employees covered by collective bargaining agreements;	3.6 Good employment practices - 3.6.1 The people of EBN
		b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	3.6 Good employment practices - 3.6.1 The people of EBN

GRI STANDARD	Disclosure	Explanatory notes	Reference
<b>Material topics</b>			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	The organization shall:	6.3 Materiality analysis and determination
		a. describe the process it has followed to determine its material topics, including:	
		i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships;	6.3 Materiality analysis and determination
		ii. how it has prioritized the impacts for reporting based on their significance;	6.3 Materiality analysis and determination
		b. specify the stakeholders and experts whose views have informed the process of determining its material impacts.	6.3 Materiality analysis and determination
	3-2 List of material topics	The organization shall:	2.6 Material topics
a. list its material topics;			
b. report changes to the list of material topics compared to the previous reporting period.		2.6 Material topics	
<b>Energy transition</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	For each material topic, the organization shall:	2.6 Material topics
		a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	3.2 Energy transition (Introduction) 3.2 Energy transition - 3.2.2 Responsible CO2 storage 3.2 Energy transition - 3.2.3 Sustainable gas system 3.2 Energy system - 3.2.4 The energy system of the future 3.2 Energy transition - 3.2.5 Dismantling and reuse of infrastructure
		b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;	3.2 Energy transition

GRI STANDARD	Disclosure	Explanatory notes	Reference
		c. describe its policies or commitments regarding the material topic;	<p>3.2 Energy transition (Introduction)</p> <p>3.2 Energy transition - 3.2.2 Reponsible CO2 storage</p> <p>3.2 Energy transition - 3.2.3 Sustainable gas system</p> <p>3.2 Energy transition - 3.2.5 Dismantling and reuse of infrastructure</p>
		<p>d. describe actions taken to manage the topic and related impacts, including:</p> <p>i. actions to prevent or mitigate potential negative impacts;</p>	<p>3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress</p> <p>3.2 Energy transition - 3.2.2 Responsible CO2 storage - What we are doing</p> <p>3.2 Energy transition - 3.2.3 Sustainable gas system</p> <p>3.2 Energy system - 3.2.4 The energy system of the future</p> <p>3.2 Energy system - 3.2.5 Dismantling and reuse</p>
		ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	<p>3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress</p> <p>3.2 Energy transition - 3.2.2 Responsible CO2 storage - What we are doing</p> <p>3.2 Energy transition - 3.2.3 Sustainable gas system</p> <p>3.2 Energy system - 3.2.4 The energy system of the future</p> <p>3.2 Energy system - 3.2.5 Dismantling and reuse</p>

GRI STANDARD	Disclosure	Explanatory notes	Reference
		iii. actions to manage actual and potential positive impacts;	<p>3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress</p> <p>3.2 Energy transition - 3.2.2 Responsible CO2 storage - What we are doing</p> <p>3.2 Energy transition - 3.2.3 Sustainable gas system</p> <p>3.2 Energy system - 3.2.4 The energy system of the future</p> <p>3.2 Energy system - 3.2.5 Dismantling and reuse</p>
		<p>e. report the following information about tracking the effectiveness of the actions taken:</p> <p>i. processes used to track the effectiveness of the actions;</p>	<p>2.8 Connectivity matrix</p> <p>3.2 Energy transition - 3.2.1 Sustainable heat transition - Strategische goals and progress</p> <p>3.2 Energy transition - 3.2.4 The energy system of the future</p>
		ii. goals, targets, and indicators used to evaluate progress;	<p>2.8 Connectivity matrix</p> <p>"3.2 Energy transition - 3.2.1 Sustainable heat transition - Strategic goals and progress</p> <p>3.2 Energy transition - 3.2.2 Sustainable CO2 storage - What we are doing</p> <p>3.2 Energy transition - 3.2.3 A sustainable gas system</p> <p>3.2 Energy system - 3.2.4 The energy system of the future</p> <p>3.2 Energy system - 3.2.5 Dismantling and reuse</p>

GRI STANDARD	Disclosure	Explanatory notes	Reference
		iii. the effectiveness of the actions, including progress toward the goals and targets;	2.8 Connectivity matrix  3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress  3.2 Energy transition - 3.2.2 Sustainable CO2 storage - Concrete projects  3.2 Energy transition - 3.2.3 A sustainable gas system  3.2 Energy system - 3.2.4 The energy system of the future
		iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress  3.2 Energy transition - 3.2.2 Sustainable CO2 storage - What we are doing  3.2 Energy transition - 3.2.3 A sustainable gas system  3.2 Energy system - 3.2.4 The energy system of the future
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	9.1 Interaction with our stakeholders
Own indicators	CO2 emissions	The absolute CO2 equivalent emissions for BUG operations (drilling and production activities)	2.3 Value creation model  2.8 Connectivity matrix
	Geothermal energy extraction	Geothermal energy generated in PJ	2.3 Value creation model  2.8 Connectivity matrix
	Geothermal energy projects	Number of participations in geothermal energy projects	3.2 Energy transition - 3.2.1 A sustainable heat transition - Strategic goals and progress - Investments in geothermal energy projects  2.8 Connectivity matrix



GRI STANDARD	Disclosure	Explanatory notes	Reference
	SCAN drillings	Number of SCAN drillings	2.3 Value creation model 2.8 Connectivity matrix
	CCS projects	Number of participations in CCS projects	3.2 Energy transition - 3.2.2 Sustainable CO2 storage - What we are doing 2.3 Value creation model
	Number of reused infrastructure	The cumulative number of reused mining structures, cables, and pipelines deployed for sustainable energy storage and/or sustainable energy production	2.3 Value creation model 2.8 Connectivity matrix
	Number of decommissioning campaigns	Number of joint decommissioning campaigns included in the operator's work programme & budget for the next fiscal year	3.2 Energy transition - 3.2.5 Dismantling and reuse of infrastructure - Dismantling 2.3 Value creation model 2.8 Connectivity matrix
<b>Security of supply</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	For each material topic, the organization shall:	2.6 Material topics
		a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	3.3 Security of supply
		b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;	3.3 Security of supply
		c. describe its policies or commitments regarding the material topic;	3.3 Security of supply
		d. describe actions taken to manage the topic and related impacts, including:	3.3 Security of supply
		i. actions to prevent or mitigate potential negative impacts;	

GRI STANDARD	Disclosure	Explanatory notes	Reference
		ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	3.3 Security of supply
		iii. actions to manage actual and potential positive impacts;	3.3 Security of supply
		e. report the following information about tracking the effectiveness of the actions taken:	3.3 Security of supply
		i. processes used to track the effectiveness of the actions;	
		ii. goals, targets, and indicators used to evaluate progress;	2.8 Connectivity matrix
		iii. the effectiveness of the actions, including progress toward the goals and targets;	2.8 Connectivity matrix
			3.3 Security of supply
		iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	3.3 Security of supply
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	9.1 Dialogue with our stakeholders
Own indicators	Filling level gas storage	Meet the desired filling requirement of the Gas Storage Bergermeer by the end of the injection season	3.3 Security of supply 2.8 Connectivity matrix
	Small fields production	Small fields production 100% billion Nm3 TQ	2.3 Value creation model 2.8 Connectivity matrix
	Small fields maturation	Small fields maturation 100% billion Nm3 TQ	2.8 Connectivity matrix
	Cost reduction	Unit OPEX in EUR ct/Nm3 GE	2.8 Connectivity matrix
	Gas futures	Number of gas futures from prospects and leads in BCM	2.8 Connectivity matrix

GRI STANDARD	Disclosure	Explanatory notes	Reference
<b>Public interests</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	For each material topic, the organization shall:	3.5 Public interests
		a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	
		b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;	3.5 Public interests
		c. describe its policies or commitments regarding the material topic;	3.5 Public interests (introduction)
		d. describe actions taken to manage the topic and related impacts, including:	3.5 Public interests
		i. actions to prevent or mitigate potential negative impacts;	
		ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	3.5 Public interests
		iii. actions to manage actual and potential positive impacts;	3.5 Public interests
		e. report the following information about tracking the effectiveness of the actions taken:	3.5 Public interests - 3.5.1 Dialogue with stakeholders
		i. processes used to track the effectiveness of the actions;	
		ii. goals, targets, and indicators used to evaluate progress;	3.5 Public interests - 3.5.1 Dialogue with stakeholders
		iii. the effectiveness of the actions, including progress toward the goals and targets;	3.5 Public interests - 3.5.1 Dialogue with stakeholders
		iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	3.5 Public interests

GRI STANDARD	Disclosure	Explanatory notes	Reference
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	3.5 Public interests - 3.5.1 Dialogue with stakeholders
Own indicators	Stakeholder survey score		3.5 Public interests - 3.5.1 Dialogue with stakeholders 2.3 Value creation model 2.8 Connectivity matrix
<b>Safety and the environment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>For each material topic, the organization shall:</p> <p>a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;</p> <hr/> <p>b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;</p> <hr/> <p>c. describe its policies or commitments regarding the material topic;</p> <hr/> <p>d. describe actions taken to manage the topic and related impacts, including:</p> <p>i. actions to prevent or mitigate potential negative impacts;</p>	<p>2.6 Material topics</p> <p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p> <p>3.4. Safety and the environment - 3.4.2 HSE in the heating transition</p> <p>3.4. Safety and the environment - 3.4.5 Cybersecurity</p> <hr/> <p>2.7 Material topics</p> <hr/> <p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p> <p>3.4. Safety and the environment - 3.4.5. Cybersecurity</p> <hr/> <p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p> <p>3.4. Safety and the environment - 3.4.2 HSE in the heating transition</p> <p>3.4. Safety and the environment - 3.4.5 Cybersecurity</p>

GRI STANDARD	Disclosure	Explanatory notes	Reference
		ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	<p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p> <p>3.4. Safety and the environment - 3.4.2 HSE in the heating transition</p> <p>3.4. Safety and the environment - 3.4.5 Cybersecurity</p>
		iii. actions to manage actual and potential positive impacts;	<p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p> <p>3.4. Safety and the environment - 3.4.2 HSE in the heating transition</p> <p>3.4. Safety and the environment - 3.4.5 Cybersecurity</p>
		e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions;	3.4. Safety and the environment - 3.4.1 Safety culture within EBN
		ii. goals, targets, and indicators used to evaluate progress;	<p>2.8 Connectivity matrix</p> <p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p>
		iii. the effectiveness of the actions, including progress toward the goals and targets;	<p>2.8 Connectivity matrix</p> <p>3.4. Safety and the environment - 3.4.1 Safety culture within EBN</p>

GRI STANDARD	Disclosure	Explanatory notes	Reference
		iv. lessons learned and how these have been incorporated into the organization’s operational policies and procedures;	3.4. Safety and the environment - 3.4.1 Safety culture within EBN  3.4. Safety and the environment - 3.4.2 HSE in the heating transition  3.4. Safety and the environment - 3.4.5 Cybersecurity
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	9.1 Dialogue with our stakeholders
Own indicators	Number of occupational accidents resulting in absenteeism	Number of occupational accidents in operations/participations resulting in absenteeism (expressed in Lost Time Accidents or LTA) - only for BUG.	2.3 Value creation model  2.8 Connectivity matrix  3.4 Safety and the environment - 3.4.4 HSE in oil and gas operations
<b>Good employment practices</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	For each material topic, the organization shall:	3.6 Good employment practices
		a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	2.6 Material topics
		b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;	3.6 Good employment practices
		c. describe its policies or commitments regarding the material topic;	3.6 Good employment practices
		d. describe actions taken to manage the topic and related impacts, including:	3.6 Good employment practices
		i. actions to prevent or mitigate potential negative impacts;	
		ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	3.6 Good employment practices

GRI STANDARD	Disclosure	Explanatory notes	Reference
		iii. actions to manage actual and potential positive impacts;	3.6 Good employment practices
		e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions;	3.6 Good employment practices 2.8 Connectivity matrix 9.2 The people of EBN
		ii. goals, targets, and indicators used to evaluate progress;	3.6 Good employment practices 2.8 Connectivity matrix 9.2 The people of EBN
		iii. the effectiveness of the actions, including progress toward the goals and targets;	3.6 Good employment practices 2.8 Connectivity matrix 9.2 The people of EBN
		iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	3.6 Good employment practices
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	9.1 Dialogue with our stakeholders - Employees
Own indicators	Great Place to Work	Score ' Great Place to Work' medewerkerstevredenheid onderzoek (wordt één keer per twee jaar uitgevoerd).	2.3 Value creation model 2.8 Connectivity matrix 3.6 Good employment practices - 3.6.3 Employee satisfaction

GRI STANDARD	Disclosure	Explanatory notes	Reference
<b>Good governance</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>For each material topic, the organization shall:</p> <p>a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;</p> <p>b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;</p> <p>c. describe its policies or commitments regarding the material topic;</p> <p>d. describe actions taken to manage the topic and related impacts, including:</p> <p>i. actions to prevent or mitigate potential negative impacts;</p> <p>ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;</p> <p>iii. actions to manage actual and potential positive impacts;</p> <p>e. report the following information about tracking the effectiveness of the actions taken:</p> <p>i. processes used to track the effectiveness of the actions;</p> <p>ii. goals, targets, and indicators used to evaluate progress;</p> <p>iii. the effectiveness of the actions, including progress toward the goals and targets;</p>	<p>3.7 Good governance</p> <p>3.7 Good governance - 3.7.1 Structure of EBN and partnerships</p> <p>3.7 Good governance - 3.7.2 Integrity</p> <p>3.7 Good governance - 3.7.3 Transparency</p> <p>3.7 Good governance - 3.7.4 Chain responsibility</p> <p>3.7 Good governance</p> <p>3.7 Good governance</p> <p>3.7 Good governance</p> <p>3.7 Good governance</p> <p>2.3 Value creation model</p> <p>2.8 Connectivity matrix</p> <p>3.7 Good governance - 3.7.3 Transparency</p> <p>3.7 Good governance - 3.7.4 Chain responsibility</p> <p>2.3 Value creation model</p>



GRI STANDARD	Disclosure	Explanatory notes	Reference
			2.8 Connectivity matrix
			3.7 Good governance - 3.7.3 Transparency
			3.7 Good governance - 3.7.4 Chain responsibility
		iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	3.7 Good governance - Improvement plans and outlook
		f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	3.7 Good governance - 3.7.2 Integrity - Whistleblower scheme
			9.1 Interaction with our stakeholders
Own indicators	Transparency benchmark	Sector ranking in the Transparency benchmark	2.3 Value creation model
			2.8 Connectivity matrix
	CIS rating Moody's	ESG Issuer Profile Scores (Governance score) based on credit opinion Moody's	2.8 Connectivity matrix
			3.7 Good governance - 3.7.3 Transparency - Financial transparency and reputation
	Net management costs	Net management costs (excl. project costs)	2.3 Value creation model
			2.8 Connectivity matrix
	Solvency	Solvency (equity / total balance sheet)	2.3 Value creation model
			2.8 Connectivity matrix
	Reputation benchmark	Focus on reputation benchmark as part of the stakeholder survey (conducted once every two years).	2.8 Connectivity matrix

## 9.6 10-year key figures

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
number of EBN participations in Joint Ventures:										
- production licences onshore	35	35	34	34	34	33	33	33	33	31
- production licences offshore	103	104	105	105	115	113	110	109	109	107
- production licences	23	29	36	39	40	39	44	46	48	55
sales (bln m <sup>3</sup> , 100%)	13	19	23	20	30	33	39	46	51	66
change in % compared to previous year (100%)	-33	-17	13	-32	-10	-15	-15	-10	-22	-17
- sales Groningen (bln m <sup>3</sup> , EBN share)	1	3	4	3	6	7	9	11	12	17
- sales other gas fields (bln m <sup>3</sup> , EBN share)	4	4	5	5	6	7	8	9	9	10
total sales (bln m <sup>3</sup> , EBN share)	5	7	8	8	12	14	17	20	21	27
average selling price of gas (€ -cents per m <sup>3</sup> 35.17 MJ/m <sup>3</sup> )	47	122	31	11	15	17	16	14	20	22
sales and other income from:										
- continuing operations	2,967	11,998	2,977	1,220	2,206	2,673	3,015	3,094	4,766	6,598
- discontinued operations	-	-	-	-	-	-	-	-	-	-
total sales and other income	2,967	11,998	2,977	1,220	2,206	2,673	3,015	3,094	4,766	6,598
change from continuing operations in % compared to previous year	-75	303	144	-45	-17	-11	-3	-35	-28	-25
net result from:										
- continuing operations	246	4,087	656	-364	256	764	556	333	450	1,614
- discontinued operations	-	-	-	-	-	-	-	-	-	-

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
total result	246	4,087	656	-364	256	764	556	333	450	1,614
net result from continuing activities										
in % of sales	8	34	22	-30	12	29	18	11	9	24
property, plant and equipment										
- investments onshore	16	18	24	25	33	42	25	37	102	290
- investments offshore	136	147	76	113	194	142	131	244	462	475
total investments expenditure	152	165	100	138	227	184	156	281	564	765
depreciation	185	608	401	558	586	430	434	490	557	660
impairment (reversal)	-	-	-	-	-	-155	35	299	660	-
equity	3,085	5,337	1,048	392	775	279	217	178	184	199
gearing ratio (%)	n.v.t.	n.v.t.	n.v.t.	n.v.t.	n/a	n/a	n/a	n/a	87	90
total liabilities	6,577	10,841	6,732	5,507	5,752	5,612	5,331	5,458	5,644	5,465

## 9.7 Glossary and list of references

**BCM** Billion cubic metres of natural gas

**CCS** Carbon capture and storage

**CC(U)S** Carbon capture, utilisation and storage

**CSRD** Corporate Sustainability Reporting Directive

**CIEP** Clingendael International Energy Programme

**Consortium** Collaboration of a non-permanent nature created by a number of parties in order to carry out a specific project

**Corporate Governance Code** The Dutch Corporate Governance Code of the Monitoring Committee

**CSR** Corporate Social Responsibility

**CTOS** CO<sub>2</sub> transport and storage systems

**Downstream activities** Sale and transport of geological resources

**DSA** Decommissioning Security Agreement

**EBN** Energie Beheer Nederland

**E&P** Exploration and production

**ESRS** European Sustainability Reporting Standards

**EZK** Ministry of Economic Affairs and Climate Policy

**FTE** Full-time equivalent; unit of measurement used to determine labour volume, 1 FTE represents a full working week

**FID** Final investment decision/financial investment decision

**Gasgebouw** Public-private partnership of the Maatschap Groningen and GasTerra

**Gas field** Underground accumulation of gas in pore spaces in rock that can be extracted

**GE** Groningen equivalent (Nm<sub>3</sub> of natural gas with calorific value of 35,169 MJ at 0 degrees Celsius and 101,325 kPa)

**Geothermal energy** Heat energy from the earth

**GRI** Global Reporting Initiative

**HR** Human Resources

**HSE** Health, safety and environment

**ICT** Information and communications technology

**IFRS** International Financial Reporting Standards

**IMG** Groningen Mining Damage Institute

**IPO** Association of Provinces of the Netherlands

**IRO** The Association of Dutch Suppliers in the Offshore Energy Industry

**KNMI** Royal Dutch Meteorological Institute

**KVGN** Royal Association of Gas Producing Companies in the Netherlands

**Maatschap Groningen** Partnership to manage production from the Groningen gas field

**Management positions EBN** Programme manager, Corporate Managers and Directors

**Midstream activities** Transport and storage of geological resources

**Mining Act** Dutch legislation concerning the exploration for and the production of minerals

**NAM** Nederlandse Aardolie Maatschappij

**Nexstep** National platform for decommissioning and reuse

**Nm<sup>3</sup>** Normal cubic metre; the standard unit of measurement to express gas volume

**Operating partner** See Operator

**Operator** Party involved in the exploration, extraction or storage process carrying out activities on behalf of partners

**OPI** Operational performance indicators

**PJ** Petajoule, 1PJ = 1,000,000,000,000 joules

**Porthos** Port of Rotterdam CO<sub>2</sub> Transport Hub & Offshore Storage; carbon storage project

**SCAN** Seismic campaign geothermal energy Netherlands

**SDG** Sustainable Development Goals

**Sm<sup>3</sup>** Standard cubic metre

**SodM** Staatstoezicht op de Mijnen (State Supervision of Mines)

**State-owned enterprise** Shareholdership on the part of the Dutch state

**TNO** Dutch organisation for applied scientific research

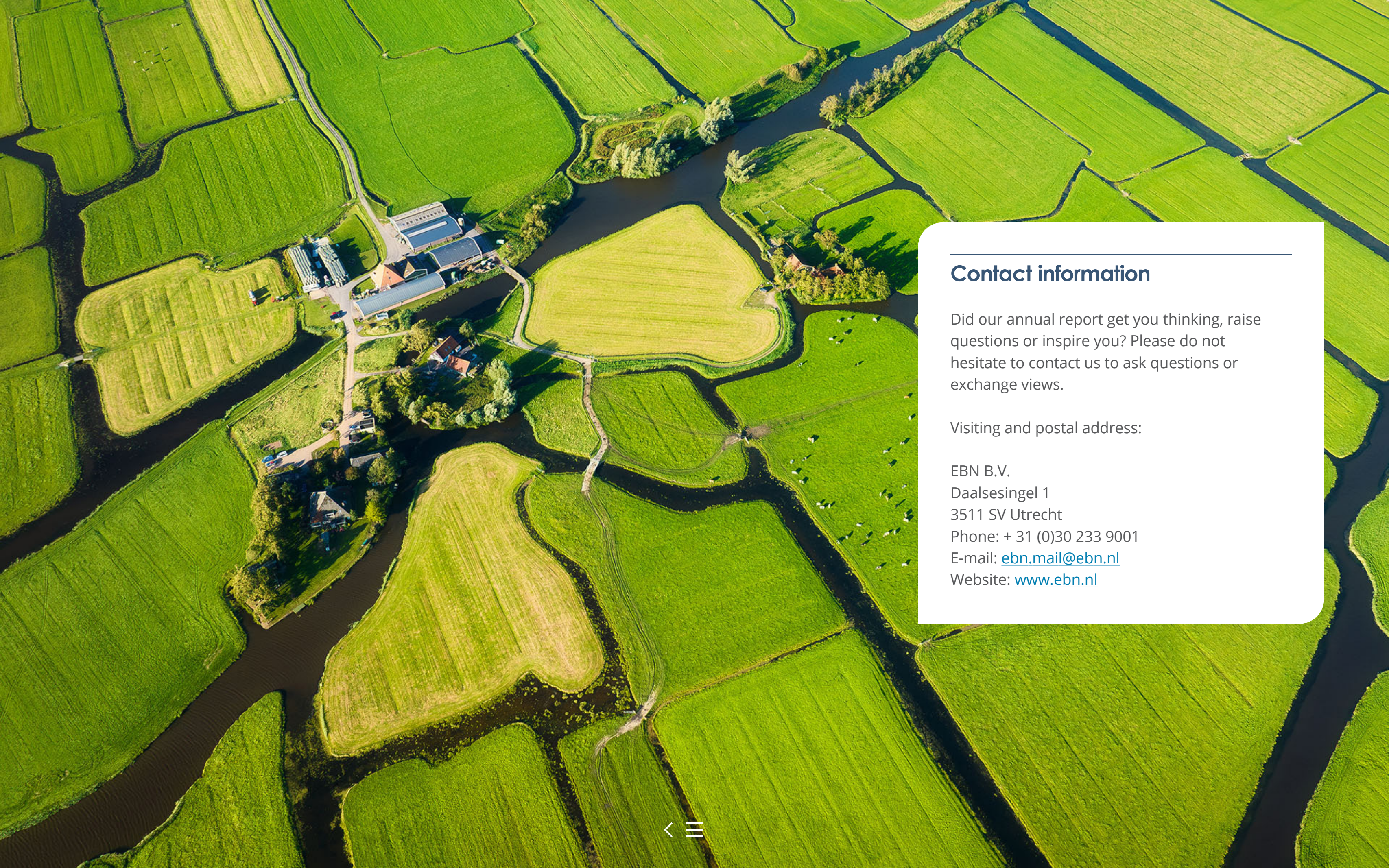
**Treasury** The management of the company's money

**TWh** Terawatt hours

**Upstream activities** Exploration and production of geological resources

**VNG** Association of Municipalities in the Netherlands

**WACC** Weighted average cost of capital



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## Contact information

Did our annual report get you thinking, raise questions or inspire you? Please do not hesitate to contact us to ask questions or exchange views.

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